

B S R & Associates LLP

Chartered Accountants

Salarpuriya Knowledge City,
Orwell, B Wing, 6th Floor, Unit-3,
Sy No. 83/1, Plot No. 02, Raidurg,
Hyderabad – 500 081 - India

Telephone: +91 40 7182 2000
Fax: +91 40 7182 2399

Limited review report on unaudited quarterly standalone financial results of Dodla Dairy Limited ('the Company') under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of Dodla Dairy Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Dodla Dairy Limited for the quarter ended 30 June 2021 ("the Statement").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the unpublished audited year to date figures up to the third quarter of the previous financial year.
5. Attention is invited to the fact that the figures for the corresponding quarter ended 30 June 2020, as reported in these financial results have been approved by Company's Board of Directors but have not been subjected to review or audit.

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Limited review report on unaudited quarterly standalone financial results of Dodla Dairy Limited ('the Company') under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)

6. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/ W-100024

Sulabh Kumar Kedia

Partner

Membership No.: 066380

ICAI UDIN: 21066380AAAAAM2062

Place: Hyderabad

Date: 07 August 2021



DODLA DAIRY LIMITED

CIN : L15209TG1995PLC020324

Registered Office and Corporate Office: 8-2-293/82/A/270-Q, Road No. 10-C, Jubilee Hills, Hyderabad, 500 033, Telangana, India

Tel: +91 40 4546 7777; Fax: +91 40 4546 7788

(₹ in Millions except per share data)

Statement of Unaudited Standalone Financial Results for the quarter ended 30 June 2021

Particulars	Quarter ended			Year ended
	30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
	Unaudited	Audited Refer Note 4	Unaudited Refer Note 5	Audited
INCOME				
1. Revenue from operations	4,881.15	5,055.60	4,255.39	18,369.04
2. Other income	29.38	29.47	13.64	77.88
3. Total income [1+2]	4,910.53	5,085.07	4,269.03	18,446.92
4. EXPENSES				
a) Cost of materials consumed	3,838.20	3,571.16	3,142.56	13,123.93
b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(283.12)	269.77	(109.44)	(148.31)
c) Employee benefits expense	234.09	210.37	201.31	816.53
d) Finance costs	22.32	22.03	38.47	118.53
e) Depreciation and amortisation expense	119.84	116.64	117.88	473.50
f) Other expenses	636.06	694.92	520.65	2,407.96
Total expenses	4,567.39	4,884.89	3,911.43	16,792.14
5) Profit before tax [3-4]	343.14	200.18	357.60	1,654.78
6) Income tax expense				
a) Current tax	103.30	67.90	97.00	503.02
b) Deferred tax	2.32	63.60	3.72	67.82
7) Profit for the period/year [5-6]	237.52	68.68	256.88	1,083.94
8) Other comprehensive income/ (loss)				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of the net defined benefit obligation	(0.58)	6.54	-	5.23
Income-tax relating to these items	0.20	(2.28)	-	(1.83)
Other comprehensive income/ (loss) for the period/year (net of tax)	(0.38)	4.26	-	3.40
9) Total comprehensive income for the period/year [7+8]	237.14	72.94	256.88	1,087.34
10) Paid-up equity share capital (Face value of ₹ 10 each)	594.93	583.25	556.72	583.25
11) Other equity				5,459.27
12) Earnings per share (Face value of ₹ 10 each) (not annualised for the quarter)				
a) Basic in (in ₹)	4.07	1.20	4.61	19.34
b) Diluted in (in ₹)	4.03	1.19	4.61	19.22

Notes:

- The financial results of Dodla Dairy Limited ("the Company") have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the relevant rules thereunder and in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The above results for the quarter ended 30 June 2021 were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 07 August 2021. The statutory auditors have expressed an unmodified review opinion on these results.
- Where financial results contain both consolidated and standalone financial results of the parent, segment information is required to be presented only in the consolidated financial results. Accordingly, segment information has been presented in the consolidated financial results.
- The figures for the quarter ended 31 March 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the unpublished audited year to date figures upto the third quarter of the previous financial year.
- The figures for the quarter ended 30 June 2020 as reported in these financial results were neither reviewed nor subject to audit, however, the management has exercised necessary due diligence to ensure that the financial results for these period provide a true and fair view of the Company's affairs.
- During the period, the Company has completed Initial Public Offering of upto 12,153,668 Equity Shares of face value of ₹ 10 each of Dodla Dairy Limited for cash at a price of ₹ 428 per equity share (including a share premium of ₹ 418 per equity share) aggregating upto ₹ 5,201.77 Million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f 28 June 2021.

The Company has received an gross amount of ₹ 500 Million from proceeds out of fresh issue of Equity Shares (net proceeds being. The utilization of IPO proceeds out of fresh issue is summarized below:

Objects as per Prospectus	Planned utilisation as per Prospectus	Utilisation up to 30 June 2021	(₹ in Millions)
			Unutilised amount as on 30 June 2021
Repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company from ICICI Bank Limited, the Hongkong and Shanghai Banking Corporation Limited and HDFC Bank Limited	322.64	291.39	31.25
Funding incremental capital expenditure requirements of our Company	71.51	-	71.51
General corporate purposes	105.85	-	105.85

7. In view of recent surge in COVID-19 cases, few states reintroduced some restrictions and the Company continues to be vigilant and cautious. However, the Government classified Dairy business as "Essential Commodity" and granted certain relaxations and guidelines so that production, processing and distribution of Milk and milk products will not be effected. The Company's production, processing and supply chain facilities remain in operation during lockdown period, following safety measures as per guidelines issued by Government. Thus, the impact of COVID-19 on the Company is minimal at this point of time. The Company has assessed the recoverability of Goodwill, receivables, inventories, certain investments and other financial assets considering the available internal and external information up to the date of approval of financial results and made adjustments wherever necessary. Considering the nature of these assets, the Company expects to recover the carrying amount of these assets. The actual impact of global health pandemic may be different from that estimated as at the date of approval of financial results. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.

8. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

for and on behalf of the Board of Directors of
Dodla Dairy Limited

Place : Hyderabad
Date: 07 August 2021

D. Sunil Reddy
Managing Director
DIN: 00794889