

MILKFOOD LIMITED

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CIN : L15201PB1973PLC003746 GST : 07AAACM5913B1ZY

MFL\SCY\2026-27

27th August, 2026

The Manager (Listing)
The BSE Limited
1st Floor, New Trading Ring,
Rotunda Building
P J Towers, Dalal Street,
Fort, Mumbai-400 001

Sub: Annual Report for the financial year 2025-26

Scrip Code No.: 507621

Dear Sir/Madam,

Pursuant to Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the financial year ended 31st March, 2026.

The same is being submitted for your kind information and records.

Thanking you,

Yours faithfully,
For MILKFOOD LIMITED


(Rakesh Kumar Thakur)
Company Secretary



Encl: Annual Report for FY 2025-26


milkfood

Regd. Office : P.O. Bahadurgarh-147021 Distt. Patiala (Punjab)

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BOARD OF DIRECTORS
SUDHIR AVASTHI
HARMESH MOHAN SOOD
ANIL GIROTRA
PREETI MATHUR
NAMITA SWAIN
JYOTSNA BHATNAGAR

AUDITORS
Madan & Associates
Chartered Accountants
New Delhi

BANKERS
State Bank of India
Canara Bank

REGISTERED OFFICE
Bahadurgarh
Distt. Patiala-147021
(Punjab)

WORKS
Bahadurgarh
Distt. Patiala-147021
(Punjab)

HEAD OFFICE
Bhandari House
91, Nehru Place
New Delhi-110 019

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DIRECTORS' REPORT

TO THE MEMBERS

The Directors present their 53rd Annual Report together with Audited Financial Statements of the Company for the financial year ended 31st March, 2026.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

	Rs./Lakhs 2025-26	Rs./Lakhs 2024-25
Revenue from Operations & Other Income	48,459	44,964
Profit before Finance cost, Depreciation & Amortisation and Tax	7,801	2,551
Less: Finance Cost	1,376	1,083
Profit before Depreciation & Amortisation and Tax	6,425	1,468
Less: Depreciation & amortisation Expenses	716	710
Profit /(Loss) before Tax	5,709	758
Tax Expenses (credit/ (net)		
- Current Tax	1,202	154
- for earlier year	(36)	2
- MAT Credit utilised/(recognized)	12	36
- Deferred Tax Charged/(Credit)	102	114
Total Tax Expenses/(Credit)	1,280	306
Profit /Loss for the period	4,429	452
Other Comprehensive income	(13)	13
Transferred to Retained Earnings	4,416	465

2. OPERATIONS

During the period under Report, the Company's sales and other income are Rs.48,459/- lakhs and cash profit is Rs.6,425/- lakhs as compared to last year's figures of Rs.44,964/- lakhs and cash profit of Rs.1,468/- lakhs respectively. After depreciation and amortization, the profit for the year is Rs.5,709/- lakhs as compared to the previous year profit of Rs.758/- lakhs respectively.

3. DIVIDEND

The Board of Directors of your Company proposes to retain the profits for use in the business expansion programs. Accordingly, no dividend is recommended by the Directors.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of the business of the Company during the financial year 2025-26.

5. FIXED DEPOSITS

Your Company has not invited or accepted any fixed deposits from the public under Section 73 of the Companies Act, 2013 and the rules made thereunder during the year under review. Accordingly, no amount of principal or interest on deposits was outstanding as on date.

6. SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

During the year under review, **M/s. MFL Trading Private Limited** ceased to be a wholly owned subsidiary of the Company. The said subsidiary had filed an application in **Form STK-2** with the Registrar of Companies on **15th October, 2025** for striking off its name from the Register of Companies. The Registrar of Companies, vide email dated **20th January, 2026**, approved the application. Consequently, the name of MFL Trading Private Limited has been struck off from the Register of Companies and the Company does not have any subsidiary as on the date of this Report.

Consolidated Financial Statements

In view of the striking off of MFL Trading Private Limited, the Company does not have any subsidiary as on the date of this Report. Accordingly, the requirement of preparation and presentation of Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the applicable Accounting Standards are not applicable for the year under review. Consequently, only the standalone financial statements of the Company are presented for the year under review.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year under review, the Company has not granted any loans, provided any guarantees, or made any investments within the meaning of Section 186 of the Companies Act, 2013. Accordingly, the disclosure requirements under the said provisions are not applicable to the Company for the period.

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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and to the date of this Report except as stated below:

Execution of an Asset Purchase Agreement

During the financial year, the Company, pursuant to the approval taken from the members of the Company in their Annual General meeting held on 25th September, 2025, entered into an Asset Purchase Agreement dated 16th January, 2026, for the sale of its property/unit located at Village Agwanpur, Moradabad, Uttar Pradesh. The transaction, valued at Rs. 130 Crores (Rupees One Hundred and Thirty Crores only), includes the land, buildings, superstructures, and Plant & Machinery situated on the site.

This strategic sale has been undertaken with two clear objectives:

- **Strengthening the balance sheet** by reducing borrowings, thereby lowering interest costs and improving financial stability.
- **Supporting future growth** by channelling part of the proceeds into business development initiatives.

The Board believes this decision will enhance the Company's financial flexibility and position it better for long-term growth and shareholder value creation.

9. DIRECTORS

Retirement by Rotation

Mr. Harmesh Mohan Sood (DIN: 07951620), Non-Executive Non-Independent Director, retires by rotation and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Appointment and Regularisation of Independent Director

During the year under review, Mrs. Jyotsna Bhatnagar (DIN: 11147240) was appointed as an Independent Non-Executive Director, not liable to retire by rotation, for a term of five consecutive years commencing from 12th August, 2025 and ending on 11th August, 2030.

She fulfills the independence criteria prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Members, at their Annual General Meeting held on 25th September, 2025, approved and regularised the appointment of Mrs. Jyotsna Bhatnagar as an Independent Director of the Company.

Re-appointment of Managing Director

At the Annual General Meeting held on 25th September, 2025, members approved the re-appointment of Mr. Sudhir Avasthi as the Managing Director for a period of five years from 1st July, 2026 to 30th June, 2031 not liable to retire by rotation. Mr. Sudhir Avasthi has attained the age of seventy years on 23rd April, 2026.

Completion of Tenure

Mrs. Gita Bawa (DIN: 00111003), Independent Director, has completed her second consecutive five-year term on 29th May 2026. Upon completion of her tenure, she ceased to hold office as an Independent Director on the said date. The Board acknowledges the completion of her tenure and places on record its sincere appreciation for her valuable guidance and contributions.

Continuing Directors

- Mrs. Preeti Mathur – Non-Executive Non-Independent Director
- Mr. Anil Girotra – Independent Non-Executive Director
- Mrs. Namita Swain – Independent Non-Executive Director

Board's Opinion on Independence

The Board affirms that all Independent Directors possess the requisite integrity, expertise, and experience to serve the Company effectively.

10. DECLARATION OF INDEPENDENCE

All the Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have confirmed the compliances of relevant provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time.

11. FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS

The Company has issued the formal letter of appointment to all the Independent Directors in the manner as provided under the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company at www.milkfoodltd.com.

12. MEETINGS OF THE BOARD OF DIRECTORS

During the financial year under review, the Board convened **Seven (7) meetings** and the Independent Directors held **One (1) separate meeting**. The details of these meetings, including dates and attendance, are provided in the Corporate Governance Report. The intervening gap between any two meetings was within the time frame prescribed under the **Companies Act, 2013**, thereby ensuring full compliance with statutory requirements.

13. FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Company has a policy of conducting familiarization programmes for Independent Directors in order to familiarize them with the Company, their roles, rights, responsibilities in the Company and nature of the industry in which the Company operates etc. The details of such Policy have been given on the website of the Company at www.milkfoodltd.com.

14. COMMITTEES

In compliance with the provisions of Sections **177, 178 and 135** of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted the following Committees of the Board:

- **Audit Committee**
- **Nomination & Remuneration Committee**
- **Stakeholders Relationship Committee**
- **Corporate Social Responsibility Committee**

The composition of these Committees, along with details of meetings held during the year and attendance of members, are provided in the **Corporate Governance Report**, forming part of this Annual Report.

15. KEY MANAGERIAL PERSONNEL

In pursuance of the provisions of Section 2(51) and Section 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel of the Company as on date:

- **Mr. Sudhir Avasthi** – Managing Director
- **Mr. Sanjeev Kothiala** – Chief Financial Officer
- **Mr. Rakesh Kumar Thakur** – Company Secretary and Compliance Officer

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) read with Section 134(5) of the Act, your Directors confirm that:

- (a) in the preparation of Annual Accounts for the year ended March 31, 2026, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) the Directors 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 at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts of the Company on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

17. CHANGES IN THE SHARE CAPITAL OF THE COMPANY:

There was **no change in the Share Capital of the Company during the financial year 2025-26**.

However, subsequent to the closure of the financial year, the **Board of Directors**, at its meeting held on **22nd June, 2026**,

allotted 12,18,000 (Twelve Lakh Eighteen Thousand) Equity Shares of Rs. 5/- each under the **Milkfood Limited Employee Stock Option Plan 2024 ("Milkfood ESOS 2024 Plan/ Scheme")** to the eligible employees. Listing and trading approval of these equity shares is received from BSE w.e.f 03rd July, 2026 vide BSE letter Dated 02nd July, 2026.

Consequent to the said allotment, the **paid-up share capital of the Company** is **Rs.12,79,80,900/ (Rupees Twelve Crore Seventy Nine Lakh Eighty Thousand Nine Hundred Only)** divided into **2,55,96,180 (Two Crore Fifty Five Lakh Ninety Six Thousand One Hundred Eighty) Equity Shares of Rs. 5/- each fully paid-up.**

18. AUDITORS

18.1 STATUTORY AUDITORS

The members at their **49th Annual General Meeting (AGM)** of the Company held on **28th September, 2022** appointed **M/s Madan & Associates, Chartered Accountants, New Delhi (FRN 000185N)** as the Statutory Auditors of the Company to hold office for a term of **five years**, i.e., from the conclusion of the 49th AGM until the conclusion of the 54th AGM to be held in the calendar year **2027**.

M/s Madan & Associates, Chartered Accountants have furnished a certificate confirming their eligibility and qualifications to continue as Statutory Auditors of the Company in accordance with the provisions of **Section 141 read with Section 144 of the Companies Act, 2013**.

Pursuant to the **Companies Amendment Act, 2017** (vide Notification dated 7th May 2018 issued by the Ministry of Corporate Affairs), the requirement of annual ratification of the Auditors' appointment by the shareholders has been dispensed with. Accordingly, no resolution relating to ratification of the Auditors' appointment is included in the Notice of the ensuing Annual General Meeting.

18.2 AUDITORS' REPORT

The Auditors' Report on the financial statements of the Company for the financial year ended 31st March 2026 contains a **Modified Opinion**, signifying the presence of qualifications.

Auditors Qualification

Note no 4(i) regarding the revaluation of Land of Rs 3197 Lakhs resulting in Profits before tax/Retained Earnings higher and OCI/Revaluation Surplus lower as per Ind AS 16, Note no 4.2 regarding retrospective re-evaluation of useful economic life of Vehicle resulting in overstatement of profit before tax to the extent of Rs 251 Lakhs, Note no 4.3 in respect of share based expense of Rs 318 Lakhs net of from other income instead of separate classification in Employee benefit expense as per Ind AS 102.

Directors' Response to Auditors' Qualifications:

The Board of Directors has carefully considered the observations made by the Statutory Auditors in their Report with respect to Note Nos. 4(i), 4.2 and 4.3 of the Financial Statements. In this regard, the Directors wish to state as follows:

There is no impact on "Other Equity" of the Company except Rs. 251 Lakhs on account of re-evaluation of useful life of asset.

18.3 SECRETARIAL AUDITORS

The members at the 52nd Annual General Meeting (AGM) of the Company held on 25th September 2025, appointed **Mrs. Kamlesh Gupta**, Company Secretary in practice, as the **Secretarial Auditor** of the Company for a term of five consecutive financial years commencing from 1st April, 2025 and ending on 31st March, 2030.

The **Secretarial Audit Report** issued by the Secretarial Auditor in Form MR-3 forms an integral part of this Annual Report and is annexed hereto as **Annexure-1**.

18.4 ANNUAL SECRETARIAL COMPLIANCE REPORT

In accordance with the requirements of the Securities and Exchange Board of India (SEBI), the Company has obtained the **Annual Secretarial Compliance Report** for the financial year ended 31st March, 2026 from **Mrs. Kamlesh Gupta, Company Secretary in practice**.

The report, covering compliance with all applicable SEBI Regulations, circulars, and guidelines, has been duly submitted to the **Stock Exchange**.

18.5 INTERNAL AUDITORS

M/s. Rajeev Pankaj and Associates, Chartered Accountants (Registration No. 033717N), continue to serve as the Internal Auditors of the Company. The firm carries out the functions of internal audit, providing independent assurance on the adequacy and effectiveness of the Company's internal control systems, risk management practices, and governance processes. Their ongoing engagement ensures that the Company maintains robust compliance and operational efficiency across its activities.

18.6 COST AUDITORS

In accordance with Section 148(1) of the Companies Act, 2013 (“the Act”) and the rules framed thereunder, the Company is required to maintain cost records as specified by the Central Government. The Company has duly maintained such cost accounts and records.

On the recommendation of the Audit Committee, the Board of Directors has appointed **M/s HMVN & Associates, Cost Accountants (Firm Registration No. 000290)**, as the Cost Auditors of the Company for the financial year 2026-27. The Company has received their written consent and confirmation that the appointment is in compliance with the applicable provisions of the Act and the rules framed thereunder.

The remuneration payable to the Cost Auditors has been approved by the Board of Directors on the recommendation of the Audit Committee, in accordance with the provisions of the Act and the applicable rules. The Members are requested to ratify the remuneration payable to M/s HMVN & Associates, as set out in the Notice convening the ensuing Annual General Meeting.

The Company will file the Cost Audit Report for the financial year ended **31st March, 2026** with the Central Government within the prescribed time.

18.7 REPORTING OF FRAUD BY AUDITORS

In accordance with the provisions of Section 143(12) of the Companies Act, 2013, the Company confirms that during the year under review, none of the Statutory Auditors, Cost Auditors, Internal Auditors, or Secretarial Auditors have reported any instances of fraud committed by the officers or employees of the Company. This affirmation underscores the Company’s commitment to maintaining the highest standards of integrity, transparency, and accountability in all its operations.

19. NOMINATION AND REMUNERATION POLICY

The Board on the recommendations of the Nomination & Remuneration Committee has framed a Policy for the selection and appointment of directors, key managerial personnel and also for determining the criteria of their remuneration. The Remuneration Policy has been stated in the Corporate Governance Report and is uploaded on the Company’s website at http://www.milkfoodltd.com/img/downloads/Milkfood_Nomination_Remuneration_Policy.pdf

20. RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has formulated a Risk Management Policy. The Company is aware of the risks associated with the business of the Company. The Board regularly analyses and takes corrective actions for managing / mitigating the risks.

At present, the Company has not identified any element of risks which may threaten the existence of the Company.

21. PERFORMANCE EVALUATION

In compliance with the requirements of the Companies Act and SEBI Listing Regulations, the Board undertook a structured performance evaluation exercise covering individual Directors, the Board as a whole, and its committees.

- **Evaluation of Directors:** Each Director was assessed on parameters such as level of engagement, quality of contribution, and independence of judgment, thereby ensuring that the interests of the Company are safeguarded.
 - Independent Directors were evaluated by the entire Board (excluding the Directors being evaluated).
 - Non-Independent Directors were evaluated by the Independent Directors.
- **Evaluation of the Board and Committees:**

The Board also carried out an annual review of the functioning of its committees, focusing on their effectiveness and contribution to overall governance.
- **Key Criteria for the performance evaluation are as follows:**
 - **For Directors:**
 1. Attendance at Board/Committee meetings
 2. Contribution during deliberations
 3. Guidance and support to management outside formal meetings
 - **For Board and Committees:**
 1. Fulfillment of key responsibilities
 2. Adequacy of structure and composition
 3. Quality of relationship between Board and Management
 4. Effectiveness of communication with shareholders

5. Efficiency of processes, information flow, and overall functioning

The Directors expressed their satisfaction with the evaluation process, affirming that it was fair, transparent, and aligned with the Company's commitment to strong governance practices.

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

The Company has adopted an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been constituted to address complaints pertaining to sexual harassment. The policy applies to all employees of the Company, including permanent, contractual, temporary, and trainees. During the year under review, no complaints were received by the ICC.

23. COMPLIANCE OF MATERNITY BENEFIT ACT, 1961

The Company remains committed to fostering a supportive and inclusive workplace for all employees. In accordance with the provisions of the Maternity Benefit Act, 1961, the Company ensures that all eligible women employees are entitled to paid maternity leave and other prescribed benefits.

During the year under review, no women employees availed maternity leave. Nevertheless, the Company continues to provide flexible working arrangements and nursing breaks to facilitate work-life balance and to support employees in managing both professional and family responsibilities.

24. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in “**Annexure-2**” of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The policy is available on http://www.milkfoodltd.com/img/downloads/Milkfood_Corporate_Social_Responsibility_Policy.pdf

25. CORPORATE GOVERNANCE REPORT

A detailed Report on Corporate Governance forms an integral part of Annual Report and is set out as a separate section therein. A certificate from the Practicing Company Secretary, regarding the compliances with the conditions of corporate governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Directors' Report.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of provisions of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report have been given separately and forms part of this Report.

27. INFORMATION UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The shares of your Company are listed at the BSE Ltd. vide Stock Code: 507621. The listing fee for the financial year 2026-27 has been paid.

28. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are annexed herewith as “**Annexure- 3**”.

29. ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, the Annual Return referred to in Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft Annual Return in e-form MGT-7 for the financial year ended 31st March, 2026 is available on the Company's website at www.milkfoodltd.com

30. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to the top ten employees in terms of remuneration drawn and their other particulars, also form part of this Report. However, the Report and the financial statements are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

Disclosures pertaining to remuneration and other details as required u/s 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 are provided as per “**Annexure-4**”.

31. RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were conducted on an **arm’s length basis** and in the **ordinary course of business**. The Company did not enter into any materially significant related party transactions with Promoters, Key Managerial Personnel, or other designated persons that could have a potential conflict of interest with the Company at large.

A disclosure in **Form AOC-2** is annexed to this Report as **Annexure-5**. Further details of related party transactions are provided in **Note 34** of the financial statements.

In line with governance practices:

- All related party transactions are placed before the **Audit Committee** and the **Board of Directors** for approval.
- **Omnibus approval** is obtained annually for transactions of a repetitive nature.
- Transactions entered pursuant to such omnibus approval, along with a statement of all related party transactions, are reviewed by the Audit Committee on a **quarterly basis**.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company’s website at http://www.milkfoodltd.com/img/downloads/Milkfood_Policy_on_related_party_transactions.pdf

32. PREVENTION OF INSIDER TRADING

Pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for the Prevention of Insider Trading. The objective of this Code is to regulate trading in the securities of the Company by Directors and Designated Employees who may have access to unpublished price-sensitive information by virtue of their position in the Company.

The Code ensures that such persons adhere to the highest standards of transparency and fairness in dealing with the Company’s securities, thereby safeguarding the interests of shareholders and maintaining market integrity.

The Code of Conduct, as required under the SEBI Regulations, is available on the Company’s website: www.milkfoodltd.com.

33. VIGIL MECHANISM

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, Vigil Mechanism for directors and employees to report their genuine concerns such as unethical behavior, actual or suspected fraud, violation of the Company’s Code of Conduct, has been adopted. The Vigil Mechanism Policy has been uploaded on the website of the Company at http://www.milkfoodltd.com/img/downloads/Milkfood_WHISTLEBLOWER_POLICY.pdf

34. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has established a robust internal control framework designed to safeguard its assets against loss, unauthorized use, or improper disposition. All financial transactions are duly authorized, accurately recorded, and systematically reported to the Management. The Company ensures strict compliance with applicable Accounting Standards, thereby maintaining transparency and reliability in its books of accounts and financial statements.

An independent Internal Auditor continuously reviews and evaluates the effectiveness of these controls, monitoring adherence to the policies and procedures adopted by the Company. This ongoing oversight provides assurance that the internal control system remains adequate, effective, and aligned with the Company’s objectives of operational efficiency, regulatory compliance, and risk mitigation.

35. COMPLIANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company is fully compliant with the applicable mandatory requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

36. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the financial year, your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

37. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders which were passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company and the Company’s Operations in future.

38. ESOP ISSUANCE

In accordance with the *Milkfood Limited Employee Stock Option Plan 2024* ("Milkfood ESOS 2024 Plan/ Scheme"), duly approved by the Board of Directors on 02nd December, 2024 and by the Members at the Extra-ordinary General Meeting held on 30th December 2024, and pursuant to the inprinciple approval granted by BSE Limited on 23rd January, 2025, the Nomination and Remuneration Committee ("NRC") granted **12,18,000 (Twelve Lakh Eighteen Thousand) Options** to eligible employees on 27th January, 2025. Subsequently, the most of grantees expressed their inability to exercise the options, citing unattractive terms. The NRC, in line with Clause 11 of the Scheme, approved the lapse of these options and returned them to the pool for future reissue.

On **20th June 2025**, the NRC reissued **12,18,000 Options** to eligible employees at an exercise price of Rs.5 per option. Further, the Board of Directors at its meeting held on **22nd June 2026**, allotted **12,18,000 Options** to eligible employees at the same exercise price of Rs.5 per option, in accordance with the Scheme.

Disclosures required under Regulation 14 of the *SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021* relating to Employees Stock Options as at 31st March 2026 are provided in **Annexure-6** to this Report.

A certificate from the Secretarial Auditors confirming implementation of the Scheme will be available for inspection by members at the ensuing Annual General Meeting.

39. ISSUE OF CONVERTIBLE WARRANTS TO NON-PROMOTER/PUBLIC CATEGORY ON PREFERENTIAL BASIS

Subsequent to the closure of the financial year, the **Board of Directors**, at its meeting held on **30th June, 2026**, considered and approved the proposal for **preferential allotment of securities to persons belonging to the Non-Promoter/Public Category**, in one or more tranches, up to a maximum of **22,00,000 (Twenty Two Lakhs Only) Convertible Warrants** at a price of **Rs. 30/- (Rupees Thirty Only) each**, comprising **face value of Rs. 5/- (Rupees Five Only)** and **securities premium of Rs. 25/- (Rupees Twenty Five Only)**, fully paid in cash. Each Warrant entitles the holder to exercise the option to convert into and be allotted **one equity share of face value Rs. 5/- each, fully paid-up**, against each Warrant.

Company obtained the consent of the members in their **Extra-ordinary General Meeting (EGM)** held on **27th July, 2026**, for the preferential allotment.

Further, in compliance with the provisions of **Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, the Company filed an application with **BSE Limited** on **03rd July, 2026** for seeking in **principle approval** for the said preferential issue.

40. DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

41. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Amount of unclaimed/unpaid dividend:

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), and relevant circulars and amendments thereto, the dividend amounts remaining unpaid or unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. In addition, the IEPF Rules mandate that the underlying shares on which dividend remain unpaid/unclaimed for seven consecutive years shall also be transferred to the demat account of the IEPF Authority.

The year-wise details of unpaid/unclaimed dividend lying in the unpaid account, which are liable to be transferred to the IEPF and the due dates for such transfer, are as follows:

Financial Year	Type of Dividend	Date of declaration of Dividend	Number of Shareholders against whom Dividend amount is unpaid	Dividend in Rs. per equity shares of Rs. 10/- each	Unclaimed Dividend as on 31 st March, 2026 (in Rs.)	Due date for transfer to the IEPF
2022-23	Interim Dividend	19-11-2022	1477	2.50	5,14,303.00	19-12-2029
2023-24	Interim Dividend	16-11-2023	1223	2.50	4,94,552.00	16-12-2030
2024-25	Interim Dividend	25-06-2024	1576	2.50	6,14,136.00	25-07-2031

The details of unpaid/unclaimed dividend and other unclaimed monies are also available on the Company's website at www.milkfoodltd.com.

Shareholders who have not yet encashed/claimed their dividend are requested to claim/encash their dividend warrants at the earliest from the Company/Registrar and Transfer Agent (RTA) before the due dates of transfer to the IEPF as mentioned above, failing which the dividend and corresponding shares will be transferred to the IEPF in accordance with the statutory requirements.

42. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the financial year, no application was made or any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.

43. DETAILS OF THE NODAL OFFICER

During the year under review, in accordance with the IEPF Rules, Mr. Rakesh Kumar Thakur, Company Secretary continues to be the Nodal Officer for the purpose of verification of claims of shareholders pertaining to shares transferred to IEPF and / or refund of dividend from IEPF Authority and for co-ordination with IEPF Authority.

44. APPOINTMENT OF THE DESIGNATED PERSON

During the year under review, Mr. Rakesh Kumar Thakur, Company Secretary of the Company continues to be the designated person to be responsible for "furnishing, and extending co-operation for providing, information to the Registrar with respect to beneficial interest in shares of the Company.

45. DISCLOSURES WITH RESPECT TO UNCLAIMED SUSPENSE ACCOUNT

In accordance with the provisions of Schedule VI of the SEBI Listing Regulations, the Company has opened a Demat Suspense Escrow Account namely "*Milkfood Limited – Demat Suspense Escrow Account*" with the Registrar and Transfer Agent, M/s Alankit Assignment Limited. The details of shares lying in the said account as on March 31, 2026 are provided below. The voting rights on these shares shall remain frozen until the rightful owner claims them.

Sr. No.	Particulars	Number of Shareholders	Number of Shares
(a)	At the beginning of the year	1	2,400 shares of Rs.5/- each
(b)	Shares transferred during the year	-	-
(c)	At the end of the year	1	2,400 shares of Rs.5/- each
(d)	Voting rights	-	Frozen till the rightful owner claims the shares

46. ACKNOWLEDGEMENT

The Board of Directors extends its sincere gratitude to regulatory authorities, stakeholders, customers, vendors, investors, financial institutions, and bankers for their continued support during the year.

We also thank our members for their trust and confidence in the Company.

Most importantly, we acknowledge the dedication and commitment of our employees at all levels. Their hard work and teamwork have been the driving force behind our consistent growth and success.

The Board looks forward to your continued support and cooperation in the years ahead.

For and on behalf of the Board

Place: New Delhi
Date: 07.08.2026

Sd/-
Sudhir Avasthi
Managing Director
DIN:00152375

Sd/-
Harmesh Mohan Sood
Director
DIN: 07951620

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
(For the financial year ended 31st March, 2026)
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Milkfood Limited
P.O. Bahadurgarh
Distt. Patiala
Punjab

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026, complied with statutory provisions listed hereunder and also that the Company has proper board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **Not applicable during the reporting period** as the Company has not received any foreign direct investment, Company has not made any overseas investments and there are no external commercial borrowings during the period under audit.
- (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 Takeover) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not applicable** to the Company during the year under audit.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not applicable** to the Company during the year under audit;
 - (f) The Securities and Exchange Board of India (Registrar 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 a Registrar to an issue and Share Transfer Agent during the year under audit;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable** as the Company has not got delisted its equity shares from the Stock Exchange during the year under audit;
 - (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 year under audit.
- (vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the Management, that is to say:
 - (i) The Food Safety and Standards Act, 2006 and the Rules & Regulations made thereunder as amended from time to time.

For the compliances of Labour Laws & other Laws, as applicable to the Company, my examination and reporting is based on the documents, records and files as produced and shown to me and the information and explanations as provided to me, by the officers and management of the Company and to the best of my judgment and understanding of the applicability of the different enactments upon the Company, in my opinion there are adequate systems and processes exist in the Company to monitor and ensure the compliance with other applicable laws and Labour Laws.

I have also examined the compliances with the applicable Clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

I further report that the Board of Directors of the Company is duly constituted as per the requirements of Listing Regulations and the Companies Act, 2013. 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 applicable provisions of the Act.

Adequate notices are given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice.

The minutes of the Annual General Meeting, Board Meetings and Committee Meetings of the Board are duly signed by the Chairman. All the decisions of the Board meetings and Committee meetings are carried out unanimously as recorded in their respective minute books and no dissenting vote has been recorded in the minutes on any matter.

As per the records, the Company generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

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 the compliances with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there are no other specific events/actions having a major bearing on the affairs of the Company in pursuance of the laws, rules, regulations, guidelines, standards etc. have taken place except the following:

- A. Pursuant to the approval of the members of the Company taken in the Extra-ordinary General Meeting held on 30th December, 2024, the Company had implemented MILKFOOD LIMITED EMPLOYEES STOCK OPTION PLAN, 2024, (MILKFOOD ESOS 2024/PLAN/SCHEME) and Nomination & Remuneration Committee (NRC) in its Meeting held on 27th January, 2025 issued 12,18,000 number of Options convertible into 1218000 equity shares to its eligible employees.

But, all the grantee(s) to whom 1218000 Options were granted on 27th January, 2025 have expressed their inability to exercise the Options granted to them and returned back the Options to the Company citing unattractive proposal as the main reason.

In view of the same, the Nomination & Remuneration Committee (NRC) in its meeting held on 28th May, 2025 accepted the request of all the Grantees and as per the terms & conditions of the (MILKFOOD ESOS 2024/PLAN/SCHEME), the said Options were made part of pool with a authority to NRC that it may re-issue these Options in future at such terms & conditions as it may deemed fit.

Later on NRC at its meeting held on 20th June, 2025 re-issued 12,18,000 (Twelve Lakh Eighteen Thousand only) Options again to the eligible employees of the company, which they have surrendered earlier, at the Exercise Price of Rs. 5/- per Option.

- B. Execution of an Asset Purchase Agreement

During the financial year, the Company, pursuant to the approval taken from the members of the Company in their Annual General meeting held on 25th September, 2025, entered into an Asset Purchase Agreement dated 16th January, 2026, for the sale of its property/unit located at Village Agwanpur, Moradabad, Uttar Pradesh.

This report is to be read with my Letter of even date which is annexed as **Annexure-1A** and form an integral part of this Report.

Sd/-

(Kamlesh Gupta)

Practicing Company Secretary

Membership No. ACS-13862

C.P. No. 10451

UDIN: **A013862H000431444**

Peer Review Certificate No.: 2013/2022

Place : Gurugram

Date : 21/05/2026

To,
The Members
Milkfood Limited

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Gurugram
Date:21/05/2026

Sd/-
(Kamlesh Gupta)
Practicing Company Secretary
Membership No. ACS-13862
C.P. No. 10451
UDIN: **A013862H000431444**
Peer Review Certificate No.: 2013/2022

ANNUAL REPORT ON CSR ACTIVITIES
1. Brief outline on CSR Policy of the Company

The Company recognizes its responsibility to contribute towards creating a positive and lasting social impact. Through its CSR programs, the Company strives for economic and social development that benefits society at large. The CSR Policy outlines the projects and programs to be undertaken.

During the year under review, the Company complied with its CSR obligations by depositing the required funds in the **Prime Minister's National Relief Fund (PMNRF)**.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Harmesh Mohan Sood	Chairman	3	3
2	Mr. Anil Girotra	Member	3	3
3	Mrs. Preeti Mathur	Member	3	3

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

Composition of CSR Committee is shared above and is available on the Company's website at http://www.milkfoodltd.com/img/downloads/Milkfood_Corporate_Social_Responsibility_Policy.pdf along with CSR Policy and project details.

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable

Not applicable

5. (a) Average net profits of the Company as per sub-section (5) of Section 135: Rs. 7,59,63,000/-.

(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: Rs.15,19,260/-

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR Obligation for the financial year [5(b)+5(c)-5(d)]: Rs. 15,19,260/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 15,20,000/-

Details of CSR amount spent against other than ongoing projects during the financial year 2025-26 is enclosed as **Annexure A** to this report.

(b) Amount spent in administrative overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year [6(a)+6(b)+6(c)]: Rs. 15,20,000/-

(e) CSR amount spent or unspent for the Financial Year:

(In Rs.)

Total Amount Spent for the Financial Year	Amount Unspent				
	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
15,20,000	Nil	-	-	Nil	-

(f) Excess amount for set off, if any:

(in Rs.)

Sl. No.	Particular	Amount
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5)	15,19,260
(ii)	Total amount spent for the Financial Year	15,20,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	740
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of unspent CSR amount for the preceding three financial years:

(in Rs.)

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135	Amount spent in the reporting financial year	Amount transferred to any fund specified under Schedule VII as per second proviso to under sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		
1	2024-25	Nil	-	-	-	-	-	-
2	2023-24	Nil	-	-	-	-	-	-
3	2022-23	Nil	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes ☐ No ☒

If Yes, enter the number of Capital assets created/ acquired: Not applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR spent	Details of entity/ Authority/ Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Nil							

9. 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

Sd/-
Sudhir Avasthi
Managing Director
DIN:00152375

Sd/-
Harmesh Mohan Sood
Chairman-CSR Committee
DIN: 07951620

DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR 2025-26

S. No.	Name of the Project /Programmes	Item from list of activities in Schedule VII to the Companies Act, 2013	Amount Spent for the project or Programmes
1	Contribution to Prime Minister's National Relief Fund (PMNF)	Item (viii)	Rs. 15,20,000/-
	Total		Rs. 15,20,000/-

Annexure-3

Information under 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, 2026: -

1. CONSERVATION OF ENERGY

- I. The Company has continued its efforts to reduce energy consumption by improving steam efficiency, enhancing capacity utilization, upgrading technology, modernizing plants, and motivating employees towards energy conservation.
- II. No capital investment was made in energy conservation equipment during the year.

Details pertaining to energy consumption as prescribed are given hereunder:

		Year ended 31.03.2026	Year ended 31.03.2025
A) Power and Fuel consumption			
1) Electricity			
a) Purchased			
Units		46,67,330	26,85,759
Total Value	(Rs.)	3,95,23,143	2,63,07,614
Rate/Unit	(Rs.)	8.47	9.80
b) Own Generation			
(i) Through Diesel Generator			
Units		86,541	66,418
Total Value	(Rs.)	31,62,607	20,48,617
Unit per litre of:			
Diesel Oil		2.78	2.86
Cost/Unit	(Rs.)	36.54	30.84
(ii) Through Steam Turbine			
Units		7,37,371	4,80,380
Total Value	(Rs.)	58,91,464	52,42,922
Unit per Kgs of:		7.99	10.91
Steam		28,012	3,431
Cost/Unit	(Rs.)	0.21	1.53
2) Others/Internal Generation			
Rice Husk/Petroleum Coke/Charcoal			
Buggase/Fire Wood			
Quantity (MT)		10,091	8,882
Total Amount	(Rs.)	7,81,42,904	5,91,79,420
Avg. Rate	(Rs.)	7,744	6,663

The Company has a manufacturing plant at Bahadurgarh, Patiala, producing diverse products. Different sources of energy are utilized in varying combinations depending on the product mix. Consequently, it is not feasible to compute energy consumption per unit for each source of energy.

2. TECHNOLOGY ABSORPTION

- No technology has been imported for the products manufactured/marketed by the Company.
- Technology upgradation is a continuous process, with ongoing work in quality improvement, alternative packaging materials, and process enhancement.
- No expenditure was incurred on Research & Development during the year.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO: Nil

Annexure-4

A. DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Relevant Clause u/r 5(1)	Prescribed Requirement	Particulars
(i)	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	- Mr. Sudhir Avasthi, MD - 28.73%
(ii)	Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year.	- Mr. Sanjeev Kothiala, CFO - 5% - Mr. Rakesh Kumar Thakur, Company Secretary -5%
(iii)	Percentage increase in the median remuneration of employees in the financial year.	5%
(iv)	Number of permanent employees on the rolls of Company.	113
(v)	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	- Average increase in remuneration of Managerial Personnel – 5% - Average increase in remuneration of employee other than Managerial Personnel -5%
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration is as per the Nomination and Remuneration policy for Directors, KMP and other employees of the Company, formulated pursuant to the provision of section 178 of the Companies Act, 2013.

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:

- (a) Name(s) of the related party and nature of relationship: NA
- (b) Nature of contracts / arrangements / transactions: NA
- (c) Duration of the contracts / arrangements / transactions: NA
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
- (e) Justification for entering into such contracts or arrangements or transactions: NA
- (f) Date(s) of approval by the Board: NA
- (g) Amount paid as advances, if any: NA
- (h) Date on which the resolution was passed in general meeting as required under first proviso to section 188: NA

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: NA
- (b) Nature of contracts / arrangements / transactions: NA
- (c) Duration of the contracts / arrangements / transactions: NA
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
- (e) Date(s) of approval by the Board, if any: NA
- (f) Amount paid as advances, if any: NA

For and on behalf of the Board

Sd/-
Sudhir Avasthi
Managing Director
DIN:00152375

Sd/-
Harmesh Mohan Sood
Director
DIN:07951620

Annexure-6

DISCLOSURE UNDER REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

Sl. No.	Particulars	'Milkfood Limited Employee Stock Option Plan 2024' ("MILKFOOD ESOS 2024/PLAN, SCHEME
1.	Any material change in the Plan and whether the Plan is in compliance with the regulations	The Shareholders had approved the Plan, Scheme in their meeting held on 30 th December, 2024. No changes are carried out in the Plan. Further, the Plan is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
2.	Following disclosures are made on the website of the Company – www.milkfoodltd.com	
A.	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time. Members may refer to the audited financial statement prepared as per Indian Accounting Standards (Ind AS) for the financial year 2025-26, available on www.milkfoodltd.com	
B.	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time. Basic and Diluted EPS for the year ended 31st March, 2026 is 18.17 & 17.30.	
C.	Details related to the Plan :	
(i)	A description of the Plan that existed at any time during the year, including the general terms and conditions of the Plan, including-	
	(a) Date of shareholders' approval	The Plan has been approved by a resolution passed in the meeting of the Board of Directors of the Company held on 2nd December, 2024 and shareholders in their meeting held on 30th December, 2024. The Plan has been approved for Eligible Employees of Milkfood Limited.
	(b) Total number of stock options approved under the Plan	The maximum number of Options approved pursuant to the Plan are 12,18,000 (Twelve Lakh and Eighteen Thousand) which shall be convertible into equal number of Equity Shares of the Company.
	(c) Vesting requirements	As per the plan, vesting period shall commence after minimum One (1) year from the grant date and it may extend upto maximum of Three (3) years from the grant date, at the discretion of and in the manner prescribed by the Nomination and Remuneration Committee of the Board.
	(d) Exercise price or pricing formula	The Options shall be granted to the employee at Rs. 5/- per option.
	(e) Maximum term of stock options granted	The Remuneration Committee may in its absolute discretion determine the vesting criteria, which could be either be time-based or performance-based or both, provided, that in no case shall the Vesting Period be (i) more than 3 (Three) years] from the Grant Date; and (ii) less than 1 (one) year from the Grant Date or such other minimum or maximum time period as may be prescribed by Applicable Laws, from time to time.
	(f) Source of shares (primary, secondary or combination)	Primary
	(g) Variation in terms of stock options	Not Applicable

(ii)	Method used to account for the Plan - Intrinsic or fair value	Fair value																
(iii)	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	The Company had opted for using the fair value method for expensing of the options. Hence, same is not applicable.																
(iv)	Option Movement during the year																	
Sl. No.	Particulars	Details																
1	Number of options outstanding at the beginning of the period	12,18,000																
2	Number of options granted during the year	12,18,000																
3	Number of options forfeited / lapsed during the year	Nil																
4	Number of options vested during the year	12,18,000																
5	Number of options exercised during the year	Nil*																
6	Number of shares arising as a result of exercise of options	Not yet exercised*																
7	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	Not yet exercised*																
8	Loan repaid by the Trust during the year from exercise price received	Not applicable since the Scheme is implemented directly																
9	Number of options outstanding at the end of the year	Nil (All options has been granted)																
10	Number of options exercisable at the end of the year	Nil																
(v)	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	(i) Weighted average exercise price of Options outstanding at the end of the year whose: <table><tr><th>Particulars</th><th>SIP</th></tr><tr><td>Exercise price equals market price</td><td>-</td></tr><tr><td>Exercise price is greater than market price</td><td>-</td></tr><tr><td>Exercise price is less than market price</td><td>-</td></tr></table> (ii) Weighted average fair value of Options outstanding at the end of the year whose: <table><tr><th>Particulars</th><th>SIP</th></tr><tr><td>Exercise price equals market price</td><td>-</td></tr><tr><td>Exercise price is greater than market price</td><td>-</td></tr><tr><td>Exercise price is less than market price</td><td>-</td></tr></table>	Particulars	SIP	Exercise price equals market price	-	Exercise price is greater than market price	-	Exercise price is less than market price	-	Particulars	SIP	Exercise price equals market price	-	Exercise price is greater than market price	-	Exercise price is less than market price	-
Particulars	SIP																	
Exercise price equals market price	-																	
Exercise price is greater than market price	-																	
Exercise price is less than market price	-																	
Particulars	SIP																	
Exercise price equals market price	-																	
Exercise price is greater than market price	-																	
Exercise price is less than market price	-																	

(vi)	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -																																																				
(a)	Senior managerial personnel;	<table> <tr> <th data-bbox="854 296 1247 437">Name & Designation of the Employee</th><th data-bbox="1255 296 1365 437">Number of options granted during the year</th><th data-bbox="1373 296 1474 437">Exercise Price per Share</th></tr> <tr> <td data-bbox="854 447 1247 478">Mr. Sudhir Avasthi, Managing Director</td><td data-bbox="1255 447 1365 478">550000</td><td data-bbox="1373 447 1474 478">Rs. 5/-</td></tr> <tr> <td data-bbox="854 488 1247 520">Mr. Deepankar Barat, President</td><td data-bbox="1255 488 1365 520">250000</td><td data-bbox="1373 488 1474 520">Rs. 5/-</td></tr> <tr> <td data-bbox="854 530 1247 582">Mr. Harmesh Mohan Sood, Non-Executive Director</td><td data-bbox="1255 530 1365 582">15000</td><td data-bbox="1373 530 1474 582">Rs. 5/-</td></tr> <tr> <td data-bbox="854 592 1247 644">Mr. Sanjeev Kothiala, Chief Financial Officer</td><td data-bbox="1255 592 1365 644">50000</td><td data-bbox="1373 592 1474 644">Rs. 5/-</td></tr> <tr> <td data-bbox="854 654 1247 706">Mr. Amar Baljeet Singh, Chief Operation Officer</td><td data-bbox="1255 654 1365 706">50000</td><td data-bbox="1373 654 1474 706">Rs. 5/-</td></tr> <tr> <td data-bbox="854 716 1247 768">Mr. Nawal Kumar, Vice President (Accounts)</td><td data-bbox="1255 716 1365 768">50000</td><td data-bbox="1373 716 1474 768">Rs. 5/-</td></tr> <tr> <td data-bbox="854 779 1247 810">Mr. Dhanraj Singh Negi- AVP- Sales</td><td data-bbox="1255 779 1365 810">50000</td><td data-bbox="1373 779 1474 810">Rs. 5/-</td></tr> <tr> <td data-bbox="854 820 1247 872">Mr. Avinash Chandra Sinha General Manager (Works)</td><td data-bbox="1255 820 1365 872">45000</td><td data-bbox="1373 820 1474 872">Rs. 5/-</td></tr> <tr> <td data-bbox="854 882 1247 913">Mr. Hemant Kumar- Manager Taxation</td><td data-bbox="1255 882 1365 913">20000</td><td data-bbox="1373 882 1474 913">Rs. 5/-</td></tr> <tr> <td data-bbox="854 924 1247 975">Mr. Rakesh Kumar Thakur Company Secretary</td><td data-bbox="1255 924 1365 975">28000</td><td data-bbox="1373 924 1474 975">Rs. 5/-</td></tr> <tr> <td data-bbox="854 986 1247 1038">Mr. Rajesh Kumar Shorey General Manager-Quality Control</td><td data-bbox="1255 986 1365 1038">50000</td><td data-bbox="1373 986 1474 1038">Rs. 5/-</td></tr> <tr> <td data-bbox="854 1048 1247 1100">Mr. Sourabh Mandhan General Manager-Production</td><td data-bbox="1255 1048 1365 1100">20000</td><td data-bbox="1373 1048 1474 1100">Rs. 5/-</td></tr> <tr> <td data-bbox="854 1110 1247 1162">Mr. Vikash Shanker Saxena General Manager (Sales)</td><td data-bbox="1255 1110 1365 1162">10000</td><td data-bbox="1373 1110 1474 1162">Rs. 5/-</td></tr> <tr> <td data-bbox="854 1172 1247 1224">Mr. Mukesh Kumar Deputy Manger- (Sales)</td><td data-bbox="1255 1172 1365 1224">10000</td><td data-bbox="1373 1172 1474 1224">Rs. 5/-</td></tr> <tr> <td data-bbox="854 1234 1247 1265">Mr. Sumit Shama - DGM - Finance</td><td data-bbox="1255 1234 1365 1265">10000</td><td data-bbox="1373 1234 1474 1265">Rs. 5/-</td></tr> <tr> <td data-bbox="854 1276 1247 1307">Mr. Vikram Sharma - DGM - Accounts</td><td data-bbox="1255 1276 1365 1307">10000</td><td data-bbox="1373 1276 1474 1307">Rs. 5/-</td></tr> </table>	Name & Designation of the Employee	Number of options granted during the year	Exercise Price per Share	Mr. Sudhir Avasthi, Managing Director	550000	Rs. 5/-	Mr. Deepankar Barat, President	250000	Rs. 5/-	Mr. Harmesh Mohan Sood, Non-Executive Director	15000	Rs. 5/-	Mr. Sanjeev Kothiala, Chief Financial Officer	50000	Rs. 5/-	Mr. Amar Baljeet Singh, Chief Operation Officer	50000	Rs. 5/-	Mr. Nawal Kumar, Vice President (Accounts)	50000	Rs. 5/-	Mr. Dhanraj Singh Negi- AVP- Sales	50000	Rs. 5/-	Mr. Avinash Chandra Sinha General Manager (Works)	45000	Rs. 5/-	Mr. Hemant Kumar- Manager Taxation	20000	Rs. 5/-	Mr. Rakesh Kumar Thakur Company Secretary	28000	Rs. 5/-	Mr. Rajesh Kumar Shorey General Manager-Quality Control	50000	Rs. 5/-	Mr. Sourabh Mandhan General Manager-Production	20000	Rs. 5/-	Mr. Vikash Shanker Saxena General Manager (Sales)	10000	Rs. 5/-	Mr. Mukesh Kumar Deputy Manger- (Sales)	10000	Rs. 5/-	Mr. Sumit Shama - DGM - Finance	10000	Rs. 5/-	Mr. Vikram Sharma - DGM - Accounts	10000	Rs. 5/-
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Mr. Sumit Shama - DGM - Finance	10000	Rs. 5/-																																																			
Mr. Vikram Sharma - DGM - Accounts	10000	Rs. 5/-																																																			
(b)	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	Nil																																																			
(c)	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Mr. Sudhir Avasthi - 5,50,000 Mr. Deepankar Barat - 2,50,000																																																			

(vii)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: (a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;		
		The weighted - average values of share price of option granted	
		Exercise Price	5
		Expected Volatility	69.72%
		Expected Option Life	1 year
		Expected dividends	0.00%
		Average Risk-free interest rate	5.73%
	(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	Not Applicable	
	(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Expected volatility was determined on the basis of historical share price of the Company.	
	(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Volatility and Risk-Free rate have been considered that takes care of Market Conditions.	

*Note: The Allottees have exercised their options under the Employee Stock Option Plan (ESOP) and remitted the requisite consideration. Accordingly, the Board of Directors, at its meeting held on 22nd June, 2026, allotted 12,18,000 (Twelve Lakh Eighteen Thousand) equity shares to the respective Allottees.

Corporate Governance Report

CORPORATE GOVERNANCE REPORT

In accordance with Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“SEBI (LODR) Regulations”], the Report containing the details of Corporate Governance of Milkfood Limited is as follows:

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company firmly believes that Corporate Governance is crucial to the very existence of a company, as the implementation of Code on Corporate Governance goes a long way in attainment of the highest levels of transparency, accountability and equity in all facets of operations. Your Company is committed to the adoption of best Corporate Governance Practices.

BOARD OF DIRECTORS:

As on 31st March, 2026, the Company has Seven (7) Directors consisting of four Non-Executive Independent Directors, two Non-Executive Non-Independent Directors and one Executive Director. The Board is primarily responsible for the overall management of the Company’s business. None of the Directors are related to each other. The composition of the Board of Directors is in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013.

None of the Directors of the Company is a member of more than ten Committees or Chairman of more than five Committees across all companies in which he/she is a director.

The Independent Directors do not have any pecuniary relationship or transactions with the company, promoters, and management, which may affect independence or judgment of the Directors in any manner.

During the financial year 2025-26, seven Board meetings were held i.e. on 25.05.2025, 13.06.2025, 12.08.2025, 14.11.2025, 22.12.2025, 06.01.2026 and on 13.02.2026.

Composition of Board of Directors as on 31st March, 2026 and other details are as under:

Name	Category	No. of Board Meeting held during the financial year 2025-26	No. of Board Meetings attended	Whether previous AGM held on 25th September, 2025 attended	No. of Directorships held in other companies*	No. of Committee positions held in other public limited companies as a Chairman	No. of Committee positions held in other public-limited companies as a Member
Mr. Sudhir Avasthi	Managing Director-Executive	7	7	Yes	Nil	Nil	Nil
**Mrs. Gita Bawa	Non-Executive Independent Director	7	5	No	1	Nil	Nil
Mr. Harmesh Mohan Sood	Non-Executive Non-Independent Director	7	7	Yes	2	Nil	Nil
Mrs. Preeti Mathur	Non-Executive Non-Independent Director	7	5	Yes	Nil	Nil	Nil
Mr. Anil Girotra	Non-Executive Independent Director	7	5	Yes	Nil	Nil	Nil
Mrs. Namita Swain	Non-Executive Independent Director	7	5	Yes	Nil	Nil	Nil
Mrs. Jyotsna Bhatnagar	Non-Executive Independent Director	7	4	NA	Nil	Nil	Nil

*Directorship held in other companies by the Directors of the Company is on the basis of the information furnished by the Directors.

**Mrs. Gita Bawa (DIN: 00111003), Independent Director, completed her second consecutive term of five years on 29th May, 2026, in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Upon completion of her tenure, she ceased to hold office as an Independent Director with effect from said date.

INDEPENDENT DIRECTORS’ MEETING:

In terms of the provisions of Schedule IV of the Act read with regulation 25 of SEBI (LODR) Regulations, the Independent Directors are required to meet at least once in a financial year without the presence of non-independent Directors and the members of the Management.

Accordingly, during the year under review, a separate meeting of the Independent Directors was held on **20th March, 2026**, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors Viz. Mrs. Gita Bawa, Mr. Anil Girotra, Mrs. Namita Swain and Mrs. Jyotsna Bhatnagar were present at the meeting. The following issues were discussed in detail:

- i) Review the performance of non-independent directors and the Board as a whole;
- ii) Assessment of the quality, quantity and timeliness flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

NO. OF SHARES HELD BY THE NON-EXECUTIVE DIRECTORS:

None of the Non-Executive Directors of the Company held any shares of the Company except Mr. Harmesh Mohan Sood who holds 35,080 equity shares of the Company.

AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee comprises two Independent Directors and one Non-Executive Non-Independent Director. The terms of reference of the Audit Committee include oversight of financial reporting, review of internal controls, evaluation of risk management systems, and monitoring of the statutory audit process.

As on 31st March, 2026, the composition of the Audit Committee was as follows:

Name	Designation
Mr. Anil Girotra	Chairman
Mr. Harmesh Mohan Sood	Member
Mrs. Namita Swain*	Member

*Mrs. Namita Swain (DIN: 10211413), Independent Director, has been appointed as a Member of the Audit Committee with effect from 13th February, 2026.

Further, Mrs. Gita Bawa ceased to be a Member of the Audit Committee with effect from 13th February, 2026.

Mr. Rakesh Kumar Thakur, Company Secretary, acts as the Secretary to the Committee.

During the financial year 2025–26, the Audit Committee met four times, on 29th May, 2025; 12th August, 2025; 14th November, 2025; and 13th February, 2026. The attendance of the members at these meetings was as follows:

Name of Members	No. of meetings held during the financial year 2025-26	Meetings attended
Mrs. Gita Bawa	4	4
Mr. Harmesh Mohan Sood	4	4
Mr. Anil Girotra	4	4
Mrs. Namita Swain	4	NA

The Committee has discharged its responsibilities effectively and provided valuable guidance to the Board in ensuring the integrity of financial reporting and compliance with applicable laws and regulations.

NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee comprises of two Independent Directors and one Non-Executive Non-Independent Director. The terms of reference, role and powers of the Committee are in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March, 2026, the composition of the Nomination & Remuneration Committee is as follows:

Name	Designation
Mr. Anil Girotra	Chairman
Mrs. Namita Swain*	Member
Mrs. Preeti Mathur	Member

*Mrs. Namita Swain (DIN: 10211413), Independent Director, has been appointed as a Member of the Nomination & Remuneration Committee with effect from 13th February, 2026.

Further, Mrs. Gita Bawa ceased to be a Member of the Nomination & Remuneration Committee with effect from 13th February, 2026.

During the financial year 2025–26, the Nomination & Remuneration Committee met three times, on 28th May, 2025; 20th June, 2025 and 12th August, 2025. The attendance of the members at these meetings was as follows:

Attendance at the meetings is as follows:

Name of Members	No. of meetings held during the financial year 2025-26	Meetings attended
Mrs. Gita Bawa	3	3
Mrs. Preeti Mathur	3	3
Mr. Anil Girotra	3	3
Mrs. Namita Swain	3	NA

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KMPs AND OTHER SENIOR EMPLOYEES:

The Nomination & Remuneration Committee has formulated a policy for selection and appointment of Directors, KMPs and senior employees and for the determination of their remuneration and other matters as specified under sub section (3) of Section 178 of the Companies Act, 2013. The Remuneration Policy has been uploaded on the Company's website at http://www.milkfoodltd.com/img/downloads/Milkfood_Nomination_Remuneration_Policy.pdf

The highlights of this Policy are as follows:

1. Criteria of Selection of Non-Executive Directors and Remuneration:

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge their functions and duties effectively.
- The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for the appointment as a Director:
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, professional or business standing;
 - Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees for participation in the Board meetings/Committee meetings as may be approved by the Board of Directors within the overall limits as prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

2. Managing Director & Whole-time Director- criteria for selection/appointment and remuneration:

For the purpose of selection of Managing Director or Whole Time Director, the Committee shall identify person of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration the recommendations, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Service contract, severance fee and notice period of the Executive Director:

The appointment of the Managing Director/ Whole time Director is governed by Resolution passed by the Shareholders of the Company, which covers the terms and conditions of such appointment, read with the service rules of the Company. No notice period or severance fee is payable to any Executive Director.

Remuneration:

1. At the time of appointment or re-appointment, the Managing Director or Whole Time Director may be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the Managing Director or Whole-time Director within the overall limits prescribed under the Companies Act, 2013.
2. The remuneration shall be subject to the approval of the members of the Company in their general meeting.
3. In determining the remuneration, the Committee shall ensure/consider the following:
 - a. The relationship of remuneration and performance benchmarks is clear.
 - b. Responsibilities required to be shouldered by the Managing Director or Whole time Director, the industry benchmarks and the current trends.

3. Remuneration Policy for the Senior Management Employees:

In determining the remuneration of the Senior Management Employees (i.e. KMPs and senior officers just below the Board level other than the Managing Director and Whole Time Director), the Committee shall ensure / consider the following:

- i. the relationship of remuneration and performance benchmark is clear;
- ii. the remuneration including annual increment is decided based on the criticality of the role's responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals' performance and current compensation trends in the market.

DETAILS OF REMUNERATION PAID TO DIRECTORS:

The Company pays sitting fees to all the Non-Executive Directors of the Company for the Board meetings attended by them. The sitting fees paid to the Non-Executive Directors of the Company for the financial year ended on 31st March, 2026 is as follows:

Sl. No.	Name of Directors	Sitting fees
1.	Mrs. Gita Bawa	Rs. 95,000/-
2.	Mr. Harmesh Mohan Sood	Rs. 1,30,000/-
3.	Mrs. Preeti Mathur	Rs. 90,000/-
4.	Mr. Anil Girotra	Rs. 90,000/-
5.	Mrs. Namita Swain	Rs. 95,000/-
6.	Mrs. Jyotshna Bhatnagar	Rs. 80,000/-
	Total	Rs. 5,80,000/-

There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year except the sitting fees paid to them as detailed above.

Remuneration to Executive Directors:

(Rs. in Lakh)

S. No.	Name of Director	Salary	Perquisites and other	Total
1.	Mr. Sudhir Avasthi, Managing Director	150.00	27.34	177.34

STAKEHOLDERS RELATIONSHIP COMMITTEE:

In view of the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Stakeholders Relationship Committee comprises of Non-Executive Director as the Chairperson. The functioning and terms of reference of the Committee are as prescribed under and in due compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 with particular reference to the complaints related to transfer of shares, grievances of shareholders and also the Committee functions in an efficient manner that all issues / concerns of the stakeholders are addressed / resolved promptly.

As on 31st March, 2026, the composition of the Stakeholders Relationship Committee is as follows:

Name	Designation
Mrs. Preeti Mathur	Chairperson
Mr. Anil Girotra	Member
Mrs. Namita Swain*	Member

*Mrs. Namita Swain (DIN: 10211413), Independent Director, has been appointed as a Member of the Stakeholders Relationship Committee with effect from 13th February, 2026.

Further, Mrs. Gita Bawa ceased to be a Member of the Stakeholders Relationship Committee with effect from 13th February, 2026.

During the financial year 2025-26, the Stakeholders Relationship Committee met two times, on 13th June, 2025 and 22nd December, 2025.

Attendance at the meetings is as follows:

Name of Members	No. of meetings held during the financial year 2025-26	Meetings attended
Mrs. Gita Bawa	2	2
Mrs. Preeti Mathur	2	2
Mr. Anil Girotra	2	2
Mrs. Namita Swain	2	NA

During the year under review, no complaints have been received from the shareholders of the Company.

Mr. Rakesh Kumar Thakur, Company Secretary, acts as the Secretary of the Committee and also as the Compliance Officer of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has constituted a Corporate Social Responsibility Committee in accordance with the provisions of the Companies Act, 2013. The Committee comprises three Directors. The composition of the Committee as on **31st March, 2026** is as under:

1. Mr. Harmesh Mohan Sood, Non-Executive, Non-Independent Director - Chairman
2. Mr. Anil Girotra, Non-Executive, Independent Director - Member
3. Mrs. Preeti Mathur, Non-Executive, Non-Independent Director - Member

During the financial year 2025-26, the Committee held three meetings. The attendance of the members at these meetings is as follows:

Date of Meeting	Mrs. Preeti Mathur	Mr. Harmesh Mohan Sood	Mr. Anil Girotra
13.06.2025	Yes	Yes	Yes
22.12.2025	Yes	Yes	Yes
20.03.2026	Yes	Yes	Yes

The CSR Policy of the Company as approved by the Corporate Social Responsibility Committee is available on the website of the Company at www.milkfoodltd.com.

ANNUAL GENERAL MEETINGS:

Location and time for the last three AGMs:

Year	Date	Venue	Time	No. of Special Resolutions passed
2023	24.08.2023	Registered Office	9.00 A.M.	Four
2024	31.07.2024	Registered Office	9.00 A.M.	Three
2025	25.09.2025	Registered Office	9.00 A.M.	Three

No resolution has been passed through Postal Ballot.

EXTRA-ORDINARY GENERAL MEETING:

One Extraordinary General Meeting (EGM) of the Members of the Company was duly convened and held at the Registered Office of the Company, P.O. Bahadurgarh, District Patiala – 147021, Punjab, on Monday, 27th July, 2026 at 9:00 A.M.

DISCLOSURE:

Details of related party transactions entered into during the financial year 2025-26 have been disclosed in Note 34 of the financial statements forming part of the annual report.

There has not been any non compliance and no penalties or strictures have been imposed on the Company by the Stock Exchange, SEBI or any other statutory authority on any matter related to capital markets during the financial year under review.

The Company has complied with all the mandatory requirements as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company Secretary in Practice, Ms. Kamlesh Gupta, has issued the Certificate dated 21st May, 2026 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 Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

CODE OF CONDUCT:

The Company has adopted a Code of Conduct for Board Members and Senior Management Team of the Company. All Board Members and Senior Management Personnel of the Company have affirmed the compliance with the Code. A declaration to this effect duly signed by Mr. Sudhir Avasthi, Managing Director of the Company is annexed. The Code of Conduct has been posted on the website of the Company, www.milkfoodltd.com.

MEANS OF COMMUNICATION:

The quarterly, half yearly and yearly financial results of the Company are forwarded to the Bombay Stock Exchange where the shares of the Company are listed immediately upon the approval by the Board of Directors and are published in English daily and in a Punjabi daily as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are posted on the Company's website.

Management Discussion and Analysis Report is annexed and forms part of the Annual Report.

GENERAL SHAREHOLDERS' INFORMATION:

Annual General Meeting (AGM):

Date & Time : 24th September, 2026, 9.00 A.M.
 Venue : Registered Office
 Book Closure Date : 17th September, 2026 to 24th September, 2026
 (Both days inclusive)

Dividend History:

The Dividend declared and paid during the last three financial years is as under:

Sr. No.	Financial Year	% of Interim Dividend	% of Final Dividend	% of Total Dividend	Dividend amount in lakhs
1.	2022-23	25	-	25	122.16
2.	2023-24	25	-	25	128.19
3.	2024-25	25	-	25	152.36

Financial Calendar for 2026-27 (Tentative)

Financial Results for

First Quarter : up to mid-August, 2026
 Second Quarter : up to mid-November, 2026
 Third Quarter : up to mid-February, 2027
 Fourth Quarter : up to 30th May, 2027

Registrar and Share Transfer Agent:

M/s. Alankit Assignments Ltd., 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi-110055, acts as Registrar and Share Transfer Agent of the Company.

For the convenience of shareholders, documents relating to shares and other correspondence will continue to be received at the Company's Head Office at 5th Floor, Bhandari House, 91, Nehru Place, New Delhi-110019, or at the Registered Office at P.O. Bahadurgarh, District Patiala, Punjab-147021.

To expedite the process of share transfers, the Board has delegated the authority to M/s. Alankit Assignments Ltd., who, as Registrar and Share Transfer Agent, attends to share transfer formalities at least once every fortnight.

Share Transfer System

The Board has delegated the authority for approving transmission, dematerialisation of shares, and related matters to the Share Transfer Committee. A summary of transactions approved by the Committee is placed before the Board at its subsequent meeting.

Pursuant to the amended Regulation 40 of the SEBI Listing Regulations, effective 1st April 2019, transfer of securities in physical form is not permitted unless such securities are held in dematerialised mode with a Depository Participant. In view of this, and to eliminate risks associated with physical shareholding while ensuring ease of portfolio management, Members holding shares in physical form are advised to convert their holdings into dematerialised form. For assistance, Members may contact the Company or its Registrar and Share Transfer Agent (RTA), M/s. Alankit Assignments Ltd. The Company, through its RTA, has also sent intimation to shareholders holding shares in physical form, advising them to dematerialise their holdings.

Further, SEBI, vide Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, has mandated that listed companies shall issue securities only in demat mode while processing investor service requests. These include issuance of duplicate certificates, renewal/exchange/sub-division/splitting/consolidation of certificates, transmission/transposition of securities, endorsement, and claims from the Unclaimed Suspension Account.

Simplified Norms for processing Investor Service Request

SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023 has made it mandatory for all shareholders holding shares in physical form to furnish PAN, nomination, contact details, bank account details, specimen signature for their corresponding folios to avail any investor services.

For availing the investor services as mentioned above, the service requests along with the requisite forms are tabulated below:

Type of holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, Alankit Assignments Limited either by email to rta@alankit.com or by post to Alankit Assignments Limited Alankit House, 4E/2, Jhandewalan Extn., New Delhi – 110055 or to the Company:	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014	Form SH-13
	Declaration to opt out	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee	Form SH-14
	Form for requesting issue of duplicate certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR-4
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

Distribution of Shareholding as on 31st March, 2026:

Share holding of nominal value of Rs.	No. of shareholders	No. of shares held	% age of total shareholding (Rounded off)
1-5000	10401	2556189	99.08
5001-10000	51	355886	0.49
10001-20000	22	308737	0.21
20001-30000	5	123381	0.05
30001-40000	2	65745	0.02
40001-50000	2	91327	0.02
50001-100000	3	247321	0.03
100001 and above	12	20629594	0.11
Total	10498	24378180	100

Shareholding pattern as on 31st March, 2026

Particulars	No. of shares held	%age of shares held (Rounded off)
Promoters & Promoter Group	13660096	56.03
Mutual Funds	5200	0.02
Banks, Financial Institutions & Insurance Companies	900	0.00
FPIs	200	0.00
Corporate Bodies	5436981	22.30
Indian Public	4666823	19.15
NRIs/NRNR/OCBs	51457	0.21
Any other	556523	2.29
Total	24378180	100.00

Dematerialization of Shares and Liquidity:

As the members are aware, your Company's shares are tradable compulsory in electronic form and your Company has established the electronic connectivity with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository System, members are requested to avail of the facility of dematerialization of the Company's Shares on either of the Depositories as aforesaid.

As on 31st March, 2026, 98.13% Equity Capital was held in dematerialized form and the balance in physical form.

Plant Locations:

Patiala Plant: P.O. Bahadurgarh, Distt. Patiala -147021, Punjab

Address for correspondence:

Registered Office: P.O. Bahadurgarh, Distt. Patiala-147021, Punjab.

Tel: 0175-2381404, Fax: 0175-2380248

Head Office & Share Department: 5th Floor, Bhandari House, 91, Nehru Place, New Delhi-110019. Tel: 011-26460670, Fax: 011-26460823

Investors' e-mail ID: investor_grievances_redressal@milkfoodltd.com, sectl@milkfoodltd.com

Website : www.milkfoodltd.com

Credit Rating: BB+**Disclosure of Compliances with Corporate Governance Regulations specified in SEBI (LODR) Regulations:**

The Company has complied with all applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In accordance with Regulation 27(2), the Company submits a quarterly compliance report on corporate governance, duly signed by the Compliance Officer, to the Stock Exchange within the prescribed timelines. These quarterly compliance reports are also made available on the Company's website for the information of stakeholders.

Declaration pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

I, Sudhir Avasthi, Managing Director, hereby declare that the Code of Conduct adopted by the Company for its Board of Directors and Senior Management Personnel has been duly complied with by all Board Members and Senior Management Personnel of the Company.

Place: New Delhi

Date: 07.08.2026

Sd/-
Sudhir Avasthi
Managing Director

Management Discussion and Analysis:

Economic Overview

The Russia–Ukraine conflict continued to weigh on global output and escalated inflationary pressures. The lingering effects of the pandemic disrupted manufacturing activity, leading to supply shortages, pent-up demand release, and elevated inflation across many emerging and developing economies.

India, one of the world's most populous nations, has strengthened its integration into the global economy over the past decade and emerged as a significant global player. The Government of India and the Reserve Bank of India implemented several monetary and fiscal measures to safeguard the economy against these adverse shocks, ensuring resilience and stability.

Industry Structure, Outlook and Development

India is the world's largest milk producer and a leading consumer of dairy products. Dairy activities remain central to the rural economy, providing employment and income opportunities.

The sector is expected to benefit from:

- Recovery in consumption driven by normalization of activity
- Higher rural incomes
- Boost from household savings
- Continued government emphasis on infrastructure spending

Food safety and quality regulations have evolved significantly, culminating in the **Food Safety and Standards Act, 2006**, which streamlined compliance and encouraged scientific development of the food processing industry. The organized dairy sector is expanding rapidly, attracting strong investor interest.

The industry's primary focus is on enhancing milk production and upgrading processing systems through innovative technologies.

Opportunities and Threats

Opportunities

1. Rising income levels driving higher demand for milk products.
2. Preference for protein-rich diets, with milk as a key source.
3. Export potential for buffalo milk-based cheese.
4. Significant employment and self-employment generation.

Threats

1. Rising milk prices due to supply constraints.
2. Scattered rural production far from urban consumption centers.
3. Persistent adulteration issues, especially in ghee.
4. Youth preference for white-collar jobs over dairy farming.
5. Intense competition from large cooperatives and numerous small producers.

Growth Outlook

India remains the fastest-growing major economy. Rapid urbanization and digitization have boosted demand for packaged and processed foods, positively impacting the dairy sector. Consumers are increasingly health-conscious, driving demand for high-quality, convenient, and innovative dairy products.

- Robust growth expected in milk production and value-added dairy products.
- Western dairy products, though niche, are poised for faster growth.
- Packaged milk and products will progressively replace loose alternatives.

The Company aims to leverage these opportunities by innovating and diversifying its product portfolio.

Expansion Plans

The Company continues to pursue its long-term vision of becoming a significant player in the Indian dairy industry, with emphasis on capacity expansion, product innovation, and market penetration.

Risks & Concerns

- Declining interest among rural youth in dairy farming.
- Limited testing infrastructure in government labs, creating uncertainty in food safety compliance.

The Company mitigates these risks by strengthening its supply chain and expanding its customer base.

Segment / Product Reporting

The Company operates in a single segment: manufacture and sales of dairy products, including pure ghee, skimmed milk powder, and whole milk powder. Segment-wise information is therefore not disclosed.

Internal Control Systems

The Company has established robust internal controls commensurate with its scale and operations. Key measures include:

- Appointment of independent auditors (M/s. Rajeev Pankaj & Associates) for internal audits.
- Focus on equipment maintenance to ensure rated capacity utilization.
- Cost reduction initiatives and quality improvement programs.
- Integrated financial accounting system with inbuilt controls for reliable reporting.

Financial Performance

Detailed financial performance is presented separately in the Directors' Report.

Human Resources and Industrial Relations

Employees are recognized as key stakeholders in organizational progress. The Company emphasizes skill development, motivation, and alignment with organizational objectives.

- Proper selection and deployment of manpower across levels.
- Policies designed to foster motivation and productivity.
- Cordial industrial relations maintained throughout the year.

KEY FINANCIAL RATIOS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios.

S. No.	Particulars	2025-26	2024-25	% Change	Remarks
I	Debtors Turnover Ratio	5.92	5.60	5.76	NA
II	Inventory Turnover Ratio	9.14	11.34	-19.39	NA
III	Interest Coverage Ratio	5.89	2.43	142.39	Due to significant increase in earnings before taxes on account of gain on sale of Property, Plant & Equipment (PPE), revaluation of PPE and reversal of depreciation
IV	Current Ratio	1.69	1.19	42.00	Significant increase in current assets increase in receivables on sale of PPE.
V	Debt Equity Ratio	0.48	0.64	-25.43	Decrease in debt and increase in equity on account of gain on sale of PPE, revaluation of PPE, and reversal of depreciation
VI	Operating Profit Margin %	18.89	5.70	231.40	Due to significant increase in earnings before taxes on account of gain on sale of PPE, revaluation of PPE and reversal of depreciation
VII	Net Profit Margin %	10.73	1.01	962.00	Increase in profit after taxes on account of significant increase in other income on account of revaluation of PPE, Sale of MBD plant & reversal of depreciation
VIII	Return on Net Worth	20.89	2.76	656.88	Due to increase in Earnings before Interest and Tax on account of significant increase in other income due to gain on sale of Property Plant & Equipment, revaluation of Property Plant & Equipment and reversal of depreciation.

**Previous year ratios have been revised based on the disclosure requirements under 'Additional Regulatory Information (ARI) pursuant to amendment to Schedule III of the Companies Act, 2013 vide MCA Notification No. GSR 207(E) dated 24.03.2021 w.e.f. 01.04.2021.*

DISCLAIMER STATEMENT

Statements made in the Report describing the current industry structure, development are based on certain assumptions and expectations. The Company cannot guarantee that these assumptions and expectations are accurate.

For and on behalf of the Board

Place : New Delhi
Date : 07.08.2026

Sd/-
Sudhir Avasthi
Managing Director
DIN:00152375

Sd/-
Harmesh Mohan Sood
Director
DIN:07951620

CERTIFICATE ON THE COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To
The Members
Milkfood Limited

I have examined the compliance of conditions of Corporate Governance by M/s Milkfood Limited for the year ended March 31, 2026, as per the relevant applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliances of the conditions of Corporate Governance. It is neither an audit nor any expression of opinion on the financial statements of the Company.

On the basis of my review and according to the information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable to the Company.

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

Place : Gurugram
Date : 21/05/2026

Sd/-
(Kamlesh Gupta)
Practicing Company Secretary
Membership No. ACS-13862
C.P. No. 10451
UDIN: **A013862H000431774**
Peer Review Certificate No.: 2013/2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
Milkfood Limited
P.O. Bahadurgarh
Distt. Patiala,
Punjab

I have examined the relevant registers, records, forms and returns maintained / filed by M/s **Milkfood Limited** (CIN: L15201PB1973PLC003746) having its Registered Office at P.O. Bahadurgarh, Distt. Patiala, Punjab, referred to as "the Company") and notices and disclosures received from the Directors of the Company and 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 and 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 verification of Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary by me and explanations furnished to me by the Company, I hereby certify that none of the Directors on the Board of the Company as on March 31, 2026 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 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 on these based on my 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.

Place : Gurugram
Date : 21/05/2026

Sd/-
(Kamlesh Gupta)
Practicing Company Secretary
Membership No. ACS-13862
C.P. No. 10451
UDIN: **A013862H000431675**
Peer Review Certificate No.:2013/2022

MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATE

(Regulation 33(2) & Regulation 17(8) read with Part B of Schedule-II of SEBI (LODR) Regulations 2015)

To,
The Board of Directors,
Milkfood Limited
P.O. Bahadurgarh,
Distt. Patiala,
Punjab-147021

We, Sudhir Avasthi, Managing Director (MD) and Sanjeev Kothiala, Chief Financial Officer (CFO) of the Company, certify that:

- A) The Financial Statements and the Cash Flow Statement for the year have been reviewed and to the best of their knowledge and belief:
- (i) these statements do not contain any materially untrue statement or have not omitted any material fact and do not contain any statement that is misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violate the Company's code of conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D) We have indicated to the auditors and the Audit Committee:
- i) significant changes in the internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud either by the management or an employee having a significant role in the Company's internal control system of financial reporting.

Date : 07.08.2026
Place : New Delhi

Sd/-
Sudhir Avasthi
Managing Director

Sd/-
Sanjeev Kothiala
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MILKFOOD LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Milkfood Limited** ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2026, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year ended on that date, notes to the standalone financial statements including the material accounting policy information and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") specified 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, of the state of affairs of the Company as at March 31, 2026, its profit including total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Modified Opinion:

Attention is drawn to Note no 24(i)(b) regarding the revaluation of Land of Rs. 3197 Lakhs resulting in Profits before tax/ Retained Earnings higher and OCI/Revaluation Surplus lower to that extent as per Ind AS 16, Note no 24(i)(2) regarding retrospective re-evaluation of useful economic life of Vehicle resulting in overstatement of profit before tax/ other equity and PPE to the extent of Rs 251 Lakhs, Note no 24(i)(3) in respect of share based expense of Rs 318 Lakhs net of from other income instead of separate classification in Employee benefit expense as per Ind AS 102. Consequently basic and diluted Earning per share as per note 32 is Rs. 18.17 and Rs. 17.30 instead of Rs. 4.02 and Rs. 3.83 respectively.

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

Emphasis of matter:

We draw attention to Note No 24(i)(a) regarding profit on sale of Property , Plant and Equipment, Note No 6(ii) regarding Trade Receivables, Note No 8(ii) regarding Advance to suppliers/ employees, Note no 12(ii) regarding GST matters

Our opinion is not qualified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each key matter mentioned below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
Provisions and Contingent Liabilities relating to Taxations, litigations and claims: (Refer note 34) The company operates in various states within India, exposing it to a variety of different Central and State Direct and Indirect Tax Laws, regulations and interpretations thereof, claims and general legal proceedings (litigations) arising in the ordinary course of business which includes complexities due to uncertain Tax positions.	Our procedures included, but were not limited to the following: - Assessed the appropriateness of the Company's accounting policies relating to provisions and contingent liabilities, in accordance with the applicable accounting standards; - Obtained an understanding of the process, and evaluated the design and tested the operating effectiveness of the key internal controls around the recording and assessment of provisions and contingent liabilities.

The Key Audit Matter	How the matter was addressed in our audit
Provisions are recognised when the company has present obligations (legal or constructive) as a result of past event for which it is probable that a cash outflow will be required and reliable estimate can be made of the amount of that obligation. Contingent liability disclosure is made where there is a possible obligation or present obligation that probably may not require outflow of resources. When there is a possible or present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made. The level of judgment of the management in determining the need for, and quantum of, provision for liabilities, or disclosure of contingent liabilities arising from these litigations is high. This judgment is dependent upon significant assumptions and assessment which involves interpretations of various Laws, jurisprudence for which management involves the experts on the subject matter. In view of the uncertainty of the outcome, significance of amounts involved and the subjectivity involved in management's judgments, the matter has been considered as a Key Audit Matter for the Audit of the current year.	- On a sample basis, performed substantive procedures on the underlying calculations supporting the amount involved recorded as provisions or disclosed as contingent liability; and - Evaluated the appropriateness and adequacy of related disclosures in the standalone financial statements in accordance with applicable accounting standards. Reviewing the outstanding litigations against the Company for consistency with the previous years, enquire and obtain explanations for movement during the year. Discussing the status of significant known actual and potential litigations with the Company's in-house officials and other senior management personnel who have knowledge of these matters and assessing their responses. Examining the Company's legal expenses and perusing the minutes of the board meetings, in order to ensure that all cases have been identified. Assessing the decisions and rationale for provisions held or for decisions not to record provisions or make disclosures. For those matters where management concluded that no provisions should be recorded, considered the adequacy and completeness of the Company's disclosures.

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

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

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

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

After reading the annual report, if we conclude, basis the work performed by us, that there is a material misstatement in the other information, we communicate the matter to those charged with governance and describe actions applicable under the Act, other applicable laws and regulations.

Management's and Board of Directors Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1 As required by Section 143(3) of the Act, based on our audit, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of accompanying standalone financial statements.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the possible effects of matters stated in paragraph (i)(vi) below on reporting in relation to audit trail as required under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- (c) The standalone financial statements 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 specified under Section 133 of the Act except to the extent described in para "Modified basis of opinion" and "Emphasis of matter" para stated above.

- (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith in relation to audit trail are as stated in paragraph (b) above on reporting under Section 143(3)(b) of the Act and paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- (g) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company as on 31st March 2026 and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**” wherein we have expressed an unmodified opinion.
- (h) As required by Section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
- (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:
 - i. The Company has disclosed the impact of pending litigations as at 31st March, 2026 on its financial position in its standalone financial statements. (Refer note 34 of financial statements).
 - ii. The Company, as certified, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2026. Accordingly no provision has been recognised under applicable Ind As and applicable law.
 - iii. There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2026;
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 43 to the standalone financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity or entity(ies), including foreign entity or entity(ies) (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in any other person(s) 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, as disclosed in Note 43 to the standalone financial statements no funds (which are material either individually or in the aggregate) have been received by the Company from any person (s) 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 person(s) 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 the 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 management representations under sub-clause (i) and (ii) of Rule 11(e), as described under (a) and (b) above, contain any material misstatement.
 - v. Based on our examination which included test checks and in accordance with requirements of the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, the Company in respect of financial year commencing on 1st April, 2025, has used accounting software’s for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with for the period where audit trail is enabled and operated and for this we also relied upon the certificate of the management. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention where the audit trail feature was enabled. Further, the daily back-up of audit trail (edit log) in respect of its accounting software for maintenance of all accounting records, an accounting software for journal entries has been maintained on the servers as mentioned in Note no 46 to the standalone financial statements.
 - vi. In respect of accounting software used for journal entries, the audit trail at data base level is preserved for preceding 365 days.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

for Madan and Associates

Chartered Accountants

Firm's registration number: 000185N

M.K. Madan

(proprietor)

Membership number: 082214

UDIN:

Place: New Delhi

Date : 22.05.2026

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors report)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we report that:

- (i) In respect of Company's Property, Plant and Equipment:
- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (a) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets were verified during the year and according to the information and explanations given to us no material discrepancies were noticed on such verification.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than those that have been taken on lease and the lease agreements are duly executed in favour of the Company) as disclosed in the Note 3 of standalone financial statements are held in the name of the Company. Original copies of title deeds have not been produced as the same are deposited as security with banks under loan agreement as confirmed by the management and disclosed in note 3(ii) of standalone financial statements
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use Asset) Capital work in progress or Intangibles Assets during the year except that Revaluation of Patiala Land was done by Certified Chartered Engineers who determined FMV as on 10.02.2026 at Rs 7097 Lakhs against the Carrying Amt of Rs 3900 Lakhs resulting in revaluation surplus of Rs 3197 lakhs which has been recognised as "other income" instead "Revaluation Reserve" as disclosed in note 24 and further reported by us in para "Modified basis of opinion" vide our Independent Auditors Report on the standalone financial statements of even date..
 - (d) On the basis of the information and explanations given to us and our examination of records, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii)
- (a) The inventories (except Stock in Transit) were physically verified during the year by the Management at reasonable intervals. For stock in transit subsequent corresponding receipts have been linked with the inventory record. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories between the physical stocks and book records.
 - (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, throughout the year, from banks on the basis of security of current assets etc. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising (stock statements, book debt statements, and statements on ageing analysis of the debtors) filed by the Company with such banks as mentioned in note no 42 substantially are in agreement with the unaudited books of account of the Company, of the respective quarters, except for the following:

(All Amounts in Rs Lakhs)

Quarter	Name of the Bank	Name of the Current Asset	As per Unaudited Books of Accounts	Amount as per Quarterly Return & Statements	Amount of Difference	Reason for Discrepancies as informed by the Management
Q1	State Bank of India/ Canara Bank	Trade Receivable	7410	7412	(2)	Round off difference
	State Bank of India/ Canara Bank	Inventory Raw Material	2160	1847	313	On account of difference in adoption of purchase rates on estimated basis for the purpose of bank whereas the same is considered on weighted average rates as per books.

(All Amounts in Rs Lakhs)

Quarter	Name of the Bank	Name of the Current Asset	As per Unaudited Books of Accounts	Amount as per Quarterly Return & Statements	Amount of Difference	Reason for Discrepancies as informed by the Management
	State Bank of India / Canara Bank	Inventory Finished Goods	398	387	11	Consequent upon difference in valuation as stated above.
	State Bank of India / Canara Bank	Inventory Packing Material	363	371	(8)	On account of diff in provision and round off diff
Q2	State Bank of India / Canara Bank	Trade Receivable	6912	6907	5	Round off difference
	State Bank of India / Canara Bank	Inventory Raw Material	1348	1099	249	On account of difference in adoption of purchase rates on estimated basis for the purpose of bank whereas the same is considered on weighted average rates as per books.
	State Bank of India / Canara Bank	Inventory Finished Goods	158	178	(19)	Estimation difference
	State Bank of India / Canara Bank	Inventory Packing Material	365	377	(12)	On account of provision and estimation difference
Q3	State Bank of India / Canara Bank	Trade Receivable	9033	9031	2	Round off difference
	State Bank of India / Canara Bank	Inventory Raw Material	2172	1483	689	On account of difference in adoption of purchase rates on estimated basis for the purpose of bank whereas the same is considered on weighted average rates as per books.
	State Bank of India / Canara Bank	Inventory Finished Goods	359	149	210	Consequent upon difference in valuation as stated above.
	State Bank of India / Canara Bank	Inventory Packing material & Husk	291	301	(10)	On account of provision and estimation difference
Q4	State Bank of India / Canara Bank	Trade Receivable	5678	5734	(56)	Variance on account of TDS on job charges accounted for in the books subsequent to the filling of quarterly statements.
	State Bank of India / Canara Bank	Inventory Raw Material	2025	2057	(32)	On account of estimation difference.
	State Bank of India / Canara Bank	Inventory Finished Goods	2154	2158	(4)	Round off Diff
	State Bank of India / Canara Bank	Inventory Packing material & Husk	217	283	(66)	On account of diff in write of inventory Packing material and Husk Rs 57 Lakhs subsequent to the filling of filling of quarterly statements, Rs 6 Lakhs provision already made in books and rest Rs 3 Lakhs estimation diff.

- (iii) (a) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, firms, Limited liability partnership or any other parties during the year except an aggregate amount of Rs 15 Lakhs as interest free loans were given to the employees in the ordinary course of business. The Balance outstanding as at the end of the year are Rs. 13 Lakhs. (Rs. 61 lakhs) Further as certified, company has not given any advance in the nature of loan to any party during the year.
- (b) Interest free Loan to employees of Rs 15 Lakhs granted during the year are in the ordinary course of the business as per policy of the company and hence prima facie not prejudicial to the interest of the company.

- (c) Stipulations in respect of loans granted to the employees have been laid out and the repayments are regular except in one case of Advance of Rs 28 lakhs given against medical emergency,
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no overdue amounts outstanding for a period more than ninety days in respect of loans given to employees except as stated above.
- (e) The Company has not granted any loan, which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/ advances in nature of loan that existed as at the beginning of the year.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loan, which is payable on demand or without specifying the terms or period of payments except as stated above.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, it has not provided any guarantee or security as specified under section 185 or 186 of the Act.
Company has not made any investment during the year. Further, the Company has not entered into any transaction covered under Section 185 of the Act
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposit during the year. There are no amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly reporting under clause
- (vi) 3(v) of the Order is not applicable. It is also confirmed by the company that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.
- (vii) According to the information and explanations given to us and on the basis of our broad review of the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of manufacture of Milk Powder we are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (viii) In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues including Goods and Service tax, Provident Fund, Employees State insurance, income tax, cess and other material statutory dues applicable to it with the appropriate authorities. and there were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31.03.2026 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues as referred to in sub clause (a) which have not been deposited as at 31.03.2026 on account of any dispute other than disclosed as below:

Name of the Statute	Nature of Dues	Net Amount (Rs. in Lakhs)	Amount paid under protest (Rs. In Lakhs)	Period to which the Amount Relates	Forum where dispute is pending
FSSAI Act 2006	Fine	5	Nil	2021-22	Court of ADJ (Jaipur)
FSSAI Act 2006	Fine	2	1	2021-22	Court of ADJ (Agra)
CGST Act 2017	Demand and Penalty	4286	700	2017-2021	Appeal before CGST Tribunal Ludhiana in respect of Rs 3792 Lakhs (including penalty of Rs 1897 Lakhs) imposed by CGST Commissioner Appeals Ludhiana regarding Patiala Plant and Delhi & Rs 494 Lakhs demand imposed by Addl Commissioner SGST Moradabaad in respect of FY 2019-20

- (ix) According to the information and explanations given to us and on the basis of our examination of the records there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- (x) (a) The Company has not defaulted in the repayment of the Loans and interest thereon to any lender.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.

- (c) According to the information and explanations given to us, Company has applied the term loans (Including working capital term loans) for the purposes for which the same have been obtained.
- (d) The long-term sources of funds comprising of Share capital, Reserves and Surplus and long-term loans (including security deposits payable after one year) are higher than the long-term application of funds comprising of PPE, CWIP and Biological assets. Further, the current ratio is 1.69 times, therefore, in our opinion on overall examination of balance sheet of the company, no funds raised on short term basis have been utilised for long term purposes.
- (e) According to the information and explanations given to us and on overall examination of standalone financial statements, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us, the Company has not raised any loan on the pledge of securities held in its subsidiary, associates or joint ventures. Accordingly, the requirement of reporting under this clause is not applicable.
- (xi) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on examination of records, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- (xii) (a) According to the information and explanations given to us and on examination of records, considering the principle of materiality outlined in the Standards of Auditing, to the best of our knowledge no fraud by or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us and representations made to us by the Management, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented by the Management, there was no whistle blower complaints received by the Company during the year (and up to the date of this audit report).
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company and as certified by the management, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable. Details of such transactions have been disclosed in the notes to standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under Section 133 of the Act.
- (xv) (a) In our opinion and according to the information and explanations given to us, the Company has an adequate internal audit system commensurate with the size and the nature of its business as required under the provisions of Section 138 of the Act. However, the system needs to be further strengthened in terms of scope and coverage.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures. As per internal audit reports, internal controls in respect of certain areas need to be further strengthened.
- (xvi) As per the information available and to the best of our knowledge in our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of Section 192 of the Act are not applicable to the Company.
- (xvii) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a), and(c) of the Order is not applicable.
- (b) In our opinion and based on the information and explanations given to us and as certified by the management, there are Two core investment companies within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016)
- (xviii) The Company has not incurred cash losses during the current financial year audit and in the immediately preceding financial year.
- (xix) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3 (xviii) of the order is not applicable.

- (xx) According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 41 of the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xxi) According to the information and explanations given to us the Company does not have any unspent amount towards Corporate Social Responsibility (CSR) in respect of ongoing or other than ongoing projects as at the end of the financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (xxii) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

for Madan and Associates
Chartered Accountants
Firm's registration number: 000185N

Place: New Delhi
Date : 22.05.2026

M.K. Madan
(proprietor)
Membership number: 082214
UDIN:

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls with reference to financial statements of the Company as at 31st March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing as prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, with reference to financial statements, and 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 internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists,

and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to these standalone financial statements and such internal financial controls were operating effectively as at 31 March 2026, except in certain areas i.e. inventory management, advances to suppliers etc, which need to be further strengthened, based on the internal control with reference to these standalone financial statements 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 Madan and Associates

Chartered Accountants

Firm's registration number: 000185N

M.K. Madan

(proprietor)

Membership number: 082214

UDIN:

Place: New Delhi

Date : 22.05.2026

Standalone Balance Sheet

as at 31st March, 2026

Particulars	Notes	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
A ASSETS			
1 Non-current assets			
Property, plant and equipment	3A	13,338	18,256
Capital work in progress	3B	3	15
Other Intangible Assets	3C	3,364	3,364
Right -of -use -assets	3D	285	495
Biological assets other than bearer plant	4	394	469
Financial assets			
- Investments	5	2	3
- Trade receivable	6	130	102
- Other financial assets	7	95	121
Other non-current assets	8	1,540	1,309
Total non - current assets		19,151	24,134
2 Current assets			
Inventories	9	4,590	3,360
Financial assets			
- Trade receivables	6	5,548	8,160
- Bank balances other than cash and cash equivalents	10A	20	27
- Bank balances other than above	10B	81	137
- Other financial assets	11	4,715	352
Other current assets	12	5,271	1,316
Current tax assets (net)	30A/30B	222	30
Total current assets		20,447	13,382
TOTAL ASSETS (1+2)		39598	37516
B EQUITY AND LIABILITIES			
1 EQUITY			
Equity share capital	13	1,219	1,219
Other equity	14	21,200	16,406
Total equity		22,419	17,625
2 LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowings	15	2,687	5,766
- Lease Liabilities	16A	121	323
- Other financial liabilities	17	902	1,213
Deferred tax liabilities (net)	31D	1,180	1,083
Provisions	18	172	247
Total non - current liabilities		5,062	8,632
Current liabilities			
Financial liabilities			
- Borrowings	19	8,030	5,533
- Lease Liabilities	16B	202	193
- Trade payable	20		
(i) Total outstanding dues of micro and small enterprises		65	59
(ii) Total outstanding dues other than micro and small enterprises		3,118	5,107
- Other financial liabilities	21	167	167
Other current liabilities	22	406	65
Provisions	18	129	135
Total current liabilities		12117	11259
TOTAL EQUITY & LIABILITIES (1+2)		39598	37516

Basis of preparation, Measurement and Material accounting policies, 2
The accompanying notes 1 to 46 are an integral part of the these standalone financial statements

In terms of our report of even date

For Madan & Associates

Chartered Accountants
FRN : 000185N

M.K.Madan
Proprietor
Membership No.: 082214

Place : New Delhi
Date : 22nd May, 2026

For and on behalf of the Board of Directors

Preeti Mathur
Director
DIN: 07951647

Gita Bawa
Director
DIN: 00111003

Sudhir Avasthi
Managing Director
DIN: 00152375

Rakesh Thakur
Company Secretary

Sanjeev Kothiala
Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended 31st March, 2026

Particulars	Notes	For the year ended 31 March, 2026 (Rs. in Lakhs)	For the year ended 31 March, 2025 (Rs. in Lakhs)
1 Income			
(a) Revenue from operations	23	41,293	44,776
(b) Other income	24	7,166	188
Total income		48,459	44,964
2 Expenses			
(a) Cost of materials consumed/ Purchase of stock in trade	25	36,346	37,457
(b) Changes in inventories of finished goods and work-in-progress	26	(1,021)	(55)
(c) Employee benefits expenses	27	2,382	2,358
(d) Finance cost	28	1,376	1,083
(e) Depreciation and amortisation expenses	29	716	710
(f) Other expenses	30	2,951	2,653
Total expenses		42,750	44,206
3 Profit before exceptional items and tax (1-2) (Refer note 24)		5,709	758
4 Profit before tax for the year		5,709	758
5 Tax expense/ (credit) (net)			
(a) Current tax	31A	1,202	154
(b) For earlier year		(36)	2
(c) MAT credit utilised/ (recognised)		12	36
(d) Deferred tax Charged/ (Credit)	31D	102	114
Total tax expenses / (credit)		1,280	306
6 Profit after tax for the year (4+5)		4,429	452
7 Other comprehensive income/ Loss			
(a) Items that will not be reclassified to statement of profit and loss			
- Re-measurement gains/ (loss) on defined benefit plans		(18)	18
- Tax impact on		5	(5)
(b) Items that will be reclassified to statement of profit and loss			
Other comprehensive income/ (loss) for the year (net of tax)		(13)	13
8 Total comprehensive income for the year (6+7)		4,416	465
9 Earnings per share in Rs (of Rs 5/- each) (P.Y Rs 10/- each)			
(a) Basic	32	18.17	1.86
(b) Diluted	32	17.30	1.86

Basis of preparation, Measurement and Material accounting policies,

2

The accompanying notes 1 to 46 are an integral part of the these standalone financial statements

In terms of our report of even date

For Madan & Associates
Chartered Accountants
FRN : 000185N

For and on behalf of the Board of Directors

M.K.Madan
Proprietor
Membership No.: 082214

Preeti Mathur
Director
DIN: 07951647

Gita Bawa
Director
DIN: 00111003

Sudhir Avasthi
Managing Director
DIN: 00152375

Place : New Delhi
Date : 22nd May, 2026

Rakesh Thakur
Company Secretary

Sanjeev Kothiala
Chief Financial Officer

Standalone Cash Flow Statement

for the year ended 31st March, 2026

	For the year ended 31 March, 2026 (Rs. in Lakhs)	For the year ended 31 March, 2025 (Rs. in Lakhs)
A. Cash flow from operating activities:		
Net profit before taxation	5,709	758
Adjustments for :		
Depreciation and amortisation expense	716	710
Finance costs	1,376	1,083
Liabilities no longer required written back	(310)	(2)
Fair value gain on biological assets	(106)	(167)
Revaluation of Land assets	(3,196)	-
Inventory written off	78	-
Advances written off	755	-
Biological assets written off	189	-
Vehicle written off	17	-
Loss/ (Gain) on sale of properties, plant & equipment	(4,760)	(14)
Interest income	(17)	(6)
Cash generated from operations before working capital changes	451	2,362
Adjustments for (increase) / decrease :		
Inventories	(1,308)	(116)
Trade receivables	2,588	(537)
Other current & non current assets	(9,221)	653
Adjustments for increase / (decrease) :		
Trade payables	(1,983)	25
Other current & non current liabilities	341	(107)
Provision	(99)	25
Cash flow Generated / (Utilized) From Operations	(9,230)	2,305
Income tax (paid) /refund (net)	(1,280)	(381)
Net cash flow / (Utilized) from operating activities (A)	(10,511)	1,924
B. Cash flow from investing activities:		
Purchase of property, plant and equipments (including CWIP)	(426)	(423)
Decrease in investments	1	-
(Increase)/decrease in biological assets	(8)	(8)
Proceeds from sale of properties, plant and equipment / Assets held for sale	13,008	30
Interest received	17	6
Net cash flow from/ (used) in investing activities (B)	12,593	(395)
C. Cash flow from financing activities:		
Increase/ (decrease) in borrowings	(582)	(161)
Repayment of lease liabilities	(193)	(123)
Proceeds from issue of shares (ESOPS)	61	-
Finance costs paid	(1,376)	(1,083)
Dividend Paid	-	(152)
Net cash flow from/ (used) financing activities (C)	(2,089)	(1,519)
Net increase / (decrease) in cash & cash equivalents (A+B+C)	(7)	10
Cash and cash equivalents at the beginning of the year	27	17
Cash and cash equivalents at the end of the year	20	27

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

The accompanying notes 1 to 46 are an integral part of the these standalone financial statements

In terms of our report of even date

For Madan & Associates

Chartered Accountants

FRN : 000185N

M.K.Madan

Proprietor

Membership No.: 082214

For and on behalf of the Board of Directors

Preeti Mathur

Director

DIN: 07951647

Gita Bawa

Director

DIN: 00111003

Sudhir Avasthi

Managing Director

DIN: 00152375

Place : New Delhi

Date : 22nd May, 2026

Rakesh Thakur
Company Secretary

Sanjeev Kothiala
Chief Financial Officer

Standalone Statement of changes in equity

for the year ended March 31, 2026

A. Equity share capital (*Refer Note 14*)

As at 31st March, 2026

(All amounts in Rs. Lakhs)

Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
1219	0	1219

As at 31st March, 2025

(All amounts in Rs. Lakhs)

Balance at the beginning of the current reporting year	Changes in equity share capital during the year	Balance at the end of the current reporting year
513	706	1219

B. Other Equity (*refer note 15 for the nature and purpose of the Reserve*)

As at 31st March, 2026

(All amounts in Rs. Lakhs)

Particulars	Reserves and Surplus						
	Notes	Share Pending Allotment	Capital Reserve	Securities Premium	Retained Earnings	Share Option Outstanding account	Total
Balance at 1st April, 2025		-	19	3,796	12,591	-	16,406
Created during the year (refer note 24(f) for ESOP)		61		-	-	318	379
Transferred to Securities premium						-	-
Profit/(Loss) for the year including 3197 lakhs on revaluation (Refer foot note (i) (b) of note 24)	15			-	4,429		4,429
Other comprehensive income/(expense) [net of tax]				-	(13)		(13)
Total comprehensive income for the year				-	4,416		4,416
Balance as at 31st March, 2026		61	19	3,796	17,006	318	21,200

As at 31st March, 2025

(All amounts in Rs. Lakhs)

Particulars	Reserves and Surplus						
	Notes	Share Pending Allotment	Capital Reserve	Securities Premium	Retained Earnings	Share Option Outstanding account	Total
Balance at 1st April, 2024	15	97	19	4405	12,461	0	16,982
Changes in accounting policy or prior period item		-	-	-	-	-	-
Restated balance at the beginning of the current reporting year		97	19	4405	12,461	0	16,982
Created during the year		(97)	-	(609)		-	(706)
Profit/(Loss) for the year				0	452		452
Other comprehensive income/(expense) [net of tax]				0	13		13
Total comprehensive income for the year				0	465		465
Prior Period Adjustment (MAT credit)					(183)		(183)
Interim Dividend on equity shares for the year (refer note 39)				0	(152)		(152)
Balance as at 31st March, 2025		0	19	3796	12,591	-	16,406

The accompanying notes 1 to 46 are an integral part of the these standalone financial statements

In terms of our report of even date

For Madan & Associates

Chartered Accountants

FRN : 000185N

M.K.Madan

Proprietor

Membership No.: 082214

Place : New Delhi

Date : 22nd May, 2026

For and on behalf of the Board of Directors

Preeti Mathur

Director

DIN: 07951647

Gita Bawa

Director

DIN: 00111003

Sudhir Avasthi

Managing Director

DIN: 00152375

Rakesh Thakur

Company Secretary

Sanjeev Kothiala

Chief Financial Officer

NOTE 1 : CORPORATE INFORMATION & MATERIAL ACCOUNTING POLICIES

Milkfood Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act 1956. The registered office of the Company is located at P.O. Bahadurgarh-147021 Distt. Patiala (Punjab), India. Its shares are listed on Bombay Stock Exchange (BSE). The Company is primarily engaged in the manufacture and sale of dairy products mainly Ghee and Skimmed Milk Powder. The main raw material of the company is milk, which is used to produce Pure Ghee and various types of Milk Powders. For the last few years, the company has changed its policy to produce Pure Ghee and Milk Powders which conforms to the quality standards adopted by the company consistent with its brand image. Loose Pure Ghee and Milk Powders are purchased from the market from local suppliers and further processed in the plant to give effect to the manufacturing policy and produce a product of high quality on consistent basis. Company also process the milk and milk powder and manufactures ghee and skimmed milk powder on behalf of state corporations on job work basis. During the year, Company has purchased raw milk of rupees five thousand four hundred seventy four lakhs and chilled the same as per customer requirement and sold at rupees fifty five thousand sixty six lakhs included in raw material consumed and revenue from operations respectively.

The company has two manufacturing locations, one in the state of Punjab at Patiala and one in the state of Uttar Pradesh at Moradabad. The manufacturing unit at Moradabad, Uttar Pradesh, was sold during the year.

NOTE 2 : BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation

- (i) The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as 'Ind AS') notified by the Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standard) Accounts Rules, 2015, as amended from time to time.
- (ii) These standalone financial statements have been prepared on going concern assumption basis following accrual system of accounting, applying consistent accounting policies for all the periods presented therein. The financial statements were approved for issue by the Board of Directors in accordance with the resolution passed in the Board Meeting held on 22nd May, 2026.

Current versus non-current classification

All assets and Liabilities have been classified as current or non-current considering the normal operating cycle of 12 months as per paragraph 66 and 69 of Ind AS 1 and other criteria as per Division II of Schedule III of Companies Act, 2013.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current. However, company has treated security deposits received from suppliers as non-current liability as per trade practice followed consistently in the past despite movement during the year.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of classification of its assets and liabilities as current and non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Presentation and Functional Currency

These standalone Financial Statements are prepared in Indian Rupee (INR) which is the Company's functional currency.

All financial information presented in Rupees has been rounded to the nearest lakhs. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “0” in the relevant notes to these standalone financial statements.

2.2 Basis of measurement

The Ind AS Financial Statements are prepared under the Historical cost convention except for Biological assets (other than Bearer plants), Freehold Land at Patiala, certain class of financial assets/ financial liabilities, defined benefit plans and share based payments which have been measured at fair value as required by relevant Ind ASs. The accounting policies adopted are the same as those which were applied for the previous financial year except Land at Patiala for which revaluation model has been adopted which hitherto was carried at deemed cost from 01-04-2016, the date of first time adoption of Ind AS accounting framework.

Recent Accounting Developments:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements. In August 2025, MCA notified the following amendments to:

- a) Ind AS 1, Presentation of Financial Statements, applicable w.e.f. 1st April, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
- b) Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. 1st April, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. Since there is no supplier finance arrangements as at the reporting date, the amendment is not applicable to the Company.
- c) Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on its financial statements.

2.3 Material Accounting Policies:

A) Property, plant and equipment (PPE)

Property, plant and equipment other than freehold land, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. As stated above, w.e.f. 01-04-2025, company has adopted fair value method in respect of freehold land.

Cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, specific borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met. Freehold land is carried at revalued model less any accumulated impairment losses, if any and is not depreciated. During the year, company has revalued the Patiala Land and the surplus of Rs 3,197 Lakhs has been credited to retained earnings instead of Revaluation Reserve.

When part(s) of an item of property, plant and equipment having significant cost have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”. Assets in the course of construction are not depreciated.

When an item of property, plant and equipment is scrapped or where no future economic benefits are expected from its use or otherwise disposed off, the carrying amount and related accumulated depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in statement of Profit & Loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

Company depreciates property, plant and equipment over the estimated useful life as prescribed in schedule II of the Companies Act 2013 on the straight-line method on pro rata basis from the date the assets are ready for intended use.

The estimated useful lives of major components of PPE are as follows:

- Building 30-60 years
- Plant and equipment 35 years*(instead of 15 years as prescribed under schedule II)
- Furniture and Fixtures 8 -10 years
- Vehicles # (8–10 years as prescribed under schedule II)
- Office equipments 3 - 6 years (including computer software)

*The company has taken a view on the basis of technical advice that plant in the dairy industry use non-corrosive raw materials, the expected life of the plant and machinery should be 35 years. This is in pursuance of proviso to sub clause (c) of clause 3 of schedule II of the Companies Act 2013.

#The company during the year under audit has revised the economic useful life of vehicle from 6 to 8 years from FY 2019-20 onwards retrospectively instead of prospectively as required under Ind AS 8. This result in overstatement of profit before tax to the extent of Rs 251 Lakhs during the year.

The Company has not revalued any of its property, plant and equipment during the year except Land at Patiala and recognized the unrealized surplus of Rs 3,197 Lakhs through other income in statement of profit and loss instead of other comprehensive income.

During the year, the company has written off Property, Plant and Equipment of Rs 17 Lakhs.

B) Biological Assets

Biological assets are recorded at a fair value less cost to sell. At each reporting date, Company remeasure this value and record any gains or losses.

All expenses incurred in land preparation, planting and development of trees up to maturity are capitalised as biological assets; all expenses subsequent to maturity are recognised directly in statement of profit and loss account. Company has obtained the certificate of Agricultural Scientist with regard to fair valuation at the reporting date and has accounted the gain of Rs. 106 lakhs (PY Rs 84 lakhs) on reinstatement during the year.

Biological assets are stated at revalued amount, which is the fair value at date of revaluation less any accumulated impairment losses as certified by the Agricultural scientist.

C) Intangible Assets

Intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Indefinite-life intangible assets comprises brand, for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of the brands and the level of marketing support. For indefinite-life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

The Company has not revalued any of its intangible assets during the year.

D) Capital work in progress

Capital work in progress is stated at cost, if any. Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Cost includes direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

E) Leased Assets (Right of Use Assets)

The Company's lease asset classes consist of leases for land and buildings for the purpose of having offices/ various branches. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) The Contract involves the use of an identified asset
- (ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred adjusted by lease payments made at or before the commencement date less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying asset.

The Company has not revalued any of its right-of-use assets during the year.

Short term Leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low value assets recognition exemption that are considered to be low value. In case of short term leases/ leases of low value, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company incurred Rs 92 lakhs for the year ended 31st March, 2026 (31st March, 2025: Rs 78 Lakhs) towards expenses relating to short-term leases and leases of low-value assets.

Lease Liabilities

Company recognises lease liabilities initially measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. The incremental borrowing rate applied to lease liabilities is 12% per annum.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

F) Impairment of Non Financial Assets

Assessment for impairment generally is done annually as to whether there is any indication that any Non Financial Asset or a group of assets (cash generating unit) other than inventory and deferred tax may be impaired. Indefinite life intangible assets are subject to review for impairment annually or more frequently if events or circumstances indicate that it is necessary. If any such indication exists, the recoverable amount of the asset or group of assets (cash generating unit) is estimated in order to determine the extent of impairment loss (if any). If it is not possible to estimate the recoverable amount of an individual asset, the entity determines the recoverable amount of the Cash Generated Unit (CGU) to which the asset belongs.

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

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

If the recoverable amount of an assets (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the assets (or cash generating unit) is reduced to its recoverable amount.

An impairment loss is recognised immediately in the statement of Profit & Loss.

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

No Impairment was identified in FY 2025-26 and in previous FY 2024-25.

G) Financial instruments

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

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

(i) Financial Assets

(a) Initial recognition and measurement:

Financial assets, except for trade receivables, are recognized when the Company becomes a party to the contractual provisions of the instrument.

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero.

(b) Subsequent measurement and classification of financial assets:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets and are classified in four categories:

- Amortised cost
- Fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Fair value through profit or loss

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

(c) Derecognition of financial assets:

The Company derecognizes a financial asset when

- the contractual rights to receive the cash flows from the asset expire, or

- the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - a) It transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or
 - b) The company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and loss on disposal of that financial asset.

(d) Impairment of financial assets:

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

The Company follows 'simplified approach' for recognition of loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. ECL allowance recognised (or reversed) during the period is recognised as expense (or income) in the standalone statement of profit and loss.

(e) Write off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event

(ii) Financial Liabilities

(a) Initial Recognition and Measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts/cash credits.

(b) Subsequent measurement of financial liabilities:

All the financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through profit and loss. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the standalone statement of profit and loss.

(c) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The difference in the carrying amounts and the consideration paid is recognized in the Statement of Profit and Loss.

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(H) Inventories

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

- (i) Raw materials and store and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

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

Obsolete inventories are identified and written down to net realisable value. Inventories (including whey powder - by product) are valued on lower of cost or net realizable value.

Non moving / slow moving stocks of packing material, stores and spares of Rs 78 Lakhs have been written off during the year. (Refer note 24 (i) (c)).

(I) Fair value measurement

The Company measures certain financial instruments, defined benefit liabilities and equity settled employee share based payment plan at fair value at each reporting date.

Fair value is the price that would be received to sell an assets or paid to transfer a liabilities in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. in the principal market for the asset or liability, or
- ii. in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level I input

Level I input are quoted price in active market for identical assets or liabilities that the entity can access at the measurement date

Level II input

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

Level III input

Level III inputs are not based on observable market data

(J) Cash and Cash equivalent

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

(K) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

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

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

(L) Taxation

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the standalone statement of profit and loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and adjust provisions accordingly where ever appropriate.

(ii) Deferred tax

Deferred tax is recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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

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

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

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

(M) Employee Benefits

(i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries and performance incentives, are charged to standalone statement of profit and loss on an undiscounted, accrual basis during the period of service rendered by the employees in the financial year.

(ii) Defined Contribution Plans:

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's contribution to provident fund is made to Government Administered Fund. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

(iii) Defined benefit plans

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

Company's liability towards gratuity and compensated absences is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period by independent actuary. Remeasurement, comprising actuarial gains and losses, the effect of the changes, is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income (OCI) in

the period in which they occur. Remeasurement recognized in the other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report. Refer Note 35 for Employee benefit plan calculations.

(iv) Share Based Payments

Employees of the Company receive remuneration in the form of share-based payments in consideration of the services rendered.

For cash-settled share-based payments, the fair value of the amount payable is recognised as 'employee benefit expenses' with a corresponding increase in liabilities, over the period of non-market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognized in employee benefits expenses.

Under the equity settled share based payment, the fair value of Rs 318 lakhs on the grant date of the awards given to employees required to be recognized under Ind AS 102. as 'employee benefit expenses' with a corresponding increase in equity over the vesting period is netted off against other income resulting in no impact on profit before tax. (Refer note 24(i)(e)) When the options are exercised, the Company issues fresh equity shares.

(v) Impact of New Labour Code

On 21st November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. There is no material incremental impact in the gratuity and compensated absences liability in financial statements as at 31.03.2026 due to change in definition of wages.

(N) Revenue Recognition

Sale of Products/Services

As per Ind AS 115, Revenue from sale of goods is recognised when control of the products being sold is transferred to customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as Goods and Services Tax, etc. Accumulated experience is used to estimate the provision for such discounts and volume rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Sales return - Our customers have the contractual right to return goods only when authorised by the Company. Sale returns are accounted on actual receipt of goods from the customers.

The entire revenue from sale of products is recognised at a point in time.

Specific recognition criteria described below must also be met before revenue is recognized.

- (a) Conversion charges are recognized on completion of jobs and based on agreements as the service is performed and there are no unfulfilled obligations.
- (b) Interest Income from financial asset is recorded on time proportion basis using the effective rate of Interest (EIR).
- (c) Carbon Credits are recognized on realization basis.

O) Earning per equity shares

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares.

Basic EPS is calculated by dividing the net profit for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period which is adjusted for such events, such as bonus shares.

For the purpose of calculating Diluted EPS, net profit for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. (Refer note 32)

P) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's Managing Director assesses the financial performance and position of the Company, and makes strategic decision and has been identified as the chief operating decision maker. The Company's primary business segment is reflected based on principal business activities carried on by the Company. The company is operating under a single segment i.e., "Dairy Products - comprising Ghee and Milk Powder and therefore there are no reportable segments as per IND AS-108 "Operating Segments" issued under section 133 of Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015.

The company has received 10% or more of its revenue from one customer during the year.

Q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Therefore, determination of the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management.

In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the company, and requires interpretation of laws and past legal rulings. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

R) Use of Key Accounting estimates and judgments

The preparation of financial statements requires management to make estimates, judgements and assumptions in the application of accounting policy that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which it is known/materialised. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively except as described in note 24(i)(c) regarding reversal of depreciation.

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

- (i) Property, Plant and Equipment – Note 3A
- (ii) Indefinite useful life of Intangible Assets – Note 3C
- (iii) Recognition of deferred tax assets/liabilities - Note 31D
- (iv) Measurement of defined benefit obligation – Note 35
- (v) Measurement and likelihood of occurrence of provisions and contingencies - Note 34
- (vi) Measurement of Right of Use Asset and Lease liabilities – Note 3D, 16A and 16B.
- (vii) Measurement of fair value of biological assets—Note 4

MILKFOOD LIMITED
Notes to the Standalone financial statements for the year ended March 31, 2026
3A. Property, plant and equipment

(Rs. in Lakhs)

Particulars	Freehold Land	Building	Furniture & Fixtures *	Computers & Peripherals	Vehicles	Plant & Equipment	Total
(I) Gross carrying amount							
As at 1st April 2024	8,142	3,607	275	150	1,456	10,385	24,015
Additions	-	-	21	11	334	67	433
Disposals/ Impaired	-	-	-	-	156	4	160
As at 31st March 2025	8,142	3,607	296	161	1,634	10,448	24,288
Additions	-	-	9	11	115	290	424
Revaluation of Land Patiala	3,216	-	-	-	-	-	3,216
Disposals/ Transfer	4,241	1,896	19	9	137	5,161	11,463
As at 31 st March 2026	7,117	1,711	286	163	1,612	5,576	16,466
(II) Accumulated depreciation							
As at 1st April 2024	-	1,092	103	70	682	3,644	5,591
Additions	-	155	22	9	173	218	577
Disposal	-	-	-	-	134	-	134
As at 31st March 2025	-	1,247	125	79	721	3,862	6,034
Additions	-	121	22	11	173	177	505
Disposal	-	881	16	-	112	2,152	3,160
Reversal on account of change in economic life (Refer Note 24(i)(c))	-	-	-	-	251	-	251
As at 31 March 2026	-	487	131	90	531	1,887	3,128
Net Carrying amount (I) - (II)							
As at 31 March 2026	7,117	1,225	155	73	1,081	3,689	13,338
As at 31 March 2025	8,142	2,360	171	82	913	6,588	18,256

(3B) Capital work in progress:

As at 31st March 2026	3
As at 31st March 2025	15
Opening Balance as at 1st April, 2024	25
Additions	55
Capitalisations	(65)
Balance as at 31st March 2025	15
Additions	241
Capitalisations	(253)
Balance as at 31st March 2026	3

(3B.1) Capital work in progress Ageing schedule

	Amount in CWIP for a period of				
	<1 yr	1-2 yr	2-3 yrs	>3 yrs	Total
Projects in progress	3	-	-	-	3
Projects temporarily suspended	-	-	-	-	-

(3B.2) There was no project whose completion is overdue vs original plan or has exceeded the budget.

(3C) Other Intangible Assets

Brand (Indefinite life)	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Gross Carrying amount	3364	3364
Net Carrying amount	3364	3364

3C.1 Management believes indefinite life continues despite decrease in revenue from operations.

(3D) Right- of- use Assets

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Balance as at beginning of the year (In respect of building taken on lease)	495	110
Additions	-	518
Deletion	-	-
Amortisation	210	133
Balance as at end of the year	285	495

Footnotes:

- (i) For details of Property, plant and equipment charged as security against borrowings. Refer Note 16(iii) & Note 19(i).
- (ii) Title deeds of all immovable properties i.e. Land & Building at Bahadurgarh, Patiala in the name of Company are held by banks as security.
- (iii) Estimated amount of capital contracts remaining to be executed is Rs. 3 Lakhs (PY Rs. Nil).
- (iv) * includes office equipment.
- (v) During the year, the company has written off Property, Plant and Equipment worth Rs 17 Lakhs
- (vi) Company has not revalued any PPE and ROU Assets during the year except Land at Patiala by Rs 3216 Lakhs (refer note 24(i)(b))

Note 4 Biological assets other than bearer plant

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Trees & Plantation	(i)	394	469
Total		394	469

Footnotes:

- (i) Trees and plants are considered biological Assets as per Ind AS 41. During the year company has capitalised Rs. 8 lakhs (P.Y Rs. 8 lakhs) towards lease rentals of land. Company has obtained the certificate of Agricultural Scientist with regard to fair valuation at the reporting date and has accounted the gain of Rs. 106 lakhs on reinstatement during the year (previous year 84 lakh) (refer note 24(c)) Company has written off an amount of Rs 189 lakhs pertaining to Moradabad plant on disposal of Land & building. Management hopes to generate revenue from the sale of trees in the subsequent years. (Also refer Note 24A(i)(d))

Note 5. Financial assets - Investment

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Investment in equity instruments - unquoted/ Govt.Securities			
(a) MFL Trading Pvt. Ltd 10000 equity shares of 10 each (wholly owned subsidiary company not carrying any activity).		-	1
(b) National saving certificates / Deposits	(i)	2	2
Total		2	3

Footnotes:

- (i) Pledged with government authorities (pending confirmation) towards fulfilment of statutory obligations.
(ii) The subsidiary company ceased to exist legally u/s 248 of the Companies Act during the year.

Note 6. Trade receivable (unsecured)

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Considered good		5,582	8162
Having significant increase in credit risk		106	110
		5,688	8272
Less: Allowance for expected credit loss			
Having significant increase in credit risk	(i)	10	10
		10	10
Net Trade receivables			
Unsecured considered good		5,582	8162
Having significant increase in credit risk	(ii)	96	100
		5,678	8262
Current		5,548	8160
Non-current		130	102

Ageing of trade receivables from date of transaction.

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2026:						
a) Undisputed trade receivables						
Unsecured considered good	5,548	-	-	34	-	5,582
Having significant increase in credit risk	-	-	49		57	106
	5,548	-	49	34	57	5,688
Less: Expected Credit Loss						
Having significant increase in credit risk	-	-			10	10
Net Trade Receivables						
Unsecured considered good	5,548	-	-	34	-	5,582
Having significant increase in credit risk (Refer footnote ii)	-	-	49		47	96
	5,548	-	49	34	-	5,678

(Rs. in Lakhs)

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025:						
a) Undisputed trade receivables						
Unsecured considered good	8,160	-	-	2	-	8,162
Having significant increase in credit risk	-	-	53	-	57	110
	8,160	-	53	2	57	8,272
Less: Expected Credit Loss						
Having significant increase in credit risk	-	-	-	-	10	10
Net Trade Receivables						
Unsecured considered good	8,160	-	-	2	-	8,162
Having significant increase in credit risk	-	-	53	-	47	100
	8,160	-	53	2	-	8,262

Footnotes:

- In view of insignificant amount of bad debts and timely recovery in earlier years, allowance for expected credit loss is made on the simplified approach of Actual bad debts in earlier years.
- (a) Includes Rs 47 Lakhs (net of write off/ provisions of Rs 22 Lakhs) from an entity facing an insolvency petition before the NCLT, a claim of Rs 78 Lakhs including interest of Rs 9 lakhs has been filed before the Resolution Professional. The Company on the basis of legal advice, is of the view that it has good chance to recover the amount of claim. As a matter of abundant caution, the amount of Rs 22 Lakhs as stated above has been written off/ provided in the books.
(b) Trade receivables of Rs 50 Lakhs outstanding for more than two years are considered recoverable.
- No trade receivables are due from directors or other officers of the company or any of them either severally or jointly with any other person, or from firms or private companies in which any director is a partner, a director or a member. Refer note 36 (b) for information about credit risk .

Note 7. Other Non Current financial assets

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(a) Security deposits	(i)	81	84
(b) Loans and advances to employees (Unsecured, Considered Good)		7	35
(c) Fixed Deposits with bank (Maturity exceeding 12 months)		7	2
Total		95	121

Footnotes:

- Includes Rs 71 lakhs (Previous year Rs.71 lakhs) with Govt departments and Rs. 10 Lakhs towards leased premise for KMP (P.Y. 5 Lakhs).

Note 8. Other non current assets

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Unsecured - considered good			
(a) Prepaid expenses		10	17
(b) Deposit with sales tax Authorities	(i)	72	72
(c) MAT credit receivable		989	965
(e) Advance to suppliers / Others	(ii)	470	255
Unsecured - considered doubtful			
(f) Advance to suppliers		8	8
Less: Allowance for doubtful advances		(8)	(8)
Total		1,540	1,309

Footnotes:

- (i) Represents the amount deposited as a pre-condition for preferring appeal, the matter is pending before Rajasthan Tax Board. Company is of the view that the Appeal would be decided in its favour and hence no provision has been made. (Refer Note 34(a))
- (ii) Includes unconfirmed advances to suppliers of Rs 461 Lakhs outstanding from earlier years. However, the management is hopeful of recovery of the same and as a matter of abundant caution, a provision of Rs 8 Lakhs has already been made in the books.

Note 9. Inventories

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(a) Work-in-progress		1,573	1,493
(b) Stock in Transit (Raw materials)		452	465
(c) Finished goods		2,154	748
(d) Stores and spares		279	318
(e) Packing materials	(i)	132	221
(f) Raw materials		-	115
Total		4,590	3,360

Footnotes:

- (i) Non moving / slow moving stocks of packing material, stores and spares of Rs 78 Lakhs have been written off, Refer footnote 24(i)(c).
- (ii) For details of inventories provided as security for borrowings. Refer Note 19(i)
- (iii) The mode of valuation of inventories has been described in Note 2H of material accounting policies.

Note 10A. Cash and cash equivalents

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Cash on hand	19	26
Balance with Bank (in current account)	1	1
Total	20	27

Note 10B. Bank Balances other than Cash & cash equivalents

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Earmarked Balances : Unpaid Dividend Account	(i)	16	16
Fixed Deposit (Maturity exceeding 3 months but less than twelve months)		65	121
Total		81	137

Footnotes:

- (i) Towards bank guarantees given to govt. departments/corporations for performance of contractual obligations.

Note 11. Financial Assets - others

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(a) Interest receivable	(i)	205	202
(b) TDS receivable - Others		14	27
(c) Conversion charges receivable	(ii)	77	81
(d) Loan/Imprest to employees -unsecured (Unsecured, considered good)	(iv)	61	22
(e) Earnest money deposit with Govt. Department		20	20
(f) Other Receivable	(iii)	4,338	-
Total		4,715	352

Footnotes:

- (i) Includes an amount of Rs. 199 Lakhs on GST Refund (Moradabad Plant) pending disposal of the appeal preferred by the department.
- (ii) Represent job work executed pending dispatch.
- (iii) Represents amount receivable in terms of sale deed of the Moradabaad Plant which has been received subsequent to the reporting date on execution of sale deed. Refer Note 24A(i)(a)
- (iv) Includes Rs 28 lakhs given to employee towards Medical emergency considered good and recoverable.
- (v) In line with circular no.04/ 2015 issued by MCA dated 10-3-2015, loans given to employees as per the Company's policy are not considered for the purpose of disclosure under section 186 (4) of the Companies Act,2013.

Note 12. Other current assets

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(a) Prepaid expenses	(i)	83	98
(b) Advance to suppliers - unsecured, considered good		4,035	323
(c) Goods & Service Tax credit receivable		325	168
(d) Goods & Service Tax deposit under protest		771	727
(e) Income Tax Refund AY 25-26		57	-
Total		5,271	1,316

Footnotes:

- (i) Represent GST input credit.
- (ii) Against the demand of Rs 1896 lakhs with an equivalent amount of penalty levied by CGST Ludhiana in respect of Patiala Plant in earlier years, confirmed by Commissionerate (Appeals), Company has preferred an appeal before Tribunal CGST Ludhiana which is pending. The Company has been legally advised of its success as the facts of the Patiala Plant are similar to that of the Moradabad Plant where the entire demand had been quashed by the appellate authority.

Note 13. Share capital

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares	(Rs. in Lakhs)	Number of shares	(Rs. in Lakhs)
(a) Authorised				
Equity shares of Rs.5 each (P.Y. Rs 5 each)	6,80,00,000	3400	1,95,00,000	1950
Cumulative redeemable preference shares of Rs. 100 each	50,000	50	50,000	50
Total	6,80,50,000	3450	1,95,50,000	2000
(b) Issued, Subscribed and Paid up				
Equity shares of Rs. 5 each fully paid up (P.Y Rs 5 each)	2,43,78,180	1219	51,27,855	513
(c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :				
Equity shares of Rs.5 each (PY Rs 5 each) at the beginning of the year	2,43,78,180	1219	51,27,855	513
Add: Issued during the year pursuant to merger/business acquisition	-	-	9,66,690	97
	2,43,78,180	1,219	60,94,545	609
Split in the par value of share from Rs.10 to 5 per share	-	-	1,21,89,090	609
Add: (1:1) issue of Bonus shares	-	-	1,21,89,090	609
Outstanding at the end of the year (Rs 5 per share)	2,43,78,180	1,219	2,43,78,180	1219

Footnotes:

- The Company has only one class of equity shares having a face value of Re. 5 per share. Each holder of equity share is eligible for one vote per share.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- Details of shares held by shareholder holding more than 5% of aggregate shares of the company.:

Class of shares / Name of shareholder	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares held	Percentage of shares held	Number of shares held	Percentage of shares held
Equity shares				
Mr. Karamjit Jaiswal	1,06,66,856	43.76%	1,06,66,856	43.76%
Ms Roshini Sanah Jaiswal	28,00,240	11.49%	28,00,240	11.49%
Dhanvani Investments Pvt. Ltd.	22,43,444	9.20%	22,43,444	9.20%
Sudha Commercial Co. Ltd.	19,56,412	8.03%	19,56,412	8.03%

- Aggregate value of issued, subscribed and paid up capital as on the balance sheet date for the period of 5 preceding years includes:
 - Bonus shares of 12189090 allotted by capitalisation of securities premium.
 - 244000 (P.Y. 244000) Equity shares allotted under the Employee stock option plan schemes as consideration for services rendered by employees for which only exercise price has been received in cash.

Details of shares held by promoters in the Company	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares held	Percentage of shares held	Number of shares held	Percentage of shares held
Equity shares				
Mr. Karamjit Jaiswal	1,06,66,856	43.76%	1,06,66,856	43.76%
Ms Roshini Sanah Jaiswal	28,00,240	11.49%	28,00,240	11.49%
M/S Blue Skies Investments P. Ltd	1,01,000	0.41%	1,01,000	0.41%
M/S Snowwhite Holding P.Ltd	92,000	0.38%	92,000	0.38%
Total promoters shareholding	1,36,60,096	56.03%	1,36,60,096	56.03%
Total company's shares	2,43,78,180	43.97%	2,43,78,180	43.97%

Note 14. Other equity

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(a) Securities premium (refer footnote (i))	3,796	3,796
(b) Retained earnings (refer footnote (ii))	17,006	12,591
(c) Share Option Outstanding Accounts (refer footnote (iii))	318	-
(d) Share Application Pending allotment	61	-
(e) Capital Reserve (refer footnote (iv))	19	19
Total	21,200	16,406

Footnotes:

(i) Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity settled share based payment transactions, the difference between the fair value on the grant date and nominal value of shares is accounted as security premium. In case of business acquisitions, the difference between the fair value on the acquisition date and nominal value of shares is accounted as security premium. The company may issue fully paid-up bonus shares to its members/ buy back of shares out of balance lying in the securities premium account .

(ii) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Out of the total revaluation reserve of Rs 5,081 Lakhs created at the time of first time adoption of Ind as on 01.04.2016, during the year, revaluation reserve of Rs 4300 Lakhs has been withdrawn on account of sale of Moradabad Plant. and the balance revaluation reserve of Rs. 763 lakhs (PY Rs. 5,081) pertains to Patiala Plant. Further, During the year company has revalued the Patiala Plant and the surplus of Rs 3197 Lakhs has been credited to retained earnings instead of Revaluation Reserve, (refer Note 24A (i)(c). Items of other comprehensive income : Remeasurement of Net Defined benefit plans represents changes in the liabilities over the year due to changes in the actuarial assumptions or experience adjustment within the plans are recognised in the other comprehensive income and are adjusted to retained earnings.

(iii) Share Option Outstanding Account

The Fair value of equity settled share based payment transaction is recognised as expense in the standalone statement of profit and loss with a corresponding credit to Employee stock option outstanding account.

NRC vide resolution dated 28.05.2025 withdrew/ cancelled the ESOP Scheme 2024 on the request of the employees, informed Bombay Stock Exchange and approved the amended Stock Incentive Plan on 20.06.2025 to the Eligible Employees/ Director of the company under the "Milkfood Ltd Employee Stock Option Plan 2024" complying the Companies Act read with Securities and exchange Board of India (share based employee benefits and sweat equity regulations) 2021. The vesting period is till 20.06.2026. Pursuant to the amended plan and the approval of the Nomination and Remuneration Committee the company has granted options numbering the company has granted options numbering 12,18,000 (Fair value Rs 409 Lakhs) during the year. Refer foot note (e) of note 24 (i).

(iv) Capital Reserve has been created in pursuance of scheme of amalgamation between Triputi Infrastructure Pvt Ltd (Transferor Company) with Milkfood Ltd (Transferee Company). This reserve is not available for capitalisation/ declaration of dividend and share buy back.

(v) The disaggregation of changes in each type of reserve, retained earnings and other comprehensive income are disclosed in Statement of Changes in Equity.

Note 15. Long-term borrowings

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(a) <u>From Banks: Secured at amortised cost</u>			
Rupee term loan	(i)	585	510
Total (a)		585	510
(b) <u>From Others: Secured at amortised cost</u>			
Vehicle loan	(i)	367	516
Total (b)		367	516
(c) <u>From Others-Unsecured at amortised cost</u>			
Inter corporate Loan (refer footnote(iv))		1,715	4,720
Loan from KMP/relative (refer footnote (vii))		20	20
Total (c)		1,735	4,740
Grand Total (a+ b+c)		2,687	5,766

Footnotes:-

(i) Detail of loans:

	Non Current	Current Maturity	Total
a) <u>From Banks: Secured at amortised cost</u>			
State Bank of India	22	211	232
Date of sanction 05/12/2022, aggregate no of instalments due 19, ROI Per Annum 12.45%, date of maturity 05/10/2027	(232)	(211)	(443)
Canara Bank Term Loan GECL-2.0	0	0	0
	0	(69)	(69)
Canara Bank Term Loan GECL-2.0 (Extension)	0	0	0
	(76)	(46)	(122)
State Bank of India Term Loan GECL-2.0	0	0	0
	0	(193)	(193)
State Bank of India Term Loan GECL-2.0 (Extension)	0	-	0
	(201)	(116)	(317)
Canara Bank Term Loan -Quasi Loan	563	250	813
Date of sanction 09/06/2025, aggregate no of instalments due 39, ROI Per Annum @ 11.45%, date of maturity 04/06/2029	0	(167)	(167)
b) <u>From Banks: Unsecured at amortised cost</u>			
Canara Bank -Vehicle Loan	0	0	0
	0	(1)	(1)
c) <u>From Others: Secured at amortised cost</u>			
Vehicle Loan	367	413	780
(i) Kotak Mahindra Prime Ltd (Various Loans), 1st date of sanction 05/05/2022 as per repayment schedule, aggregate no. of instalments due 485, ROI Per Annum @ 9.75%, to 15.65% ,last date of maturity 05/03/2028.			
(ii) Mercedes Benz Financial Services (Various Loans), 1st date of sanction 01/12/2024 as per repayment schedule, aggregate no of instalments due 65, ROI Per Annum @ 8.60%,last date of maturity 04/01/2028.	(516)	(513)	(1,029)

	Non Current	Current Maturity	Total
d) From Others-Unsecured at amortised cost			
	0	0	0
	0	0	0
Total	951	874	1,825
	(1,025)	(1,316)	(2,341)

(ii) Figures in bracket relates to the previous year. Interest rate above represent prevailing rates.

- (iii) a) SBI Term Loan of Rs 1000 Lakhs was primarily secured on 1st pari passu basis of entire current assets including stocks of raw materials, stores, spares, Stock in Progress, Finished Goods, including goods in transit, book debts (etc.) and collaterally secured by 1st pari passu charge through equitable mortgage of factory land and building located at Bahadurgarh Patiala, hypothecation of Movable fixed assets of the company excluding vehicles and assets financed by other lenders and charge over company's Brand. Further the loan is guaranteed by the two individual promoters.
- b) Canara Bank Term Loan of Rs 1000 Lakhs was primarily secured by 1st pari passu charge on entire current assets of the Company including receivables and collaterally secured through pari passu charge on equitable mortgage of factory land and building located at Bahadurgarh Patiala - Punjab and hypothecation of Plant and Machinery.
- (iv) Original Date of agreement: 08.08.2022, tenure 10 years, flexible at the option of borrower for earlier payment with a floating rate of interest 10.25% p.a as mutually agreed. Rs 2755 Lakhs have been paid subsequently and hence considered short term borrowings.
- (v) The company has utilised the borrowings from banks and financial institutions for the specific purposes for which it was taken.
- (vi) There has been no default in respect of repayment of borrowings and interest. Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.
- (vii) Represents the Loan from directors of the erstwhile merged company.
- (viii) Vehicle loans are secured by endorsement in favour of lender on Registration certificate

Note 16A. Lease Liabilities (Non current)

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Lease Liabilities	121	323
Total	121	323

Note 16B. Lease Liabilities (Current)

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Lease Liabilities	202	193
Total	202	193

Movement in the Lease Liabilities (Non Current and Current is as follows):

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Balance as at the beginning of the year	515	122
Add: Addition	-	518
Add: Accretion of interest	52	33
Less: Payments	244	158
Balance as at the end of the year (refer note 36(c) for maturity analysis)	323	515

Footnotes:

- (i) The incremental borrowing rate applied to lease liabilities is 12% (Previous year 12%) irrespective of the lease term.

Note 17. Financial liabilities - other

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(a) Security deposits	(i)	901	1,212
(b) Other payable	(ii)	1	1
Total		902	1,213

Footnotes:

- (i) Company has treated a sum of Rs 901 Lakhs (previous year 1212 lakhs) payable to suppliers as security deposit received as non current liability as per trade practice followed consistently in the past .During the year an amount of Rs 301 lakhs has been written back as considered no longer payable (*Refer Note 24(i)(c)*)
- (ii) Payable to ex-employee pending final decision of court.
- (iii) Refer note 36(c) for information about liquidity risk

Note 18. Provisions

Particulars		As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(A) Non current			
(a) Provision for employee benefits:			
Gratuity		156	215
Compensated absences		16	32
Total		172	247
(B) Current			
(a) Provision for employee benefits:			
Gratuity		120	124
Compensated absences		9	11
Total		129	135

Footnotes:

- i) Provision for Gratuity and compensated absences have been made in terms of IND AS-19.(Refer note no. 35).

Note 19. Financial liabilities - short -term borrowings

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
From bank/ others - secured			
a) Cash credit	(i)	4,401	4,219
b) Current maturities of long term debts (Refer note 15(i))		3,629	1,314
Total		8,030	5,533

Footnotes:

- (i) Cash Credit limit sanctioned by State Bank of India/Canara Bank are secured by hypothecation on pari passu basis on all present & future current assets including stocks and book debts and extension of charge on pari-passu basis on the Property, Plant and Equipment (excluding vehicles) of the company and exclusive charge on the Brand "MILKFOOD". Refer Note 16(iii). The facility is further guaranteed by two individual promoters.
- (ii) The company has utilised the borrowings from banks and financial institutions for the specific purposes for which it was taken.
- (iii) Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

Note 20. Financial liabilities - Trade payable

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(a) Total outstanding dues of micro enterprises and small enterprises	(i)&(ii)	65	59
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises.		3,118	5,107
Total		3,183	5,166

Ageing of the trade payables from the date of transaction:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2026:					
Undisputed trade payables					
Micro enterprises and small enterprises	65	-	-	-	65
Others	3,118	-	-	-	3118
	3,183	-	-	-	3,183
As at 31 March 2025:					
Undisputed trade payables					
Micro enterprises and small enterprises	59	-	-	-	59
Others	5,085	-	-	-	5085
	5,144	-	-	-	5,144

Footnote:

- (i) This information as required to be disclosed under Micro Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- (ii) Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
A(i) Principal amount remaining unpaid	65	59
A(ii) Interest amount remaining unpaid	-	-
B Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.	-	-
C Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006.	-	-
D Interest accrued and remaining unpaid.	-	-
E Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

(iii) Refer note 36 for information about liquidity risk and commodity price risk.

Note 21. Other financial liabilities - current

Particulars	Footnote	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(a) Outstanding expenses including salary & wages etc.	(i)	139	144
(b) Staff advances		12	7
(c) Unpaid Dividend (refer note 10(B))		16	16
Total		167	167

Footnotes:

- (i) Includes rent payable for earlier years of Rs. 3 Lakhs (P.Y. Rs. 3 Lakhs) pending court case.
- (ii) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as 31st March, 2026 (31st March, 2025: Nil).
- (iii) Refer note 36(c) for information about liquidity risk

Note 22. Other current liabilities

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
(a) Statutory remittances (Contribution to PF & ESI, TDS, GST, etc)	399	57
(b) Advances from Customers	7	8
Total	406	65

Note 23. Revenue from operations

Particulars	Footnote	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
(a) Sale of products (Net of sales return, volume rebates)	(i)	38,655	42,782
(b) Other operating revenues	(ii)	2,638	1,994
Revenue from operations		41,293	44,776

Footnotes:

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
(i) Sale of products comprises:		
- Ghee	32,839	38,386
- Milk & Milk powder	5,816	4,396
Total	38,655	42,782
(ii) Other operating revenues comprises:		
Sale of scrap	7	18
Sale of Carbon Credit (Refer Note No 2.16(e))	-	3
Conversion charges Income from services rendered includes un-billed revenue of Rs 71 Lakhs (PY 81 Lakhs)	2,631	1,973
Total	2,638	1,994
(iii) The company has received 10% or more of its revenue from one customer.		

Note 24A. Other income

Particulars	Footnote	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
(a) Interest income		17	6
(b) Liability no longer required		-	2
(c) Fair value gain on reinstatement of biological assets (Refer Note 4(i))	(i)	106	166
(d) Profit on sale of "Assets held for sale"/ PPE		-	14
(e) Misc Receipts		1	-
(f) Others		7,042	-
Total		7,166	188

Footnotes:

(i) Others includes:

	Sales Consideration	Carrying Amount	Profit/(Loss)
i) Electricity expenses reimbursed to Jagatjit Industries Ltd	16	-	16
(a) Profit on sale of PPE of MBD Plant (Exceptional Items) (refer note (i)(1))			
(A)	13,000	8,241	4,759
(b) Revaluation of Patiala Land (Certified by Chartered Engineers dated 10.02.26)-FMV as on 10.02.2026-Rs. 7,097 Lakhs Less Carrying Amt - Rs 3900 Lakhs resulting in Profits before tax/ Retained Earnings higher and OCI/Revaluation Surplus lower as per Ind AS 16.			3,197
(c) Packing / Stores / Husk / Advances / Debit Balance written off of Rs 952 Lakhs net of Credit Balance Security Deposit written back of Rs 311 Lakhs and depreciation reversal of Rs 251 Lakhs (refer note (i)(2))			(390)
(d) Trees & Plantation (Biological Assets) written off (Exceptional Items)			(189)
(e) Share based payment Expenses (refer note (i)(3))			(318)
(f) PPE Written Off			(17)
(B)			2,283
(A+B)			7,042

- (i) (1) Recognised gain, basis agreement to sell, substantial receipt of consideration and handing over the possession prior to the reporting date, despite the fact that Sale deed of Rs 9217 Lakhs executed subsequent to the reporting date, considering the same to be adjusting events instead of non adjusting events in terms of Ind AS 10 and SA 560 resulting in increase in profit to that extent.
- (i) (2) On account of retrospective revision of useful life of vehicle from 6 to 8 years from FY 2019-20 onwards instead of prospective as per Ind AS 8 resulting in overstatement of profit before tax to the extent of Rs 251 Lakhs.
- (i) (3) other Income is net of Share Based Payments instead of separate classification in Employee benefit expense as per Ind AS 102 with no impact on profit before tax.

Note 25. Cost of material consumed

Particulars	Footnote	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
(a) Raw materials consumed	(i)		
Inventories at the beginning of the year		115	63
Add: Purchases		35,969	36,537
Less: Inventories at the end of the year , Including stock in Transit		452	115
		35,632	36,485
(b) Packing materials consumed			
Inventories at the beginning of the year		221	201
Add: Purchases		626	992
Less: Inventories at the end of the year		132	221
		714	972
Total (a+b)		36,346	37,457

Footnotes:

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
(i) Raw material consumed comprises:		
Fat & butter	29,792	32,299
Milk and Milk Powder (Refer Note 1)	5,840	4,186
Total	35,632	36,485

Refer note 2H for Accounting Policy on valuation

Note 26. Changes in inventories of finished goods and work-in-progress

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
<u>Inventories at the end of the year:</u>		
Finished goods	2,153	748
Work-in-progress	1,572	1,491
Stock in Transit		466
	3,726	2,705
<u>Inventories at the beginning of the year:</u>		
Finished goods	748	921
Work-in-progress	1,491	1,365
Stock in Transit	466	364
	2,705	2,650
Net (increase) / decrease	(1,021)	(55)

Refer note 2H for Accounting Policy on valuation

Note 27 Employee benefits expenses

Particulars	Footnote	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
(a) Salaries, wages and other benefits	(i)	2133	2074
(b) Contributions to provident funds / ESI		103	126
(c) Gratuity & compensated absences	(ii)	58	64
(d) Share Based Payment (refer note 15(iii))		0	0
(e) Staff welfare expenses		88	94
Total		2382	2358

Footnote:

- (i) Includes bonus of Rs. 21 lakhs (P.Y. Rs. 23 lakhs) under the payment of Bonus (Amendment) Act 2015.
- (ii) Provision for Gratuity and compensated absences have been made during the year in terms of IND AS-19 (Refer note no. 35).
- (iii) Reduced Rs 318 lakhs from other income (PY NIL)

Note 28. Finance costs

Particulars	Footnote	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
(a) Interest expense			
on Term Loan		243	294
on Cash Credit		549	421
on Inter Corporate Loan		478	484
on Lease Liabilities		52	31
(b) Other borrowing costs (Bank and other financing charges)		54	53
(c) Total (a+b)=c		1376	1283
(d) Less: Interest on GST Refund		-	(199)
Total(c-d) Net Finance cost		1376	1083

Note 29. Depreciation & amortisation expenses

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
a) Depreciation of property, plant and equipment owned Assets (Refer Note no. 2.3(A))	505	577
b) Depreciation of right-of-use assets (leased assets) (Refer Note 2(C)).	211	133
Total	716	710

Note 30. Other expenses

Particulars	Footnote	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
Consumption of stores and spare parts		101	90
Power and fuel		1,244	878
Repairs and maintenance:			
- Building		6	19
- Machinery		91	84
Freight & forwarding expenses		387	341
Commission		5	5
Selling & distribution expenses		29	57
Advertisement expenses		27	20
Rates and taxes		43	53
Rent		92	78
Auditors remuneration	(i)	24	21
Office maintenance & house keeping		227	221
Legal & professional		160	163
Insurance expenses		104	105
Travelling & hotel expenses		54	59
Vehicle expenses		89	71
Watch & ward expenses		41	41
Postage & telephone expenses		18	20
Bad Debts/ Stock/ Advances written off (Refer note24(i)(c))		-	-
Ccorporate social responsibility expense (refer note.40)	(ii)	15	13
Miscellaneous expenses		194	314
Total		2,951	2,653

Footnote:

(i) Auditors remuneration

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
- Audit fee	16	16
- Tax Audit	4	4
- Tax representation	4	-
- Reimbursement of expenses	-	1
Total	24	21

(ii) Contributed to PM's National Relief Fund.

Note 31 (A). Current tax liabilities

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
Provision for tax	1,202	154
Total	1,202	154

Note 31 (B). Current tax assets

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
Advance tax /TDS /TCS	1,425	185
Total	1,425	185

Note 31 (C) Reconciliation of Tax expenses as per taxable profits and accounting profits

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
Income tax related to items charged or credited to statement of profit and loss during the year:		
(a) Statement of profit and loss		
Current tax	1,202	154
Tax Adjustment for earlier years	(36)	2
MAT credit utilised/ (recognised)	12	36
Deferred tax charge / (credit)	102	114
Total (a)	1,280	306
(b) Other comprehensive income		
Deferred tax charge/(credit) on	-	-
Re-measurement of defined benefit plan	(5)	5
Total (a+b)	1,275	311
Reconciliation of tax expense:		
Accounting profit before income tax	5,709	758
Applicable tax rate	29.12%	27.82%
Computed tax expenses	1,662	210
Tax impact of profit on sale of PPE	(595)	(20)
Tax impact of brought forward losses and depreciation	0	-
Deferred tax impact of temporary timing differences	102	114
MAT Credit Utilized	12	2
STCG Tax	99	-
Income tax expense reported in statement of profit and loss account	1,280	306

Note 31 (D) Deferred tax

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2026			
	As at 01 April, 2025	Recognised in		As at 31 March, 2026
		Profit & Loss	OCI	
<u>Tax effect of items constituting deferred tax liability</u>				
Property, plant and equipment	1,470	101	-	1,571
Right of Use (Ind as 116)	138	(55)	-	83
(A)	1,608	46	-	1,654
<u>Tax effect of items constituting deferred tax assets</u>				
Provision for gratuity and compensated absences	106	(23)	5	88
Disallowances under section 43B of the Income Tax Act, 1961	3	(1)	-	2
Provision for doubtful debts	3	(0)	-	3
Mat credit	269	18	-	287
Lease Liability (Ind as 116)	144	(50)	-	94
(B)	525	(56)	5	474
Deferred tax liability (net) (A-B)	1,083	102	(5)	1,180

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2025			
	As at 01 April, 2024	Recognised in		As at 31 March, 2025
		Profit & Loss	OCI	
<u>Tax effect of items constituting deferred tax liability</u>				
Property, plant and equipment	1,407	63	-	1,470
Right of Use (Ind as 116)	30	108	-	138
(A)	1,437	171	-	1,608
<u>Tax effect of items constituting deferred tax assets</u>				
Provision for gratuity and compensated absences	104	7	(5)	106
Disallowances under Section 43B of the Income Tax Act, 1961	3	-	-	3
Provision for doubtful debts	3	-	-	3
Mat credit	329	(60)	-	269
Lease Liability (Ind as 116)	34	110	-	144
(B)	473	57	(5)	525
Deferred tax liability (net) (A-B)	964	114	5	1,083

Note 32. Earning per share

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
Net profit attributable to equity shareholders (Rs. in Lakhs)	4429	465
Weighted average number of equity shares used for computing basic earning per share (Nos.)	2,43,78,180	2,43,78,180
Weighted average number of equity shares used for computing diluted earning per share (Nos.)	2,55,96,180	2,43,78,180
Par value per share (In Rs.)	5	5
Earnings per share - Basic (in Rs.)	18.17	1.91
Earnings per share - Diluted (in Rs.)	17.30	1.91

Footnote:

(i) Consequent upon considering note 24 (i)(b) & (c)

Note 33. Related party disclosures

(A) Details of related parties with whom the company had transactions during the year.

Description of relationship	Names of related parties
(a) Enterprises over which KMP, major shareholder is able to exercise significant influence	Jagatjit Industries Ltd., Pashupati Properties P. Ltd, Anjani Estate P. Ltd, Mata Construction & Builders P.Ltd, Ispace Developers (P) Ltd. MFL Trading Pvt Ltd (Wholly owned subsidiary Company) (ceased to legally exist wef 20.01.2026)
(b) Key Management Personnel (Managing Director/ COO/ CFO/Company Secretary/Directors and their relatives)	Mr Karamjit Jaiswal Ms Roshini Sanah Jaiswal Mr Sudhir Avasthi (Managing Director) Mr Deepankar Barat (President) Mr Amarbaljeet Singh (COO) Mr Harmesh Mohan Sood (Director) Ms Gita Bawa (Independent Director) Mr Anil Girotra (Independent Director) Ms Preeti Mathur (Director) Ms Namita Swain (Independent Director) Mr Sanjeev Kothiala (CFO) Mr Rakesh K Thakur (CS) Ms. Jyotsana Bhatnagar w.e.f 12.08.2025

(B) Transactions with related parties during the year:

Particulars	With Persons Mentioned in (a) above (Rs. in Lakhs)	With Persons Mentioned in (b) above (Rs. in Lakhs)	Total (Rs. in Lakhs)
i) Electricity expenses reimbursed to Jagatjit Industries Ltd	14 (16)	- -	14 (16)
ii) Rent (Lease liabilities including interest paid)	-	-	-
a) Jagatjit Industries Ltd	41 (41)	- -	41 (41)
b) Pashupati Properties Pvt .Ltd	12 (12)	- -	12 (12)
c) Anjani Estate Pvt.Ltd	11 (11)	- -	11 (11)
d) Mata Construction & Builders Pvt. Ltd	12 (12)	- -	12 (12)
iii) Inter corporate loan repayment to Ispace Developers Pvt Ltd	250	-	250
iv) Interest paid to Ispace Developers Pvt Ltd	478 (484)	- -	478 (484)
v) Managerial Remuneration (Perks valued as per IT Rules)			
Mr Karamjit Jaiswal	-	103	103
Mr Sudhir Avasthi (Managing Director) (refer footnote (vii))	-	177	177
Mr Deepankar Barat (President) (refer footnote (vii))	-	231	231
Mr Amarbaljeet Singh (COO) (refer footnote (vii))	-	53	53
Mr Harmesh Mohan Sood (Director) (refer footnote (vii))	-	20	20
Mr Sanjeev Kothiala (CFO) (refer footnote (vii))	-	41	41
Mr Rakesh K Thakur (CS)	-	17	17
Total Managerial Remuneration		642 (756)	642 (756)

Particulars	With Persons Mentioned in (a) above (Rs. in Lakhs)	With Persons Mentioned in (b) above (Rs. in Lakhs)	Total (Rs. in Lakhs)
vi) Rent			
Mr Karamjit Jaiswal	-	8	8
	-	(7)	(7)
Mrs Shakun Jaiswal	-	-	-
	-	(1)	(1)
Ms Roshini Sanah Jaiswal	-	4	4
		(4)	(4)
Mr. Manik Avasthi		109	109
		(35)	(35)
vii) Directors sitting fees			
Ms Gita Bawa (Independent Director)	-	1	1
Mr Anil Girotra (Independent Director)	-	1	1
Ms. Preeti Mathur (Director)	-	1	1
Mr H M Sood (Non Executive Director) (refer footnote (viii))	-	1	1
Ms. Namita Swain (Independent Director)	-	1	1
Ms. Jyotsana Bhatnagar (Independent Director)	-	1	1
Total Director sitting fees		6	6
		(7)	(7)
viii) Interest Income			
Fastgrowth Estates Pvt. Ltd.	5	5	
	-	-	
ix) Expenditure incurred on behalf of company			
Fastgrowth Estates Pvt. Ltd.	-	-	
		(34)	(34)
x) Interest Income			
Ms. Roshini Sanah Jaiswal	-	1	1
		-	-
xi) Loan granted to relative of KMP			
Ms. Roshini Sanah Jaiswal		25	25
		-	-
xii) Reimbursement receivable/ (payable)			
Fastgrowth Estates Pvt. Ltd.	85		85
	(80)		(80)
xiii) Amount receivable/ (payable) (Ms. Roshini Sanah Jaiswal)		26	26
		-	-
xiv) Amount receivable/ (Payable) (Jagatjit Industries Ltd)	2	-	2
	(12)	-	(12)
xv) Inter Corporare deposit (Payable) (Ispcae developers Private Limited Ltd)	(4,470)		(4,470)
	(4,720)		(4,720)

Footnote:

- No amounts have been written off / provided for or written back during the year in respect of amounts receivable from or payable to related parties. There have been no guarantee provided or received to/ from related party in respect of any debt/ obligation of the related party or of Company except personal guarantee given by two Individual promoters in respect of secured loans from banks
- Related parties have been identified by the management.
- Rent (lease liability including interest) is certified by the the management as per prevalent market rates and for business purposes of the company.

- (iv) As the defined benefit plans and compensated absences are provided on actuarial basis for the company as a whole, the amount pertaining to Key Managerial Personnel are not ascertainable and hence not included above.
- (v) Related parties transactions are done in the ordinary course of business and are at arms length. Outstanding balances at the year end are unsecured. Refer note 16(iv) for Terms and conditions of loans taken from related party.
- vi) Figures in bracket relates to the previous year.
- vii) Employer contribution to Provident fund on aggregate basis to KMP
- (viii) An amount of Rs 20.07 Lakhs has been paid as retainership fees

Note 34. Contingent liabilities

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Claims against the company not acknowledged as debts*		
(a) Sales tax <i>Refer Note no.8(i)</i>	71	71
(b) Others	7	7
(c) Goods and Service Tax (<i>refer note 12(ii)</i>)	3,796	3,796
(d) Goods and Service Tax Moradabad Plant	490	-
Total	4,364	3,874

Footnote

- (i) *The company is contesting these demands and the management, based on advise of its legal Team, believes that its position will likely be upheld in the appellate process. No expense has accrued in the standalone financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations. The company does not expect any reimbursements in respect of the above contingent liabilities.
- (ii) In addition, the company is subject to legal proceedings claims, which have arisen in the ordinary course of business. The company's management reasonably does not expect that outcome of these legal proceeding etc, when ultimately concluded and determined, will have adverse material effect on the company's results of operations or financial condition.
- (iii) Basis GST department information, the Income Tax Department has re-opened the Assessment for Ay 2019-20 alleging the escapement of Income of Rs 2,230 Lakhs. The Company has challenged the re-opening on the premise that all its purchases are genuine, duly backed by necessary documentary evidences and is of the view that there would not be any tax liability consequent upon the positive outcome of GST case which is pending before the Tribunal.

Note 35. Employee benefits

(A) Defined contribution plans

The company has recognised the following amounts in the statement of profit and loss:

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
Employers' contribution to provided fund and family pension fund (Govt.administered)	101	124

(B) Defined benefit plans

The company operates on one defined benefit plan i.e., gratuity for its employees including Key managerial personnel except Mr Karamjit Singh Jaiswal , Ms Roshini Sanah Jaiswal , Mr. Deepankar Barat & Mr. Amarbaljeet Singh . Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service subject to maximum of Rs. 20 lakhs.

Particulars	For the Year ended 31 March, 2026 (Rs. in Lakhs)	For the Year ended 31 March, 2025 (Rs. in Lakhs)
(a) Expense recognised in the statement of profit and loss:		
Under profit and loss section		
Current service cost	27	32
Net interest cost	19	23
	46	55
Under other comprehensive income section		
Actuarial (gains)/losses		
Due to experience adjustments	25	(24)
Difference in Present value of obligations	(6)	6
	19	(18)
(b) Net liabilities recognised in the balance sheet		
Present value of obligation	276	339
Fair value of plant assets	0	-
Funded status (deficit)	276	339
Net liabilities recognised in the balance sheet accounted for as below:		
Provision non current (refer note 18 A)	156	215
Provision current (refer note 18 B)	120	124
(c) Present value of defined benefit obligation		
Present value of obligation at the beginning of year	338	336
Current cost	27	32
Interest cost	19	23
Remeasurement due to		
Actuarial loss/(gain) arising on account of experience changes	25	(25)
Actuarial loss/(gain) arising from difference in present value of obligations	(6)	6
Benefits paid	(127)	(35)
Present value of defined obligation at the end of the year	276	338
(d) The principal assumptions used in determining defined benefit obligations as per Ind AS -19:		
Financial Assumptions		
Discount rate	6.83%p.a	6.83%p.a
Salary rise	3.5%p.a to 5% p.a	3.5%p.a to 5% p.a
Attrition rate	5% p.a	5% p.a
Demographic Assumption		
Mortality Table	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate

The estimates of future salary increase, considered in actuarial valuation, take into account inflation, seniority promotion (as per HR policy) and other relevant factors, such as supply and demand in the employment market.

(e) Sensitivity analysis:

	For the year ended 31 March, 2026	
	1% increase	1% decrease
Discount rate	(10)	11
Salary increase rate	9	(8)
Employee attrition rate	1	(1)

	For the year ended 31 March, 2025	
	1% increase	1% decrease
Discount rate	(14)	(15)
Salary increase rate	14	14
Employee turnover	1	2

The sensitivity analysis have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable change in key assumptions occurring at the end of the reporting year. The method and types of assumptions used in preparing the sensitivity analysis did not change compared to previous year.

Note: 36. Financial risk management objectives and policies

The company's principal financial liabilities comprise borrowings, Security Deposits Received, trade and other payables etc. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include, trade and other receivables, cash and cash equivalents and security deposits that are out of regular business operations.

The Company's activities expose it to a variety of financial risks namely credit risk, liquidity risk, market risk and other risks. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors. The company's senior management oversees the management of these risks. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the company's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	31 March, 2026		31 March, 2025	
	1% increase	1% decrease	1% increase	1% decrease
	(Rs. in Lakhs)			
Impact on profit before tax	(124)	124	(117)	117

The impact of increase of 1% in rate of interest would have been mitigated majorly by negotiating the interest rate on long term substantial borrowing from the related party.

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. There does not seem to be any significant risk as transaction in foreign currency are not there.

As there is no significant foreign currency risk, sensitivity analysis showing impact on profit is not calculated.

iii. Commodity price risk

The Prices of the raw material mainly loose ghee keep fluctuating frequently due to volatility in the prices of Raw Milk. and the company tries to pass the same to the customers through appropriate adjustment to selling prices. The major players both on supply chain of loose ghee and market chain of FG are in unorganised sector and at times the company has to pay more for supply and receive less for sales. Company is trying to work on seamless chain of supply and sales at most reasonable prices.

(b) **Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and nationalised banks and hence, the company does not expect any credit risk with respect to these financial assets. In majority of cases of trade receivables are collected in time. The trade receivables are subject to monthly review. Expected Credit Loss is too low considering the past record and management does not foresee any significant change in near future. In view of insignificant credit risk sensitivity analysis showing impact on profit is not calculated

(c) **Liquidity risk**

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. The liquidity position remained under stress due to 8% fall in revenue from operations during the year resulting in negative cash flow from operational activities. The position stood improved by the end of financial year upon disposal of MBD plant. The table below summarises the maturity profile of the company's financial assets & financial liabilities on the reporting date:

(Rs. in Lakhs)

	Maturities			Total
	Upto 1 year	1-2 years	more than 2 years	
31-Mar-26				
Non-current borrowings	633	256	1,798	2687
Current borrowings*	8,030	-	-	8030
Trade payables	3,183	-	-	3183
Lease Liabilities	202	121	-	323
Other financial liabilities**	167		902	1069
Total	12,215	377	2,700	15292
31-Mar-25				
Non-current borrowings	693	333	4,740	5766
Current borrowings*	5,533	-	-	5533
Trade payables	5,166	-	-	5166
Lease Liabilities	193	202	121	516
Other financial liabilities**	167		1,213	1380
Total	11,752	535	6,074	18,361

* Current borrowings represent working capital loan (Cash credit) and Current maturities of Long term borrowings

** Includes security deposits taken from suppliers and distributors which is payable on demand but beyond 12 months from the reporting date as certified by the management and confirmed by the suppliers and distributors.

Note: 37. Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern and maximising the return to shareholders through the optimisation of the debt and equity. For the purpose of the company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders.

The company management/ Board monitors capital using a gearing ratio, which is net debt divided by total capital. The company includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents and other bank balances. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financials covenants. To maintain or adjust the capital structure, the Company may adjust the level of dividend payments to shareholders, return excess capital to shareholders, issue new shares or buy back shares. The capital structure is monitored on the basis of net debt to equity and maturity profile of the overall debt portfolio of the Company as given below:

Particulars	Notes	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
Non-current borrowings	16	2,687	5,766
Current borrowings	19	8,030	5,533
Less: Cash and cash equivalents	10A	20	27
Less: Other Bank balances	10B	81	137
Net debt		10,616	11,133
Equity share capital	14	1,219	1,219
Other equity (Refer note 15 (ii))	15	21,200	16,406
Total capital		22,419	17,625
Gearing ratio		47%	63%

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

No significant changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025 except that MBD plant was sold during the year and Land & Building at Patiala Plant was revalued during the year.

Note 38. Fair value measurement

- (i) All the financial assets and financial liabilities of the company are carried at amortised cost.
- (ii) The management assessed that the carrying values of trade and other receivables, deposit, cash and short term deposits, other assets, borrowings, trade and other payables reasonably approximate their fair values because these instruments have short-term maturities.
- (iii) It is view of the management that fair value impact of long term security deposits/loan paid or payable would not be material.

Note 39: Interim Dividend on Equity Shares

Particulars	Year ended 31 March, 2026	Year ended 31 March, 2025
Dividend per share (par value Rs 5/- each) (P.Y Rs 5/- each)	-	2.50
Interim dividend		

40. Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are defined in schedule VII of the Companies Act which inter- alia includes contribution to the Prime Minister National Relief Fund, PM Cares Fund or any other fund set up by the Central Government for socio economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	As at 31 March, 2026 (Rs. in Lakhs)	As at 31 March, 2025 (Rs. in Lakhs)
i) Amount required to be spent by the company during the year	15	13
ii) Amount of expenditure incurred	15	13
iii) Shortfall at the end of the year	Nil	Nil
iv) Total of previous years shortfall	Nil	Nil
v) Reason for shortfall	N.A	N.A
vi) Nature of CSR Activities	Contribution to Prime Minister's National Relief Fund	

41: Disclosure related to key financial ratios:

Key financial ratios	Numerator	Denominator	For the year ended 31 March, 2026	For the year ended 31 March, 2025	% Change	Reason for variance
a. Current ratio (in times)	Current assets	Current liabilities	1.69	1.19	42.00%	Significant increase in current assets ncrease in receivables on sale of PPE.
b. Debt-equity ratio(in times)	Total debt	Equity	0.48	0.64	-25.43%	Decrease in debt and increase in equity on account of gain on sale of PPE, revaluation of PPE, and reversal of depreciation
c. Debt service coverage ratio (in times)	Earnings available for debt service:= Net Profit after taxes + Non cash operating expenses + Interest -Non Cash Income-Profit on sale of Fixed Assets, etc.	Debt service= Interest and lease payments + Principal repayments	-0.22	1.57	-113.95%	Due to significant decrease in earnings available for debt service on account of fall in revenue from operation by 8%.
d. Return on equity (in %)	Net profits after taxes	Average shareholder's equity	22.12%	2.58%	757.43%	Increase in profit after taxes on account of significant increase in other income on account of gain on sale of PPE, revaluation of PPE, and reversal of depreciation
e. Inventory turnover Ratio (in times)	Cost of material consumed + Purchase of stock -in -trade	Average inventory	9.14	11.34	-19.39%	N.A
f. Trade receivables turnover ratio (in times) Refer footnote (i)	Revenue from operations	Average accounts receivable	5.92	5.60	5.76%	N.A
g. Trade payables turnover ratio (in times) Refer footnote (ii)	Net credit purchases	Average trade payables	8.71	7.27	19.83%	N.A
h. Net capital turnover ratio (in times)	Net sales	Working capital	4.96	21.09	-76.50%	Increase in working capital due to increase in receivables on sale of PPE.
i. Net profit ratio (in %)	Net profits after taxes	Net sales	10.73%	1.01%	961.70%	Increase in profit after taxes on account of significant increase in other income on account of revaluation of PPE, Sale of MBD plant & reversal of depreciation (Refer note 24)
j. Return on capital employed (in %)refer footnote (iv)	Earning before interest and taxes	Capital employed	20.46%	6.03%	239.01%	Due to increase in Earnings before Interest and Tax on account of significant increase in other income due to gain on sale of PPE, revaluation of PPE, and reversal of depreciation.

Key financial ratios	Numerator	Denominator	For the year ended 31 March, 2026	For the year ended 31 March, 2025	% Change	Reason for variance
k. Return on investment (in %) <i>Refer footnote (iii)</i>	Income generated from investments	Time weighted average investments	-	-		

Footnote

- i) Revenue represents sale of Finished products, Job work charges, carbon credit sales, scrap sales. In the absence of availability of figures of Net credit sales, total revenue has been considered as numerator.
- ii) In the absence of availability of figures of Net credit purchases, total purchases has been considered as numerator.
- (ii) Capital Employed = Total equity + Long term borrowings+ Short term borrowings+ deferred tax liabilities+Lease liabilities (current and non current)+ interest accrued on debt

42: Borrowings secured against current assets

Quarter	Name of the bank	Nature of the Current Asset	As per Unaudited Books of Accounts	Amount as per Quarterly Return & Statements	Amount of Difference	Reason for Discrepancies
Q-1	State Bank of India / Canara Bank	Trade Receivable	7,410	7,412	-2	Round off Difference
	State Bank of India / Canara Bank	Inventory - Raw Material	2,160	1,847	313	On account of difference in adoption of purchase rates on estimated basis for the purpose of bank whereas the same is considered on weighted average rates as per books.
	State Bank of India / Canara Bank	Inventory - Finished Goods	398	387	11	Consequent upon difference in valuation as stated above.
	State Bank of India / Canara Bank	Inventory - Packing material & Husk	363	371	-8	On account of difference in provision and round off difference
Q-2	State Bank of India / Canara Bank	Trade Receivable	6,912	6,907	5	Round off Difference
	State Bank of India / Canara Bank	Inventory - Raw Material	1,348	1,099	249	On account of difference in adoption of purchase rates on estimated basis for the purpose of bank whereas the same is considered on weighted average rates as per books.
	State Bank of India / Canara Bank	Inventory - Finished Goods	159	178	-19	Estimation difference
	State Bank of India / Canara Bank	Inventory - Packing material & Husk	365	377	-12	On account of provision and estimation difference
Q-3	State Bank of India / Canara Bank	Trade Receivable	9,033	9,031	2	Round off Difference
	State Bank of India / Canara Bank	Inventory - Raw Material	2,172	1,483	689	On account of difference in adoption of purchase rates on estimated basis for the purpose of bank whereas the same is considered on weighted average rates as per books.

Quarter	Name of the bank	Nature of the Current Asset	As per Unaudited Books of Accounts	Amount as per Quarterly Return & Statements	Amount of Difference	Reason for Discrepancies
	State Bank of India / Canara Bank	Inventory - Finished Goods	359	149	210	Consequent upon difference in valuation as stated above.
	State Bank of India / Canara Bank	Inventory - Packing material & Husk	291	301	-10	On account of provision and estimation difference
Q-4	State Bank of India / Canara Bank	Trade Receivable	5,678	5,734	-56	On account of TDS on job charges
	State Bank of India / Canara Bank	Inventory - Raw Material	2,025	2,057	-32	On account of estimation difference
	State Bank of India / Canara Bank	Inventory - Finished Goods	2,154	2,158	-4	Round off Difference
	State Bank of India / Canara Bank	Inventory - Packing material & Husk	217	283	-66	Inventory of Rs 57 lakhs written off subsequently in Audit, remaining difference on account of provision and estimation.

Note 43: Relevant Additional Regulatory Information: (Other than disclosed in the respective notes)

- (i) The operating cycle of the company is assumed to be of twelve months in absence of clearly identifiable normal operating cycle and accordingly assets/ liabilities have been classified as current/ non current.
- (ii) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (iii) The Company has not done any transaction with struck off companies during the year.
- (iv) There is no charge or satisfaction of any charge which is not registered with ROC beyond the statutory period.
- (v) The company has not granted any loans or advances in the nature of loans to promoters, directors, KMP and the related parties either severally or jointly with any other person which is either repayable on demand or without specifying any terms or period of demand and therefore requirement of disclosure of such loan/ advance is not applicable.
- (vi) The company has complied with the number of layers prescribed under clause (87) of section 2 of the act read with companies (restriction on number of layers) rules 2017.
- (vii) Company has not applied any accounting policy retrospectively or has made a restatement of items in FS or has reclassified items in the FS.
- (viii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ix) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (x) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (xi) The Company have not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

Note 44:

Previous year figures have been reclassified / regrouped wherever necessary to confirm with those of current year figures. The impact of such reclassification/ regrouping is not material to the standalone Financial statements.

Note 45:

On 21st November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. There is no material incremental impact in the gratuity and compensated absences liability in financial statements as at 31.03.2026 due to change in definition of wages.

Note 46:

The Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, where the audit trail (edit log) facility was enabled and operated, the audit trail feature has not been tampered with.



