

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of Dodla Dairy Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Dodla Dairy Limited

Report on the audit of the Standalone Financial Results**Opinion**

We have audited the accompanying statement of quarterly and year to date standalone financial results of Dodla Dairy Limited (the "Company") for the quarter ended March 31, 2023 and for the year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2023 and for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

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

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

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

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

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

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

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

Other Matter

The comparative financial information of the Company for the corresponding quarter and year ended March 31, 2022, included in these standalone financial results, were audited by the predecessor auditor who expressed an unmodified opinion on those financial information on May 16, 2022.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

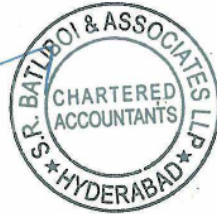
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Navneet Rai

per Navneet Rai Kabra
Partner

Membership No.: 102328



UDIN: 23102328BGSBMS7823

Place: Hyderabad

Date: May 20, 2023



DODLA DAIRY LIMITED

CIN : L15209TG1995PLC020324

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(₹ in Millions except per share data)

Statement of Audited Standalone financial results for the quarter and year ended 31 March 2023

Particulars	Quarter ended			Year ended	
	31-Mar-23	31-Dec-22	31-Mar-22	31-Mar-23	31-Mar-22
	Audited	Unaudited	Audited	Audited	Audited
1. INCOME					
a) Revenue from operations	6,653.36	6,184.04	5,403.94	25,841.24	20,964.84
b) Other income	67.65	70.08	216.17	239.19	325.26
Total income [a+b]	6,721.01	6,254.12	5,620.11	26,080.43	21,290.10
2. EXPENSES					
a) Cost of materials consumed	5,343.69	4,579.41	3,952.03	19,792.50	15,380.87
b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(13.21)	145.64	120.99	230.17	(8.35)
c) Employee benefits expense	271.66	287.58	238.43	1,086.38	936.28
d) Finance costs	3.17	3.09	2.86	11.99	64.93
e) Depreciation and amortisation expense	138.24	149.37	123.36	576.19	488.57
f) Other expenses	800.36	761.78	702.78	3,233.93	2,794.39
Total expenses	6,543.91	5,926.87	5,140.45	24,931.16	19,656.69
3. Profit before tax [1-2]	177.10	327.25	479.66	1,149.27	1,633.41
4. Income tax expense/(credit)					
a) Current tax	41.76	82.45	45.29	296.40	385.81
b) Deferred tax	(27.18)	(31.53)	(125.95)	(96.98)	(118.57)
5. Profit for the period/year [3-4]	162.52	276.33	560.32	949.85	1,366.17
6. Other comprehensive income					
<i>Items that will not be reclassified subsequently to statement of profit and loss</i>					
Remeasurement of the net defined benefit obligation	3.40	(3.21)	(4.29)	10.15	(4.88)
Income-tax relating to these items	(0.85)	0.81	1.03	(2.55)	1.23
Other comprehensive (loss)/income for the period/year (net of tax)	2.55	(2.40)	(3.26)	7.60	(3.65)
7. Total comprehensive income for the period/year [5+6]	165.07	273.93	557.06	957.45	1,362.52
8. Paid-up equity share capital (Face value of ₹ 10 each)	594.93	594.93	594.93	594.93	594.93
9. Other equity				8,236.41	7,278.96
10. Earnings per share (Face value of ₹ 10 each) (not annualised for the quarters)					
a) Basic (in ₹)	2.73	4.64	9.42	15.97	23.07
b) Diluted (in ₹)	2.71	4.61	9.34	15.84	22.87

S. S. Reddy



Balance sheet

(₹ in Millions)

Particulars	As at	As at
	31-Mar-23	31-Mar-22
	Audited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	4,945.11	4,565.77
Capital work-in-progress	303.74	40.83
Goodwill	433.37	359.37
Other intangible assets	113.81	42.93
Right-of-use assets	118.22	113.56
Biological assets other than bearer plants		
(i) Matured biological assets	11.15	16.02
(ii) Immatured biological assets	4.66	5.94
Financial assets		
(i) Investments	1,193.57	996.31
(ii) Loans	254.51	143.01
(iii) Other financial assets	169.42	138.66
Non-current tax asset	32.55	25.50
Other non-current assets	37.91	432.58
Total non-current assets	7,618.02	6,880.48
Current assets		
Inventories	973.58	1,081.88
Financial assets		
(i) Investments	1,901.25	1,285.03
(ii) Trade receivables	83.11	47.43
(iii) Cash and cash equivalent	261.15	553.28
(iv) Bank balances other than (iii) above	53.27	50.34
(v) Loans	22.00	32.27
(vi) Other financial assets	17.42	38.94
Other current assets	206.98	81.30
Total current assets	3,518.76	3,170.47
Total assets	11,136.78	10,050.95
EQUITY AND LIABILITIES		
Equity		
Equity share capital	594.93	594.93
Other equity	8,236.41	7,278.96
Total equity	8,831.34	7,873.89
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Lease liabilities	103.32	98.32
Other financial liabilities	4.88	-
Provisions	97.94	107.97
Deferred tax liabilities (net)	166.12	260.55
Government grants	19.74	22.64
Total non-current liabilities	392.00	489.48
Current liabilities		
Financial liabilities		
(i) Lease liabilities	34.41	29.70
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises; and	29.16	21.00
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,058.96	883.32
(iii) Other financial liabilities	406.63	340.31
Other current liabilities	79.05	116.75
Government grants	2.91	2.91
Provisions	145.95	137.24
Liabilities for current tax (net)	156.37	156.35
Total current liabilities	1,913.44	1,687.58
Total liabilities	2,305.44	2,177.06
Total equity and liabilities	11,136.78	10,050.95

D. J. Reddy



Standalone Statement of Cash Flows

(₹ in Millions)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
	Audited	Audited
Cash flows from operating activities		
Profit before tax	1,149.27	1,633.41
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	576.19	488.57
Changes in fair value of biological assets	(5.75)	(2.04)
(Profit)/ loss on sale/ retirement of property, plant and equipment, net	(2.76)	1.38
Loss on sale/ discard of biological assets, net	4.38	3.53
Interest income	(124.81)	(82.59)
Interest on lease liabilities	11.99	64.93
Inventories written down	1.61	-
Dividend income from non-current investment	-	(169.12)
Employee share based payment expense	-	0.69
Profit on sale of investments in mutual funds, net	(36.52)	(24.52)
Fair value gain on financial assets measured at fair value through profit and loss	(32.81)	(17.18)
Provision for impairment of receivables and advances, net	2.70	8.65
Bad debts written off	3.53	2.44
Amortisation of government grants	(2.91)	(2.91)
Loss on account of foreign exchange fluctuations, net	-	0.03
Operating profit before working capital changes	1,544.11	1,905.27
Working capital adjustments		
Increase in trade receivables	(43.51)	(3.40)
Decrease/(increase) in inventories	123.74	(228.43)
Decrease/(increase) in loans and other financial assets	16.48	(22.91)
(Increase)/ decrease in other current and non-current assets	(122.56)	9.42
Increase in trade payables and other financial liabilities	212.70	82.46
Increase in provisions	8.83	41.40
(Decrease)/increase in other current and non-current liabilities	(37.70)	57.15
Cash generated from operations	1,702.09	1,840.96
Income taxes paid, net	(303.43)	(392.39)
Net cash generated from operating activities	1,398.66	1,448.57
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangible assets	(732.62)	(709.53)
Proceeds from sale of property, plant and equipment	17.34	2.12
Proceeds from sale of biological assets	7.52	3.52
Loans given to subsidiary	(312.50)	-
Loans repaid by subsidiary	206.50	16.50
Payments towards purchase of investment in subsidiary	(50.67)	-
Dividend income from non-current investment	-	169.12
Payment towards acquisition of business	(207.73)	(300.00)
Purchase of investments (mutual funds, bonds and commercial papers)	(10,647.36)	(5,493.04)
Proceeds from sale of investments (mutual funds, bonds and commercial papers)	9,959.87	4,295.52
Interest received	102.24	59.18
Investment in bank deposits (having original maturity of more than 3 months)	(51.40)	(6.40)
Redemption of bank deposits (having original maturity of more than 3 months)	51.33	673.53
Net cash used in investing activities	(1,657.48)	(1,289.48)
Cash flows from financing activities		
Repayment of long term borrowings	-	(869.19)
Issue of shares	-	500.00
Share issue expenses	-	(31.84)
Repayment of lease liabilities	(33.31)	(30.69)
Finance costs paid	-	(56.04)
Net cash used in financing activities	(33.31)	(487.76)
Net decrease in cash and cash equivalents	(292.13)	(328.67)
Cash and cash equivalents at the beginning of the year	553.28	881.95
Cash and cash equivalents at end of the year (refer note below)	261.15	553.28

Note:

i. Cash and cash equivalents as per above comprise of the following:

	As at 31 March 2023	As at 31 March 2022
Cash on hand	8.83	12.94
Balances with banks		
-in current accounts	252.32	540.34
Balances as per statement of cash flows	261.15	553.28




Notes:

1. The standalone 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, other accounting principles generally accepted in India and in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The above results for the quarter and year ended 31 March 2023 of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 20 May 2023. The Statutory Auditors have expressed an unmodified opinion on these results.
3. Segment information has been presented in the Consolidated Financial Results in accordance with Ind AS 108 notified under The Companies (Indian Accounting Standards) Rules, 2015.
4. During the year ended 31 March 2023, the Company completed the acquisition of a Milk and Milk Products Division of Sri Krishna Milks Private Limited, through slump purchase agreement on a going concern basis at a consideration of Rs. 507.73 million. The transaction was accounted in accordance with Ind AS 103 – Business Combinations ("Ind AS 103") which was determined basis the purchase price allocation carried out by the Company.
5. The standalone figures for the quarter ended March 31, 2023 and quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and March 31, 2022, respectively and published year to date figures upto third quarter ended December 31, 2022 and December 31, 2021, respectively which were subjected to a limited review by the statutory auditors.
6. Previous period/year figures have been regrouped/reclassified, where necessary, to conform to the current period/year classification. Current quarter/year numbers may not be strictly comparable with comparative numbers due to acquisition in the year ended March 31, 2023 (refer note 4).
7. The above Audited Standalone Financial Results of the Company are available on the Company's website (www.dodladairy.com) and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com), where the shares of the Company are listed.

**For and on behalf of the Board of Directors of
Dodla Dairy Limited**

Dodla Sunil Reddy
Managing Director
DIN: 00794889

Place : Hyderabad
Date: 20 May 2023

