



Gupta Agarwal & Sultania

Chartered Accountants

Mob. : +91-9506052661, 8299434833

email - rahulguptaknp@gmail.com

**Independent Auditor's Report on Standalone Quarter and Year ended March 31st, 2023
Financial Results of Tasty Dairy Specialities Ltd Pursuant to the Regulation 33 of the SEBI
(Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.**

**To
Board of Directors of
Tasty Dairy Specialities Ltd.**

Report on the audit of Standalone Financial Results

Qualified Opinion:

We have audited the accompanying statement of standalone financial results of Tasty Dairy Specialities Ltd (the "Company") for the quarter and year ended March 31st, 2023 (the "Statement") attached herewith. The Statement has been submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulation").

In our opinion and to the best of our information and according to the explanation given to us, except the matters described on the basis of qualified opinion the statement :

- i. is presented in accordance with the requirement of the listing regulation in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standard and other accounting principle generally accepted in India, of the net loss after tax and other comprehensive income and other financial information of the company for the quarter ended March 31st, 2023 and for the year ended March 31st, 2023.

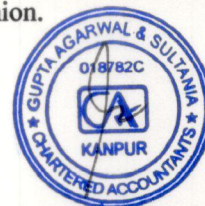
Basis of qualified opinion:

As stated in note number 4 of statement the recovery of outstanding receivables are slow due to accumulation of stocks with dealers and distributors and withholding of the payment by them. The Company has made provision of Rs 831.84 lacs for expected credit loss and doubtful receivables from customer. Determining Expected Credit Loss includes management judgement and is subject to high degree of estimation and assumptions.

Considering the various factors such as past operation and conduct of the account of customers, we are unable to comment whether the provision made by the management is adequate.

Our opinion is qualified in respect of the above matter.

We conducted our audit of the Statement 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 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 there under, 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 audit opinion.



Emphasis of Matter

We draw attention to the Note no. 2 and Note no.3 of the statement regarding impact of COVID-19 pandemic and subsequent events and the preparation and presentation of accounts ongoing concern basis.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results.

The Statement has been prepared on the basis of the annual financial statements. The Management and 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 there under 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness the accounting records, relevant to the preparation and presentation of the Statement, that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Management and 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.

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

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 standalone annual financial results, 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 through a separate report on the complete set of financial statements 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 in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual 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.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results (Continued)

- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matters

The standalone annual financial results include the results for the quarter ended March 31st, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Place: Kanpur
Dated: 30.05.2023

For Gupta Agarwal & Sultania
Chartered Accountants
Firm Reg. No.0018782C



Rahul Gupta
(Rahul Gupta)
Partner
M.No.418628

UDIN : 23418628 BGZHNJ4805

Tasty Dairy Specialities Ltd.
Standalone Statement of Cash Flows for the year ended March 31, 2023

PARTICULARS	AMOUNT	AMOUNT	AMOUNT	AMOUNT
	31.03.23	31.03.23	31.03.22	31.03.22
A. Cash Flow from Operating Activities				
Net Profit before tax and extraordinary items	-	66.63		(4,060.10)
<u>Adjustment for :</u>				
Depreciation	133.68		132.45	
Finance Costs	630.07		633.86	
Provisions	9.03		11.27	
Interest income	(22.54)		(18.54)	
Lease liability written back (Net)	-		(27.57)	
Provision for expected credit impairment	169.33		174.88	
(Profit)/Loss on Sale of PPE	(0.66)	918.91	(39.85)	866.50
Operating Profit before Working Capital Changes		985.54		(3,193.60)
Adjustments for movement in working capital:				
(Increase)/decrease in inventories	(151.11)		3,139.73	
(Increase)/decrease in trade receivables	66.48		(3.53)	
(Increase)/decrease in non current and other current financial Assets	0.21		(8.83)	
(Increase)/decrease in non current and other current assets	15.63		69.89	
Increase/(decrease) in trade payables	55.29		(6.66)	
Increase/(decrease) in other financial current liabilities	(36.88)		35.56	
Increase/(decrease) in other current liabilities	23.56		(31.09)	
Increase/(decrease) in provisions	(8.77)		(10.62)	
Cash Generated from Operations		(35.59)		3,184.44
Direct Taxes (Paid)/ Refund		949.95		(9.17)
Net Cash (Used in) / Generated from Operations		85.58		17.60
		1,035.53		8.43
B. Cash Flow From Investing Activities				
Purchase of Property, plant & equipment & ROU	(41.60)		(390.84)	
Sale of Property, Plant & Equipment	0.75		40.48	
Purchase/ maturity of fixed deposit (Net)	85.76		7.27	
Sale of investments	-		-	
Interest income	22.54		18.54	
Net Cash (Used in)/Generated from Investing Activities		67.45		(324.54)
C. Cash Flow from Financing Activities				
Proceeds from Long Term Borrowings (Net of Repayments)	2,863.13		435.10	
Proceeds from Short Term Borrowings (Net of Repayments)	(3,327.57)		460.56	
Finance Costs	(630.07)		(631.42)	
Payment of long term lease liabilities	-		(4.08)	
Cash (Used in)/Generated from Financing Activities		(1,094.51)		260.16
Net Increase/ (Decrease) in Cash and Cash Equivalents		8.47		(55.96)
Cash & Cash Equivalents at the beginning of the year/period		16.98		72.94
Cash & Cash Equivalents at the end of the year/period		25.45		16.98

Note:

- 1) The Statement of Cash flows is prepared in accordance with the format prescribed as per Ind -AS 7.
- 2) In Part-A OF The Cash Flows Statement , Figures in brackets indicate deductions made from the Net profit for deriving the net cash flows from operating activities. In Part-B and Part-C, figures in brackets indicate Cash Outflows.

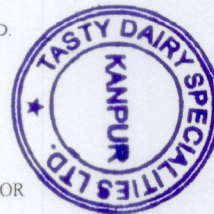
For Gupta Agarwal & Sultania
Chartered Accountants
Firm Reg No.: 0018782C

(Rahul Gupta)
Partner
M.No.418628



FOR TASTY DAIRY SPECIALITIES LTD.

(ATUL MEHRA)
CHAIRMAN & WHOLE TIME DIRECTOR
DIN: 00811607



Place: Kanpur
Dated: 30.05.2023

TASTY DAIRY SPECIALITIES LIMITED**Regd. Office: D-3, UPSIDC, Industrial Area, Jainpur, Kanpur Dehat, Uttar Pradesh, India, Pincode-209311****CIN: L15202UP1992PLC014593, Phone No.: 0512-4003999, Fax No.: 0512-2234244****Email: info@tastydairy.com, Website: www.tastydairy.com****STATEMENT OF ASSETS AND LIABILITIES****(Rs. In Laacs)**

Particulars	As at March 31, 2023	As at March 31, 2022
I. ASSETS		
A. Non-current assets		
(a) Property, plant and equipment	1,507.90	876.74
(b) Capital work-in-progress	-	722.58
(c) Right-of-use assets	60.35	61.09
(d) Other intangible assets	-	-
(e) Biological assets	-	-
(f) Financial assets		
(i) Investments	0.51	0.51
(ii) Loans	-	-
(iii) Other financial assets	30.51	29.78
(g) Deferred tax assets (Net)	1,615.95	1,685.90
(h) Non-current tax assets (Net)	10.16	102.68
(i) Other non-current assets	263.56	265.28
Sun total (Non current assets)	3,488.94	3,744.56
B. Current Assets		
(a) Inventories	3,056.68	2,905.57
(b) Biological assets	-	-
(c) Financial assets		
(i) Trade receivables	2,992.62	3,228.43
(ii) Cash and cash equivalents	25.45	16.98
(iii) Bank balances other than (ii) above	13.83	99.59
(iv) Loans	-	-
(iv) Other financial assets	358.87	359.81
(d) Other current assets	316.75	330.66
Sub total (Current assets)	6,764.20	6,941.04
Total assets	10,253.14	10,685.60
II. EQUITY AND LIABILITIES		
A. Equity		
(a) Equity share capital	2,043.00	2,043.00
(b) Other equity	1,069.50	923.22
Sub total (Equity)	3,112.50	2,966.22
Liabilities		
B. Non current liabilities		
(a) Financial liabilities		
(i) Borrowings	3,610.04	899.45
(ia) Lease liabilities	0.58	0.57
(b) Other non-current liabilities	-	-
(c) Provisions	10.26	9.67
Sub total (Non-current liabilities)	3,620.88	909.69
C. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,779.89	6,107.46
(ia) Lease liabilities	-	-
(ii) Trade payables		
(A) total outstanding due of micro enterprises and small enterprises	0.47	3.02
(B) total outstanding due of creditors other than micro enterprises and small enterprises	600.55	542.71
(iii) Other financial liabilities	33.38	70.26
(b) Other current liabilities	95.21	71.65
(c) Provisions	10.26	14.59
(d) Current tax liabilities (Net)	-	-
Sub total (Current liabilities)	3,519.76	6,809.69
Total Equity & Liabilities	10,253.14	10,685.60



TASTY DAIRY SPECIALITIES LIMITED

Regd. Office: D-3, UPSIDC, Industrial Area, Jainpur, Kanpur Dehat, Uttar Pradesh, India, Pincode-209311

CIN: L15202UP1992PLC014593, Phone No.: 0512-4003999, Fax No.: 0512-2234244

Email: info@tastydairy.com, Website: www.tastydairy.com

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

Sl. No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-23 (Refer Note 6)	31-Dec-22 (Refer Note 6)	31-Mar-22 (Refer Note 6)	31-Mar-23 (Audited)	31-Mar-22 (Audited)
1	Income from Operations					
	(a) Revenue from Operations	3,284.27	2,832.70	2,575.22	11,143.47	16,154.55
	(b) Other income	6.27	3.85	48.03	102.88	88.88
	Total Income	3,290.54	2,836.55	2,623.25	11,246.35	16,243.43
2	Expenses					
	(a) Cost of materials consumed	3,142.11	2,698.29	2,383.42	10,678.42	15,805.50
	(b) Purchase of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(70.54)	12.25	3,418.38	(186.42)	2,660.06
	(d) Employee benefits expenses	54.35	30.96	69.64	158.88	298.67
	(e) Finance costs	159.82	111.68	179.07	630.07	633.86
	(f) Depreciation and amortization expenses	56.14	25.85	32.13	133.68	132.45
	(g) Other expenses	264.15	177.74	229.83	787.20	772.99
	Total Expenses	3,606.03	3,056.77	6,312.47	12,201.83	20,303.53
3	Profit/ (Loss) before exceptional items and Tax (1-2)	(315.49)	(220.22)	(3,689.22)	(955.48)	(4,060.10)
4	Exceptional Items	439.66	582.45	-	1,022.11	-
5	Profit/ (loss) after exceptional items and before Tax (3-4)	124.17	362.23	(3,689.22)	66.63	(4,060.10)
6	Tax expenses:					
	(a) Current Tax	-	-	-	-	-
	(b) Deferred Tax	242.38	(56.62)	(1,082.57)	68.84	(1,163.99)
	(c) Mat credit utilisation	-	-	-	-	-
	(d) Tax adjustments relating to earlier years	5.79	-	0.17	6.94	0.17
7	Profit/ (Loss) for the period / Year (5-6)	(124.00)	418.85	(2,606.82)	(9.15)	(2,896.28)
8	Other comprehensive income (OCI)					
	(a) i Items that will not be reclassified to profit or loss					
	-Remeasurement benefits/(losses) on defined benefit plans	0.93	2.02	0.62	3.99	0.51
	-Equity Instruments through Other Comprehensive Income	-	-	-	-	-
	ii Income tax relating to items that will not be reclassified to profit or loss	(1.11)	-	(0.17)	(1.11)	(0.14)
	(b) i Items that will be reclassified to profit or loss	-	-	-	-	-
	ii Income tax relating to items that will be reclassified to profit or loss	0.85	(0.56)	-	-	-
	Total other comprehensive income	0.67	1.46	0.45	2.88	0.37
9	Total comprehensive income for the period (7+8)	(123.33)	420.31	(2,606.37)	(6.27)	(2,895.91)
10	Paid-up equity share capital (Face value per Share Rs.10/- each)	2,043.00	2,043.00	2,043.00	2,043.00	2,043.00
11	Other equity	-	-	-	1,069.50	923.22
12	Earnings per equity share (EPS) (of Rs.10/- each) (not annualised):					
	(a) Basic (Rs. Per Share)\	(0.61)	2.05	(12.76)	(0.04)	(14.17)
	(b) Diluted (Rs. Per Share)\	(0.61)	2.05	(12.76)	(0.04)	(14.17)



Notes

1. The above standalone financial results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 30th May, 2023 and statutory auditors have carried out an audit of these financial results.
2. The company is engaged in the business of procurement and processing of milk and manufacturing and sale of Ghee, Butter, Milk Powder, packaged milk and other milk products. These are edible items for human consumption and have limited shelf life and are perishable in nature. As stated in the Audited Balance Sheet of March 31st, 2022, the company has been victim of a series of extraneous circumstances due to COVID-19; such as low demand on account of elongated lock downs in 2020 and 2021, piling of inventory resulting into expiry of shelf life of the products, downward correction in the inventory prices, delay in realization of debtors. These factors have adversely impacted its cash flows and repayment capacity of the Company resultant the Company could not service its debt on time and the accounts with the bank were classified as sub standard by the bank. These events which were entirely beyond the control of the management have had material and adverse impact on the operations and prospects of the company. Recognizing the issues at hand, the company and its management have engaged with the lenders for restructuring of their dues and proposal for the same have been approved by the lender and implemented. The effect of restructuring proposal have been incorporated in the Statement.

In accordance with IND AS 109 Company has done initial recognition of restructured loans at fair value due to which there is gain of Rs 1022.11 lacs which has been recognized in the profit & loss account and disclosed as exceptional item.


3. The management has planned to implement various cost saving measures with improved operational efficiency of the plant and is in process of mobilizing resources to continue the manufacturing operations of the company. Further, there has been significant decline in the spread of pandemic. Considering the improved situation and steps initiated by the management and restructuring of loans by the lender and introduction of fund by the Promoter's, the management is of the view that the operations of the company shall continue in near foreseeable future with improved operational efficiency and therefore these financial statements are continued to be presented on going concern basis.
4. Due to accumulation of stocks with dealers and distributors and other economic condition the recovery in trade receivables against outstanding trade receivable is slow. Considering various factors such as past operations follow up with customers and confirmations obtained from customers a provision of Rs 831.84 lacs is made for expected credit loss and doubtful receivables from customer.



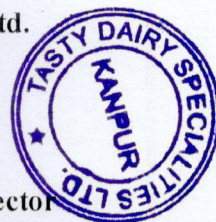
5. The Company has only one business segment i.e. Dairy products, hence segment reporting as per Ind AS 108 is not Applicable.
6. The figures for the last quarters are the balancing figures between audited figures in respect of full financial year ending March, 2023 & March 2022 and the unaudited published year to date figures up to 31st December, 2022 and 31st December, 2021 respectively, being the date of end of the third quarter of the respective financial years which were subjected to limited review.
7. Figures for the previous corresponding periods have been regrouped, wherever considered necessary.

Place: Kanpur
Dated: 30.05.2023

For Tasty Dairy Specialities Ltd.


(Atul Mehra)

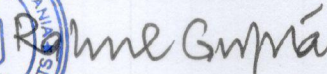
Chairman & Whole Time Director
DIN:00811607



This is the statement referred to in our report of even date

For Gupta Agarwal & Sultania
Chartered Accountants
Firm Reg No.0018782C





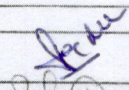
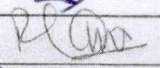
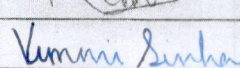
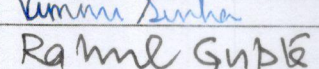
(Rahul Gupta)
Partner
M.No.418628

Place: Kanpur
Dated:30.05.2023

**Statement on impact of Audit Qualifications on Standalone Audited Financial Results for the Financial Year ended
March 31st, 2023**

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. in Laacs)

I. Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (audited figures after adjusting for qualifications)
1	Turnover/ Total Income	11,246.35	11,246.35
2	Total Expenditure	12,201.83	12,201.83
3	Net Profit/(Loss) before Exceptional Item	(955.48)	(955.48)
4	Exceptional Item	1,022.11	1,022.11
5	Net Profit/(Loss) after Exceptional Item	66.63	66.63
6	Earning per Share	(0.04)	(0.04)
7	Total Assets	10,253.14	10,253.14
8	Total Liabilities	7,140.64	7,140.64
9	Net Worth	3,112.50	3,112.50
10	Any Other Financial Item(s) (as felt appropriate by the Management)	-	-
II.	Audit Qualification (each audit qualification separately):		
a.	Details of Audit Qualification:		
	1. As stated in note number 4 of statement, the recovery of outstanding receivables are slow due to accumulation of stocks with dealers and distributors and withholding of the payment by them. The Company has made provision of Rs 831.84 laacs for expected credit loss and doubtful receivables from customer. Determining Expected Credit Loss includes management judgement and is subject to high degree of estimation and assumptions. Considering the various factors such as past operation and conduct of the account of customers, we are unable to comment whether the provision made by the management is adequate.		
	Emphasis of Matter We draw attention to the Note no. 2 and Note no.3 of the statement regarding impact of COVID-19 pandemic and subsequent events and the preparation and presentation of accounts ongoing concern basis. Our opinion is not modified in respect of this matter.		
b.	Type of Audit Qualification:		
1	Qualified Opinion		
2	Emphasis of Matter		
c.	Frequency of Qualification:		
1	First Time		
2	Second Time		
d.	For Audit Qualification(s) where the impact is quantified by the Auditors, Management's Views:		
	N.A.		
e.	For Audit Qualification(s) where the impact is not quantified by the Auditors:		
(i)	Management's estimation on their impact of audit qualification:		
	1. Considering various factors such as past operations follow up with customers and confirmations obtained from customers a provision of Rs 831.84 laacs is made for expected credit loss and doubtful receivables from customer.		
	2. The management has planned to implement various cost saving measures with improved operational efficiency of the plant and is in process of mobilizing resources to continue the manufacturing operations of the company. Further, there has been significant decline in the spread of pandemic. Considering the improved situation and steps initiated by the management and restructuring of loans by the lender and introduction of fund by the Promoter's, the management is of the view that the operations of the company shall continue in near foreseeable future with improved operational efficiency and therefore these financial statements are continued to be presented on going concern basis.		
(ii)	If Management is unable to estimate the impact, reasons for the same:		
	N.A.		
(iii)	Auditor's Comments on (i) or (ii) above:		
	1. Determining Expected Credit Loss includes management judgement and is subject to high degree of estimation and assumptions. Considering the various factors such as past operation and conduct of the account of customers, we are unable to comment whether the provision made by the management is adequate.		
	2. Considering the improved situation and steps initiated by the management, these financial statement has been prepared on going concern basis.		
III.	Signatories:		
	Director		
	CFO		
	Audit Committee Chairman		
	Statutory Auditor		

Place: Kanpur
Date: 30.05.2023

