

# MILKFOOD LIMITED

Annual Report

For the year ended 31st March, 2021

The Milkfood logo consists of a dark blue oval with the word "milkfood" written in white lowercase letters inside it.

milkfood

**BOARD OF DIRECTORS**

GITA BAWA  
SUDHIR AVASTHI  
HARMESH MOHAN SOOD  
ANIL GIROTRA  
KEWAL KRISHAN KOHLI  
ASHA GADI  
PREETI MATHUR

**AUDITORS**

V.P. Jain & 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)

Village Agwanpur  
Kanth Road,  
Moradabad-244001  
(Uttar Pradesh)

**HEAD OFFICE**

Bhandari House  
91, Nehru Place  
New Delhi-110 019

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# DIRECTORS' REPORT

## TO THE MEMBERS

The Directors present their 48<sup>th</sup> Report together with Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021.

### 1. FINANCIAL RESULTS

	Rs./Lakhs 2020-21	Rs./Lakhs 2019-20
<b>Revenue from Operations &amp; Other Income</b>	<b>36,830</b>	<b>55,202</b>
Profit before Finance cost, Depreciation & amortisation and Tax	<b>2022</b>	2528
Less: Finance Cost	<b>821</b>	840
Profit before Depreciation & amortisation and Tax	<b>1201</b>	1688
Less: Depreciation & amortisation Expenses	<b>875</b>	811
Profit /(Loss) before Tax	<b>326</b>	877
Tax Expenses (credit/ (net)		
- Current Tax	<b>71</b>	213
- Earlier year Tax expenses	<b>2</b>	7
- MAT Credit recognition	<b>(63)</b>	(515)
- Deferred Tax	<b>72</b>	333
Total Tax Expenses / (Credit)	<b>82</b>	38
Profit /Loss for the period	<b>244</b>	839
Other Comprehensive income	<b>(9)</b>	1
<b>Transferred to General Reserves</b>	<b>235</b>	840

### 2. OPERATIONS

During the period under Report, the Company's sales and other income are Rs. 36,830/- lakhs and cash profit is Rs.1201/- lakhs as compared to last year's figures of Rs.55,202/- lakhs and cash profit of Rs.1,688/- lakhs respectively. After depreciation and amortisation, the profit for the year is Rs.326/- lakhs as compared to the previous year profit of Rs. 877/- 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. FIXED DEPOSITS

The details relating to Deposits, covered under Chapter V of the Act:

- Accepted during the year - Nil;
- There were 4 unpaid/unclaimed fixed deposits with the Company amounting to Rs.1.11 Lakh as at the end of the year;
- There is no default in repayment of deposits or payment of interest thereon during the year.

### 5. SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

During the year under review, M/s. MFL Trading Private Limited continues to be the wholly owned subsidiary company of the Company.

In compliance with provisions of Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has prepared consolidated financial statements as per the Accounting Standards on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. The audited consolidated financial statements along with the Auditors' Report thereon forms part of this Annual Report.

During the year, the Board of Directors (the Board) has reviewed the affairs of the Subsidiary. Further, a statement containing the salient features of the financial statements of subsidiary in the prescribed format AOC-1 is appended as "Annexure-1" to the Board's Report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited financial statements of its subsidiary, are available on the Company's website at [www.milkfoodltd.com](http://www.milkfoodltd.com).

The Company has no material subsidiary company but in order to comply with the Listing Regulations, the Company has adopted a Policy on Material Subsidiary Companies and has uploaded on the Company's website at [www.milkfoodltd.com](http://www.milkfoodltd.com).

## **6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the period under review, the Company has not made any loan, guarantee or investment in terms of provisions of Section 186 of the Companies Act, 2013.

## **7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

The outbreak of Covid-19 pandemic has caused significant disturbance and slowdown of economic activities globally. The lockdowns ordered by most of the State Government have resulted in slowdown in economic activities and also the business operations of the Company in terms of sales and production. The management has considered the after effects which have resulted from the pandemic on the generation of revenue, stocks, recoverability of trade receivables and carrying value of the assets. Based on the current indicators of future economic conditions and company engaged in dairy business (essential services), the management expects to generate sufficient revenue, recover the receivables and dispose of stocks. However, the situation with Covid-19 is still evolving and various preventive measures taken by the Government of India will help the industry/company to come out of its after effects.

The management is closely monitoring the situation regarding any material changes in future economic conditions.

There is no change in the nature of the Company's business during the year under review.

## **8. DIRECTORS**

Mrs. Preeti Mathur, Non Executive Non Independent Director (DIN: 07951647) retires by rotation and, being eligible, offer herself for re-appointment as the Director of the Company. The Board recommends her re-appointment.

The Board in their meeting held on 20<sup>th</sup> July, 2020 appointed Mr. Harmesh Mohan Sood, Director (DIN: 07951620) as the Whole-time Director of the Company for a period of three years and the same was approved by the members in the Annual General Meeting held on 29<sup>th</sup> August, 2020. Further, the Board in their meeting held on 28<sup>th</sup> November, 2020, subject to the approval of the members of the Company, appointed Mr. Harmesh Mohan Sood, Whole-time Director (DIN: 07951620) as the Managing Director of the Company for a period of three years commencing from 28<sup>th</sup> November, 2020.

But due to some health issues, Mr. Sood has resigned from the post of Managing Director w.e.f. 30<sup>th</sup> June, 2021, but continuing as the Non Executive Non Independent Director of the Company.

The Board in their meeting held on 30<sup>th</sup> June, 2021 has appointed Mr. Sudhir Avasthi as the Additional Director of the Company in the category of Executive Director w.e.f. 1<sup>st</sup> July, 2021.

Further, the Board appointed Mr. Sudhir Avasthi as the Managing Director of the Company for a period of 5 (Five) years commencing from 1<sup>st</sup> July, 2021 to hold the office as such up to 30<sup>th</sup> June, 2026. The Board recommends his appointment.

Ms. Gita Bawa (DIN 00111003), Non Executive Independent Director, whose first term of appointment as the Independent Director expires on 29<sup>th</sup> May, 2021 and being eligible for re-appointment, has been re-appointed for the second term of 5 (five) consecutive years to hold office as such upto 29<sup>th</sup> May, 2026. The Board recommends her re-appointment as the Independent Director of the Company for the second term.

Appropriate resolutions for appointment/re-appointment of Directors seeking your approval are included in the Notice of AGM.

During the year under review, Mr. Lalit Kumar, Non Executive Non Independent Director, has resigned from the Directorship of the Company with effect from 20<sup>th</sup> January, 2021.

The Board places on record its sincere appreciation for the useful services rendered by Mr. Lalit Kumar during his tenure of services with the Company.

Mrs. Asha Gadi, Mr. Kewal Krishan Kohli and Mr. Anil Girotra continue to hold the office as the Non Executive Independent Directors of the Company.

The Board of Directors of the Company are of the opinion that all the Independent Directors of the Company possess relevant expertise and experience required to best serve the interest of the Company.

## **9. DECLARATION OF INDEPENDENCE**

All the Independent Directors have given declarations 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 (Appointments and Qualifications of Directors) Rules, 2014 as amended from time to time.

#### **10. 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](http://www.milkfoodltd.com).

#### **11. MEETINGS OF THE BOARD OF DIRECTORS**

During the year under review, Fifteen (15) Board meetings and One (1) separate meeting of the Independent Directors were convened and held. The details of these meetings are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

#### **12. 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](http://www.milkfoodltd.com).

#### **13. COMMITTEES**

As per the provisions of Section 177, 178 and 135 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted an Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The Composition of these Committees and details of their meetings are given in the Corporate Governance Report.

#### **14. KEY MANAGERIAL PERSONNEL**

The following are the Key Managerial Personnel of the Company:

- a) Mr. Harmesh Mohan Sood, Managing Director, resigned as the Managing Director w.e.f. 30<sup>th</sup> June, 2021.
- b) Mr. Sudhir Avasthi, Chief Executive Officer (CEO), resigned as CEO w.e.f. 30<sup>th</sup> June, 2021 and is appointed as the Managing Director of the Company w.e.f. 1<sup>st</sup> July, 2021.
- c) Mr. Sanjeev Kothiala, Chief Financial Officer.
- d) Mr. Rakesh Kumar Thakur, Company Secretary and Compliance Officer.

#### **15. 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, 2021, 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.

#### **16. CHANGE IN SHARE CAPITAL**

There was no change in the Share Capital of the company during the financial year 2020-21.

#### **17. AUDITORS**

##### **17.1 STATUTORY AUDITORS**

The Members at the 44<sup>th</sup> Annual General Meeting (AGM) of the Company held on 26<sup>th</sup> September, 2017 had appointed M/s V. P. Jain & Associates, Chartered Accountants (ICAI Firm Registration Number 015260N), as the statutory Auditors of the Company to hold the office for a term of five years i.e. from the conclusion of the said AGM until the

conclusion of the 49<sup>th</sup> AGM to be held in the year 2022, subject to ratification of their appointment by the members of the Company at every subsequent AGM of the Company.

In accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. In view of the same, the matter for ratification of appointment of Statutory Auditors of the Company, has not been included in the notice of the ensuing AGM.

The Statutory Auditors have confirmed that they are not disqualified from being continued as Statutory Auditors of the Company.

## **17.2 AUDITORS' REPORT**

The Auditors' Report does not contain any qualifications/reservation or adverse remarks. Notes to accounts are self explanatory and form an integral part of Financial Statements.

## **17.3 SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, Ms. Kamlesh Gupta, Company Secretary has been appointed as the Secretarial Auditor of the Company to carry out the Secretarial Audit of secretarial and related record of the Company for the financial year ended on March 31, 2021.

A Secretarial Audit Report submitted by the Secretarial Auditor in Form No. MR-3 forms part of this report and is annexed herewith as "**Annexure-2**".

As per the remarks given by the Secretarial Auditor relating to the non compliance of Regulation 33 of SEBI (LODR) Regulations, 2015, **the Board's explanation and comments on the above are as follows:** Due to Covid 19 pandemic, the financial results for the quarter ended September, 2020 could not be submitted within the period prescribed under Regulation 33 of SEBI (LODR) Regulations, 2015. However, the results of the said quarter were submitted on 19<sup>th</sup> November, 2020. The Company also deposited the fine of Rs. 11800/- as imposed by the BSE.

A Secretarial Compliance Report for the financial year ended 31st March, 2021 on compliances of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, was obtained from Ms. Kamlesh Gupta, Company Secretary, Secretarial Auditor and submitted to the stock exchange.

## **17.4 INTERNAL AUDITORS**

M/s. Pardeep Sharma & Associates, Chartered Accountants, (Registration No. 029181N), Delhi have been appointed as internal auditors of the Company for the financial year 2020-21 to perform the functions of internal audit of the Company.

## **17.5 COST AUDITORS**

On the recommendations of Audit Committee, M/s HMVN & Associates, Cost Accountants (Firm Registration No.000290) have been appointed as the Cost Auditors to audit the cost accounts of the Company relating to Milk Powder for the financial years 2021-22.

As required under the Companies Act, 2013, resolution seeking members' approval for the ratification of remuneration payable to the Cost Auditors forms part of the Notice convening the ensuing Annual General Meeting.

## **18. 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](http://www.milkfoodltd.com/img/downloads/Milkfood_Nomination_Remuneration_Policy.pdf)

## **19. 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. It 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.

## **20. PERFORMANCE EVALUATION**

In terms of the requirements of the Act and Listing Regulations, a separate exercise was carried out to evaluate the performance of all the individual Directors on the Board who were evaluated on parameters such as level of engagement, contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Directors being evaluated). The performance

evaluation of the Non Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Committees. The Directors expressed their satisfaction with the evaluation process.

**Some of the key criteria for the performance evaluation are as follows –**

Performance evaluation of Directors:

1. Attendance at the Board/Committee meetings.
2. Contribution at the Board/Committee meetings.
3. Guidance/support to management outside Board/Committee meetings.

Performance evaluation of Board and Committees:

1. Degree of fulfillment of key responsibilities.
2. Board Structure and Composition.
3. Quality of relationship between Board and Management.
4. Efficacy of communication with external shareholders.
5. Effectiveness of Board process, information and functioning.

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

The Company has in place an Anti Sexual Harassment Policy in line in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaint has been received during the year under review.

**22. 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-3**” 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](http://www.milkfoodltd.com/img/downloads/Milkfood_Corporate_Social_Responsibility_Policy.pdf).

**23. 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.

**24. 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.

**25. 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 2021-22 has been paid.

**26. 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- 4**”.

**27. EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of section 92 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the extract of Annual Return of the Company in Form MGT 9 is available on the website of the Company at [www.milkfoodltd.com](http://www.milkfoodltd.com).

**28. 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 accounts 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-5”.

## **29. RELATED PARTY TRANSACTIONS**

All related party transactions which were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict of interest with the Company at large. A disclosure in form AOC-2 is annexed with this Report as “Annexure-6”.

All related party transactions have been disclosed in **Note 33** to the Accounts.

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all Related Party Transactions are placed before the Audit Committee for its review 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](http://www.milkfoodltd.com/img/downloads/Milkfood_Policy_on_related_party_transactions.pdf)

## **30. GREEN INITIATIVES**

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Annual Report 2021 and Notice of the 48<sup>th</sup> AGM are being sent to all members whose email addresses are registered with the Company /RTA/ Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2021 and the Notice of the AGM are being sent by the permitted mode. Members requiring physical copies can send a request to the Company Secretary.

The Annual Report 2021 is also available on our website, [www.milkfoodltd.com](http://www.milkfoodltd.com).

## **31. PREVENTION OF INSIDER TRADING**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for the prevention of insider trading with a view to regulate the trading in the securities of Company by the Directors and Designated Employees of the Company on the basis of unpublished price sensitive information available to them by virtue of their position in the Company.

The Code under SEBI (Prohibition of Insider Trading) Regulations, 2015 is available on the website of the Company at [www.milkfoodltd.com](http://www.milkfoodltd.com).

## **32. 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](http://www.milkfoodltd.com/img/downloads/Milkfood_WHISTLEBLOWER_POLICY.pdf)

## **33. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The Company has an adequate system of internal control to safeguard and protect from losses, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting the financial statements. The Internal Auditor of the Company checks and verifies the internal control and monitors them in accordance with the policy adopted by the Company.

## **34. 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.

## **35. 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.



### 36. 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 and the Company's Operations in future.

### 37. REPORTING OF FRAUD BY AUDITORS

During the year under review, none of the Auditors have reported to the Audit Committee or to the Board, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees.

### 38. SCHEME OF AMALGAMATION

The Board of Directors in its meeting held on 5<sup>th</sup> October, 2020, has approved the proposed scheme of Amalgamation between Triputi Infrastructure Private Limited (Transferor Company) having its Registered office at Sood's Niwas, Ranbir Marg, Patiala -147001 with the Milkfood Limited (Transferee Company).

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

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

The Bombay Stock Exchange (BSE) Limited vide E-Letter No. DCS/AMAL/SV/R37/1964/2021-22 dated 28<sup>th</sup> May, 2021 has approved the said Scheme and now the Company is in the process of filing the application with Honourable NCLT at Chandigarh.

### 39. ACKNOWLEDGEMENT

Your Company and its Board of Directors would like to express their sincere appreciation for the assistance, support and cooperation received from Government, regulatory authorities, stakeholders, customers, vendors, investors, financial institutions, bankers and members during the year. We place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board

Place : New Delhi  
Date : 30<sup>th</sup> July, 2021

**Sd/-**  
**Harmesh Mohan Sood**  
Director  
DIN:07951620

**Sd/-**  
**Asha Gadi**  
Director  
DIN:00110734

**Annexure - 1****Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statements of subsidiaries/  
associate companies/joint ventures****Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	MFL Trading Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2020 to 31/03/2021
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rupees
4.	Share capital	1,00,000
5.	Reserves & surplus	(2,21,311)
6.	Total Assets	-
7.	Total Liabilities	-
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	(26,930)
11.	Provision for taxation	-
12.	Profit after taxation	(26,930)
13.	Proposed Dividend	-
14.	% of shareholding	100

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations. Nil
- Names of subsidiaries which have been liquidated or sold during the year. Nil

**Part "B": Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013  
related to Associate Companies and Joint Ventures**

	Name of associates/Joint Ventures	Not Applicable
1.	Latest audited Balance Sheet Date	
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding%	
3.	Description of how there is significant influence	
4.	Reason why the associate/joint venture is not consolidated	
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	
6.	Profit/Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations. Nil
- Names of associates or joint ventures which have been liquidated or sold during the year. Nil