

**SCHEME OF AMALGAMATION  
UNDER SECTION 230 TO 232 OF THE COMPANIES ACT, 2013**

**OF**

**TRIPUTI INFRASTRUCTURE PRIVATE LIMITED**

**(CIN: U70101PB2011PTC049856)**

**(PAN: AAECT7480N)**

**(TRANSFEROR COMPANY)**

**WITH**

**MILKFOOD LIMITED**

**(CIN: L15201PB1973PLC003746)**

**(PAN: AAACM5913B)**

**(TRANSFeree COMPANY)**

**(A) PREAMBLE**

This Scheme of Amalgamation is presented for amalgamation of **Triputi Infrastructure Private Limited** (hereinafter referred to as “the Transferor Company”) with **Milkfood Limited** (hereinafter referred to as “the Transferee Company”) and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 (“the Act”) read with the relevant Rules of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“the Rules”), as amended from time to time and all other applicable provisions of the Act and rules, including any statutory modification(s), amendment(s) or re-enactment(s) thereof in the said Act and rules for the time being in force.

**For MILKFOOD LIMITED**

*Gita Bawa*  
**(Director)**

**Triputi Infrastructure Private Limited**

*[Signature]*  
**(Director)**

**(B) DESCRIPTION OF COMPANIES**

**1. TRANSFEREE COMPANY**

**MILKFOOD LIMITED** ("Transferee Company") is a company incorporated under the provisions of the Companies Act, 1956, CIN "L15201PB1973PLC003746" and having its registered office at 'Bahadurgarh Distt Patialala Punjab 147021'. Milkfood Limited is engaged in business of manufacturers and / or processors and dealers in and importers and exporters of all varieties of Milk, Whole Milk Powder, Skimmed Milk Powder, Condensed Milk, Evaporated Milk and Dried Milk, Butter, Butter Milk, Cream, Curds, Ghee, Cheese, Margarine, Ice-Cream, Ice-Cream Powder, Creamery, Baby food and Invalid Foods and Tonics, Biscuits, Toffees, Sweets, Lactose, Lactose Powder, Chocolates and Candies, Cocoa and Cocoa Butter products, Dairy Chemicals and all varieties of natural or processed articles and produce of Dairy industry and their products, bye-products, and formulations and wastes and residue resulting from the manufacture and processing of and/ or trading in any or all of the articles mentioned aforesaid.

**2. TRANSFEROR COMPANY**

**TRIPUTI INFRASTRUCTURE PRIVATE LIMITED** is a duly incorporated private limited company under the provisions of the Companies Act, 1956, CIN "U70101PB2011PTC049856" and having its registered office at 'Sood's Niwas Ranbir Marg Patiala 147001'. Triputi Infrastructure Private Limited is engaged in the business of:

- i. To acquire by purchase, exchange, lease, hire or otherwise any estate, lands, buildings & plots or immovable property of any nature or any interest therein.

**For MILKFOOD LIMITED**

*Gita Bawa*  
(Director)

Triputi Infrastructure Private Limited

*[Signature]*  
Director

- ii. To carry on the business of. construction of apartments, flats, shops, kothies, hotels, restaurants, pubs, cinema halls, multiplex complexes, malls, hospitals and nursing homes buildings, canals, reservoirs, mills and offices, huts, tenements, warehouses, industrial sheds, power houses, tunnels, culverts, channels sewage, roads, bridges and dams and to act as an agent for purchasing, selling and letting on hire plot and houses, whether multistoried, commercial and/or residential buildings on commission basis.
- iii. To carry on the business as. developers, promoters, builders, consultants, civil engineers, architects, surveyors, designers, town planners, colonizers of estates, farm land & residential buildings, commercial buildings, estimators, interior and exterior decorators, general and. government civil contractors of immovable properties.
- iv. To sell, rent, lease, let, mortgage or otherwise dispose off land, houses, buildings, plots, immovable property of any nature or any interest therein and realize cost in lump sum or otherwise to start any housing scheme in India or abroad.
- v. To acquire, purchase, hire or sell, mortgage or otherwise dispose off any estates, land, building, plot, basements or any interest in any immovable property and to develop and preparing the same for building purposes, constructing building, multistoried building and altering, pulling down, decorating, maintaining, furnishing, fitting up and improving building.
- vi. To develop the plots by providing roads & other facilities such as water supply and sale the same and to erect and construct farm houses building or work civil and constructional of every description on any land of the company or upon any other such lands or immovable property and to pull down rebuild, enlarge, alter and improve such land into road, highway, streets, squares

**For MILKFOOD LIMITED**

(Director)

Gita Bawa

Tripuri Infrastructure Private Limited

  
(Director)

and such other convenience related thereto and deal with and improve the immovable property of the company or any other immovable property and to: construct, maintain, erect and lay out roads, highway sewers, drains, electric line, cables and gas lines, in over and under the estate of any other company or person or body-corporate.

- (C) The present Scheme of Amalgamation (hereinafter referred to as “Scheme”) is merger/amalgamation of Triputi Infrastructure Private Limited wherein business undertaking of said Company would be merged and shall be transferred to transferee Company “Milkfood Limited” and the Transferor Company and Transferee Company are under one group therefore, the present scheme is proposed due to diverse activities in the Transferor Company and acquisition of the Brand (including all Brand/ Sub-Brand) and promoter’s vision to carry on the business for the synergetic effect and betterment of all stakeholders.
- (D) The Transferor Company is not listed on any Stock Exchange and the Transferee Company is listed on BSE Limited.
- (E) Apart from meeting the commercial and business interests of the parties as specified herein, this Scheme, in so far as it relates to the Merger/Amalgamation, has been drawn-up to also comply with the conditions relating to “Amalgamation” as specified under the tax laws, including Sections 2(1B), 47 and all other relevant sections of the Income Tax Act, 1961, or any amendment or re-enactment thereto.

**For MILKFOOD LIMITED**

*Gita Bawa*  
(Director)

Triputi Infrastructure Private Limited

*[Signature]*  
Director



This Scheme is broadly divided into following parts:

- Part I:** Preliminary;
- Part II:** Financial position and capital structure;
- Part III:** Promoters, Directors and Key Managerial Personnel of the Transferor Company and the Transferee Company;
- Part IV:** Rationale and benefits of the Scheme;
- Part V:** Transfer and vesting of the business of the Transferor Company;
- Part VI:** Accounting Treatment;
- Part VII:** Share Capital, consideration and alteration of Memorandum and Articles of Association;
- Part VIII:** Effect of the Scheme on the Directors, Key Managerial Personnel, Promoters, Creditors and other Stakeholders;
- Part IX:** General terms and conditions.

## PART- I

### PRELIMINARY

1. This Scheme of Amalgamation (hereinafter referred to as “**the Scheme**”) provides for the amalgamation of the Transferor Company with the Transferee Company, in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force (“the Act”) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force.

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)

Triputi Infrastructure Private Limited

*[Signature]*  
Director

## DEFINITIONS

2. In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:
  - i. **"The Act"** means the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof, the Rules, regulations, notifications made/issued thereunder, if any, as amended from time to time and also mean and refer to corresponding relevant enforceable Sections of Companies Act, 1956, the rules and regulations made there under, if any;
  - ii. **"Appointed Date"** means April 1, 2020 or such other date as may be approved by the Hon'ble National Company Law Tribunal (NCLT) or Hon'ble National Company Law Appellate Tribunal (NCLAT), or any other competent Court (s), judicial or quasi-judicial authority or any other competent authority having power to sanction the Scheme, as the case may be;
  - iii. **"Board of Directors" or "Board"** means the Board of Directors of the Transferor Company and the Transferee Company and includes any Committee(s) of the Board, or any person or persons authorised by the Board of Directors of the respective companies;
  - iv. **"BSE"** means BSE Limited;

*For MILKFOOD LIMITED*

Gita Bawa  
(Director)

Triputi Infrastructure Private Limited

  
Director

- v. **“Governmental Approval”** means and includes any consents, approvals, authorizations, concessions, permits, licenses issued by any Governmental Authority;
- vi. **“Governmental Authority”** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority including but not limited to the Securities and Exchange Board of India to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of Law;
- vii. **“Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any regulations, rules, guidelines etc., that may replace such regulations;
- viii. **“Members” or “Class of Members” or “Concerned Members”** with respect to the Transferor Company and Transferee Company shall mean the Equity Shareholders, whose names is/ are entered in the Register of Members or as a beneficial owner in the records of the depository.
- ix. **“National Company Law Tribunal” or “NCLT” or “The Tribunal”** means the Hon’ble National Company Law Tribunal constituted under Section 408 read with Section 419 of the Act situated at Chandigarh or any other bench of Hon’ble National Company Law Tribunal having jurisdiction to sanction the Scheme.

*For MILKFOOD LIMITED*

*Amita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
(Director)

- x. **“National Company Law Appellate Tribunal”** or **“NCLAT”** or **“The Appellate Tribunal”** means the Hon’ble National Company Law Appellate Tribunal at New Delhi constituted under Section 410 of the Act as and when the context may require;
- xi. **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the respective equity shareholders of the Transferor Company, who shall be entitled to receive equity shares of the Transferee Company as per this Scheme;
- xii. **“SEBI”** means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- xiii. **“SEBI Circular”** means circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;
- xiv. **“Scheme”** or **“Scheme of Amalgamation”** or **“this Scheme”** or **“the Scheme”** means this Scheme of Amalgamation for the amalgamation of the Transferor Company with the Transferee Company, as approved by the respective Board of Directors of the Transferor Company and the Transferee Company as well as respective Members, Class of Members, Creditors and Class of Creditors, if any, of these Companies, subject to such modifications or amendments as may be deemed fit by the National Company Law Tribunal or other concerned/competent authority(ies), as the case may be;
- xv. **“Tribunal Order(s)”** means order(s) passed by the Tribunal sanctioning this Scheme and/or any Tribunal order(s) for extension of time or condonation of delay in filing of the requisite forms with the ROC in relation to the Scheme, if applicable;

*For MILKFOOD LIMITED*

*A. B. Bawa*  
(Director)

Tripuri Infrastructure Private Limited  
*[Signature]*  
Director

xvi. **“Undertakings or Undertaking(s) of the Transferor Company”** shall mean and include the whole of the businesses and undertakings of the Transferor Company on a going concern basis, being carried on by the Transferor Company as on the Appointed Date, which is being transferred to Transferee Company and shall include (without limitation):

- (i) all the properties and assets whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent, deposits investments of all kinds (including shares, scripts, stocks, bonds, debentures, debenture stock, units or pass through certificates), all cash balances with the banks, money at call and short notice, loans, advances, contingent rights or benefits, lease and hire purchase contracts and assets, receivables, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, in partnership firms, benefit of any security arrangements, authorities, allotments, approvals, buildings and structures, office, residential and other premises, tenancies, leases, licenses fixed and other assets, powers, consents, authorities, registrations, agreements, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits, leasehold rights, other benefits (including tax benefits), tax holiday benefits, tax incentives & exemptions (including but not limited to tax credits), Minimum Alternate Tax Credit entitlement (“MAT Credit”) under Income Tax Act, 1961, easements, privileges, liberties, grants and advantages of whatsoever nature including pending projects where so ever situated belonging to and/ or in the ownership, power or possession

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to licenses in respect thereof, privileges, liberties, concessions in terms of duties, taxes, subsidies, incentives, as may be available to the Transferor Company or in relation to any movable or immovable assets of the Transferor Company and including easements, advantages, benefits, rights, grants and exemptions granted under any law, or other enactment, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telex, facsimile, e-mail, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programs, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customers credit information, customer and supplier pricing information and other records in connection with or relating to the Transferor Company and all other interests including those arising to the Transferor Company including but without being limited to land and building, all fixed and movable plant and machinery, construction equipments, leasehold or freehold, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work-in-progress, vehicles, furniture, fixtures, fittings, office equipment, telephone, facsimile and other communication facilities and equipment, electricals, appliances, accessories, deferred tax assets and investments; (hereinafter referred to as "the said assets");

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

- (ii) all the debts, liabilities, duties and obligations present and future of the Transferor Company including the contingent liabilities (hereinafter referred to as "the said liabilities");
- (iii) all rights and licenses including, all assignments and grants thereof, all permits, clearances and registrations whether under Central, State or other laws, rights (including rights/ obligations under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits (including MODVAT/ CENVAT, Service Tax credits), incentives or schemes of central/ state/ local governments, certifications and approvals, regulatory approvals including Special Economic Zone (SEZ) approvals from appropriate authority, entitlements, other licenses, environmental clearances, municipal permissions, approvals, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), cash balances, bank balances, bank accounts, reserves, deposits, advances, recoverable, receivables, benefit of insurance claims, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by the Transferor Company, funds belonging to or proposed to be utilised by the Transferor Company, privileges, all other claims, rights and benefits (including under any powers of attorney issued by the Transferor Company or any powers of attorney issued in favour of the Transferor Company or from or by virtue of any proceeding before a legal, quasi-judicial authority or any other statutory authority to which the Transferor Company were the parties, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity,

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

water and other services, provisions, funds, benefits duties and obligations of all agreements, contracts and arrangements and all other interests;

- (iv) all employees, if any, of the Transferor Company immediately preceding the approval/sanction of the Scheme by Hon'ble NCLT;
- (v) all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, share application money, wallet/ pre-paid instruments balances, earnest moneys and/ or security deposits paid or received by the Transferor Company;
- (vi) all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, drawings, other manuals, data catalogues, quotations, sales and advertising materials, and other data and records whether in physical or electronic form;
- (vii) all intellectual property rights including all trademarks, trademark applications, trade names, patents and patent applications, domain names, logo, websites, internet registrations, copyrights, trade secrets, and all other interests exclusively relating to the Transferor Company.

It is intended that the definition of Merged/Amalgamated Undertakings or Undertakings under this Clause would enable the transfer of all properties,

*For MILKFOOD LIMITED*

*Cita Bana*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
(Director)



assets, rights, duties and liabilities of the Transferor Company into Transferee Company pursuant to this Scheme.

The expressions which are used in this Scheme and not defined in this Scheme, shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, Income Tax Act, 1961, Indian Accounting Standards or Accounting Standard, as may be applicable and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof from time to time.

#### **DATE OF COMING INTO EFFECT**

The Scheme shall come into legal operation from (a) the Appointed Date; or (b) such date as may be approved by the Hon'ble National Company Law Tribunal (NCLT) or Hon'ble National Company Law Appellate Tribunal (NCLAT), or any other competent Court (s), judicial or quasi-judicial authority or any other competent authority having power to sanction the Scheme, as the case may be. The phrase 'coming into effect' or 'becoming effective' in the context of the Scheme shall mean the date on which Scheme shall come into legal operation in the manner stated hereinabove.

#### **PART- II**

##### **FINANCIAL POSITION AND CAPITAL STRUCTURE**

3. The share capital structure and the financial position of the Transferor Company and the Transferee Company, as reflected by the latest Audited Balance Sheet dated 31<sup>st</sup> March, 2020, are given as under:

*For MILKFOOD LIMITED*

*Gita Bawaz*  
(Director)

Tripuri Infrastructure Private Limited

*Jule*  
Director

3.1 The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferor Company as on 31<sup>st</sup> March, 2020 are as under:

PARTICULARS	AMOUNT (Figures in INR)
<b>AUTHORISED SHARE CAPITAL</b>	
1,45,00,000 equity shares of Rs 10 each	14,50,00,000
<b>Total</b>	<b>14,50,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>	
1,40,10,000 equity shares of Rs 10 each	14,01,00,000
<b>Total</b>	<b>14,01,00,000</b>

As on the date of this Scheme, there has been no change in the share capital structure.

3.2 The financial position of the Transferor Company as on 31<sup>st</sup> March, 2020 on the basis of the latest Audited Financial Statements is as under:

Particulars	Amount (in Rs.)
<b><u>EQUITY &amp; LIABILITIES</u></b>	
Shareholders Fund	13,83,05,186
Non-current liabilities	18,00,000
Current liabilities	11,800

For MILKFOOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited  
Director

<b>Total</b>	<b>14,01,16,986</b>
<b><u>ASSETS</u></b>	
Non- Current Assets	14,00,00,000
Current Assets	1,16,986
<b>Total</b>	<b>14,01,16,986</b>

3.3 The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferee Company as on 31<sup>st</sup> March, 2020:

<b>PARTICULARS</b>	<b>AMOUNT (Figures in INR)</b>
<b>AUTHORISED SHARE CAPITAL</b>	
75,00,000 equity shares of Rs 10 each	7,50,00,000
50,000 Redeemable Preference Shares of Rs 100 each	50,00,000
<b>Total</b>	<b>8,00,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>	
48,86,440 equity shares of Rs 10 each	4,88,64,400
Less: Call in Arrear	19,000
Add: Amount paid on Forfeited Shares	7,000
<b>Total</b>	<b>4,88,52,400</b>

As on the date of this Scheme, there has been no change in the share capital structure of the Transferee Company.

For MILKFOOD LIMITED

Amit Bawa  
(Director)

Tripuri Infrastructure Private Limited

Director

3.4 The financial position of the Transferee Company as on 31<sup>st</sup> March, 2020 on the basis of the latest Audited Financial Statements is as under:

Particulars	Amount (Rs. in Lakhs)
<b><u>EQUITY &amp; LIABILITIES</u></b>	
Equity Share Capital	11,669
Non-current liabilities	8,517
Current liabilities	9,832
<b>Total</b>	<b>30,018</b>
<b><u>ASSETS</u></b>	
Non-Current Assets	19,739
Current Assets	10,279
<b>Total</b>	<b>30,018</b>

### PART- III

#### PROMOTERS, DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE TRANSFEROR COMPANY AND THE TRANSFEEE COMPANY

4. Details of Promoters, Directors and Key Managerial Personnel ("KMP") of the Transferor Company and the Transferee Company are given as under:

For MILKFOOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
Director

4.1 Details of the Directors & KMP of the Transferor Company as on the date of this Scheme:

S. No.	Name	Address	Designation
1.	Ms. Gita Bawa (DIN: 00111003)	S-264, Greater Kailash-2, South Delhi New Delhi 110048	Director
2.	Mr. Karamjit Jaiswal (DIN: 00111288)	FARM No. 6, The Green, Rajokari, New Delhi 110038	Director
3.	Mr. Gautam Pal (DIN: 05200503)	BL-52, Anand Vihar, Hari Nagar, New Delhi 110064	Director

4.2 Details of the Promoters of the Transferor Company as on the date of this Scheme:

S. No.	Name	Address
1.	Mr. Karamjit Jaiswal	FARM No. 6, The Green, Rajokari, New Delhi- 110038
2.	Mr. Naresh Kumar Rana	127, Meghdoot Apartment, Sector 10A, Gurgaon 122001

4.3 Details of the Directors & KMP of the Transferee Company as on the date of this Scheme:

S. No.	Names	Addresses	Designation
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For MLKFOOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

Jale  
Director

1.	Mr. Lalit Kumar (DIN: 00059732)	21, Maitri Apartments Mayur Vihar-1 New Delhi 110091	Director
2.	Mr. Anil Girotra (DIN: 00110631)	S-22/13, DLF City Phase-III, Gurgaon 122010	Director
3.	Ms. Asha Gadi (DIN: 00110734)	F-73, Ground Floor, Kalkaji, New Delhi 110019	Director
4.	Ms. Gita Bawa (DIN: 00111003)	S-264, Greater Kailash-2, South Delhi New Delhi 110048	Director
5.	Mr. Kewal Krishan Kohli (DIN: 00127337)	185, Sector 5, Vaishali Ghaziabad 201010	Director
6.	Mr. Harmesh Mohan Sood (DIN: 07951620)	Sood Niwas, 6, Ranbir Marg, Patiala 147001	Director
7.	Ms. Preeti Mathur (DIN: 07951647)	77, Teg Colony, Patiala 147001	Director
8.	Mr. Sudhir Avasthi	J-6, Ground Floor, Kailash Colony, New Delhi 110048	CEO(KMP)
9.	Mr. Sanjeev Kothiala	F1/1D, MIG Flats, Hari Nagar, Maya Puri, New	CFO(KMP)

For MILKFOOD LIMITED

Gita Bawa  
(Director)

Triputi Infrastructure Private Limited

  
Director

		Delhi 110064	
10.	Mr. Rakesh Kumar Thakur	229/4A, Gali No. 22, Railway Colony, Mandawali, Delhi 110092	Company Secretary

- 4.4 Details of the Promoters and Promoter Group of the Transferee Company as on the date of this Scheme:

Sl. No.	Name	Address
1.	Mr. Karamjit Jaiswal	FARM No. 6, The Green, Rajokari, New Delhi -110038
2.	Ms. Roshni Sanah Jaiswal	148, Sunder Nagar, New Delhi- 110003
3.	Blue Skies Investments Private Limited	4 <sup>th</sup> Floor, Bhandari House, 91, Nehru Place, New Delhi-110019
4.	Snowwhite Holdings Private Limited	4 <sup>th</sup> Floor, Bhandari House, 91, Nehru Place, New Delhi-110019

#### PART- IV

#### RATIONALE AND BENEFITS OF THE SCHEME

5. The rationale/ benefits of the present Scheme are mentioned hereunder:

- 5.1 The amalgamation will result in better, efficient and economical management, achieve cost savings, pooling of resources and rationalization of administrative expenses/services. The amalgamation will

For MILKFOOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
Director

enable the Company to pool the brand, financial, commercial and other resources and considerable synergy of operations would be achieved and it will give value addition to the assets of the Company.

5.2 With the enhanced capabilities and resources at its disposal, the Transferee Company will have greater flexibility and strength and will be able to compete more effectively as a combined entity.

5.3 The Transferee Company as a consolidated entity after amalgamation will have better financial and business prospects. The Scheme would be beneficial to and in the best interest of the Shareholders & Creditors, if any, of the Transferor Company and the Transferee Company. The Scheme shall not in any manner be prejudicial to the interests of concerned members / creditors or general public at large.

5.4 It would be advantageous to combine the assets of the Transferor Company and the Transferee Company into a single Company. The amalgamation would provide beneficial synergy of operations from administrative point of view, and conserve administrative resources and cost overheads, and duplication of management efforts

#### **PART- V**

#### **TRANSFER AND VESTING OF THE BUSINESS OF THE TRANSFEROR COMPANY**

6. With effect from the Appointed Date and upon the Scheme coming into effect and pursuant to the provisions of the Act, subject to the provisions of this Scheme and receipt of relevant approvals:

**For MILKFOOD LIMITED**

*A. K. Bawz*  
(Director)

Tripuri Infrastructure Private Limited  
*[Signature]*  
Director



6.1 The entire business and Undertaking(s) and all the moveable and immoveable properties, tangible and intangible assets including trademarks, patents, designs, copy rights, investments, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts together with all non-compete covenants, engagements, arrangements, rights, titles, interests, agreements, benefits, taxes, including but not limited to Minimum Alternate Tax (MAT) paid under the relevant provisions of the Income Tax Act, 1961, tax incentives & exemptions, grants and advantages, approvals, permissions, sales tax deferrals, loans, subsidies, concessions, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of whatsoever nature belonging to and/ or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the aforesaid Transferor Company, including but without being limited to all patents, designs, trademarks, trade names, copyrights and other intellectual and industrial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, concessions in terms of duties, taxes, subsidies, incentives, as may be available to the Transferor Company or in relation to any movable or immovable assets of the Transferor Company and including easements, advantages, benefits, including any rights, grants and exemptions granted under any law, or other enactment, leases, tenancy rights, ownership flats, quota rights, permits, capital contribution in partnership firms, approvals, authorizations, right to use and avail of telephones, telex, facsimile, web connections, bank and cash balances and installations, utilities, electricity and other services, reserves and security deposits, refunds, outstanding balances, stocks/ investments provisions, funds, benefits of all agreements and all other interests including those arising to the Transferor Company shall be transferred to, and vested in and/ or deemed to be transferred and

**For MILKFOOD LIMITED**

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

vested in the Transferee Company by virtue of this Scheme and all books of accounts and documents and records relating thereto, all of which shall without further act or deed be transferred to or vested in the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act from the Appointed Date so as to become the assets and properties of the Transferee Company but subject to all charges, if any, affecting the same. Further provided that the Scheme shall not operate to adversely affect the rights, interests and security created for any such loan(s), deposit(s) and/or facility(s).

- 6.2 All the said liabilities (including contingent liabilities, if any) of Transferor Company shall, without any further act, instruments or deed shall stand transferred to the Transferee Company pursuant to the applicable provisions of the said Act, so as to become the debts, liabilities, duties and obligations of the Transferee Company. All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred (including the effect of taxes, if any thereon) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be. It is clarified for the purpose of brevity that all assets and receivables, whether contingent or otherwise, of the Transferor Company as on start of business on the Appointed Date, whether provided for or not, in the books of accounts and all other assets or receivables which may accrue or arise on or after the 'Appointed Date' but which relates/ accrued to the period up to the scheme coming into effect/ Appointed Date shall be the assets and receivables or otherwise, as the case may be of the Transferee Company.

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

6.3 Subject to forgoing Clauses of this Scheme, all loan raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company in relation to or in connection with the said Business after the Appointed Date and prior to the Scheme coming into effect shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Scheme coming into effect, shall, upon the coming into effect of this Scheme, pursuant to the provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

6.4 Subject to foregoing Clauses of this Scheme, all estates, assets, rights, title, control, enjoyment, benefits, interests and authorization accrued to and/ or acquired by the Transferor Company in relation to or in connection with the Business after the Appointed Date and prior to the Scheme coming into effect shall have been deemed to have been accrued to and/ or acquired for and on behalf of the Transferee Company and shall, upon the coming into effect of this Scheme, pursuant to the provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, rights, title, interests and authorisation of the Transferee Company which shall meet, discharge and satisfy the same.

6.5 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which

FOR MILANROOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited  
Director

may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

- 6.6 The transfer and vesting of the Business of the Transferor Company under above mentioned Clause(s) and the continuance of the proceedings by the Transferee Company shall not affect any transactions or proceedings, already concluded by the Transferor Company in the ordinary course of business on and after the Appointed Date to the end and intent that the Transferee Company accepts on behalf of itself all acts, deeds and things done executed and all transactions or proceedings already concluded by the Transferor Company.
- 6.7 Subject to the provisions of this Scheme, the profits or losses of the Transferor Company for the period commencing from Appointed Date shall deemed to be related to and be the profits or losses of the Transferee Company and will be available to the Transferee Company for being dealt with/ disposed off in any manner as it thinks fit including declaration of dividend, issue of Bonus shares, by the Transferee Company.
- 6.8 On the Scheme coming into effect, the Transferee Company in terms of the provisions of the Income Tax Act, 1961 shall be entitled to revise its income tax returns as also the income tax returns filed by the Transferor

For MILK FOOD LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
Director

Company so far as is necessitated on account of the Scheme becoming effective with effect from Appointed Date under the Scheme.

- 6.9 The transfer/ vesting as aforesaid shall be subject to the existing charges/ hypothecation/ mortgage if any, as may be subsisting over or in respect of the said assets or any part thereof. However, any reference in any security document or arrangement to which the Transferor Company is a party, to the assets of the Transferor Company offered or agreed to offer as security for any financial assistance, or obligations, to the secured creditors, if any, of the Transferor Company shall be construed as references only to the assets pertaining to the Business of the Transferor Company as are vested in the Transferee Company by virtue of the aforesaid clause to the end and intent that such security, mortgage and charge shall not at any time extend or be deemed to extend to any of the assets or to any of the other units or divisions of the Transferee Company unless otherwise expressly provided.
- 6.10 It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be deemed to be so transferred/ delivered by the Transferor Company and shall become the property of the Transferee Company, in pursuance of the provisions of Sections 230 to 232 of the Act as an integral part of the Business of the Transferee Company with effect from the Appointed Date.
- 6.11 In respect of such of the said assets other than those referred to in sub clauses above, the same shall without any further act, instrument or deed be transferred to and vested in and/ or be deemed to be transferred and

For MILKFOOD LIMITED

A. K. Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
Director

vested in the Transferee Company on the Appointed Date pursuant to the provisions of the Section 230 to 232 of the Act.

6.12 Upon sanctioning of the Scheme the Transferee Company may at any time in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation, in favour of the secured creditors, if any, of the aforesaid Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company as is to be carried out or performed.

6.13 That the Scheme of Amalgamation, in no way, is a Scheme of compromise or arrangement with the creditors as all the creditors of the Transferor Company and the Transferee Company will be paid in full as and when their respective amounts fall due in the usual course and therefore, the Scheme of Amalgamation will never be affecting the rights of the creditors in any manner, because the aggregate of assets of the Transferor Company and the Transferee Company will be sufficient to meet the liabilities of all the creditors of the Transferor Company and the Transferee Company in full. The present Scheme is not a Scheme of Corporate Debt Restructuring as envisaged under Section 230(2)(c) of the Act or a Scheme of compromise or arrangement under section 230 of the Act.

FOR MILKARJOD LIMITED

Gita Bawa  
(Director)

Triputi Infrastructure Private Limited

  
Director

- 6.14 Upon the coming into effect of the Scheme, benefits of all taxes paid including but not limited to MAT under Sections 115JA/ 115JB of the IT Act, advances taxes and tax deducted at source, MAT credit under the provisions of the IT Act, by the Transferor Company from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Transferee Company as effectively as if the Transferee Company had paid the same and shall be deemed to be the rights/ claims of the Transferee Company.

## PART- VI

### ACCOUNTING TREATMENT

7. Upon the Scheme coming into effect and pursuant to the provisions of the Act and receipt of relevant approvals:
- 7.1 The Transferee Company shall account for the merger in accordance with acquisition method for accounting business combination as per applicable Indian Accounting standard notified by the Central Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- 7.2 All assets and liabilities including reserves, of the Transferor Company shall be recorded in the books of account of the Transferee Company at their acquisition date fair values and in the same form.
- 7.3 The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

For MILKFOOD LIMITED

*Arta Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*Jule*  
Director

- 7.4 The identity of all reserves of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in same form and manner in which they appeared in the financial statements of the Transferor Company, prior to this Scheme coming into effect.
- 7.5 All inter-company balances, investments, loans and advances/balance outstanding between the Transferor Company and the Transferee Company will stand cancelled and there shall be no further obligation in that behalf.
- 7.6 The difference between the value of assets, liabilities and reserves of the business as taken over by the Transferee Company, the value of investments in Transferor Company cancelled by the Transferee Company and shall be transferred to Capital Reserve and would be presented separately from the other capital reserves with disclosure of its nature and purpose in the notes.
- 7.7 The difference between the fair value of equity shares issued and the fair value of the net assets acquired will be treated as goodwill or gain on bargain purchase;
- 7.8 The Transferee Company shall adjust the balance of the Statement of Profit & Loss of the Transferor Company against its Statement of Profit & Loss.

For MILKFOOD LIMITED

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director



**PART-VII**

**SHARE CAPITAL, CONSIDERATION AND ALTERATION OF**

**MEMORANDUM AND ARTICLES OF ASSOCIATION**

8.1 Upon the scheme finally coming into effect and in consideration of the transfer of all the said assets and liabilities of the Transferor Company to the transferee company in terms of the scheme. The transferee company without any further application or deed issue and allot fully paid up equity share of 69 face value of Rs. 10 /- (Rupees Ten) each of the Transferee Company to the Shareholders of the Transferor Company against 1000 equity shares of the face value of Rs. 10 each of the Transferor Company , whose names appear in the register of members of the respective Transferor Company and whose names appear as their respective beneficial owners of the equity shares of the Transferor Company in the records of the depositories (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferee Company) as on the Record Date. The equity shareholders holding minimum shares in transferor company will get at least one share of transferee company. The equity shares to be issued by the Transferee Company to the shareholders of Transferor Company in accordance with this Clause shall be hereinafter referred to as “New Equity Shares”.

The shares to be allotted by the Transferee Company to the Shareholders of the Transferor Company are as under:

***“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”.***

8.2 Any fraction of share so arising out of aforesaid share exchange ratio shall be rounded off to nearest natural number.

For MILKFOOD LIMITED

Gita Bawa  
(Director)

Tripuli Infrastructure Private Limited

  
Director

8.3 The New Equity Shares allotted and issued in terms of Clause 8.1 above, shall be listed and/or admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed and/or admitted to trading; subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to their listing.

8.4 Upon issuance and allotment of the New Equity Shares by the Transferee Company to the members of the Transferor Company as provided in the Scheme, the existing Equity Shares of Transferor Company held by the members of the Transferor Company shall automatically stand cancelled/ extinguished:

8.5 The New Equity Shares issued by the transferee company to the shareholders of Transferor Company in pursuance of this scheme shall lie *pari-passu* in all respect to the existing shares of the Transferor Company be it in terms of voting rights or dividend or otherwise.

8.6 The issue and allotment of New Equity Shares to the respective shareholders of the Transferor Company as provided in this Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62 of the Act and any other applicable provisions of the Act, and such other statutes and regulations as may be applicable were duly complied with.

8.7 As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorized share capital of the Transferor Company shall be deemed to be combined with the authorized share capital of the Transferee Company, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to

For MILKFEED LIMITED

Gita Bawa  
(Director)

Tripuri Infrastructure Private Limited

  
Director

Registrar of Companies and the stamp duty and fees paid by the Transferor Company on their authorized share capital shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme. Further, the Stamp Duty shall be paid by the Transferee Company, if required.

8.8 It is hereby clarified that upon the Scheme coming into effect, the provisions of Sections 13, 14, 61 & 64 and other applicable provisions, if any, of the Act in relation to increase in Authorized Share Capital of the Transferee Company shall be considered to be complied with and the Transferee Company is not required to do any further acts, deeds or things, unless specifically required under the Act.

8.9 The Transferee Company shall make suitable alterations/ amendments to the Memorandum & Articles of Association, if so required and necessary, for proper implementation of Scheme in compliance to the applicable provisions of the Act.

## PART-VIII

### EFFECT OF THE SCHEME ON THE DIRECTORS, KEY MANAGERIAL PERSONNEL, PROMOTERS, CREDITORS AND OTHER STAKEHOLDERS

9. The effect the Scheme on the Key Managerial Personnel, Directors, Promoters, Non-promoter members, Creditors and the Employee of the Transferor Company and the Transferee Company upon coming into effect is mentioned as under:

For MILAN FOOD LIMITED

A. J. Bawa  
(Director)

For Private Limited  
J. K. Jha  
Director

- 9.1 The existing Directors including Key Managerial Personnel ("the KMP") of the Transferor Company shall cease to be the Directors and KMP of the Transferor Company from the Scheme coming into effect without any further compliance of any other provisions of the Act, whereas there shall be no effect upon the Directors and KMP of the Transferee Company. The Directors and KMP of the Transferor Company and the Transferee Company does not have any interest, whether, material or immaterial, financial or non-financial or otherwise, in the proposed Scheme except, to the extent of their remuneration due, if any, till the Scheme coming into effect, in their professional capacity.
- 9.2 There are two promoters in the Transferor Company. One of the promoters of the transferor company is also the promoter of the Transferee Company. Upon the Scheme coming into effect, the Transferor Company shall stand merged with the Transferee Company and there shall be no change in promoter of the Transferee Company.
- 9.3 The creditors of the Transferor Company and the Transferee Company will be paid in full as and when their respective amounts fall due in the usual course and therefore, the Scheme will never be affecting the rights of the creditors in any manner, because the aggregate of assets of the Transferor Company and the Transferee Company will be sufficient to meet the liabilities of all the creditors of the Transferor Company and the Transferee Company in full.
- 9.4 The Transferor Company and the Transferee Company as on the date do not have any Depositors, Debenture holders, Deposit trustee and Debenture trustee.

FOR MILANJOD L. LEE

Gita Bausa  
(Director)

Tripuri Infrastructure Private Limited

  
Director

**PART- IX**  
**GENERAL TERMS AND CONDITIONS**

**10. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

- 10.1 Upon the coming into effect of this Scheme, the Resolutions, if any, of the Transferor Company, which are valid and subsisting on the Scheme coming into effect, shall continue to be valid and subsisting, without any further act, instrument or deed and be considered as resolutions of the Transferee Company and if such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

**11. DISSOLUTION OF THE TRANSFEROR COMPANY**

- 11.1 Upon the coming into effect of this Scheme, the Board of Directors, (or any Committee(s) thereof) of the Transferor Company shall, without any further act, instrument or deed, be ceased to exist and shall stand dissolved without the process of winding-up.
- 11.2 On and with effect from the Effective Date, the name of the Transferor Companies shall be struck off from the records of the relevant Registrar of Companies. The Transferee Company shall make all necessary filings in this regard.

For MILKFEED LIMITED

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

- 13 If any part of this Scheme is invalid, ruled illegal by any authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

**14. CONTRACTS, DEEDS, BONDS, OTHER INSTRUMENTS AND BENEFITS OR PRIVILEGES**

- 14.1 Upon the Scheme coming into effect and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses, and other assurance in favour of the Transferor Company or powers or authorities granted by or to it of whatsoever nature to which the Transferor Company may be eligible, and instrument or deed, be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectually, as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto. The Transferee Company shall, at any time prior to the Scheme coming into effect, wherever necessary enter into and/or issue and/ or execute deeds, writings, confirmations, any tripartite arrangements or notations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.

For MILKFOOD LIMITED

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

- 14.2 Any inter-se contracts, if any, between the Transferor Company and the Transferee Company shall stand cancelled upon the sanctioning of the Scheme and upon the Scheme coming into effect.
- 14.3 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, notations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances required for the purposes referred to above.
- 14.4 All benefits/ refunds/ credits under Income Tax, Excise (including MODVAT/ CENVAT), Sales Tax (including deferment of Sales Tax), Value Added Tax and Service Tax etc. to which the Transferor Company is entitled to in terms of the various Statutes and/or Schemes of Union and State Governments, shall be available to and vest in the Transferee Company, without any further act or deed. Further, the Transferee Company is also permitted to revise Tax Returns and related TDS Certificates etc. wherever so required.

## 15. TRANSFEROR COMPANY STAFF, WORKMEN & EMPLOYEES

- 15.1 Upon the coming into effect of this Scheme all the staff, workmen, employees of the Transferor Company, if any, who are in its employment as on the Scheme coming into effect shall become the staff, workmen,

For MILKFOOD LIMITED

*C. B. Baur*  
(Director)

Tripuri Infrastructure Private Limited  
*[Signature]*  
Director

employees or other labour of the Transferee Company with effect from the Appointed Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company whereas there will be no effect on the employees of the Transferee Company.

## 16. LEGAL PROCEEDINGS

16.1 If any suit, writ petition, appeal, revision or other proceedings of whatsoever nature ( hereinafter called “the Proceedings”) by or against the Transferor Company is pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Business of the Transferor Company or because of anything contained in the Scheme, but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. On and from the Scheme coming into effect, the Transferee Company shall and may, if required, initiate any legal proceedings for and on behalf of the Transferor Company.

16.2 No investigation or proceeding under the Companies Act, 2013 or under the erstwhile Companies Act, 1956 is pending neither against the Transferor Company or Transferee Company involved in the present Scheme of Amalgamation.

## 17. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANY TILL

### THE SCHEME COMING INTO EFFECT

For MILKFOOD LIMITED

A. J. Bawa  
(Director)

Tripuri Infrastructure Private Limited  
Director



- 17.1 The Transferor Company shall carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profits or incomes accruing or arising to the Transferor Company, or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Company shall, for all purpose, be treated and be deemed to be of the Transferee Company, as the case may be. (It is clarified that any advance tax paid/ TDS Certificates received by the Transferor Company be treated and be deemed to be and accrue as taxes paid by the Transferee Company).
- 17.2 The Transferor Company hereby undertakes to carry on its activities with reasonable diligence and shall not, without the written consent of the Transferee Company, alienate, charge or otherwise deal with the Business or any part thereof except in the ordinary course of its business.
- 17.3 The Transferor Company shall discharge all its liabilities and obligations for and on account of the Transferee Company.

#### 18. SAVING OF CONCLUDED TRANSACTIONS

- 18.1 The transfer of the Business of the Transferor Company in Clause 6 hereinabove, the continuance of the proceedings under Clause 16 above and the effectiveness of contracts and deeds under Clause 14 above, shall not affect any transaction or the proceedings already concluded by the Transferor Company on or before the Scheme coming into effect and shall be deemed to have been done and executed for and on behalf of the Transferee Company.

For MILESTONE LIMITED

*Gita Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

19. **APPLICATION TO THE CONCERNED AUTHORITIES**

19.1 The Transferee Company shall, with all reasonable dispatch, make necessary application to the Hon'ble National Company Law Tribunal or other concerned/ competent authority(ies) for sanctioning of this Scheme and for such other orders as the Tribunal may deem fit for bringing the Scheme into effect and all other matter ancillary or incidental thereto and for consequent dissolution of the aforesaid Transferor Company, without winding up or liquidation and apply for and obtain such other approvals, as required by law.

Provided that notwithstanding anything contained in the present Scheme, the Transferor Company, and the Transferee Company shall, where the situation so warrants, with all reasonable dispatch, make such appeals, applications, petitions etc. to the Hon'ble NCLT, Hon'ble NCLAT, or Hon'ble Supreme Court of India or such other competent Authority having jurisdiction, as are necessary for the purpose of sanctioning and effective implementation of the present Scheme.

19.2 The Transferor/ Transferee Company shall apply to Development Commissioner(s), Special Economic Zones, Ministry of Commerce, SEBI for such sanctions and approvals as may be required under applicable law (including Special Economic Zones regulations) from the Board of Approvals, Ministry of Commerce, SEBI for permitting change in the shareholding and board composition of the subsidiary of the Transferor Company, prior to effecting any change in shareholding or board composition of the subsidiary of the Transferor Company.

*For MILKROOD LIMITED*

*A. J. Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

**20. MODIFICATIONS/ AMENDMENTS TO THE SCHEME**

- 20.1 The Board of Directors of Transferor Company and the Transferee Company may assent to any modification(s) or amendment(s) to the Scheme or agreed to any terms suggested by the Shareholders and Creditors of the Company or the conditions, which National Company Law Tribunal or other concerned/ competent authority(ies) may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any questions or doubt or difficulty that may arise for implementing and/or carrying out of the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.
- 20.2 For the purpose of giving effect to the Scheme or to any modifications thereof, the Board of Directors of the Transferor Company and the Transferee Company are hereby authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any questions or doubt or difficulty whatsoever that may arise.
- 20.3 The Transferee Company even after the Scheme coming into effect may approach National Company Law Tribunal or other concerned/competent authority(ies) for any incidental orders to remove any deficiency or overcome any difficulty in implementation of the Scheme or clear any ambiguity or to comply with any statutory requirement which necessitates the order of National Company Law Tribunal or other concerned/ competent authority(ies).

For MILANJOD L. L. L.

*Cite Bawa*  
(Director)

Tripuri Infrastructure Private Limited  
*[Signature]*  
(Director)

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**21. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS**

21.1 The Scheme is conditional upon and subject to:

- i. Receipt of approvals of the Stock Exchanges and SEBI in terms of the SEBI Circular, as applicable;
- ii. The Scheme being approved by the requisite majorities in number and value of the various classes of shareholders and/or creditors (where applicable) of the Transferor Company and the Transferee Company as may be directed by the Tribunals required under Applicable Law;
- iii. The Scheme being approved by the majority of public shareholders (members) of the Transferee Company (by way of e-voting) as required under the SEBI Circular;
- iv. Sanctions and Tribunal Order(s) under the provisions of Section 230 read with Section 232 of the Act being obtained by each of the Transferor Company and the Transferee Company from the Tribunals.
- v. The certified/ authenticated copies of the Tribunal Order(s) sanctioning the Scheme being filed with the Registrar of Companies by the Transferor Company and the Transferee Company

**22. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS**  
**RELATING TO REVOCATION AND WITHDRAWAL OF THE**  
**SCHEME**

22.1 In the event of any of the said approvals or conditions referred to in Clause 21 above not being obtained and/ or complied with and/or satisfied and/or the Scheme not being sanctioned by the Tribunals and/or Tribunal Order(s) not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect. The Transferor

For MILKAR JUDICIAL

*Arto Bawa*  
(Director)

Triputi Infrastructure Private Limited

*[Signature]*  
Director

Companies and the Transferee Company shall, in such event, inter se bear and pay their respective costs, charges, expenses in connection with the Scheme.

- 22.2 In the event of revocation under Clause 22.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.
- 22.3 The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.
- 22.4 The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity post-amalgamation.

### 23. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and implementing/completing the terms and provisions of the Scheme and/or incidental to the completion of process of

For MILKFOOD LIMITED

*Anta Bawa*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

amalgamation of the said Business of the Transferor Company in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.

#### 24. CLARIFICATION OF TAX

24.1 Any tax liabilities under the Income-tax Act, 1961, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Tax Act, 1956, Value Added Tax, Service Tax Rules, GST Act (IGST, CGST, SGST, UTGST) or other applicable laws/ regulations/Rules dealing with taxes/ duties/ levies (hereinafter in this Clause referred to as "Tax Laws") allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be that of Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax, MAT credit under the provisions of the IT Act and withholding tax as on the date immediately preceding the Appointed Date will also be transferred to the account of Transferee Company. Any refund under the Tax Laws due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by Transferee Company.

24.2 All taxes [including income tax, sales tax, excise duty, customs duty, service tax, VAT, GST Act (IGST, CGST, SGST, UTGST) etc.] paid or payable by the Transferor Company in respect of the operations and/ or the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment

For MILKFOOD LIMITED

Gita Bawa  
(Director)

Triputi Infrastructure Private Limited

  
Director

[including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, GST Act (IGST, CGST, SGST, UTGST) etc.], whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

- 24.3. Upon the Scheme coming into effect, the Transferee Company in terms of the provisions of the Income Tax Act, 1961 is also expressly permitted to revise its income tax returns and other direct and indirect tax returns filed under the relevant tax laws and to claim refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme. It is also clarified that all taxes and/ or claims payable by the Transferor Company from the Appointed Date onwards be treated as the tax liabilities and/ or claims of the Transferee Company.

## **25. NO CAUSE OF ACTION**

No third party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Company or the Transferee Company or their directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.

26. Schedule of Properties of the Transferor Company forms part of the present Scheme and has been annexed as “**Schedule 1**” to the present Scheme.

**For MILKFOOD LIMITED**

*Anita Baur*  
(Director)

Tripuri Infrastructure Private Limited

*[Signature]*  
Director

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**FOR TRIPUTI INFRASTRUCTURE PRIVATE LIMITED**


Triputi Infrastructure Private Limited

  
Director

**Director**

**FOR MILKFOODLIMITED**

*FOR MILKFOOD LIMITED*

  
(Director)

**Director**



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Annexure-1

Schedule of Properties

S. No.	Properties	Amount (Rs.)
1.	Trade Brand – “Milkfood”	33,63, 83,693/-
	Total	33,63, 83,693/-

*For MILKFOOD LIMITED*

*A. K. Bansi*  
*(Director)*

Tripuri Infrastructure Private Limited  
*[Signature]*  
Director

REPORT ON SHARE EXCHANGE RATIO FOR AMALGAMATION  
OF TRIPUTI INFRASTRUCTURE PRIVATE LIMITED  
("TRANSFEROR COMPANY") WITH MILKFOOD LIMITED  
("TRANSFeree COMPANY")

Prepared by:

Siddharth Gupta,

Registered Valuer - Securities & Financial Assets, (Insolvency and Bankruptcy Board of India) and  
Independent Chartered Accountant,

UGF-52, Aarohi Complex, Lucknow - 226024.

## Registered Valuer - Securities &amp; Financial Assets (IBBI)

Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
Mo: 9415099789; 9161635736



To,

The Board of Directors  
Triputi Infrastructure Private Limited  
Sood's Niwas, Ranbir Marg,  
Patiala - 147 001, INDIA

To,

The Board of Directors  
Milkfood Limited  
Bahadurgarh, Distt Patiala,  
Punjab - 147 021, INDIA

Kind attn. Mr. Sanjeev Kothiala, Chief Financial Officer

Dear Sir (s),

Re: Report on Share Exchange Ratio for the proposed amalgamation of Triputi Infrastructure Private Limited with Milkfood Limited through a Scheme of Arrangement for Amalgamation u/s 230-232 of the Companies Act, 2013 ('Act') and other applicable provisions of the Act.

We refer to the engagement letter dated September 30, 2020 confirming our appointment to provide equity value analysis of the Companies (*defined hereinafter*) and suggest a Share Exchange Ratio for the proposed scheme of arrangement for amalgamation of Triputi Infrastructure Private Limited (hereinafter referred to as "TIPL" or "Transferor Company") with Milkfood Limited (hereinafter referred to as "ML" or "Transferee Company") (*Transferor Company and Transferee Company being hereinafter individually referred to as Company and collectively referred to as the Companies*), pursuant to Scheme of Amalgamation under the provisions of Sections 230 - 232 of the Companies Act, 2013 (hereinafter referred to as "Act") and other applicable provisions of the Act, as may be applicable (hereinafter referred to as "Proposed Scheme"), with effect from the Appointed Date, i.e., 1<sup>st</sup> April 2020 or such other date as may be fixed or approved by the National Company Law Tribunal (hereinafter referred to as 'NCLT'). As per the terms of our aforesaid engagement, we are enclosing our valuation report providing the equity value analysis of the Companies and suggesting a share exchange ratio for the proposed scheme of arrangement.

Note that for the purpose of equity value analysis of the Companies to determine share exchange ratio, we have solely relied on the information and documents provided by your office. It may please

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Siddharth Gupta  
Registered Valuer

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be noted that we have not conducted any independent verification, attestation or audit of the information and documents provided to us nor do we express our opinion on the correctness of such information or document. The report is subject to the caveats mentioned therein and we shall not take any responsibility on the success of any transaction initiated relying solely on the report with or without the assessment of other factors. Also, we understand that the report shall be used for certain regulatory filings and we expressly provide our consent to the same.

Yours faithfully,

For Siddharth Gupta

Registered Valuer - Securities & Financial Assets, (Insolvency and Bankruptcy Board of India) and  
Independent Chartered Accountant,  
Registration No. IBBI/RV/05/2019/11261

Siddharth Gupta

MNI: 427683

JOIN: 20027022HARH05-47

Date: September 29, 2020

Place: Lucknow

## Registered Valuer - Securities &amp; Financial Assets (IBBI)

Siddharth Gupta  
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Siddharth Gupta  
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## CHAPTER 1 - DISCLAIMER CLAUSE

This Valuation Report ("Report") is being furnished by Siddharth Gupta, Registered Valuer ("Valuer") at the request of the management of Milkfood Limited. The reference date for this valuation exercise is the appointed date for the amalgamation i.e April 1, 2020 ("Valuation Date"). This Report covers Share Exchange Ratio for amalgamation of the Transferor Company with the Transferee Company only.

The relevant background of the transaction and our scope of work are mentioned in Chapter 2 below. This Report must be considered in that context only and is not an advisory document for any other purpose. The Report may not be distributed, reproduced, or used, without the express written consent of Valuer for any purpose other than that mentioned in Chapter 2 of this Report, below. Our valuation analysis should not be construed as an investment advice in the any of the companies involved.

The Report has been prepared by Valuer from information extracted from Audited Financials of the Companies, Management Projection, Statutory Registers and discussions from time to time and other data provided by the management of the Transferor Company and the Transferee Company ("Management"). Our scope of work does not include verification of data submitted by the management and we have relied upon the data provided to us. Wherever required, the information and data submitted by the Transferor Companies and the Transferee Company has been duly certified by the management.

The factual data, business details and financial statements (including financial projection) have been provided by the management. While the information provided herein is believed to be true and reliable to the best of our knowledge, we do not make any representations or warranties, express or implied, as to the accuracy or completeness of such information. To arrive at the Valuation of Milkfood Brand, we have relied on the achievability of the Projected figures provided by the management. In case the Company is not able to achieve the projected figures, our valuation results may be substantially affected.

In furnishing the Report, Valuer reserves the right to amend or replace the Report at any time. The information contained herein is based on certain assumptions and the analysis of the information available at the time the Report was prepared. Valuer does not purport to give any representation, warranty or other assurance in relation to this document.

This report highlights the basis of arriving at the Share Exchange Ratio between the Transferor Company and the Transferee Company, keeping in view the circumstances prevailing at the time of valuation and arrives at the opinion on the fair value considering the facts of the case. However, it may be noted that valuation is a highly subjective exercise and may differ from valuer to valuer depending upon the perception of attendant circumstances. At best it is an expression of opinion or a recommendation based on certain assumptions at a given point of time.

Further, the maximum liability relating to this valuation report shall be limited to the fees paid to the Valuer for rendering the service. This provision shall survive the completion of this engagement.

## Registered Valuer - Securities &amp; Financial Assets (IBBI)

Siddharth Gupta  
 Registered Valuer  
 Registration number: IBBI/RV/05/2019/11261  
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## CHAPTER 2 - BACKGROUND OF SCHEME OF AMALGAMATION AND SCOPE OF WORK

We understand that as a part of a business restructuring exercise, the Key Managerial Personnel (KMPs) of Milkfood Limited is considering scheme of amalgamation of Triputi Infrastructure Private Limited (Transferor Company) with and into Milkfood Limited (Transferee Company), in accordance with the provisions of Sections 230 - 232 of the Companies Act, 2013 (hereinafter referred to as "Act") and other applicable provisions of the Act. (hereinafter referred to as "Proposed Scheme"), with effect from the Appointed Date, i.e., April 01, 2020 or such other date as may be fixed or approved by Hon'ble National Company Law Tribunal (hereinafter referred to as "NCLT"). We further understand that upon amalgamation, in consideration, the transferee company shall issue its shares to the shareholders of transferor companies.

Therefore, the management has requested Siddharth Gupta, Registered Valuer (the "Valuer") to provide recommendation on the Share Exchange Ratio for the proposed amalgamation of transferor company with and into transferee company, on the coming into effect of the proposed scheme, with effect from the Appointed Date i.e. April 1, 2020. In this connection, the Valuer has been requested by Milkfood Limited, to carry out the equity value analysis of the Transferor Company and Transferee Company and suggest a Share Exchange Ratio in the connection with the proposed scheme, for consideration of the Board of Directors of Transferor Company and Transferee Company. Further, it will be subsequently used for onward submission with regulatory authorities and NCLT, for the purpose of approval of the Proposed Scheme. However, it is only the recommendation of valuer to board of Directors of Transferor company and Transferee Company. They may vary with the recommendations of the valuer and take their decision on the share exchange ratio decision based on their own judgements on share exchange ratio.

Valuation Date for this valuation exercise is the appointed date for the amalgamation i.e. April 1, 2020.

### About the Valuer

Siddharth Gupta (the "Valuer"), is Registered Valuer having Registration No. IBBI/RV/05/2019/11261. The Valuer is registered with the Insolvency and Bankruptcy Board of India to undertake the Valuation of Securities and Financial Assets of the Companies in accordance with Section 247 of the Companies Act, 2013.

## Registered Valuer - Securities &amp; Financial Assets (IBBI)

Siddharth Gupta  
 Registered Valuer  
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**CHAPTER 3 - DATA RELIED UPON**


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For the purpose of the Report, we have relied on the data, facts, information, documents and explanations as authenticated and provided to us by the management.

We have relied upon the following information, as provided by the management:

- Draft of the proposed scheme including rationale of the amalgamation;
- Audited Financials of Transferor Company and Transferee Company for the financial year ended March 31, 2020;
- Projected sales quantity and price of 'Milkfood Ghee' expected to be sold by transferee company.
- Present group structure comprising of Transferee Company and the Transferor Company (including their shareholding) and proposed structure post scheme of amalgamation.
- Confirmation from the management of the transferor companies and transferee company that there is no change in the share capital of the companies or substantial change in the business of the company.
- Discussions with the management in connection with and information relating to the operations of the respective Companies and their business segments, past and present activities, future plans and prospects, contingent liabilities, share capital and shareholding pattern, etc.; and
- Agreement for Transfer of Brand Name executed between Milkfood Limited and Triputi Infrastructure Private Limited dated September 5, 2013
- Other relevant information and documents for the purpose of this engagement.

We have also obtained explanations and information considered reasonably necessary for our exercise, from the management. The management has been provided with the opportunity to review the draft report (excluding the recommended share exchange ratio) for this engagement to make sure that factual inaccuracies are avoided in our final report.



## Registered Valuer - Securities &amp; Financial Assets (IBBI)

Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
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## CHAPTER 4 - BACKGROUND OF COMPANY

## 1. Milkfood Limited

Milkfood Limited (here in after referred as the Transferee Company or ML), bearing CIN L15201PB1973PLC003746 is a widely held listed company having its equity shares listed at BSE Limited. The Company was incorporated in accordance with the provisions of Companies Act, 1956 on March 31, 1973. Presently the registered office of the company is situated at Bahadurgarh Distt Patiala Punjab - 147 021, INDIA.

We understand that the Company is primarily engaged in the manufacture and sale of dairy products. The products include Ghee, Skimmed Milk Powder, Full Cream Milk Powder, Edible Grade Acid Casein, Demineralized Whey Powder (40%). We have been told, that the Company derives its substantial revenue from sale of 'Milkfood Ghee' while other products merely contribute 1% to 2% in the overall revenue of the Company. The Company has two manufacturing locations, one in the state of Punjab at Patiala and one in the state of Uttar Pradesh at Moradabad.

## CAPITAL STRUCTURE:

The Capital Structure of ML as on the appointed date i.e. April 01, 2020 is as under::

Capital Structure	
Particulars	Amount in INR
<b>Authorized Share Capital</b>	
75,00,000 Equity Shares of INR 10 each	75,000,000
50,000 Cumulative Redeemable Preference Shares of INR 100 each	5,000,000
<b>Issued, Subscribed and Paid Up Share Capital</b>	
48,86,440 Equity Shares of INR 10 each	4,88,64,400
Less: Call in Arrear	19,000
Add: Amount paid on Forfeited Shares	7,000
<b>Total</b>	<b>4,88,52,400</b>

We have been confirmed that till the date of signing of this report there have been no changes in the capital structure of Milkfood Limited.

## Registered Valuer - Securities &amp; Financial Assets (IBBI)

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Registered Valuer  
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## FINANCIAL SUMMARY

## HISTORICAL INCOME STATEMENT

Amount in INR Lacs

Particulars	Audited	
	31.3.2020	31.3.2019
Revenue from Operations	55,141	53,039
Other Income	61	31
<b>Total Income</b>	<b>55,202</b>	<b>53,090</b>
<b>Expenses:</b>		
Cost of Materials Consumed	47,205	45,178
Changes in Inventories	745	651
Employee Benefit Expenses	2,085	2,017
Finance Cost	840	788
Depreciation and amortization Expenses	811	683
Other expenses	2,639	2,436
<b>Total Expenses</b>	<b>54,325</b>	<b>51,753</b>
<b>Profit/(Loss) Before Tax</b>	<b>877</b>	<b>1,337</b>
Current Tax	213	295
Earlier year tax expenses	7	17
MAT Credit Entitlement	(515)	(322)
Current Tax	333	323
<b>Profits/(Loss) after Tax</b>	<b>839</b>	<b>1,024</b>

## HISTORICAL BALANCE SHEET

Amount in INR Lacs

Particulars	Audited	
	31.3.2020	31.3.2019
<b>Shareholders Fund</b>		
- Share Capital	489	489
- Other Equity	11,180	10,340
<b>Non-Current Liabilities</b>		
Financial Liabilities		
- Borrowings	1,162	933
- Other financial liabilities	6,108	5,827
- Lease liabilities	115	-
Deferred tax Liabilities (Net)	926	594
Provisions	206	207
<b>Current Liabilities</b>		

## Registered Valuer - Securities &amp; Financial Assets (IBBI)

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Registered Valuer

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Financial Liabilities		
-Borrowings	4,888	4,157
-Lease Liabilities	61	-
-Trade Payables		
-Total outstanding dues to Micro and small enterprises	38	-
-Total outstanding dues to creditors other than above.	3,106	4,448
-Other Financial Liabilities	1,500	980
Other Current Liabilities	109	140
Short Term Provisions	130	94
Current Tax Liabilities (Net)	-	50
<b>Total</b>	<b>30,018</b>	<b>28,259</b>
<b>Non - Current Assets</b>		
Property, plant and equipment	18,091	16,621
Capital work in progress	163	173
Right-to-use-assets	166	-
Biological assets	230	219
Financial assets		
-Investments	3	2
-Trade receivables	18	10
-Deposit, Loans and Advances	106	116
Other Non-Current Assets	962	468
<b>Current Assets</b>		
Inventories	5,857	6,809
Financial Assets		
-Trade Receivables	3,286	2,199
-Loans	33	80
-Cash and Cash Equivalents	355	461
-Others	105	14
Other Current Assets	600	1087
Current Tax Assets (Net)	43	-
<b>Total</b>	<b>30,018</b>	<b>28,259</b>

## SHAREHOLDING PATTERN

Name of Shareholder	No. of Shares	Holding (%)
*Promoter & Promoter Group	2,448,334	50.10%
Public	2,438,106	49.90%
<b>Total</b>	<b>4,886,440</b>	<b>100.00%</b>

\*Promoters include Mr. Karamjit Jaiswal, Ms. Roshni Sanah Jaiswal, Blue Skies Investment Private Limited, Snowwhite Holdings Private Limited

## Registered Valuer - Securities &amp; Financial Assets (IBBI)

Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
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## 2. Triputi Infrastructure Private Limited

Triputi Infrastructure Private Limited (here in after referred as Transferor Company or TIPL), bearing CIN U70101PB201111TC049856 is a closely held company incorporated in accordance with the provisions of the Companies Act, 1956 on September 29, 2011. Presently the registered office of the company is situated at Sood's Niwas, Ranbir Marg, Patiala-147021, Punjab, India.

We understand that the Company presently is not engaged in any business activity. We have been told that the Transferor Company through an Agreement for Transfer of Brand Name ('Agreement') executed between Milkfood Limited and Triputi Infrastructure Private Limited dated September 5, 2013 had acquired brand name 'Milkfood' for a consideration of INR 14 Cr. We have been further told that the Valuation of INR 14 Cr. for the brand name 'milkfood' was agreed basis the Valuation Report of M/s Madan & Associates, Chartered Accountants dated June 10, 2013.

We have been confirmed by the management that currently, TIPL is the registered owner of the brand name 'milkfood' and pursuant to the above agreement, the right have been given to Milkfood Limited to use milkfood brand on all its products including Ghee, Skimmed Milk Powder, Full Cream Milk Powder, Edible Grade Acid Casein, Demineralized Whey Powder (40%). Further it was agreed between both the parties that TIPL has right to charge royalty to MilkFood Limited for usage of Brand in accordance with the terms of the Agreement. We have been further confirmed by the management that the aforesaid intangible property gives right to TIPL to earn income through Royalty.

### CAPITAL STRUCTURE:

The Capital Structure of TIPL as on the appointed date i.e. April 01, 2020 is as under:

Capital Structure	
Particulars	Amount in INR
<b>Authorized Share Capital</b>	
1,45,00,000 Equity Shares of INR. 10 each	14,50,00,000
<b>Issued, Subscribed and Paid Up Share Capital</b>	
1,40,10,000 Equity Shares of INR 10 each	14,01,00,000

We have been confirmed that till the date of signing of this report there have been no changes in the capital structure of Triputi Infrastructure Private Limited.

## Registered Valuer - Securities &amp; Financial Assets (IBBI)

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Registered Valuer  
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## FINANCIAL SUMMARY

## HISTORICAL INCOME STATEMENT

Amount in INR

Particulars	Audited	
	31.3.2020	31.3.2019
Revenue from Operations	0	0
Other Income	0	0
<b>Total Income</b>	<b>0</b>	<b>0</b>
<b>Expenses:</b>		
Employee benefit expenses	80,000	0
Finance Cost	749	649
Other expenses	1,42,919	14,52,198
<b>Total Expenses</b>	<b>2,23,668</b>	<b>14,52,847</b>
<b>Profit/(Loss) Before Tax</b>	<b>(2,23,668)</b>	<b>(14,52,847)</b>
Current Tax	0	0
Deferred Tax	0	0
MAT Credit Entitlement	0	0
<b>Profits/(Loss) after Tax</b>	<b>(2,23,668)</b>	<b>(14,52,847)</b>

## HISTORICAL BALANCE SHEET

Amount in INR

Particulars	Audited	
	31.3.2020	31.3.2019
<b>Shareholders Fund</b>		
- Share Capital	14,01,00,000	14,01,00,000
- Reserves & Surplus	(17,94,814)	(15,71,146)
<b>Non-Current Liabilities</b>		
- Long Term Borrowing	18,00,000	16,00,000
<b>Current Liabilities</b>		
Other Current Liabilities	11,800	35,100
Short Term Provisions	-	-
<b>Total</b>	<b>14,01,16,986</b>	<b>14,01,63,954</b>
<b>Non - Current Assets</b>		
Trade Brand Values- Milkfood	14,00,00,000	14,00,00,000
<b>Current Assets</b>		
Cash & Cash Equivalents	1,16,986	1,63,954
<b>Total</b>	<b>14,01,16,986</b>	<b>14,01,63,954</b>

## Registered Valuer - Securities &amp; Financial Assets (IBBI)

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## LIST OF SHAREHOLDERS:

Name of Shareholder	No. of Shares
Mr. Naresh Kumar Rana	1
Mr. Karamjit Jaiswal	1,40,09,999

**CHAPTER 5 - VALUATION APPROACHES**

The valuation approaches to be adopted varies from case to case depending upon different factors affecting valuation. The basis of valuation depends upon the purpose of valuation, the type of business, the future prospects and other attendant circumstances.

There are the following three valuation approaches as per the internationally accepted valuation standards:

- i. "Cost" approach;
- ii. "Income" approach; and
- iii. "Market" approach

Within these three basic approaches, several methods may be used to estimate the value. An overview of these approaches is as follows:

**Cost Approach**

The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence.

**Replacement Cost Method**

Generally, replacement cost is the cost that is relevant to determining the price that a participant would pay as it is based on replicating the utility of the asset, not the exact physical properties of the asset. Replacement cost is adjusted for physical deterioration and all relevant forms of obsolescence. After such adjustments, this can be referred to as depreciated replacement cost.

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**Reproduction Cost Method**

Reproduction cost is appropriate if the cost of a modern equivalent asset is greater than the cost of recreating a replica of the subject asset, or the utility offered by the subject asset could only be provided by a replica rather than a modern equivalent.

**Summation Method**

The summation method, also referred to as the underlying asset method, is typically used for investment companies or other types of assets or entities for which value is primarily a factor of the values of their holdings.

**Income Approach**

The income approach provides an indication of value by converting future cash flows to a single current value. Under the income approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset. A fundamental basis for the income approach is that investors expect to receive a return on their investments and that such a return should reflect the perceived level of risk in the investment.

**Discounted Cash Flow Method**

Under the DCF method the forecast cash flows are discounted back to the valuation date, resulting in a present value of the asset. When selecting the appropriate type of cash flow for the nature of asset or assignment. In addition, the discount rate and other inputs must be consistent with the type of cash flow chosen.

The intended holding period for one investor should not be the only consideration in selecting an explicit forecast period and should not impact the value of an asset. However, the period over which an asset is intended to be held may be considered in determining the explicit forecast period if the objective of the valuation is to determine its investment value.

Where the asset is expected to continue beyond the explicit forecast period, valuers must estimate the value of the asset at the end of that period. The terminal value is then discounted back to the valuation date, normally using the same discount rate as applied to the forecast cash flow.

The market approach/exit value method can be performed in a number of ways, but the ultimate goal is to calculate the value of the asset at the end of the explicit cash flow forecast. Common ways

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to calculate the terminal value under this method include application of a market-evidence based capitalization factor or a market multiple.

The rate at which the forecast cash flow is discounted should reflect not only the time value of money, but also the risks associated with the type of cash flow and the future operations of the asset.

#### Market Approach

The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available. The market approach often uses market multiples derived from a set of comparable assets, each with different multiples. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors.

#### Guideline Publicly Traded Comparable or Comparable Companies Multiple ("CCM") Method

The guideline publicly traded method utilizes information on publicly traded comparable companies that are similar to the subject asset to arrive at an indication of value. The method should be used only when the subject asset is sufficiently similar to the publicly traded comparable companies to allow for a meaningful comparison.

#### Comparable Transactions Multiples ("CTM") Method

The comparable transactions method, also known as the guideline transactions method, utilizes information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value.

#### Market Price Method

Under this method, the market price of an equity shares of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.



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 Registered Valuer  
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#### CHAPTER 6 - VALUATION APPROACHES ADOPTED

For determining an accurate valuation of the Companies and determine the share exchange ratio, it is important to adopt an appropriate valuation method considering the nature of transaction, business of the Companies and its latest audited financials, etc.

Basis the information and documents available with us and discussion held with the management, we understand that present scheme of amalgamation has been drafted to transfer the intangible property (i.e. milkfood brand) owned by Triputi Infrastructure Private Limited to Milkfood Limited as other than this intangible property the transferor company does not have any significant asset or business.

Since the transferor company is not engaged in any business activity, hence projecting the future financials is not possible accordingly we have not applied the Income or Market Approach. Further to arrive at the Fair Valuation of the transferor company, we have applied Adjusted Net Asset Value Methodology, wherein we have considered the Fair Valuation of underlying intangible asset i.e. brand milkfood. To arrive at the Fair Valuation of the brand milkfood, we have considered Royalty Relief Method basis the average royalty rate being received by the companies engaged in Dairy Products and Oils Business. The aforesaid royalty rates have been considered basis the paid international database of Royalty Range (Intangible Range Limited, UK).

Herein it is important to note that the entire valuation of transferor company is dependent on the fact that transferor company is registered owner of the milkfood brand and any change in the aforesaid assumption shall impact the valuation of transferor company significantly.

Further to arrive at the Fair Valuation of Milkfood Limited, we have considered the Comparable Company Multiple Methodology, Market Price Methodology and Net Asset Value Methodology. We have not considered the Discounted Free Cash Flow Methodology as due to COVID 19; management has shown its inability to project the forecasted financials.

*[Handwritten signature]*

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## CHAPTER 7 - EQUITY VALUE ANALYSIS OF TRIPUTI INFRASTRUCTURE PRIVATE LIMITED

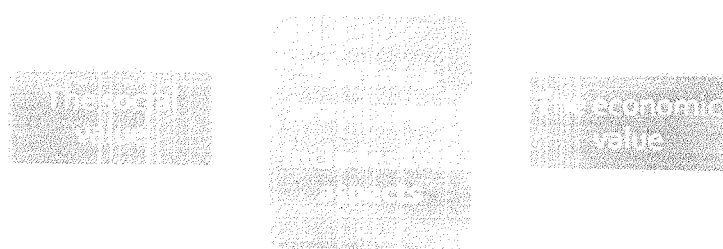
As provided in Chapter 7 above, the Valuation of Triputi Infrastructure Private Limited have been done as per Adjusted Net Asset Value Methodology considering the Fair Valuation of underlying intangible asset i.e. brand milkfood.

### UNDERSTANDING BRAND VALUATION

## BRAND VALUE

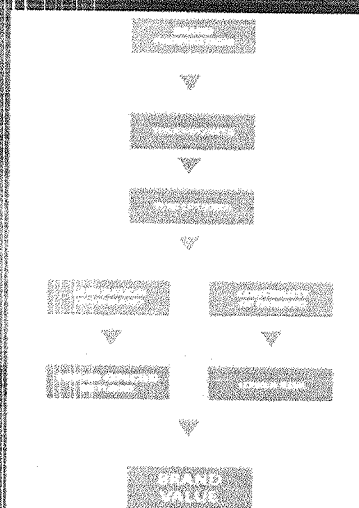
### BRAND VALUE

- "If this business were split up, I would give you the land and bricks and mortar, and I would take the brands and trade marks, and I would fare better than you"
- by John Stuart (former CEO of Quaker, 1900)



## Brand value chain

- The influence of brands on current and prospective customers significant driver of economic value.
- By expressing their proposition consistently across all touchpoints, brands help shape perceptions, making products and services less substitutable.
- In this way, brands create demand.
- Strong brands also create continuity of demand into the future, thus making expected returns more likely – or less risky.
- Brands, therefore, create economic value by generating higher returns and growth, and by mitigating risk.



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### APPROACHES/METHODOLOGIES TO BRAND VALUATION

Valuation of the Enterprise or its Brand is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may even be prepared to pay premium. This exercise is carried out based on generally accepted methodologies, the results of which could vary significantly depending upon the basis used, the specific circumstances and professional judgement of the valuer.

The approaches/ methodologies of brand valuation are as under:

1. **Market Approach:** - Based on an estimate of the price expected to be realised if the brand were to be sold in an open market.
  - **Royalty relief method:** - This method assumes that the brand is not owned by the branded business but is licensed in from a third party. The value is deemed to be the present value of the royalty payments saved by virtue of owning the brand.
  - **Price Premium & Volume Premium method:** - The Price Premium method estimates the value of a brand by reference to the price premium it commands over unbranded, weakly branded or generic products or services.
  - **Incremental cash flow method:** - The incremental cash flow method identifies all cash flows generated by the brand in a business, by comparison with comparable businesses with no such brand. Cash flows are generated through both increased revenues and reduced costs.
2. **Cost Approach:** - Based on the premise that a prudent investor would not pay for a brand than the cost to recreate, replace or reproduce an asset of similar utility
3. **Income Approach:** - Based on estimating the expected future, after-tax cash flows attributable to the brand then discounting them to a present value using an appropriate discount rate
  - **Indirect or Residual Methods:** - Keller (1998) has proposed that the residual value, when the market capitalization is subtracted from the net asset value, is equal to the value of the "intangibles" one of which is the brand.
  - **Differential of Price to sale ratios method:** - The Differential of Price to Sale ratios Method calculates brand value as the difference between the estimated price to sales ratio for a branded company and the price to sales ratio for an unbranded company and multiplies it by the sales of the branded company. Why this method can be used

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is because information is readily available and it is easy to conceptualize but the drawback is that the comparable firms are a limited few and there exists no distinction between the brand and other intangible assets such as good customer relationships.

- **Income-split method:** - The income-split method starts with net operating profits and deducts a charge for total tangible capital employed in the branded business, to arrive at 'economic profits' attributable to total intangible capital employed. Behavioural analysis is then used to identify the percentage contribution of brand to these intangible economic profits.
  - **Multi-period excess earnings method:** - The multi-period excess earnings method is similar to the income-split method. However, in this case the brand valuer first values each tangible and intangible asset employed in the branded business (other than the brand). He uses a variety of valuation approaches and methods depending on what is considered most appropriate to each specific asset.
4. **Scorecard Method** - Brand strength measures the ability of the brand to create loyalty. The brand strength is based on evaluation of scorecard on 0-100 basis. It is based on factors i.e Clarity, Commitment, Protection, Responsiveness, Authenticity, Relevance, Differentiation, Consistency, Presence & Understanding.
- Branding Index is the parameter which leads to purchase of a particular brand apart from price and feature. The score is assigned for each of the parameter and the mean score for each parameter and for each brand are taken and multiplied with weights assigned to each of the attribute.

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## Brand Valuation

To arrive at the fair valuation of Milkfood Brand, we have considered Royalty Relief Method as the same is a globally accepted valuation method for Brand Valuation and recommended by International Valuation Standards under para 60.18 of the Standards effective from January 31, 2020. Computation of Brand Valuation of Milkfood Brand is as under -

Amount in INR

Milkfood Brand Valuation Analysis						Terminal Value
Particulars	2021	2022	2023	2024	2025	
Revenue	5,44,40,61,000	5,55,28,81,020	5,74,72,31,856	5,98,86,15,594	6,25,81,03,295	
Total Savings from Royalty @ 1% (Refer Royalty Rate Data)	5,44,40,010	5,55,28,810	5,74,72,319	5,98,86,156	6,25,81,033	
Less: Tax	1,37,02,551	1,39,76,602	1,44,65,783	1,50,73,345	1,57,51,646	
Add: Tax Benefit on Amortization of Intangible	78,25,763	78,25,763	78,25,763	78,25,763	78,25,763	
Net Savings from Royalty	4,85,63,223	4,93,77,972	5,08,32,299	5,26,38,574	5,46,55,150	36,36,73,384
Discount Factor	0.86	0.74	0.64	0.55	0.47	0.47
Present Value	4,17,70,118	3,65,29,998	3,25,45,336	2,88,09,579	2,57,28,952	17,11,99,510
Brand Value	35,63,83,693					

\*The Royalty Rate have been computed basis the average of the following transactions

Sr. No.	Type	Licensor Name	Licensee Name	Business	Royalty Rate (in %)
1	License - Trademark Brand	Kraft Foods Group Brands LLC	Intercontinental Great Brands LLC	Dairy Products	1.35%
2	License - Trademark, Other marketing intangibles	Diabetes Research Institute	Brave Foods International Corp.	Dairy Products	0.25%
3	Trademark License	Path Wiener (Japan) Development Company Limited	Hokuriku Ringo Soybean Group Co., Ltd.	Oil	1.00%
Average Royalty Rate					1.00%

Source: Royalty Range

Note that For the purpose of valuation of milkfood brand in this transaction through Royalty Relief Methodology, we have relied upon the financial projections (including revenue and intangible amortization schedule) provided by the management for next 5 financial years starting from FY 2020-21 and ending FY 2024-25 duly supplemented by its Terminal Value based on the Gordon Model and extrapolating the adjusted free cash flows for last year at an annual growth rate of 3% (three percent) to perpetuity. To arrive at Ke (Cost of capital) we have considered the Rf (Risk Free) rate of 6.14% and Market Return of 14.26%. We have arrived at Ke of 16.26% after considering appropriate Risk premium & Weighted Average Cost of capital (WACC) arrived at 16.26% (as the transferor company is debt free).

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## Equity Shares Value Analysis

Computation of Fair Valuation of Equity Shares of Triputi Infrastructure Private Limited as under -

Valuation of TIPL as per Adjusted Net Worth Methodology	
Particulars	Amount in INR
Share Capital	14,01,00,000.00
Reserves & Surplus	- 17,94,814.00
Net Worth	13,83,05,186.00
Add: Appreciation in Valuation of Intangible Assets	19,63,83,693.11
Adjusted Net Worth	33,46,88,879.11
No. of Shares	1,40,10,000.00
NAV Per Share	23.89

## CHAPTER 8 - EQUITY VALUE ANALYSIS OF MILKFOOD LIMITED

As per SEBI (ICDR) Regulations pricing rules for frequently traded shares states that "If the equity shares of the issuer have been listed on a recognized stock exchange for a period of twenty six weeks or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall not be less than higher of the following-

- The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty-six weeks preceding the relevant date.
- The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the two weeks preceding the relevant date.

Further SEBI (ICDR) Regulations defines frequently traded shares "means the share of the issuer, in which the traded turnover on any recognized stock exchange during the twelve calendar months preceding the relevant date is at least 10% of the total number of shares of such class of share of the issuer.

On applying the above pricing methodology as per SEBI (ICDR) Regulations, we observed that the shares of the transferee company is infrequently traded. In this respect the SEBI (ICDR) Regulations states that "where the shares of an issuer are infrequently traded, the price determined by the issuer

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shall take into account the valuation parameters including book value, comparable trading multiple, and such other parameters as are customary for valuation of shares of such companies: Provided that issuer shall submit a Certificate stating that the issuer is in compliance of this regulation, obtained from an independent valuer to the stock exchange where the equity share of the issuer are listed.

Regulation 158 of the SEBI (ICDR) Regulations specifies that issue of equity shares to shareholders of unlisted entity pursuant to National Company Law Tribunal approved scheme shall conform with the pricing provisions of preferential issue specified under Regulation 165 of the ICDR Regulations. Further as stated hereinabove, Regulation 165 specifies that the price determined by the issuer for infrequently traded listed shares shall take into account the valuation parameters including book value, comparable trading multiple, and such other parameters as are customary for valuation of shares of such companies.

In view of above provisions, to arrive at the Fair Valuation of Milkfood Limited, we have considered the Comparable Company Multiple Methodology, Market Price Methodology and Net Worth Methodology. Note that we have not considered the Discounted Free Cash Flow Methodology as due to COVID 19, management has shown its inability to project the forecasted financials.

#### Valuation of Milkfood Limited as per Market Price Methodology

In accordance with the provisions as provided under SEBI (ICDR) Regulations, the valuation of Milkfood Limited as per market price method is as under -

Particulars	Price Per Share
The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty-six weeks preceding Valuation Date ..... (A)	431.97
The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the two weeks preceding Valuation Date ..... (B)	366.21
Fair Valuation (C) = Higher of (A) or (B)	431.97

Detailed computation for the above pricing have been provided in Annexure A.

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## Valuation of Milkfood Limited as per Comparable Company Multiple Methodology

For arriving the valuation of Milkfood Limited as per Comparable Company Multiple Methodology, we have considered following companies and used EV/EBITDA Multiple.

1. Hatsun Agro Product Limited
2. Tasty Dairy Specialities Limited
3. Parag Milk Foods Limited
4. Modern Dairies Limited

Note that all the four companies are in similar business profile, manufacturing similar kind of products. The share of the aforesaid companies is listed at Recognized Stock Exchange(s) in India.

The Reported Industry Average Multiples as on March 31, 2020 of the Comparable Companies of Milkfood Limited is as under:

Reported Industry Average Multiples of the Comparable Companies of Milkfood Limited		
Particulars	Industry	EV / EBITDA
Hatsun Agro Product Limited	Milk & Milk Products	18.0x
Tasty Dairy Specialities Limited	Ghee, Paneer & Milk Products	5.8x
Parag Milk Foods Limited	Cheese, Milk & Ghee	3.4x
Modern Dairies Limited	Butter, Milk, Ghee and other Dairy products	15.3x
Industry Average Multiple		10.62x

Source: Capital IQ

Amount in INR Lacs other than value per share

Valuation Computation as per Enterprise Value / Earnings Before Interest Tax and Depreciation (EV/EBITDA) Multiple Methodology considering financials for FY 2020	
Particulars	
EBITDA (FY 2020)	2528.00
Average Industry EV/ EBITDA Multiple	10.62
Company Valuation as per Avg. EV/EBITDA Multiple	26,860.00
Less: Debt as on March 31, 2020	7,413.00
Add: Cash and Cash Equivalents as on March 31, 2020	358.00
Valuation as per EV/EBITDA Method	19,805.00
No. of Shares	4,886,440
Value Per Share (as per EV/EBITDA Method)	405.31



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## Valuation of Milkfood Limited as per Net Worth Methodology

For arriving the valuation of Milkfood Limited as per Net Worth Methodology, we have considered the Audited Financials of the company for the Financial Year ended March 31, 2020.

Amount in INR Lacs other than value per share

Valuation of the Company as per Net Worth Methodology	
Particulars	
Share Capital	488.64
Less: Calls in Arrear	19.00
Add: Amount paid on Forfeited Shares	0.07
Reserves & Surplus	11,180.00
Net Worth	11,649.71
Add: Amount Receivable on Shares (i.e. Calls in Arrear)	19.00
Net Worth (Post considering amount receivable on Calls in Arrear)	11,668.71
No. of Shares	48,86,440.00
NAV Per Share	238.80

We have been represented by the management that the assets and liabilities including the immovable properties, investments plant & machineries owned by the Company as on March 31, 2020 are reflected at its Fair Values.

## Fair Valuation of Milkfood Limited

We have assigned following weights to Market Price Methodology, Comparable Company Multiple Methodology and Net Asset Value Methodology to arrive at the Fair Valuation of each share of Milkfood Limited. The Fair Valuation is as under --

Amount in INR

Particulars	Weights	Value Per Share	Weighted Value Per Share
Market Price Methodology	20%	431.97	86.39
Comparable Company Multiple Methodology	40%	405.31	162.12
Net Asset Value Methodology	40%	238.80	95.52
Fair Value			344.03

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CHAPTER 9 - RECOMMENDED SHARE EXCHANGE RATIO ON AMALGAMATION OF THE  
TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

COMPUTATION OF FAIR SHARE EXCHANGE RATIO IS AS UNDER

Particulars	TIPL		ML	
	Value Per Share	Weights	Value Per Share	Weights
Cost Approach	23.89	100%	238.80	40%
Income Approach	NA	0%	NA	0%
Market Approach				
- Market Price Methodology	NA	0%	431.97	20%
- Comparable Company Multiple Methodology	NA	0%	405.31	40%
Fair Value Per Share		23.89		344.03
Recommended Share Exchange Ratio		0.069		1

Detail calculation have been provided in Chapter 8 and Chapter 9 of this Report.

\*NA=Not Adopted

SHARE EXCHANGE RATIO

In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, in our opinion, the share exchange ratio for the proposed scheme of arrangement for amalgamation of TIPL with and into ML works out to be as under:

- 69 (Sixty-Nine) equity shares of face value of INR 10 (Rupees Ten) each of ML to be issued against 1000 (One Thousand) equity shares of face value of INR 10 (Rupees Ten) of TIPL.

Note that we have not looked any other aspect of the proposed merger except the aforesaid share Exchange Ratio.

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## ANNEXURE A - COMPUTATION OF MARKET PRICE OF MILKFOOD LIMITED

Computation of average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty-six weeks preceding the valuation date

Weeks	Date	Day	WAP	Maximum	Minimum	Average
1	31-03-2020	Tuesday	372.05	383.46	354.79	369.13
	30-03-2020	Monday	366.77			
	29-03-2020	Sunday				
	28-03-2020	Saturday				
	27-03-2020	Friday	383.46			
	26-03-2020	Thursday	372.64			
	25-03-2020	Wednesday	354.79			
2	24-03-2020	Tuesday	350.08	385.51	341.06	363.29
	23-03-2020	Monday	341.06			
	22-03-2020	Sunday				
	21-03-2020	Saturday				
	20-03-2020	Friday	356.57			
	19-03-2020	Thursday	346.03			
	18-03-2020	Wednesday	355.51			
3	17-03-2020	Tuesday	392.51	478.01	392.51	435.26
	16-03-2020	Monday	402.86			
	15-03-2020	Sunday				
	14-03-2020	Saturday				
	13-03-2020	Friday	397.05			
	12-03-2020	Thursday	405.83			
	11-03-2020	Wednesday	478.01			
4	10-03-2020	Tuesday		503.89	475.26	489.57
	09-03-2020	Monday	475.26			
	08-03-2020	Sunday				
	07-03-2020	Saturday				

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	06-03-2020	Friday	483.27			
	05-03-2020	Thursday	503.89			
	04-03-2020	Wednesday	503.42			
5	03-03-2020	Tuesday	486.10			
	02-03-2020	Monday	486.56	491.34	480.76	486.05
	01-03-2020	Sunday				
	29-02-2020	Saturday				
	28-02-2020	Friday	480.76			
	27-02-2020	Thursday	490.33			
	26-02-2020	Wednesday	491.34			
6	25-02-2020	Tuesday	479.72			
	24-02-2020	Monday	477.46	497.72	477.46	487.59
	23-02-2020	Sunday				
	22-02-2020	Saturday				
	21-02-2020	Friday				
	20-02-2020	Thursday	497.72			
	19-02-2020	Wednesday	491.36			
7	18-02-2020	Tuesday	491.63			
	17-02-2020	Monday	493.33	508.31	445.94	477.13
	16-02-2020	Sunday				
	15-02-2020	Saturday				
	14-02-2020	Friday	445.94			
	13-02-2020	Thursday	508.31			
	12-02-2020	Wednesday	483.73			
8	11-02-2020	Tuesday	497.06			
	10-02-2020	Monday	496.76	509.95	489.16	499.56
	09-02-2020	Sunday				
	08-02-2020	Saturday				
	07-02-2020	Friday	509.33			
	06-02-2020	Thursday	509.95			
	05-02-2020	Wednesday	489.16			
9	04-02-2020	Tuesday	504.31			

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	03-02-2020	Monday	537.02	568.13	534.31	551.22
	02-02-2020	Sunday				
	01-02-2020	Saturday	546.27			
	31-01-2020	Friday	552.32			
	30-01-2020	Thursday	568.13			
	29-01-2020	Wednesday	566.81			
10	28-01-2020	Tuesday	549.52	582.85	531.51	557.18
	27-01-2020	Monday	531.51			
	26-01-2020	Sunday				
	25-01-2020	Saturday				
	24-01-2020	Friday	543.08			
	23-01-2020	Thursday	570.21			
	22-01-2020	Wednesday	582.85			
11	21-01-2020	Tuesday	583.42	583.42	572.44	577.93
	20-01-2020	Monday	577.55			
	19-01-2020	Sunday				
	18-01-2020	Saturday				
	17-01-2020	Friday	572.44			
	16-01-2020	Thursday	573.52			
	15-01-2020	Wednesday	579.85			
12	14-01-2020	Tuesday	549.45	549.45	500.35	524.90
	13-01-2020	Monday	516.89			
	12-01-2020	Sunday				
	11-01-2020	Saturday				
	10-01-2020	Friday	504.65			
	09-01-2020	Thursday	501.59			
	08-01-2020	Wednesday	500.35			
13	07-01-2020	Tuesday	507.10	508.81	496.47	502.64
	06-01-2020	Monday	497.42			
	05-01-2020	Sunday				
	04-01-2020	Saturday				
	03-01-2020	Friday	508.81			

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14	02-01-2020	Thursday	506.54	499.44	469.17	484.31
	01-01-2020	Wednesday	496.47			
	31-12-2019	Tuesday	499.44			
	30-12-2019	Monday	481.92			
	29-12-2019	Sunday				
	28-12-2019	Saturday				
	27-12-2019	Friday	472.67			
	26-12-2019	Thursday	469.17			
15	25-12-2019	Wednesday		470.35	416.16	443.25
	24-12-2019	Tuesday	470.35			
	23-12-2019	Monday	457.52			
	22-12-2019	Sunday				
	21-12-2019	Saturday				
	20-12-2019	Friday	451.20			
	19-12-2019	Thursday				
16	18-12-2019	Wednesday	416.16	420.59	413.78	417.18
	17-12-2019	Tuesday	420.59			
	16-12-2019	Monday	413.78			
	15-12-2019	Sunday				
	14-12-2019	Saturday				
	13-12-2019	Friday	413.34			
	12-12-2019	Thursday	414.75			
17	11-12-2019	Wednesday	413.96	432.95	420.70	426.83
	10-12-2019	Tuesday	420.70			
	09-12-2019	Monday	421.13			
	08-12-2019	Sunday				
	07-12-2019	Saturday				
	06-12-2019	Friday	423.53			
	05-12-2019	Thursday	432.95			
18	04-12-2019	Wednesday	424.15	431.86	423.34	427.60
	03-12-2019	Tuesday	426.45			
	02-12-2019	Monday	431.86			

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	01-12-2019	Sunday				
	30-11-2019	Saturday				
	29-11-2019	Friday	423.34			
	28-11-2019	Thursday	426.45			
	27-11-2019	Wednesday	425.85			
19	26-11-2019	Tuesday	423.76	424.54	399.79	412.16
	25-11-2019	Monday	424.54			
	24-11-2019	Sunday				
	23-11-2019	Saturday				
	22-11-2019	Friday	407.02			
	21-11-2019	Thursday	402.92			
	20-11-2019	Wednesday	399.79			
	19-11-2019	Tuesday	406.29			
20	18-11-2019	Monday	410.95	442.33	390.66	416.50
	17-11-2019	Sunday				
	16-11-2019	Saturday				
	15-11-2019	Friday	442.33			
	14-11-2019	Thursday	405.92			
	13-11-2019	Wednesday	390.66			
	12-11-2019	Tuesday				
21	11-11-2019	Monday	377.31	377.31	333.98	355.64
	10-11-2019	Sunday				
	09-11-2019	Saturday				
	08-11-2019	Friday	348.72			
	07-11-2019	Thursday	341.31			
	06-11-2019	Wednesday	333.98			
	05-11-2019	Tuesday	344.76			
22	04-11-2019	Monday	363.15	364.53	299.27	331.90
	03-11-2019	Sunday				
	02-11-2019	Saturday				
	01-11-2019	Friday	364.53			
	31-10-2019	Thursday	305.13			

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	30-10-2019	Wednesday	299.27			
23	29-10-2019	Tuesday	302.14	305.02	295.43	300.23
	28-10-2019	Monday				
	27-10-2019	Sunday				
	26-10-2019	Saturday				
	25-10-2019	Friday	302.85			
	24-10-2019	Thursday	295.43			
	23-10-2019	Wednesday	305.02			
24	22-10-2019	Tuesday	300.75	300.75	294.40	297.58
	21-10-2019	Monday				
	20-10-2019	Sunday				
	19-10-2019	Saturday				
	18-10-2019	Friday	297.68			
	17-10-2019	Thursday	294.40			
	16-10-2019	Wednesday				
25	15-10-2019	Tuesday	299.26	307.51	280.65	294.08
	14-10-2019	Monday	280.65			
	13-10-2019	Sunday				
	12-10-2019	Saturday				
	11-10-2019	Friday	298.24			
	10-10-2019	Thursday	299.94			
	09-10-2019	Wednesday	307.51			
26	08-10-2019	Tuesday		305.00	300.00	302.50
	07-10-2019	Monday	305.00			
	06-10-2019	Sunday				
	05-10-2019	Saturday				
	04-10-2019	Friday	301.65			
	03-10-2019	Thursday	300.00			
	02-10-2019	Wednesday				
Total of 26 Weeks						11,231.19
No. of Weeks Traded						26.00
Average of 26 Weeks						431.97



## Registered Valuer - Securities &amp; Financial Assets (IBBI)

Siddharth Gupta  
Registered Valuer  
Registration number: IBBI/RV/05/2019/11261  
Mo: 9415099789; 9161635736



Computation of average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the two weeks preceding the valuation date

Weeks	Date	Day	WAP	Maximum	Minimum	Average
1	31-03-2020	Tuesday	372.05	383.46	354.79	369.13
	30-03-2020	Monday	366.77			
	29-03-2020	Sunday				
	28-03-2020	Saturday				
	27-03-2020	Friday	383.46			
	26-03-2020	Thursday	372.64			
	25-03-2020	Wednesday	354.79			
2	24-03-2020	Tuesday	350.08	385.51	341.06	363.29
	23-03-2020	Monday	341.06			
	22-03-2020	Sunday				
	21-03-2020	Saturday				
	20-03-2020	Friday	356.57			
	19-03-2020	Thursday	346.03			
	18-03-2020	Wednesday	385.51			
Total of 2 Weeks						732.41
No. of Weeks Traded						2.00
Average of 2 Weeks						366.21



# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019  
Ph.: 26460670-4 / 26463773 Fax : 011-26460823  
E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com  
GST : 07AAACM5913B1ZY

Annexure - 4  
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## REPORT OF THE AUDIT COMMITTEE OF MILKFOOD LIMITED RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION TRIPUTI INFRASTRUCTURE PRIVATE LIMITED WITH MILKFOOD LIMITED AND THEIR RESPECTIVE SHAREHOLDERS.

### PRESENT:

Mrs. Asha Gadi	Chairperson
Mrs. Gita Bawa	Director
Mr. Harmesh Mohan Sood	Director

### SPECIAL INVITEE:

Mr. Sanjeev Kothiala	Chief Financial Officer
Mr. Amarbaljeet Singh	Executive Director – (Technical)

### IN ATTENDANCE:

Mr. Rakesh Kumar Thakur	Company Secretary
-------------------------	-------------------

### I. BACKGROUND

A meeting of the Audit Committee of Milkfood Limited (the "**Company**") was held on October 05, 2020 to consider and recommend the scheme of amalgamation in relation to the proposed amalgamation of Triputi Infrastructure Private Limited with Milkfood Limited (the "**Scheme**") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules thereof.

This report of the Audit Committee is made in compliance with the requirement of the Circular No.CFD/DIL3/CIR/2017/21 dated March 10, 2017 on scheme of arrangements by listed entities issued by the Securities Exchange and Board of India ("**SEBI**") as amended from time to time ("**SEBI Circular**").

For MILKFOOD LIMITED

*Asha Gadi*  
(Director)

**milkfood**

# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019  
Ph.: 26460670-4 / 26463773 Fax : 011-26460823  
E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com  
GST : 07AAACM5913B1ZY

The following documents were placed before the Audit Committee:

1. Draft scheme duly initialed by the Director of the Company for the purpose of identification;
2. Valuation report dated September 29, 2020 prepared by Mr. Siddharth Gupta, Chartered Accountant and Registered Valuer (Registered Valuer) setting out there commended share exchange ratio (the "Valuation Report")
3. Fairness opinion dated September 29, 2020 prepared by M/s Finshore Management Services Limited, SEBI Registered Category-I Merchant Banker, providing fairness opinion on the share exchange ratio ("Fairness Opinion") and
4. A draft certificate from the statutory auditors of the Company, 05<sup>th</sup> October, 2020, Chartered Accountants, ("Company's Auditors") confirming that the accounting treatment as specified in the draft scheme is in compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and other generally accepted accounting principles ("Auditors' Certificate")

## II. RATIONALE OF THE PROPOSED SCHEME OF AMALGAMATION:

The audit Committee noted that the Scheme of Amalgamation will inter-alia result in:

1. The amalgamation will result in better, efficient and economical management, achieve cost savings, pooling of resources and rationalization of administrative expenses/services. The amalgamation will enable the Company to pool the brand, financial, commercial and other resources and considerable synergy of operations would be achieved and it will give value addition to the assets of the Company.

For MILKFOOD LIMITED  
*(Signature)*

**milkfood**

(Director)

# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019  
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GST : 07AAACM5913B1ZY

2. The amalgamation will result in reducing the corporate tiers in the holding structure, enabling the Company to achieve optimal capital structure, eliminate inefficient share capital instruments and achieve efficiency in terms of operations and profitability of the merged entity under the new standards and regime.
3. With the enhanced capabilities and resources at its disposal, the Transferee Company will have greater flexibility and strength and will be able to compete more effectively as a combined entity.
4. The Transferee Company as a consolidated entity after amalgamation will have better financial and business prospects. The Scheme would be beneficial to and in the best interest of the Shareholders & Creditors, if any, of the Transferor Company and the Transferee Company. The Scheme shall not in any manner be prejudicial to the interests of concerned members / creditors or general public at large.
5. It would be advantageous to combine the activities of the Transferor Company and the Transferee Company into a single Company and consolidate their business and assets. The amalgamation would provide beneficial synergy of operations from administrative point of view, and conserve administrative resources and cost overheads, and duplication of management efforts. .

### III. THE SALIENT FEATURES OF THE SCHEME ARE AS FOLLOWS:

1. The "Appointed Date" for the Scheme is April 1, 2020 or such other date as may be fixed by the National Company Law Tribunal.
2. The "Effective Date" means the date or last of the dates on which certified copies of the order of the NCLT sanctioning the scheme are filed by the Company and Triputi Infrastructure Private Limited with the registrar of companies;

For MILKFOOD LIMITED

*Asha Gadi*

**milkfood**

# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019  
Ph.: 26460670-4 / 26463773 Fax : 011-26460823  
E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com  
GST : 07AAACM5913B1ZY

3. Based on the Valuation Report dated September 29, 2020 for the purpose of the amalgamation as prescribed In Para I(A)(4) of Annexure 1 of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the following share exchange ratio is proposed in consideration of amalgamation:

*"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 Audit Committee reviewed and noted that –

The Fairness Opinion confirmed that the share exchange ratio of the Company and Triputi Infrastructure Private Limited in the Share Entitlement Report is fair.

Further, the Auditors' Certificate confirmed that the accounting treatment as specified in the Scheme is in accordance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013.

After independent assessment of the draft Scheme and taking into consideration Valuation Report, Fairness Opinion and Auditors' Certificate, the members of the Audit Committee formed an opinion that the implementation of the proposed Scheme is in the interest of the Company and its shareholders, creditors and other stakeholders.

#### IV. RECOMMENDATION OF THE AUDIT COMMITTEE

The Audit Committee hereby approves and recommends the draft scheme for favorable consideration by the board of directors, Stock Exchange(s), SEBI and other appropriate authorities.

*For MILKFOOD LIMITED*

*ashahadi*  
(Director)

**milkfood**

# MILKFOOD LIMITED

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E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com  
GST : 07AAACM5913B1ZY

For Milkfood Limited

Chairperson of the Audit Committee

*For MILKFOOD LIMITED*

*Asha Gadi*

Asha Gadi

(Director)

Date: 05/10/2020

Place: New Delhi

**milkfood**

Regd. Office : P.O. Bahadurgarh-147021 Distt. Patiala (Punjab)  
Phones : 0175-2381404 / 2381415  
Fax : 0175-2380248



Annexure-5

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To,  
The Board of Directors,  
Milkfood Limited  
P.O. Bahadurgarh  
Patiala,  
Punjab- 147001,

To,  
The Board of Directors,  
Triputi Infrastructure Private Limited  
Sood's Niwas, Ranbir Marg  
Patiala,  
Punjab- 147001,

**Sub: Fairness Opinion on the Share Exchange Ratio for the Proposed Scheme of Amalgamation of Triputi Infrastructure Private Limited with Milkfood Limited.**

Dear Sir/Madam,

**1. ENGAGEMENT BACKGROUND**

We understand that the Board of Directors of the above referred Companies are considering an amalgamation of Triputi Infrastructure Private Limited (the "Transferor Company" or "TIPL") with Milkfood Limited (the "Transferee Company" or "ML"), collectively called companies pursuant to a Scheme of Amalgamation ("Scheme") under the applicable provisions of the Companies Act, 2013.

We further understand that pursuant to the above Scheme, the shareholders of Transferor Company will be issued equity shares of Transferee Company as consideration for their respective shareholdings in the Transferor Companies.

We further understand that the Share Exchange ratio in this regard has been arrived based on the Valuation Report dated 29<sup>th</sup> September, 2020 prepared by Mr. Siddharth Gupta, Independent Chartered Accountant and Registered Valuer having Registration No. IBBI/RV/05/2019/11261 (the "Valuer" or "SG") who has been appointed by Milkfood Limited (Transferee Company).

In connection with the aforesaid, you have requested our Opinion as to the fairness of the Share Exchange Ratio, as recommended by the Valuer.

**2. BACKGROUND OF THE COMPANIES**

**a. Milkfood Limited ("ML")**

- Milkfood Limited (here in after referred as the Transferee Company or ML), bearing CIN L15201PB1973PLC003746 is a widely held listed company having its equity shares listed at BSE Limited. The Company was incorporated in accordance with the provisions of Companies Act, 1956 on March 31, 1973. Presently the registered office of the company is situated at Bahadurgarh Distt Patiala Punjab – 147 021.



Page 1 of 6

**FINSHORE MANAGEMENT SERVICES LIMITED**(CIN : U74900WB2011PLC169377) • Website : [www.finshoregroup.com](http://www.finshoregroup.com)

Regd. Office : "Anandlok" 2nd Floor, Block-A, Room No. 207, 227, A. J. C. Bose Road, Kolkata-700 020 West Bengal, India Ph. : 033 2289 5101

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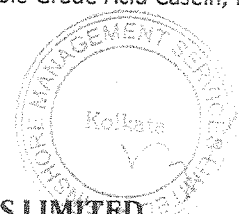
- We understand that the Company is primarily engaged in the manufacture and sale of dairy products. The products include Ghee, Skimmed Milk Powder, Full Cream Milk Powder, Edible Grade Acid Casein, Demineralized Whey Powder. We have been told, that the Company derives its substantial revenue from sale of 'Milkfood Ghee' while other products merely contribute in the overall revenue of the Company. 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 shareholding pattern of ML as on 31<sup>st</sup> March, 2020 is as follows:

Particulars	Amount in INR
<b>Authorized Share Capital</b>	
75,00,000 Equity Shares of INR 10 each	75,00,000
50,000 Cumulative Redeemable Preference Shares of INR 100 each	5,00,000
<b>Issued, Subscribed and Paid Up Share Capital</b>	
48,86,440 Equity Shares of INR 10 each	4,88,64,400
Less: Call in Arrear	19,000
Add: Amount paid on Forfeited Shares	7,000
<b>Total</b>	<b>4,88,52,400</b>

[Source: ML]

**b. Triputi Infrastructure Private Limited ("TIPL")**

- Triputi Infrastructure Private Limited (here in after referred as Transferor Company or TIPL), bearing CIN U70101PB2011PTC049856 is a closely held company incorporated in accordance with the provisions of the Companies Act, 1956 on September 29, 2011. Presently the registered office of the company is situated at Sood's Niwas, Ranbir Marg, Patiala-147021, Punjab, India.
- We understand that the Company presently is not engaged in any business activity. We have been told that the Transferor Company through an Agreement for Transfer of Brand Name ('Agreement') executed between Milkfood Limited and Triputi Infrastructure Private Limited dated September 5, 2013 had acquired brand name 'Milkfood' for a consideration of INR 14 Cr. We have been further told that the Valuation of INR 14 Cr. for the brand name 'Milkfood' was agreed basis the Valuation Report of M/s Madan & Associates, Chartered Accountants dated June 10, 2013.
- We have been confirmed by the management that currently, TIPL is the registered owner of the brand name 'Milkfood' and pursuant to the above agreement, the right have been given to Milkfood Limited to use Milkfood brand on all its products including Ghee, Skimmed Milk Powder, Full Cream Milk Powder, Edible Grade Acid Casein, Demineralized Whey Powder (40%).







- The shareholding pattern of TIPL as on 31st March, 2020 is as follows

Particulars	Amount in INR
<b>Authorized Share Capital</b>	
1,45,00,000 Equity Shares of INR 10 each	14,50,00,000
<b>Issued, Subscribed and Paid Up Share Capital</b>	
1,40,10,000 Equity Shares of INR 10 each	14,01,00,000

[Source: ML]

### 3. SOURCES OF INFORMATION

We have relied on the following information for forming our opinion in the fairness of the Share Exchange Ratio:

- Audited Annual Accounts of the Companies for FY 2018-19 and FY 2019-20.
- Brief overview of the Companies and its past & current operations.
- Valuation report dated 29<sup>th</sup> September, 2020 prepared by Mr. Siddharth Gupta, Independent Chartered Accountant and Registered Valuer having Registration No. IBBI/RV/05/2019/11261;
- Such other analysis, review and inquiries as we have considered necessary.
- Such other information and explanations as were required by us and were furnished by the management.

### 4. THE SCHEME IS CONDITIONAL UPON AND SUBJECT TO:

- a. The Company obtaining the observation letter from the designated Stock Exchange for the implementation of the Scheme.
- b. The Scheme being agreed to by the respective requisite majorities of members of the Company as required under the Act.
- c. The requisite sanctions and approvals under the applicable law including but not limited to approvals, sanctions required under the SEBI Circular (CFD/DI13/CIR/2017/21) dated March 10, 2017 issued by the SEBI read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as may be required by law in respect of this Scheme being obtained.
- d. The Scheme being approved by the National Company Law Tribunal under Section 66 of the Companies Act, 2013, read with all other applicable provisions if any, of the Act or of such other authority having jurisdiction under applicable law, being obtained.
- e. The certified copy of the above order of the NCLT sanctioning this Scheme being filed with the Registrar of Companies.





## 5. SCOPE AND LIMITATIONS/CAVEATS

- a. Our opinion and analysis are limited to the extent of review of documents as provided to us by the Transferor and Transferee Companies of the Valuation report containing the share exchange ratio prepared by Mr. Siddharth Gupta, Independent Chartered Accountant and Registered Valuer having Registration No. IBBI/RV/05/2019/11261 dated 29th September, 2020. We have relied upon the accuracy and completeness of all information and documents provided to us, without carrying out any due diligence or independent verification or validation of such information and documents to establish its accuracy or sufficiency. We have not reviewed any financial forecasts relating to these Companies. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the Transferor and Transferee companies, if any.
- b. In rendering our opinion, we have assumed that the Scheme of Amalgamation will be implemented on the terms described therein without any waiver or modification of any material terms or conditions and that in the course of obtaining the necessary regulatory approvals to the Scheme of Amalgamation, no delay, limitation, restriction or conditions will be imposed that would have an adverse effect on the Scheme.
- c. We do not express an opinion as to any tax or other consequences that might arise from the Scheme of Amalgamation nor does our opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the Companies have obtained such advice as it deemed necessary from qualified professionals.
- d. We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof. Our opinion is specific to the arrangement as contemplated in the Scheme of Amalgamation provided to us and is not valid for any other purpose.
- e. Our engagement and opinion expressed herein are for the use of Board of Directors of the Companies in connection with the Scheme of Amalgamation and for no other purpose. Neither we nor any of our affiliates, partners, directors, shareholders, managers, employees or agents or any of them make any representation or warranty, express or implied, as to the information and documents provided to us, based on which the opinion has been issued. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained therein.
- f. No decision should be taken based on this Report by any person intending to provide finance or invest in shares of the Companies and shall do so after seeking their own professional advice and carrying out their own due diligence to ensure that they are making an informed decision.
- g. Our opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with the Scheme of Amalgamation, if required or any matter related thereto.





- h. Reproduction, Copying or otherwise quoting of our Report or any parts thereof, other than in connection with the scheme of amalgamation, can be done only with our prior consent in writing.
- i. Our report should not be construed as an opinion or certificate certifying the compliance of the Proposed Scheme of amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implication or issues arising from proposed amalgamation.
- j. Our opinion is restricted to the Fairness opinion on the valuation of Shares done by the Independent Chartered Accountant as required under Circular No CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 of SEBI
- k. As represented by the Management, the impact of COVID-19 ("Covid") has been considered in the financial projections.
- l. As represented by the management, Valuation report prepared by Mr. Siddharth Gupta (Independent Chartered Accountant) including the date of Valuation, is in compliance with the relevant guidelines of SEBI, SCRA, Companies Act, Exchange Guidelines and other relevant Acts/enactments.
- m. The fairness opinion is based on the scheme which is conditional and subject to points mentioned in point No 4.
- n. We have no present or planned future interest in ML and TIPL and the fee payable for this opinion is not contingent upon the opinion reported herein. The company has been provided with an opportunity to review the draft opinion as a part of our standard practice to make sure that factual accuracy / omissions are avoided in our final opinion.
- o. The Opinion contained herein is not intended to represent at any time other than the date that is specifically stated in this Report. This opinion is issued on the understanding that the Management has drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of signature. We have no responsibility to update this report for events and circumstances occurring after the date of this Report.
- p. This Fairness opinion report is subject to the scope and limitations detailed herein. As such the report is to be read in totality, and not in parts and in conjunction with the relevant documents referred to in this report. This report has been issued only for the purpose of the facilitating the Scheme and should not be used for any other purpose.

## 6. OPINION

- a. With reference to above and based on information provided by Management and after discussions with the Valuer, we understand that the Proposed Scheme has been structured to consolidate the business of ML and TIPL. The proposed amalgamation is driven by motive to

Page 5 of 6

**FINSHORE MANAGEMENT SERVICES LIMITED**

(CIN : U74900WB2011PLC169377) • Website : [www.finshoregroup.com](http://www.finshoregroup.com)

Regd. Office : "Anandlok" 2nd Floor, Block-A, Room No. 207, 227, A. J. C. Bose Road, Kolkata-700 020 West Bengal, India Ph. : 033 2289 5101

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achieve synergies through focused business segments and leverage on its operations for future growth.

- b. "Subject to the caveats as detailed herein, based on our review as above and the information and explanation furnished to us, we as a Merchant Banker hereby certify that we have reviewed the valuation report recommending the swap ratio for the proposed scheme of amalgamation of Transferor Company with Transferee Company and are of the opinion that following share exchange ratio –

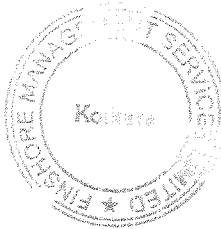
*"69 (Sixty-Nine) equity shares of Milkfood Limited of INR 10/- each(face value) fully paid up for every 1,000 (One Thousand) equity shares of Triputi Infrastructure Private Limited of INR 10/- each(face value) fully paid up"*

*is fair and reasonable to the equity shareholders of transferor company and transferee company."*

For Finshore Management Services Limited  
SEBI Regd. CAT-I Merchant Banker, Regn No. INM0000121185

Place: Kolkata  
Date: 29<sup>th</sup> September, 2020

S. Ramakrishna Iyengar  
Director



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# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019

Ph.: 26460670-4 / 26463773 Fax : 011-26460823

E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com

GST : 07AAACM5913B1ZY

Annexure-8

116-117

## No. of Shareholders Pre and Post Amalgamation Milkfood Limited (Transferee Company as on Date 06.10.2020)

Category	Pre-Amalgamation	Post Amalgamation
A) Promoter	4	4
B) Public	4311	4312
C) Non-Promoter Non-Public	0	0
C1) Shares underlying DR's	0	0
C2) Shares held by Employee Trust	0	0
<b>Total</b>	<b>4315</b>	<b>4316</b>

For and on behalf of Milkfood Limited

*For MILKFOOD LIMITED*

*Gita Bawa*  
(Director)  
Name: Gita Bawa

Designation: Director

DIN: 00111003

Address: S-264,  
Greater Kailash, Part-2,  
New Delhi- 110048

**milkfood**

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

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Fax : 0175-2380248

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# TRIPUTI INFRASTRUCTURE PRIVATE LIMITED

CIN: U70101PB2011PTC04985

Regd. Office : Sood Niwas, Ranbir Marg, Patiala, Punjab-147001

Tel. 0175-2380003, Email id: nk\_rana2001@yahoo.com

## No. of Shareholders Pre and Post Amalgamation of Triputi Infrastructure Private Limited (Transferor Company)

Category	Pre-Amalgamation	Post Amalgamation
A) Promoter	2	Not Applicable. As the Company would be amalgamating with Milkfood Limited
B) Public	0	
C) Non-Promoter Non-Public	0	
C1) Shares underlying DR's	0	
C2) Shares held by Employee Trust	0	
<b>Total</b>	<b>2</b>	

**For and on behalf of Triputi Infrastructure Private Limited**

Triputi Infrastructure Private Limited



Director

**Gautam Pal**  
(Director)

**DIN: 05200503**

**Address: BL -52,**

**Anand Vihar, Hari Nagar,**

**New Delhi-110064**

# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019  
Ph.: 26460670-4 / 26463773 Fax : 011-26460823  
E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com  
GST : 07AAACM5913B1ZY

Annexure-3

118-123

The financial details and capital evolution of the Milkfood Limited for the previous 3 years as per the audited statement of Accounts:

(Rs. in Crores)

	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2019-20	2018-19	2017-18
Equity Paid up Capital	4.89	4.89	4.89
Reserves and surplus	111.80	103.40	93.31
Net Worth	63.83	55.02	44.52
Miscellaneous Expenditure	0	0	0
Secured Loans	16.69	13.21	17.43
Unsecured Loans	8.53	4.18	2.44
Fixed Assets	180.91	166.21	163.32
Income from Operations	551.41	530.59	490.93
Total Income	552.02	530.90	491.13
Total Expenditure	543.25	517.53	481.43
Profit before Tax	8.77	13.37	9.70
Profit after Tax	8.40	10.09	7.91
Cash profit	14.69	16.93	13.91
EPS	17.15	20.94	16.69
Book value	238.80	221.61	200.96

Note: The above audited financials for the financial year 2019-20 were audited by the Statutory Auditor of the Company i.e. The Copy of Audit Report issued by the statutory auditor is enclosed.

**For and on behalf of Milkfood Limited**

*For MILKFOOD LIMITED*

*Gita Bawa*  
Name: Gita Bawa (Director)

Designation: Director

DIN: 00111003

**milkfood**

Regd. Office : P.O. Bahadurgarh-147021 Distt. Patiala (Punjab)  
Phones : 0175-2381404 / 2381415  
Fax : 0175-2380248

# TRIPUTI INFRASTRUCTURE PRIVATE LIMITED

CIN: U70101PB2011PTC049856

Regd. Office :SoodNiwas, RanbirMarg, Patiala, Punjab-147001

Tel. 0175-2380003, Email id: nk\_rana2001@yahoo.com

The financial details of the Triputi Infrastructure Private Limited for the previous 3 years as per the audited statement of Accounts alongwith unaudited six months ended statement of accounts:

(Amount in Rupees)

	Unaudited Financials for the period ended September 30,2020	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
		2019-20	2018-19	2017-18
Equity Paid up Capital	14,01,00,000	14,01,00,000	14,01,00,000	1,00,000
Reserves and surplus	(17,96,926)	(17,94,814)	(15,71,146)	(1,18,299)
Carry forward losses	-	-	-	-
Net Worth	13,83,03,074	13,83,05,186	13,85,28,854	(18,299)
Miscellaneous Expenditure	-	-	-	-
Secured Loans	-	-	-	-
Unsecured Loans	18,00,000	18,00,000	16,00,000	14,00,50,000
Fixed Assets	-	-	-	-
Income from Operations	-	-	-	-
Total Income	-	-	-	-
Total Expenditure	2,112	2,23,668	14,52,847	14,576
Profit before Tax	(2112)	(2,23,668)	(14,52,847)	(14,576)
Profit after Tax	(2112)	(2,23,668)	(14,52,847)	(14,576)
Cash profit	-	-	-	-
EPS	(0.00)	(0.02)	(5.22)	(1.46)
Book value	9.87	9.87	9.89	0.00

For and on behalf of Triputi Infrastructure Private Limited

Triputi Infrastructure Private Limited

  
Gautam Pal  
(Director)


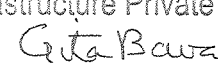
Director

DIN: 05200503

Address:BL -52,  
AnandVihar, Hari Nagar,  
New Delhi-110064



**TRIPUTI INFRASTRUCTURE PVT LTD**  
**Balance Sheet as at 30th September, 2020**

Particulars	Note No.	As at 30th SEPT. 2020	As at 31st March, 2020
		(Amount in Rs.)	(Amount in Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	14,01,00,000	14,01,00,000
(b) Reserves and surplus	3	(17,96,926)	(17,94,814)
		13,83,03,074	13,83,05,186
<b>Non-current liabilities</b>			
Long-term borrowings	4	18,00,000	16,00,000
<b>Current liabilities</b>			
Other current liabilities	5	11,800	11,800
		<b>14,01,14,874</b>	<b>13,99,16,986</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Trade brand Values - Milkfood Limited	6	14,00,00,000	14,00,00,000
<b>Current Assets</b>			
Cash and cash equivalents	7	1,14,874	1,16,986
		<b>14,01,14,874</b>	<b>14,01,16,986</b>
Significant accounting policies and notes to Accounts	11.1 to 11.27		
As per our Report of even date attached to the Financial Statements			
For Rajendra K Goel & Co. Chartered Accountants F.R.No.-01457N		For and on behalf of the Board of Directors	
R.K. Goel Partner M. No. 006154 Place : New Delhi Date : 10-10-2020		<p align="center">   <b>GAUTAM PAL</b>            (DIRECTOR) Director            DIN- 05200503         </p> <p align="center">   <b>GEETA BAWA</b>            DIRECTOR            DIN: 00111003         </p>	

*Geeta Bawa*

**TRIPUTI INFRASTRUCTURE PVT LTD**  
**Statement of Profit and Loss for the year ended 30th September, 2020**

Particulars	Note No.	For the year ended 30th September, 20	For the year ended 31st March, 2020
		(Amount in Rs.)	(Amount in Rs.)
<b>Revenue</b>			
Revenue from operations		-	-
Other income		-	-
<b>Total revenue</b>		-	-
<b>Expenses</b>			
(a) Employees Remunation & Benefits	8	-	80,000.00
(b) Finance Cost	9	-	749.00
(c) Other expenses	10	2,112.00	1,42,919.00
<b>Total expenses</b>		<b>2,112.00</b>	<b>2,23,668.00</b>
<b>Profit / (Loss) before extraordinary items and tax</b>		(2,112.00)	(2,23,668.00)
<b>Profit / (Loss) before tax</b>		<b>(2,112.00)</b>	<b>(2,23,668.00)</b>
<b>Tax Expense:</b>			
(a) Current tax expense for current year		-	-
<b>Profit / (Loss) for the year</b>		<b>(2,112.00)</b>	<b>(2,23,668.00)</b>
<b>Significant accounting policies and notes to Accounts</b>	11.1 to 11.27		
<b>Basic Earning per share</b>		(0.00)	(5.22)

As per our Report of even date attached to the Financial Statements

For Rajendra K Goel & Co.  
Chartered Accountants  
F.R.No.-01457N

R.K.Goel  
Partner  
M. No. 006154

Place : New Delhi  
Date :10-10-2020

For and on behalf of the Board of Directors

Triputi Infrastructure Private Limited

GAUTAM PAL  
(DIRECTOR)  
DIN- 05200503

GEETA BAWA  
DIRECTOR  
DIN: 00111003

**TRIPUTI INFRASTRUCTURE PVT LTD**

Particulars	(Amount in Rs.) As at 30TH September , 2020	(Amount in Rs.) As at 31st March, 2020
Note 2 to the financial statements		
<b>Share Capital:</b>		
<b><u>AUTHORISED</u></b>		
14500000 Equity Shares of Rs. 10/- each (Previous Year 14500000 Equity Shares of Rs. 10/- Each)	14,50,00,000	145000000
	<b>14,50,00,000</b>	<b>14,50,00,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
14010000 Equity Shares of Rs. 10/- each (Previous year 14010000 Equity Shares of Rs. 10/- each)	14,01,00,000	14,01,00,000
	<b>14,01,00,000</b>	<b>14,01,00,000</b>

Share holder having more than 5% of paid up Share capital				
Particulars	As at 30TH September , 2020		As at 31st March, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr Naresh kumar Rana	1	0.01%	1	0.01%
Mr Karamjit Jaiswal	1,40,09,999	99.99%	1,40,09,999	99.99%

RECONCILIATION OF NO. OF EQUITY SHARES	No. of Shares	No. of Shares
At the begning of the period	1,40,10,000	10,000
Add: Issued during the period	-	1,40,00,000
Outstanding at the end of the period	<b>1,40,10,000</b>	<b>1,40,10,000</b>

<b>Terms / Rights attached to Equity Shares</b>
The Company has only one class of Equity Shares having a par value of Rs. 10 per shares. Each holder of Equity Shares is entitled to one vote per shares in the meeting of shareholders.

Particulars	(Amount in Rs.) As at 30TH September , 2020	(Amount in Rs.) As at 31st March, 2020
Note 3 to the financial statements		
<b><u>RESERVES &amp; SURPLUS</u></b>		
<b>Surplus / (Deficit)</b>		
Opening Balance	(17,94,814)	(15,71,146)
(+)-Net profit/ (Loss) for the year	(2,112)	(2,23,668)
Closing Balance	<b>(17,96,926)</b>	<b>(17,94,814)</b>
	<b>(17,96,926)</b>	<b>(17,94,814)</b>

Particulars	(Amount in Rs.) As at 30TH September , 2020	(Amount in Rs.) As at 31st March, 2020
Note 4 to the financial statements		
<b><u>NON CURRENT LIABILITIES</u></b>		
<b>LONG TERM LOAN, UNSECURED</b>		
Loans and Advances from related parties		
Director *	18,00,000	16,00,000
	<b>18,00,000</b>	<b>16,00,000</b>

\* The loan from directors are interest free and taken and to be repaid on demand but not before 1st April, 2021

Tripiti Infrastructure Private Limited

Director

Tripiti Infrastructure Private Limited

Director

Particulars	(Amount in Rs.) As at 30TH September , 2020	(Amount in Rs.) As at 31st March, 2020
Note 5 to the financial statements		
<u>Other current liabilities</u>		
Other payables		
Audit Fees Payable	11,800	11,800
	<b>11,800</b>	<b>11,800</b>


Particulars	(Amount in Rs.) As at 30TH September , 2020	(Amount in Rs.) As at 31st March, 2020
Note 6 to the financial statements		
<u>CURRENT ASSETS</u>		
BRAND VALUES - MILKFOOD LIMITED	14,00,00,000	14,00,00,000
	<b>14,00,00,000</b>	<b>14,00,00,000</b>


Particulars	(Amount in Rs.) As at 30TH September , 2020	(Amount in Rs.) As at 31st March, 2020
Note 7 to the financial statements		
<u>Current Assets</u>		
Cash and cash equivalents		
CASH & BANK BALANCES		
Cash	46,818	46,818
Balance with Scheduled Banks in current Account- State Bank of Patiyala	68,056	70,168
	<b>1,14,874</b>	<b>1,16,986</b>

Particulars	(Amount in Rs.) As at 30TH September , 2020	(Amount in Rs.) As at 31st March, 2020
Note 8 to the financial statements		
<u>Employees Remuneration Benefit</u>		
Salary	-	80,000
	-	<b>80,000</b>

Particulars	(Amount in Rs.) As at 30TH September , 2020	(Amount in Rs.) As at 31st March, 2020
Note 9 to the financial statements		
<u>Finance Cost</u>		
Bank Charge	-	749
	-	<b>749</b>

Particulars	(Amount in Rs.) As at 30TH September , 2020	(Amount in Rs.) As at 31st March, 2020
Note 10 to the financial statements		
<u>Other Expenses</u>		
Audit Fees-For Statutory Audit	-	11,800
Advertising Exp	-	8,925
Rates & Taxes	-	850
Filing Fees	612	40,974
Legal And Professional Chg	1,500	80,370
	<b>2,112</b>	<b>1,42,919</b>

Tripiti Infrastructure Private Limited  
  
 Director

Tripiti Infrastructure Private Limited  
  
 Director

**V.P. JAIN & ASSOCIATES***Chartered Accountants*

Ambika Bhawan, F-1, First Floor,  
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002

**Phone:** 23276695, 30126695

email id-info1vpj@gmail.com

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To,  
The Board of Directors,  
**Milkfood Limited**  
P.O. Bahadurgarh, District,  
Patiala (Punjab) -147021

**Independent Auditor's Certificate on the proposed accounting treatment**

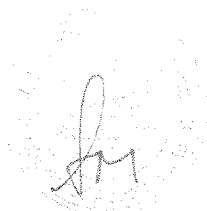
We, the statutory auditors of Milkfood Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause VI of the Draft Scheme of Amalgamation ('the Draft Scheme') between Milkfood Limited ('the Transferee Company') and Triputi Infrastructure Private Limited ('the Transferor Company') and their respective shareholders in terms of the provisions of sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') with reference to its compliance with the Indian Accounting Standards notified by the Central Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other generally accepted accounting principles, as applicable.

**Management's Responsibility**

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Indian Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.

**Auditor's Responsibility**

Our responsibility is only to examine and provide a reasonable assurance whether the accounting treatment prescribed in the Draft Scheme complies with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder and the applicable Accounting Standards notified by the Central Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and other generally accepted accounting principles, as applicable.



Nothing contained in this certificate, nor anything said or done in the course of or in connection with the services that are the subject to this certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

We conducted our examination of the proposed accounting treatment in accordance with the "Guidance Note on Reports or Certificates for Special Purpose" ("the Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note require that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with relevant applicable requirements of Standard of Quality Control (SQc) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagement. Further, our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Draft Scheme.

### Opinion

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Indian Accounting Standards notified by the Central Government under Section 133 of the Companies Act, 2013 read with paragraph 3 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and other generally accepted accounting principles, as applicable.


### Restriction on Use

This Certificate is provided to the Board of Directors of the Company solely for the purpose of onward submission to the National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India, Stock exchange(s) and Regional Director, Ministry of Corporate Affairs, in relation to the Draft Scheme and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For V P Jain & Associates

*Chartered Accountants*

FRN: 015260N

  
Sarthak Madaan

*Partner*

Membership Number: 547131

Place: New Delhi

Date: 05.10.2020

UDIN NO: 20547131AAAAAP7900



To,  
The Board of Directors,  
Triputi Infrastructure Private Limited  
Sood's Niwas Ranbir Marg,  
Patiala 147001

**Independent Auditor's Certificate on the proposed accounting treatment**

We, the statutory auditors of Triputi Infrastructure Private Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause of the Draft Scheme of Amalgamation ('the Draft Scheme') between Triputi Infrastructure Private Limited ('the Transferor Company') and Milkfood Limited ('the Transferee Company') and their respective shareholders in terms of the provisions of sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') with reference to its compliance with the Accounting Standards notified by the Central Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other generally accepted accounting principles, as applicable.

**Management's Responsibility**

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.

**Auditor's Responsibility**

Our responsibility is only to examine and provide a reasonable assurance whether the accounting treatment prescribed in the Draft Scheme complies with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and the applicable Accounting Standards notified by the Central Government under section 133 of the Act, read with paragraph 3 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and other generally accepted accounting principles, as applicable.

Nothing contained in this certificate, nor anything said or done in the course of or in connection with the services that are the subject to this certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.



We conducted our examination of the proposed accounting treatment in accordance with the "Guidance Note on Reports or Certificates for Special Purpose" ("the Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with relevant applicable requirements of Standard of Quality Control (SQc) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and other Assurance and Related Services Engagement. Further, our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Draft Scheme.

### **Opinion**

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under Section 133 of the Companies Act, 2013 read with paragraph 3 of the Companies (Indian Accounting Standards) Rules 2015 (as amended) and other generally accepted accounting principles, as applicable.

### **Restriction on Use**

This Certificate is provided to the Board of Directors of the Company solely for the purpose of onward submission to the National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India, Stock exchange(s) and Regional Director, Ministry of Corporate Affairs, in relation to the Draft Scheme and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For RAJENDRA K. GOEL & CO.  
Chartered Accountants  
Firm Registration No.: 001457N

R.K. GOEL  
Partner  
006154



Place: NEW DELHI  
Date: 05.10.2020  
UDIN: 20006154AAAAEL9095



**V.P. JAIN & ASSOCIATES***Chartered Accountants*

Ambika Bhawan, F-1, First Floor,  
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002

**Phone:** 23276695, 30126695

email id-info1vpj@gmail.com

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**Independent Auditor's Report on Computation of Minimum Price for the proposed Preferential Allotment of equity shares in accordance with the Regulation 158(1)(b) and 165 of the Securities and Exchange Board of India (Issue or Capital And Disclosure Requirements) Regulations, 2018 (as amended).**

To

The Board of Directors

Milkfood Limited

5<sup>th</sup> Floor Bhandari House

Nehru Place, New Delhi

1. This Certificate is issued in accordance with the terms of the Engagement Agreement dated 07.03.2020. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
2. Milkfood Limited ("the Company" or "Milkfood") has requested us to issue certificate in connection with the allotment of equity shares to shareholders of Triputi Infrastructure Private Limited (TIPL), pursuant to the proposed "Composite Scheme of Amalgamation" between Milkfood and TIPL and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (the "Act") (the "Proposed Scheme") on the accompanying 'Statement of Computation of Minimum Price for the proposed allotment' ("the Statement" ) in accordance with the Regulation 158(1)(b) and 165 of the Securities and Exchange Board Of India (Issue Of Capital And Disclosure Requirements) Regulations, 2018 (as amended) ("SEBI ICDR Regulations").
3. The accompanying Statement has been prepared by management of the Company for obtaining approval under Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. We have initialed the Statement for identification purposes only.



### Management's Responsibility

4. The preparation of the Statement is the responsibility of the Management of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances. As per regulation No 165 of SEBI Notification No SEBI/LAD-NRO/GN/2018/31 dated 11.09.2018, Management is required to obtain the certificate of compliance from the Registered valuer in case shares of the company are infrequently traded.

Accordingly Management has taken the independent valuation of shares of Milkfood and TIPL from a Registered Valuer (Security and Financial Assets) vide report dated 29.09.2020 and has obtained the Fairness opinion vide report dated 29.09.2020 on the said valuation from the SEBI Registered Category-1 Merchant Banker.

The Registered Valuer vide its report dated 29.09.2020 has given fair valuation of the shares of Milkfood at Rs 344.03 per share on the following basis:

- (a) Computation of weekly high and low of the volume weighted average price of the related equity shares quoted on the recognized stock exchange during the twenty-six weeks preceding the 31.03.2020 as per Market Price Methodology at Rs 431.97 per share being higher of weekly high and low of the Weighted average price of two weeks of Rs 366.21 immediately preceding the 31.03.2020.
- (b) The valuer computed the share price at Rs 405.31 as per the Comparable Multiple Methodology by applying the Industry EV/EBITDA Average Multiple 10.62 to the Financial data of Milkfood.
- (c) The valuer computed the share price at Rs 238.80 as per the Net worth methodology.
- (d) The Valuer assigned 20% weight to the prices as determined in (a) above and 40% to (b) and (c) above to arrive at the Fair value of share of Milkfood at Rs 344.03.

The Valuer determined the Adjusted Net Asset Value per share of TIPL at Rs 23.89 per share.

Valuer arrived at the share exchange ratio of 23.89:344.03, i.e 0.069:1 implying for every 1000 equity shares of Face Value of Rs 10 each of TIPL, Milkfood would issue its 69 equity shares of Face value of Rs 10 each.

5. The Management is also responsible for ensuring that the Company complies with the requirements of the SEBI ICDR Regulations.

### Auditor's Responsibility

6. The Company is required to submit a pricing certificate as per Chapter V of the SEBI ICDR Regulations for obtaining approval under Regulation 37 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Accordingly it is our responsibility to verify the financial data of 31<sup>st</sup> March 2020 (Adopted by the valuer in its report) from the audited financial statements of Milkfood as at 31<sup>st</sup> March 2020. We have relied upon the Valuation report of the Registered valuer which is endorsed by the fairness opinion on the said valuation obtained from the Merchant Banker.
7. We conducted our examination in accordance with the Revised Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. In addition to the foregoing, our scope of work did not include verification of compliance with other requirements of the SEBI ICDR Regulations, other circulars, notifications, etc. as issued by relevant regulatory authorities from time to time and any other laws and regulations applicable to the Company. Further, our scope of work did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company, taken as a whole.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.
10. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria mentioned in paragraph 6 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the reporting criteria. Accordingly, we have performed the following procedures in relation to the Statement:
  - i. Obtained and read certified true copy of minutes of the meeting of the Board of Directors held on October 05, 2020.
  - ii. Obtained and reviewed the Company's analysis of the stock exchange to be considered to determine the volume weighted average prices in the Statement. Verified the volume of turnover on Bombay Stock Exchange ('BSE') from data downloaded from BSE website. We noted that the Company had identified the BSE as the recognized stock exchange for the determination of the volume weighted average price based on the volume traded therein.



iii) Reviewed the computation of the minimum issue price determined by Registered Valuer, which is as under:

a. As per Market Methodology, the higher of the following i.e Rs 431.97 is the minimum issue price of the share:

➤ The average of the weekly high and low of the volume weighted average price of the Company quoted on the BSE during the twenty six weeks preceding the 31.03.2020 i.e. period from 02.10.2019 to 31.03.2020, based on the data obtained from the official BSE website, is Rs. 431.97 as given in the Statement.

**OR**

➤ The average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the BSE during the two weeks preceding the 31.03.2020 i.e. period from 18.03.2020 to 31.03.2020, based on the data obtained from the official BSE website, is Rs. 366.21 as given in the Statement.

b. Relied upon the Valuation report of the Registered Valuer for computing the Industry Average EV/EBITDA Multiple and usage of the same on the financial data of Milkfood for computing the value per share of Rs 405.31 as per the Comparable Company Multiple Methodology.

c. Relied upon the Valuation report of the Registered Valuer for computing the share price as per the Net Worth Methodology at Rs 238.80.

d. Relied upon the weights that were assigned by the valuer to the share price as per the Market Price Methodology i.e Rs. 431.97, as per the Comparable Company Methodology i.e Rs. 405.31, as per the Net worth methodology i.e Rs 238.80 to arrive at the Value per share of the Milkfood i.e Rs. 344.03.

Thus the Minimum Issue Price for the allotment of shares of Milkfood Ltd to the shareholders of Triputi Infrastructure Pvt Ltd is arrived at Rs. 344.03 per share.

iv . Downloaded the data of weekly high and low of the closing prices and volume of equity shares of the Company from official Bombay Stock Exchange (BSE) website and re-computed the average of weekly high and low of the volume weighted average price on BSE as detailed in point (ii) and (iii) above.

v. Checked the arithmetical accuracy of the average prices detailed in the Statement.

vi. Performed necessary enquiries and obtained necessary representations from management confirming compliance with the requirements of continuous listing of

equity shares as specified in the listing agreement and other necessary representations relevant to the proposed issue.

### Opinion

11. Based on the procedures performed by us as above, and the information and explanations given to us, in our opinion the minimum price of Rs. 344.03 per share for the proposed allotment, as computed by the management in the attached Statement, has been computed in accordance with SEBI ICDR Regulations.

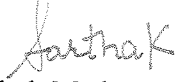
### Restriction on use

12. This report is intended solely for the use of the management of the Company for the purpose of submission to the government regulatory authorities including Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Securities Exchange Board of India, Registrar of Companies (if required) in connection with the proposed allotment of equity shares by the Company to shareholders of TIPL pursuant to the Proposed Scheme under SEBI ICDR Regulations and is not to be used for any marketing, sale or any other offer of securities or referred to any other purpose of distributed to any other person without our prior consent.
13. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For V P Jain & Associates

*Chartered Accountants*

FRN : 015260N



Sarthak Madaan

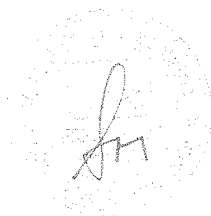
*Partner*

Membership Number: 547131

Place: New Delhi

Date: 13.10.2020

UDIN NO: 20547131AAAAAR7535



**Milkfood Limited****Statement of Computation of Minimum Price for the proposed allotment**

- 1) Volume of turnover of the equity shares of Milkfood Limited on Bombay Stock Exchange (BSE) during the last twenty six weeks preceding the 31.03.2020.

WEEK	FROM	TO	Total Turnover
1	25-Mar-20	31-Mar-20	2,856,761
2	18-Mar-20	24-Mar-20	1,307,454
3	11-Mar-20	17-Mar-20	1,510,400
4	04-Mar-20	10-Mar-20	1,899,028
5	26-Feb-20	03-Mar-20	1,475,462
6	19-Feb-20	25-Feb-20	895,896
7	12-Feb-20	18-Feb-20	8,619,482
8	05-Feb-20	11-Feb-20	1,324,729
9	29-Jan-20	04-Feb-20	2,301,666
10	22-Jan-20	28-Jan-20	2,459,146
11	15-Jan-20	21-Jan-20	4,627,308
12	08-Jan-20	14-Jan-20	3,362,002
13	01-Jan-20	07-Jan-20	2,311,214
14	25-Dec-19	31-Dec-19	1,967,426
15	18-Dec-19	24-Dec-19	6,106,445
16	11-Dec-19	17-Dec-19	1,133,524
17	04-Dec-19	10-Dec-19	1,409,541
18	27-Nov-19	03-Dec-19	5,862,160
19	20-Nov-19	26-Nov-19	3,070,096
20	13-Nov-19	19-Nov-19	5,411,227
21	06-Nov-19	12-Nov-19	3,820,856
22	30-Oct-19	05-Nov-19	6,160,801
23	23-Oct-19	29-Oct-19	452,449
24	16-Oct-19	22-Oct-19	268,130
25	09-Oct-19	15-Oct-19	513,283
26	02-Oct-19	08-Oct-19	445,198

Highest turnover in the twenty six weeks preceding the 31.03.2020 is in the BSE on 12.02.2020.

## 2) Computation of the minimum issue price

A) Average of weekly high & low of the volume weighted average price (VINAP) of the equity shares of Milkfood Limited quoted on the Bombay Stock Exchange during the last twenty six weeks preceding the 31.03.2020.

WEEK	FROM	TO	High	Low	Average
1	25-Mar-20	31-Mar-20	383.46	354.79	369.13
2	18-Mar-20	24-Mar-20	385.51	341.06	363.29
3	11-Mar-20	17-Mar-20	478.01	392.51	435.26
4	04-Mar-20	10-Mar-20	503.89	475.26	489.57
5	26-Feb-20	03-Mar-20	491.34	480.76	486.05
6	19-Feb-20	25-Feb-20	497.72	477.46	487.59
7	12-Feb-20	18-Feb-20	508.31	445.94	477.13
8	05-Feb-20	11-Feb-20	509.95	489.16	499.56
9	29-Jan-20	04-Feb-20	568.13	534.31	551.22
10	22-Jan-20	28-Jan-20	582.85	531.51	557.18
11	15-Jan-20	21-Jan-20	583.42	572.44	577.93
12	08-Jan-20	14-Jan-20	549.45	500.35	524.90
13	01-Jan-20	07-Jan-20	508.81	496.47	502.64
14	25-Dec-19	31-Dec-19	499.44	469.17	484.31
15	18-Dec-19	24-Dec-19	470.35	416.16	443.25
16	11-Dec-19	17-Dec-19	420.59	413.78	417.18
17	04-Dec-19	10-Dec-19	432.95	420.70	426.83
18	27-Nov-19	03-Dec-19	431.86	423.34	427.60
19	20-Nov-19	26-Nov-19	424.54	399.79	412.16
20	13-Nov-19	19-Nov-19	442.33	390.66	416.50
21	06-Nov-19	12-Nov-19	377.31	333.98	355.64
22	30-Oct-19	05-Nov-19	364.53	299.27	331.90
23	23-Oct-19	29-Oct-19	305.02	295.43	300.23
24	16-Oct-19	22-Oct-19	300.75	294.40	297.58
25	09-Oct-19	15-Oct-19	307.51	280.65	294.08
26	02-Oct-19	08-Oct-19	305.00	300.00	302.50
	<b>Total</b>				<b>11,231.19</b>
	<b>Average Price</b>				<b>431.97</b>

B) Average of weekly high & low of the volume weighted average price (VWAP) of the equity shares of Milkfood Limited quoted on the Bombay Stock Exchange during the last two weeks preceding the 31.03.2020.

WEEK	FROM	TO	High	Low	Average
1	25-Mar-20	31-Mar-20	383.46	354.79	369.13
2	18-Mar-20 Average Price	24-Mar-20	385.51	341.06	<u>363.29</u> <u>366.21</u>

A) Average of 26 weeks high low of the VWAP = Rs. 431.97/-

B) Average of 2 weeks high low of the VWAP = Rs. 366.21/-

**Applicable Minimum Price (Higher of the A or B) = Rs. 431.97/-**

**Valuation of Milkfood Limited as per Comparable Company Multiple Methodology:**

For arriving the valuation of Milkfood Limited as per Comparable Company Multiple Methodology, Registered valuer has considered following companies and used EV/EBITDA Multiple.

1. Hastun Agro Product Limited
2. Tasty Dairy Specialities Limited
3. Parag Milk Foods Limited
4. Modern Dairies Limited

Note that all the four companies are in similar business profile, manufacturing similar kind of products. The share of the aforesaid companies is listed at Recognized Stock Exchange(s) in India i.e. BSE Limited (BSE)

The Reported Industry Average Multiples as on March 31, 2020 of the Comparable Companies of Milkfood Limited is as under:

Particulars	Industry	EV/EBITDA
Hastun Agro Product Ltd	Milk and Milk Products	18x
Tasty Dairy Specialities Ltd	Ghee, Paneer and milk products	5.8x
Parag Milk Foods Limited	Cheese, Milk and Ghee	3.4x
Modern Dairies Limited	Butter, Milk, Ghee and other dairy products	15.3x
Industry Average Multiple		10.62x

Source: Capital IQ



**Valuation Computation as per Enterprise Value / Earnings Before Interest Tax and Depreciation  
(EV/EBITDA) Multiple Methodology considering financials for FY 2020**

EBITDA (FY 2020)	2528
Average Industry EV/ EBITDA Multiple	10.62
Company Valuation as per Avg. EV/EBITDA Multiple	26,860
Less: Debt as on March 31, 2020	7,413
Add: Cash and Cash Equivalent	358
Valuation as per EV/EBITDA Method	19,805
No. of Shares	4,886,440
<b>Value per share</b>	<b>405.31</b>

**Valuation of Share of Milkfood Ltd. as per the Net Worth Methodology**

Particulars	Amount in INR
Share Capital	488.64
Less: calls in arrears	19
Amount paid on the forfeited shares	0.07
Reserves and surplus	11,180
Net Worth	11,649
Add: Amount receivable on the shares, i.e Calls in arrears	19
Net Worth (Post considering amount receivable on calls in arrears)	11,668.71
No of shares	48,86,440
NAV Per share	238.80

**Computation of Fair Valuation of Equity Shares of Triputi Infrastructure Private Limited as under:**

Particulars	Amount In INR
Share Capital	14,01,00,000
Reserves and Surplus	-17,94,814
Net Worth	13,83,05,186
Add: Appreciation in the fair value brand	19,63,83,693
Adjusted Net Worth	33,46,88,879
No of shares	1,40,10,000
Adjusted Net Asset value per share	23.89

**COMPUTATION OF FAIR SHARE EXCHANGE RATIO IS AS UNDER**

Particulars	TIPL		ML	
	Value per share	Weights	Value per share	Weights
Cost Approach	23.89	100%	238.80	40%
Income Approach	NA	0%	NA	0%
Market Approach				
- Market price methodology	NA	0%	431.97	20%
- Comparable Company Multiple Methodology	NA	0%	405.31	40%
Fair Value Per Share	23.89		344.03	
Recommended Share exchange Ratio	0.069		1	

NA Means Not Adopted

The above ratio implies that 69 (Sixty-Nine) equity shares of face value of INR 10 (Rupees Ten) each of ML to be issued against 1000 (One Thousand) equity shares of face value of INR 10 (Rupees Ten) of TIPL.

**V.P. JAIN & ASSOCIATES***Chartered Accountants*

Ambika Bhawan, F-1, First Floor,  
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002

**Phone:** 23276695, 30126695

**email id:** vpjain\_ca@rediffmail.com

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To  
The Board of Directors  
Milkfood Limited

**Independent Auditor's Certificate on pre amalgamation net worth**

1. This Certificate is issued in accordance with the terms of our engagement letter dated March 07, 2020 with Milkfood Limited ('the Company').
2. The accompanying statement of computation of pre amalgamation net worth of the Company as at March 31, 2020 ('the Statement'), contains the details as required pursuant to the requirements of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for onward submission to the National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India, Stock exchange(s) and Regional Director, Ministry of Corporate Affairs in connection with the Draft Scheme of Amalgamation ('the Draft Scheme') dated 05.10.2020 between Triputi Infrastructure Private Limited ('Transferor Company') and the Company ('Transferee Company') in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions if any, of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder, initialled by us for identification purposes only.

**Management's responsibility for the Statement**

3. The responsibility for the preparation of the statement in compliance with the relevant laws and regulations, including the Draft Scheme and audited financial statements of the Company as at March 31, 2020 is that of the Board of Directors of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.



**Auditor's responsibility**

4. Pursuant to the requirements of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to provide a reasonable assurance whether the amounts in the Statement that form part of the pre amalgamation net worth computation have been accurately extracted from the financial statements of the Company as at March 31, 2020 and the computation of pre amalgamation net worth is arithmetically correct and is in accordance with the basis of computation set out in the Statement.
5. We have performed the following procedures in respect of the Statement:
  - a) The amounts in the computation of the pre amalgamation net worth of the Transferee Company have been traced from the audited financial statements of the Transferee Company as at March 31, 2020 and
  - b) We have verified that the computation of pre amalgamation net worth is arithmetically correct and is in accordance with the basis of computation set out in the Statement.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

8. Based on our examination as above and according to the information and explanations and representations given to us by the Company's management, we are of the opinion that the amounts in the Statement that form part of the pre amalgamation net worth computation have been accurately extracted from the audited financial statements of the Company as at March 31, 2020 and the computation of pre amalgamation net worth is arithmetically correct and is in accordance with the basis of computation set out in the Statement.



**Restriction on use**

9. This Certificate is issued at the request of Milkfood Limited and is addressed to the Board of Directors of the Company solely for the use of the management of the Company for the purpose of onward submission to the National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India, Stock exchange(s) and Regional Director, Ministry of Corporate Affairs to comply with the requirement of Regulation 37 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior consent in writing.

For V P Jain & Associates

*Chartered Accountants*

FRN : 015260N

*Sarthak*

Sarthak Madaan

*Partner*

Membership Number: 547131



Place: New Delhi

Date: 06.10.2020

UDIN NO: 20547131AAAAAQ7310

**STATEMENT OF PRE AMALGAMATION NET WORTH**

**Net Worth of Milkfood Limited as at March 31, 2020 (Pre amalgamation)**

<b>Particulars</b>	<b>Amounts in Lakhs</b>
Paid up capital (as per BS)	489
Other Equity (as per BS)	11,180
Less: Revaluation Reserve*	5,286
<b>Net Worth</b>	<b>6,383</b>

**Notes:**

1. For the purposes of preparation of aforesaid statement of pre amalgamation net worth. Net Worth is calculated as defined under Section 2 (57) of the Companies Act, 2013. "Net Worth" means the aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.
2. Pre amalgamation net worth as at March 31, 2020 has been determined on the basis of audited financial statements of the Company.

\* Revaluation reserve of Rs. 5,286 Lakhs is net of increase in value of Land & Building of Rs 8,530 Lakhs and decrease in the value of Plant & Machinery of Rs 3,080 Lakhs as at 01.04.2016 after adjusting accumulated depreciation of Rs. 164 Lakhs on revalued figure.



# V.P. JAIN & ASSOCIATES

*Chartered Accountants*

Ambika Bhawan, F-1, First Floor,  
4658-A/21, Ansari Road, Darya Ganj, New Delhi – 110002

Phone: 23276695, 30126695

email id-vpjain\_ca@rediffmail.com

To  
The Board of Directors  
Milkfood Limited  
5<sup>th</sup> Floor Bhandari House,  
Nehru Place, New Delhi- 110019

## **Independent Auditor's Certificate on post amalgamation provisional net worth**

1. This Certificate is issued in accordance with the terms of our engagement letter dated Sep 03, 2020 with Milkfood Limited ('the Company').
2. The accompanying statement of computation of post amalgamation provisional net worth of the Company as at March 31, 2020 ('the Statement'), contains the details as required pursuant to the requirements of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for onward submission to the National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India, Stock exchange(s) and Regional Director, Ministry of Corporate Affairs in connection with the Draft Scheme of Amalgamation ('the Draft Scheme') dated October 05, 2020 between Triputi Infrastructure Private Limited ('Transferor Company') and the Company ('Transferee Company') in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions if any, of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under, initialed by us for identification purposes only.

## **Management's responsibility for the Statement**

3. The responsibility for the preparation of the statement in compliance with the relevant laws and regulations, including the Draft Scheme and audited financial statement of the Company as at March 31, 2020 is that of the Board of Directors of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

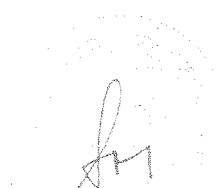
## **Auditor's responsibility**



4. Pursuant to the requirements of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to provide a reasonable assurance whether the amounts in the Statement that form part of the post amalgamation provisional net worth computation have been accurately extracted from the audited financial statement of the Company as at March 31, 2020 and the computation of post amalgamation provisional net worth is arithmetically correct and is in accordance with the basis of computation set out in the Statement.
5. We have performed the following procedures in respect of the Statement:
  - a) We have been provided by the Company's management, a certified true copy of the Draft Scheme, proposed to be filed by the Transferee Company with the National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India, Stock exchange(s) and Regional Director, Ministry of Corporate Affairs, we have read the same and noted the impact of the proposed accounting treatment mentioned in Part-VI, 'Clause 7 – Accounting Treatment' of the Draft Scheme. We have not performed any other procedures in this regard;
  - b) The amounts in the computation of the post amalgamation provisional net worth of the Transferee Company has been verified after considering the impact of the proposed accounting treatment mentioned in Part-VI, 'Clause 7 - Accounting Treatment' of the Draft Scheme and based on the Share Entitlement Ratio as per the Draft Scheme and independent valuers' report;
  - c) We have verified that the computation of post amalgamation provisional net worth is arithmetically correct and is in accordance with the basis of computation set out in the Statement.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Opinion

8. Based on our examination as above and according to the information and explanations and representations given to us by the Company's management, we are of the opinion that
  - the amounts in the Statement that form part of the post amalgamation provisional net worth computation have been accurately extracted from the financial statement of the Company as at March 31, 2020 and adjusted by taking into





account the proposed accounting treatment and the Share Entitlement Ratio as per the Draft Scheme and independent valuers' report

- the computation of post amalgamation provisional net worth is arithmetically correct and is in accordance with the basis of computation set out in the Statement

**Restriction on use**

9. This Certificate is issued at the request of Milkfood Limited and is addressed to the Board of Directors of the Company solely for the use of the management of the Company for the purpose of onward submission to the National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India, Stock exchange(s) and Regional Director, Ministry of Corporate Affairs to comply with the requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior consent in writing.

For V P Jain & Associates

*Chartered Accountants*

FRN : 015260N

*Sarthak*  
Sarthak Madaan

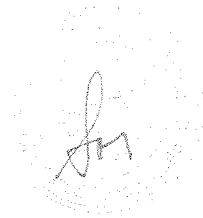
*Partner*

Membership Number: 547131

Place: New Delhi

Date: 17.10.2020

UDIN NO: 20547131AAAAAS4472



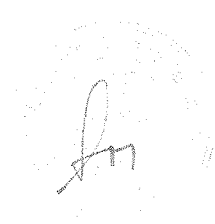
**STATEMENT OF POSTAMALGAMATION PROVISIONAL NET WORTH**

**A) Provisional Net Worth of Milkfood Limited as at March 31, 2020 (Post amalgamation)**

<b>Particulars</b>	<b><u>Amounts in Lakhs</u></b>
Paid up capital (as per BS & considering share entitlement ratio as per draft scheme of merger)	586
Other Equity (as per BS & considering share entitlement ratio as per draft scheme of merger)	14,430
Less: Revaluation Reserve*	5,286
<b>Net Worth</b>	<b>9,730</b>

**Notes:**

1. For the purposes of preparation of aforesaid statement of post amalgamation provisional net worth. Net Worth is calculated as defined under Section 2 (57) of the Companies Act, 2013. "Net Worth" means the aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure written off, as per the audited balance sheet and Share Entitlement Ratio as per the Draft Scheme but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.
2. Post amalgamation provisional net worth as at March 31, 2020 as determined above will undergo change on the effective date of implementation of the Scheme and accounting of the Scheme as per applicable accounting principles prescribed under the Indian Accounting Standards (Ind AS).
3. For the purpose of determining post amalgamation provisional net worth, share entitlement ratio has been considered as per the Draft Scheme, which were duly approved by the Board of Directors of the Companies involved at their meeting held on 05.10.2020.



4. For the purpose of calculation of post amalgamation provisional net worth, the difference, if any, being excess or deficit arising pursuant to the Scheme, which will arise on the post amalgamation, has not been considered in the "Net Worth" computation considering the definition under Section 2(57) of the Companies Act, 2013.
- 5\* Revaluation reserve of Rs. 5,286 Lakhs is net of increase in value of Land & Building of Rs 8,530 Lakhs and decrease in the value of Plant & Machinery of Rs 3,080 Lakhs as at 01.04.2016 after adjusting accumulated depreciation of Rs. 164 Lakhs on revalued figure.



# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019  
Ph.: 26460670-4 / 26463773 Fax : 011-26460823  
E-mail : milkfoodltd@milkfoodltd.com, Website : www.milkfoodltd.com  
CIN : L15201PB1973PLC003746

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Annexure-11

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## COMPLIANCE REPORT

It is hereby certified that the draft scheme of arrangement involving Milkfood Limited (Transferee Company) does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**LODR Regulation**') and SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('**SEBI Circular**'), including the following:

Sl.	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements
2	Regulation 11 of LODR Regulations	The Company is in compliance with the provisions of the Regulation 11 of the LODR Regulation
Requirements of the <b>SEBI Circular</b>		
(a)	Para (I)(A)(2)	The Company is submitting all the requisite documents to Stock Exchanges
(b)	Para (I)(A)(2)	The Company is in compliance with the conditions for schemes of arrangement involving unlisted entities
(c)	Para (I)(A)(4) (a)	The Company is Submitting the Valuation Report
(d)	Para (I)(A)(5)	The Company is submitting the Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	The Company will comply with the Provision of approval of public shareholders through e-voting

*Rakesh*

Name: Rakesh Kumar Thakur  
Company Secretary

*Sudhir*

Name: Sudhir Avasthi  
Chief Executive Director

Date: 1 OCT 2020

Place: New Delhi

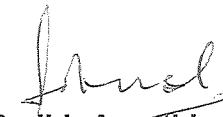
**milkfood**

# MILKFOOD LIMITED

5th Floor, 91, Bhandari House, Nehru Place, New Delhi-110 019  
Ph.: 26460670-4 / 26463773 Fax : 011-26460823  
E-mail : milkfoodltd@milkfoodltd.com; Website : www.milkfoodltd.com  
CIN : L15201PB1973PLC003746

Certified that the transactions / accounting treatment provided in the draft scheme of amalgamation involving Milkfood Limited and Triputi Infrastructure Private Limited are in compliance with all the Accounting Standards applicable to a listed entity.

  
**Name: Sanjeev Kothiala**  
**Chief Financial Officer**

  
**Name: Sudhir Avasthi**  
**Chief Executive Director**

**Date:** 21 OCT 2020  
**Place:** New Delhi

