

# **FIFTH ANNUAL REPORT**

**FINANCIAL YEAR: 2020-2021**

**RUHAANII MILK PRODUCER COMPANY LIMITED**



**Ruhaanii Milk Producer Company Limited**

CIN: U01114PB2016PTC045813

Regd office: Sh-16, First Floor, Arvind Nagar,  
College Road, Mansa, PB-151505

Email: [rmpcl@ruhaaniimilk.com](mailto:rmpcl@ruhaaniimilk.com)

RUHAANII MILK PRODUCER COMPANY LIMITED  
CIN: U01114PB2016PTC045813

ANNUAL REPORT 2020-21

**Board of Directors**

Shri Sher Singh	-Chairman and Director
Shri Gurpreet Singh	- Director
Shri Sukhjinder Singh	- Director
Shri Sukhwinder Singh	- Director
Smt Kanta Devi	- Director
Shri Surender	- Director
Shri Balkaran Singh	- Director
Shri Rajbhinder Singh	- Director
Shri Baljinder Singh	- Expert Director
Shri Brajesh Narain Singh	- Expert Director
Shri Vikas Kumar	- Chief Executive and Director

**Company Secretary**

Shri Amritpal Singh

**Registrar and Transfer Agent**

Link InTime India Pvt Ltd  
New Delhi

**Banker**

HDFC Bank Ltd.  
Bank of Baroda.  
IDBI Bank.

**Registered Office**

Sh-16, First Floor, Arvind Nagar,  
College Road, Mansa, PB-151505

**Auditor**

S.N Dhawan and Company LLP  
Chartered Accountants

**Internal Auditor**

Ray and Ray  
Chartered Accountants

**RUHAANII MILK PRODUCER COMPANY LIMITED**

**CIN: U01114PB2016PTC045813**

**Regd Office: Sh No. 16, 1st Floor, Arvind Nagar, College Road, Mansa, PB-151505**

**Email : rmpcl@ruhaanilmilk.com**

**NOTICE**

NOTICE is hereby given that the 6th Annual General Meeting of the members of Ruhaanii Milk Producer Company Limited will be held on 30<sup>th</sup> September 2021 at 12:00 Noon, in Mehak Resort, Mansa to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at 31st March 2021 and the Profit and Loss Account of the Company for the year ended on that date together with schedules and notes forming a part thereof and the reports of Directors and Auditor's thereon and to adopt following Ordinary resolution in this regards:

**“RESOLVED THAT** the audited Balance Sheet as at 31st March 2021, the Profit and Loss Account and cash flow statement for the year ended on that date together with Schedules and notes forming a part thereof and the Directors' and Auditors' report of the Company, be and is hereby approved and adopted.”

2. To consider and declare the Limited Return (Dividend) on share capital of the Company and in this regard to pass the following resolution: -

**“RESOLVED THAT** the limited return (dividend) on share capital at the rate of ₹ 7 per equity share out of the current profits of the year ended 31st March 2021, on 1,69,447 equity shares of Rs.100 each fully paid up for the F.Y. 2020-21 be and is hereby approved and confirmed, and that the same be paid to those equity shareholders, whose names appeared in the Register of Members as on 31st March, 2021.”

3. To consider and if thought fit, to pass with or without modification the following resolution as Ordinary Resolution:

**“RESOLVED THAT** Shri Sukhwinder Singh (DIN 08544199), a director, who retires at this meeting by rotation, and being ineligible does not offer himself for re-appointment, be and is hereby not re-appointed and the resulting vacancy be not filled up.

4. To consider and appoint a Director in place of Shri Sher Singh (DIN 08529224) who retires by rotation and being eligible for re-appointment offers himself for re-appointment and in this regard to pass the following resolution:

**“RESOLVED THAT** Shri Sher Singh (DIN 08529224), a director, who retires at this meeting by rotation, and being eligible and offer himself for re-appointment be and is hereby re-appointed as director liable to retire by rotation.

5. To consider and approve Budget of the company for the Financial Year 2021-22.

**“RESOLVED THAT** the Budget of the company for the Financial Year 2021-22 as placed before the meeting be and is hereby approved.

6. To appoint Statutory Auditors, fix the remuneration and in this regard to adopt the following resolution: -

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof M/s. S N Dhawan & Co LLP, Chartered Accountants, (Firm Registration No. 000050N/N500045), be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this 6th Annual General Meeting up-to the conclusion of the 11<sup>th</sup> Annual General Meeting of the Company, at a such remuneration as may be decided by the Board for every financial year.”

## **SPECIAL BUSINESS**

7. To consider and approve shifting of registered office of the Company from the state of Punjab to the state of Haryana.

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 378H and all other applicable provisions, if any, of Part XXI-A of the Companies Act, 2013 (together with any statutory modification or re-enactment thereof for the time being in force including the provisions, if and to the extent applicable mutatis mutandis or otherwise, of the Companies Act, 2013) and subject to the approval of the Regional Director/Central Government/any other competent authority(ies) as may be prescribed from time to time and subject to such other approval(s), consent(s) permission(s) and sanction(s), as may be required under the provisions of the said Act or under any other law for the time being in force, consent of the members of the Company be and is hereby accorded for shifting the Registered Office of the Company from the State of Punjab to the state of Haryana and that Clause II of the Memorandum of Association of the Company be substituted with the following clause:

“ II. The registered office of the Company will be situated in the State of Haryana i.e. within the jurisdiction of Registrar of Companies, Delhi.”

**“RESOLVED FURTHER THAT** upon the aforesaid Resolution becoming effective, the Registered Office of the Company be shifted from SH No. 16, First Floor Arvind Nagar , College Road Mansa PB 151505 to Maharana Pratap Chowk, HUDA road, Sirsa, Haryana 125055 or such other address in Haryana as the Board of Directors may decide from time to time”.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorised to do all such acts, deeds, filings, matters and things and execute all such deeds, documents, affidavit, confirmations, undertakings, instruments and writings as may be required, with powers on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard as the Board may in its sole and absolute discretion deems fit and delegate all or any of

its powers herein conferred to any Directors(s), Officer(s) and /or the Consultant of the Company, if required, as it may in its absolute discretion deem it necessary or desirable.

8. To consider and recommend to the shareholders for the approval of alteration in Articles of Association of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the relevant provisions of Chapter XXIA of the Companies Act, 2013, in particular Sections 378-I, 378ZQ, 378ZR and other applicable provisions, if any, of the Companies Act, 2013, including its Section 14 (together with any statutory modification or re-enactment thereof for the time being in force including the provisions, if and to the extent applicable *mutatis mutandis* or otherwise, of the Companies Act, 2013) and the applicable provisions of the Memorandum and Articles of Association of the Company and with the approval of shareholders by way of a special resolution, the existing Articles of Association of the Company be altered and replaced in the manner and to the extent as following.

**Article 1.1** Wherever in the Companies Act, 2013, it is provided that the Company shall have any right, privilege or authority if so authorised by its Articles, then by virtue of this Article, the Company is hereby specifically authorised, empowered and entitled to have such right, privilege or authority, as have been permitted by the Act without there being any specific provision and or separate Article in that behalf herein provided.

**Article 1.2:-** Regulations contained in Table F, except regulations 45 to 47 in the Schedule I to the Act, shall not apply to the Company.

**Article 1.3 (i):-** The Company is a producer company within the meaning of Section 378A (L) of the Companies Act, 2013.

**Article 1.3 (ii)** All the limitations, restrictions and provisions of the Companies Act, 2013 (to the extent applicable), other than those specified in Chapter XXIA of the Companies Act, 2013, applicable to a private company shall, apply to the Company, and

as if it is a private limited company in so far as they are not in conflict with the provisions of Chapter XXIA of the Act.

**Article 1.3 (iii):-** The Company is deemed to be a Private Company within the meaning of Section 378C (5) of the Companies Act, 2013 and accordingly;

- a. Restrict the right to transfer its shares in the manner and to the extent hereinafter provided; and
- b. Prohibits any invitation to the public to subscribe for any shares in, or debentures of, the Company.

**Article 2.1.i:-** 'Act' means the Companies Act, 2013 (No.18 of 2013) or any statutory modification or re-enactment thereof for the time being in force.

**Article 2.1.vii:-** 'Company' means the Ruhaanii Milk Producer Company Limited.

**Article 2.1.viiia.** "Expert Director" means a director referred to in Section 378P(6) of the Act;

**Article 2.1.ix:-** "financial year" means the period ending on the 31st day of March every year in respect whereof financial statement of the company is made up.

**Article 2.1.xiii:-** 'Mutual Assistance Principles' means the principles set out in Chapter XXIA of the Act, and as provided in article 3

**Article 6.8-** The Company may purchase its own equity shares in accordance with the provisions made under the Act.

**Article 7-** Transfer of equity shares

A Member may transfer the whole or part of his /its shares to a Member after obtaining the prior approval of the Board.

**Article 9.2** The Board of the Company shall have at least five and not more than fifteen Directors. The Board may co-opt one or more Expert Directors not exceeding one-fifth of the total number of Directors for such period as the Board may deem fit.

**Article 9.17:-** The Directors may be entitled to such fees and allowances including travelling and hotel expenses for attendance at the meetings of the Board and its Committees, if any constituted by the Board in terms of provisions of section 378U of the Act, as may be decided by the Board.

**Article 9.18 ii k:-** to constitute a Nominating Committee in terms of the provisions of section 378U of the Act, to scrutinize applications received from eligible Members for positions on the Board based on the defined criteria as approved in the General meeting and as provided in these Articles, and accordingly recommend eligible members to the Board for its consideration. In turn the Board, after due consideration in the Board meeting, shall recommend Members for the position on the Board to be elected or appointed by the Members in the Annual General Meeting.

**Article 11.12 (iii):-** this Clause shall be omitted.

**Article 11.13 ;**-All items of business to be transacted at the General Meeting shall be deemed as Ordinary and the provisions of Section 102(1) of the Act shall not apply,

**Article 19.1:-** The Board shall provide for the safe custody of the Seal and subject to the provisions contained in the Companies (Share Capital and Debenture) Rules, 2014, the Seal shall not be affixed to any instrument except by the authority previously given by the Board or a Committee of the Board authorized by the Board in that behalf; the Board may designate such person(s) who shall sign in any manner prescribed under law, every instrument to which the Seal is affixed in his or their presence.

Article 19.2 shall be omitted.

**RESOLVED FURTHER THAT** the Chief Executive or the Company Secretary of the Company be and are hereby authorized to file necessary forms with the Registrar of Companies and do all such acts, deeds, matters and things and to sign and execute all such documents as may be necessary to give effect to this resolution.”

09. To consider and appoint Shri Surender as a Director.

To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:



**“RESOLVED THAT** Shri Surender (DIN 09151648) who was appointed as an additional director on the Board of Directors of the Company w.e.f. 19<sup>th</sup> April 2021 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company, whose period of office shall be liable to retire by rotation.”

10. To appoint Smt Kanta Devi as Director of the Company.

To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Smt Kanta Devi (DIN 09151567) who was appointed as an additional director on the Board of Directors of the Company w.e.f. 19<sup>th</sup> April 2021 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company, whose period of office shall be liable to retire by rotation.”

By order of the Board of Directors

Place: Sirsa

Date: 08.09.2021

Vikas Kumar

Chief Executive & Director

DIN: 09298961

## **NOTES**

1. THE COMPANY HAS TO ABIDE BY ALL THE COVID-19 RELATED GUIDELINES ISSUED BY THE AUTHORITIES. HENCE, THE MEMBERS OF THE COMPANY WHO WOULD LIKE TO ATTEND THE ANNUAL GENERAL MEETING (AGM) IN-PERSON ARE REQUIRED TO INFORM THE COMPANY AT LEAST 7 DAYS BEFORE THE SCHEDULED DATE OF THE AGM SO AS TO MAKE ALL NECESSARY ARRANGEMENTS IN ORDER TO STRICTLY FOLLOW THE SOCIAL DISTANCING NORMS AND ALL OTHER COVID-19 RELATED PROTOCOL REQUIREMENTS.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A SHOW OF HANDS AS WELL AS IN A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY MUST BE A MEMBER OF THE COMPANY. NON MEMBER CANNOT BE APPOINTED A PROXY THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING, PROXY FORM IS ANNEXED HERETO.
3. Members/Proxies are requested to bring the Attendance Slip sent herewith duly filled in for attending the meeting.
4. Relevant documents referred to in the accompanying Notice shall be open for inspection by the members at the Registered Office of the company on all working days except Saturdays, during normal business hours (11.00 hrs to 16.00 hrs).
5. Members are requested to bring their copy of the Annual Report at the AGM as the Company would not provide any copy at the venue of the AGM.
6. Any member desirous of obtaining any information concerning the accounts or operations of the Company is requested to forward the query to the Registered Office of the Company at least 7 days prior to the date of the meeting.

7. Members are requested to quote their folio number and their member code in all their correspondence.
8. Members are requested to notify immediately any change in their addresses and Bank Account details to the Company.
9. Weapons, firearms, ammunition, knives and blades, sharp instruments etc., are prohibited at the AGM site.

STATEMENT OF QUALIFICATION IN RESPECT OF THE CANDIDATES TO BE ELECTED AS DIRECTOR UNDER SECTION 378A(4)(c) OF THE COMPANIES ACT 2013

Item Nos. 04,09 & 10

Name	Occupation	Qualification
Shri Sher Singh	Animal Husbandry	12th Pass
Shri Surender	Animal Husbandry	12th Pass
Smt Kanta Devi	Animal Husbandry	12th Pass

By order of the Board of Directors

Place: Sirsa  
Date: 08.09.2021

Vikas Kumar  
Chief Executive & Director  
DIN: 09298961

**Explanatory Statement Pursuant to Section 102 of the companies Act, 2013**  
**Item No.07**

At present, the Registered Office of the Company is situated in Mansa, Punjab. To exercise better administrative and economic control and enable the Company to rationalize and streamline its operations as well as the management of affairs, the Board of Directors of the Company in its meeting held on 08<sup>th</sup> September, 2021 has recommended shifting of the Registered Office of the Company from Mansa, Punjab to state of Haryana (i.e. from the jurisdiction of Registrar of Companies, Chandigarh to the jurisdiction of Registrar of Companies, Delhi). The proposed shifting of Registered Office is in the best interest of the Company, shareholders and all concerned parties and will not be detrimental to the interest of members of the public, shareholders, creditors or employees, in any manner whatsoever.

pursuant to the provisions of Part XXI-A of the Companies Act, 2013, in particular Sections 378H, and other applicable provisions, if any, of the Companies Act, 2013 (together with any statutory modification or re-enactment thereof for the time being in force including the provisions, if and to the extent applicable mutatis mutandis or otherwise, of the Companies Act, 2013) shifting of the Registered Office from one State to another and alteration of Clause II of the Memorandum of Association of the Company requires the approval of the members of the Company by means of a Special Resolution and approval of the Regional director/Central Government.

Copy of the existing Memorandum along with the proposed amendments as set out in Resolutions 7 of the Notice would be available for inspection by the members at the Registered Office of the Company during business hours between 10.30 a.m. to 5.30 p.m. on all working days (Monday to Friday) except holidays, from the date hereof up to the date of the meeting.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding, if any.

The Board recommends the Resolutions set out at Item No. 7 of the Notice for approval by the Members by way of Special Resolution.

## **Item No.08**

Provisions of Producer Company has been incorporated through Companies (Amendment) Act, 2020 in Chapter XXIA ('the Chapter') of the Companies Act, 2013. The provisions under the Chapter are applicable from 11th February 2021. So, the provisions of part IX-A of the Companies Act, 1956 is no longer applicable and the same stands repealed with the provisions provided under the Chapter XXIA of the Companies Act, 2013. Further, presently, the Article of the Company has not provided in detail provisions regarding the Proxies.

In view of the above, all the reference relevant to the Companies Act, 1956 made under the Article of Association shall be replaced with the respective section/provisions of Companies Act, 2013 and to fix the limit for representing as proxy on behalf of members. Hence, the existing Articles of Association of the Company necessitate certain changes to incorporate and reflect in them certain provision to bring in better clarity in understanding and administering the provisions of Articles in line with the applicable provisions of the law implemented and amended from time to time and to provide flexibility and to avoid any unintended ambiguity.

Copy of the existing Memorandum along with the proposed amendments as set out in Resolutions 8 of the Notice would be available for inspection by the members at the Registered Office of the Company during business hours between 10.30 a.m. to 5.30 p.m. on all working days (Monday to Friday) except holidays, from the date hereof up to the date of the meeting.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding, if any.

The Board recommends the Resolutions set out at Item No. 8 of the Notice for approval by the Members by way of Special Resolution.

**Item No. 09**

Shri Surender has been appointed as an Additional Director of the Company with effect from 19<sup>th</sup> April, 2021, in accordance with the provisions of the Companies Act, read with the Articles of Association of the Company. The above director holds office only up to the date of the ensuing Annual General Meeting of the Company.

The Board is of the view that the appointment of Shri Surender on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 09 for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Shri Surender himself, is in any way concerned or interested, in the said resolution.

The Board recommends the said resolution to be passed as an ordinary resolution.

**Item No. 10**

Smt Kanta Devi has been appointed as an Additional Director of the Company with effect from 19<sup>th</sup> April, 2021, in accordance with the provisions of the Companies Act, read with the Articles of Association of the Company. The above director holds office only up to the date of the ensuing Annual General Meeting of the Company.

The Board is of the view that the appointment of Smt Kanta Devi on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 10 for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Smt Kanta Devi herself, is in any way concerned or interested, in the said resolution.

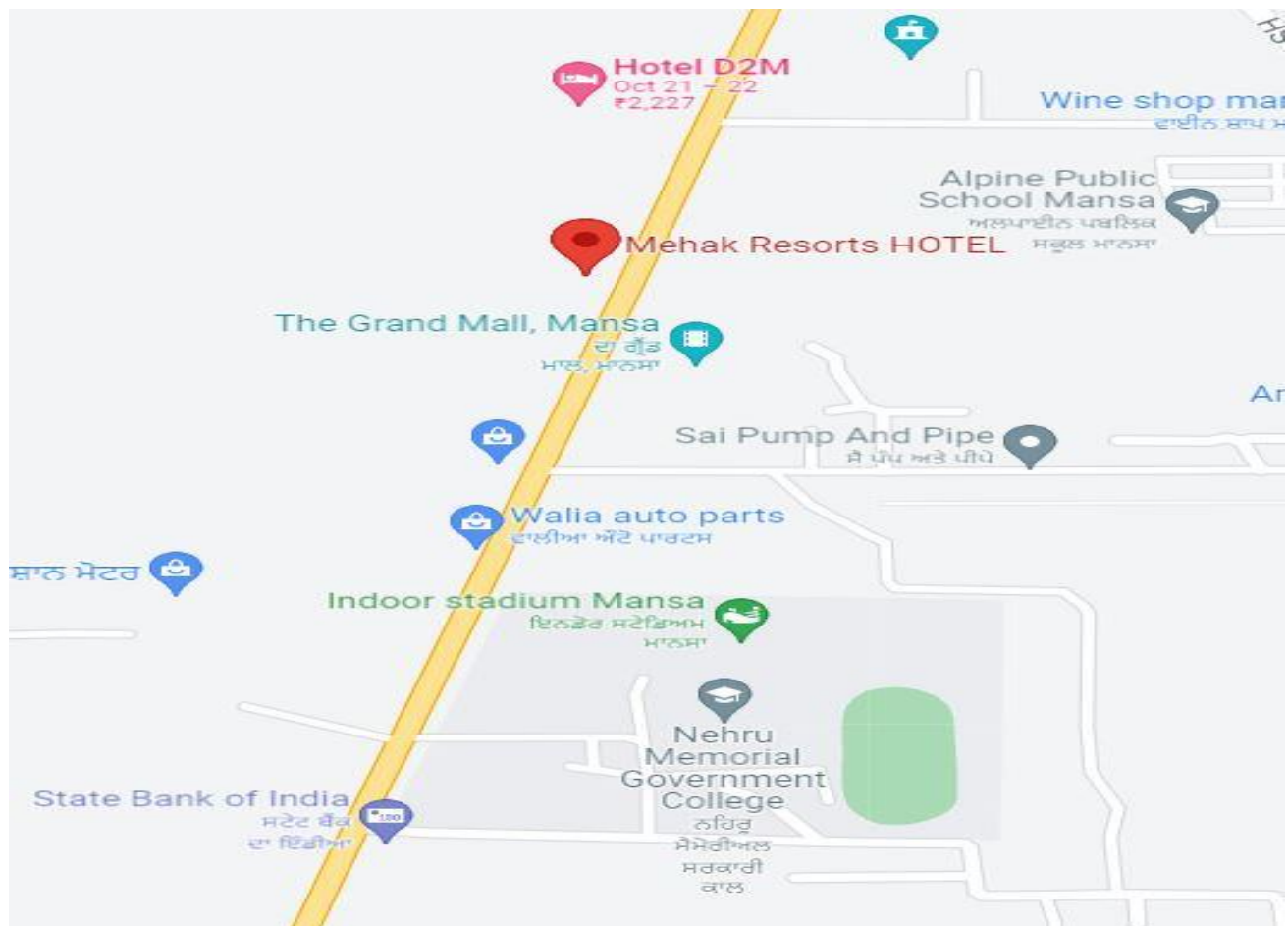
The Board recommends the said resolution to be passed as an ordinary resolution.

By order of the Board of Directors

Place: Sirsa  
Date: 08.09.2021

Vikas Kumar  
Chief Executive & Director  
DIN: 09298961

### GUIDE MAP TO THE VENUE OF AGM



**RUHAANII MILK PRODUCER COMPANY LIMITED**

**CIN: U01114PB2016PTC045813**

**Regd Office: SH No. 16, First Floor Arvind Nagar, College Road Mansa -151505**

**Email: mansa.mpc@gmail.com**

ATTENDANCE SLIP

Folio No: .....

Member

Code:

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I hereby record my presence at the 6th Annual General Meeting of the Ruhaanii Milk Producer Company Limited held on .....

Name of the Shareholders.....

Name of Proxy ..... (in case of proxy attending the meeting)

To attend: \_\_\_\_\_

To attend and Vote: \_\_\_\_\_

Signature of the Shareholder/Proxy\*

\*strike out whichever is not applicable



**RUHAANII MILK PRODUCER COMPANY LIMITED**

**CIN: U01114PB2016PTC045813**

**Regd Office: SH No. 16, First Floor Arvind Nagar, College Road Mansa -151505**

**Email: mansa.mpc@gmail.com**

PROXY FORM

Folio No .....

Member  
Code:

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I.....  
 residing at.....being member of Ruhaanii Milk Producer Company Limited , hereby appoint Mr/Mrs.....having Folio no.....residing at .....or failing him/her Mr/Mrs. ....having Folio no.....residing at .....as my proxy to vote for me and on or my behalf at the 6th Annual General Meeting of the Company to be held ..... at ..... , or at any adjournment thereof.

Signed this ..... day of .....2021



Signature

To attend: \_\_\_\_\_

To attend and Vote: \_\_\_\_\_

Note: The proxy form must be returned to reach the **Registered** Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. Proxy need to be a member.

**RUHAANII MILK PRODUCER COMPANY LIMITED**

**CIN: U01114PB2016PTC045813**

**Regd Office: SH No. 16, First Floor Arvind Nagar, College Road Mansa -151505**

**Email: mansa.mpc@gmail.com**

**ACKNOWLEDGEMENT SLIP**

Folio No

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I ..... Resident  
..... is a member  
of Ruhaanii Milk Producer Company Limited. I have received Notice & Annual Report of  
6<sup>th</sup> Annual General Meeting sent by the Company.

**Signature of the Member**

**Date:**  
**Place:**

**Budget for FY 2020-21****REVENUE BUDGET**

S.No.	Particulars	UoM	Proposed Budget FY 21-22
(I)	Milk Procurement Qty	(KGPD)	64,688
(II)	Revenue from Milk Operations	(Rs. In Lakhs)	10,575.08
(III)	Producer Price	(Rs. In Lakhs)	9,396.02
(IV)	Sahayak Margin	(Rs. In Lakhs)	253.28
(V)	Logistic Cost	(Rs. In Lakhs)	441.95
(VI)	Other Milk Procurement Cost	(Rs. In Lakhs)	281.0.
(VII)	Fixed Cost	(Rs. In Lakhs)	187.75
(VIII)	Profit/(Loss) from Milk Operation before Grant Support	(Rs. In Lakhs)	15.08
(IX)	Grant Support -Milk Operations	(Rs. In Lakhs)	-
(X)	Profit/(Loss) from Milk Operation after Grant Support	(Rs. In Lakhs)	15.08
(XV)	Other Income	(Rs. In Lakhs)	18.76
(XVI)	Profit/(Loss) Before Tax	(Rs. In Lakhs)	33.84

**CAPEX BUDGET**

S.No.	Particulars	UoM	Proposed Budget FY 21-22
<b>A</b>	<b>Milk Operation</b>		
(I)	MPP SET UP COST	(Rs. in Lakhs)	1.96
(II)	CANS	(Rs. in Lakhs)	7.93
(III)	HO SET UP	(Rs. in Lakhs)	-
(IV)	ICT	(Rs. in Lakhs)	16.97
(V)	DPMCU	(Rs. in Lakhs)	54.13
(VI)	BMC Accessories	(Rs. in Lakhs)	-
(VII)	Cluster Officer Set up	(Rs. in Lakhs)	-
	<b>Capex -Milk Operations</b>	(Rs. in Lakhs)	80.98
(VIII)	Capex Grant Support -Milk Operations	(Rs. in Lakhs)	-

I	Total Capex	(Rs. in Lakhs)	80.98
II	Total Capex grant	(Rs. in Lakhs)	80.98

**MINUTES OF THE 5<sup>th</sup> ANNUAL GENERAL MEETING OF RUHAANII MILK PRODUCER COMPANY LIMITED HELD ON MONDAY, 14<sup>TH</sup> DAY OF DECEMBER 2020 AT MEHAK RESORT, MANSA, PUNJAB-151505, COMMENCED AT 11.30 A.M. CONCLUDED AT 12:15 P.M.**

**PRESENT:**

**Board of Directors**

- |                              |                              |
|------------------------------|------------------------------|
| 1. Shri Sher Singh           | : Chairman & Shareholder     |
| 2. Shri Sukhjinder Singh     | : Director & Shareholder     |
| 3. Shri Gurpreet Singh       | : Director & Shareholder     |
| 4. Shri Balkaran Singh       | : Director & Shareholder     |
| 5. Shri Baljinder Singh      | : Director                   |
| 6. Shri Brajesh Narain Singh | : Director                   |
| 7. Shri Shailesh Pandey      | : Chief Executive & Director |

**Company Secretary**

Shri Amritpal Singh

**Members**

In person : 26 members in person holding 1,348 equity shares.  
Through proxy: 3,439 shareholders were present through proxy holding 47,268 shares.

In total 3,465 members were present holding 47,268 shares

- A. Shri Sher Singh took the Chair
- B. Company Secretary, Shri Amritpal Singh declared the quorum present in terms of article 11.6 of Articles of Association of the Company. He stated that the Register of Proxies, Member's Register and the Register of Directors' shareholding were available and open for inspection. The meeting was then called to order.
- C. The Chairman welcomed the Members and Directors to the 5<sup>th</sup> Annual General meeting of the Company.
- D. With the unanimous consent of the members present, the Notice convening the 5<sup>th</sup> Annual General Meeting having already been circulated to the members was taken as read.
- E. Thereafter, the Chairman in his speech briefed the meeting about the operation of the company and activities to be carried out by the Company.

Thereafter, Chairman took up the items of Agenda of the meeting:

After concluding the address to the members, the Chairman directed the meeting to transact the business as set out in the Notice of 5<sup>th</sup> AGM.

The meeting transacted the following businesses:

**1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2020 and the Profit and Loss Account for the period ended on that date and the Directors' and Auditors' report thereon.**

- 1.1 Shri Balkaran Singh (Folio No 0004362) proposed the following resolution as an Ordinary Resolution:

**RESOLUTION NO.: 01/5th AGM: 14.12.2020/2019-20.**

**“RESOLVED that** the audited Balance Sheet as at 31<sup>st</sup> March 2020 and the Profit and Loss Account for the period ended on that date together with Schedules and notes forming part thereof and the Directors and Auditors report of the Company, be and are hereby approved and adopted”.

Shri Makhan Singh (Folio No.:0003010) seconded the resolution.

The Chairman put the motion to vote and on a show of hands declared the same as carried unanimously.

**2. To consider and appoint a director in place of Shri Angrej Singh (DIN 08200696), who retires by rotation and being ineligible to not to offer himself for re-appointment.**

- 2.1 Shri Jagdev Singh (Folio No 0001912) proposed the following resolution as an Ordinary Resolution:

**RESOLUTION NO.: 02/5th AGM: 14.12.2020/2019-20.**

**“RESOLVED THAT** Shri Angrej Singh (DIN 08200696), a director, who retires at this meeting by rotation, and being ineligible does not offer himself for re-appointment, be and is hereby not re-appointed and the resulting vacancy be not filled up”.

Shri Rajwinder Singh (Folio No.:0000538) seconded the resolution.

The Chairman put the motion to vote and on a show of hands declared the same as carried unanimously.

**3. To consider and appoint a Director in place of Shri Sukhjinder Singh (DIN 08199126) who retires by rotation and being eligible for re-appointment offers himself for re-appointment.**

- 3.1 Shri Basant Singh (Folio No 0001142) belonging to class- C proposed the following resolution as an Ordinary Resolution

**RESOLUTION NO.: 03/5th AGM: 14.12.2020/2019-20**

**“RESOLVED THAT** Shri Sukhjinder Singh (DIN 08199126) a director, representing Class- C of the members of the company, who retires at this meeting by rotation, and being eligible and offer himself for re-appointment be and is hereby re-appointed as director liable to retire by rotation.”

Shri Sukhdeep Singh (Folio No.:0003375) belonging to class- C seconded the resolution.

The Chairman put the motion to vote and on a show of hands declared the same as carried unanimously.

**4. To consider & approve the Budget of the Company for the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March, 2021.**

- 4.1 Shri Ramesh Kumar (Folio No: 0003271) proposed the following resolution as an Ordinary Resolution

**RESOLUTION NO.: 04/5th AGM: 14.12.2020/2019-20**

**“RESOLVED THAT** the Budget of the Company for the period from 1st April 2020 to 31st March 2021, as laid before the annual general meeting be and is hereby approved”.

Shri Roop Singh (Folio No: 000245) seconded the resolution.

The Chairman put the motion to vote and on show of hands declared the same as carried unanimously.

**5. To appoint Statutory Auditors, and to fix their remuneration.**

- 5.1 Shri Gurmeet Singh (Folio No.: 0003904) proposed the following resolution as an Ordinary Resolution:

**RESOLUTION NO.: 05/5th AGM: 14.12.2020/2019-20**

**“RESOLVED that** M/s S.N Dhawan & Co. LLP, New Delhi, Chartered Accountants, (Firm Registration No 000050N) be and are hereby appointed as Statutory Auditors of the company, to hold the office till the conclusion of the next annual general meeting at a remuneration of Rs. 81,000/- plus applicable taxes and reimbursement of actual out of pocket expenses.”

Shri Darshan Ram (Folio No.: 0002999) seconded the resolution.

The Chairman put the motion to vote and on show of hands declared the same as carried unanimously.

**6. To consider and recommend to the shareholders for the approval of alteration in main objects of the Company.**

- 6.1 Shri Bhagwant Singh (Folio No.: 0002657) proposed the following resolution as a Special Resolution:

**RESOLUTION NO.: 06/5th AGM: 14.12.2020/2019-20**

**“RESOLVED THAT**, pursuant to the relevant provisions of Part IX-A of the Companies Act, 1956, and other applicable provisions, if any, of the Companies Act, 1956 and Section 13 of the Companies Act, 2013 (together with any statutory modification or re-enactment thereof for the time being in force), the applicable provisions of the Memorandum and Articles of Association of the Company and subject to the approval of shareholders and Central Government, the existing Clause III A. of Memorandum of Association of the Company be and is hereby altered by adding following new object as point 5 and renumbering the existing point 5 as new point 6.

“5. To carry on the business of purchasing, producing, processing, selling, trading, import, export etc. of primary produce and its derivatives including but not limited to edible oil, fruits and vegetables primarily of the members and also of others, marketing of the same and to deal in activities that are part of or incidental to any activity related thereto.”

RESOLVED further that, Chief Executive be and is hereby authorised to take all such steps and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and expedient and to settle any question, difficulty or doubt that may arise in this regard.”

Shri Gurnam Singh (Folio No.: 0003752) seconded the resolution.

The Chairman put the motion to vote and on show of hands declared the same as carried unanimously.

**7. To consider and recommend to the shareholders for the approval of alteration in Articles of Association of the Company.**

7.1 Shri Kuldeep Singh (Folio No.: 0003445) proposed the following resolution as a Special Resolution:

**RESOLUTION NO.: 06/5th AGM: 14.12.2020/2019-20**

“RESOLVED THAT pursuant to Sec. 581-I, 581-ZQ, 581-ZR and other applicable provisions of Part IX-A of the Companies Act, 1956 including Sec. 31 (together with any statutory modification or re-enactment thereof for the time being in force including the provisions if and to the extent applicable mutatis mutandis or otherwise of the Companies Act, 2013), Articles of the Company be and are hereby altered in the manner and to the extent following:

1. The existing Article 9.5 i. be altered to read as under.

The number of positions on the Board representing each class of members, to the extent possible, shall be based on patronage of the respective class. However, this requirement stands waived off till the 7th Annual General Meeting of the Company

2. The existing Article 9.6 ii. be altered to read as under;

Any vacancy on the Board to be filled at the Annual General Meeting shall be based on the recommendation of the Nominating Committee appointed by the Board.

However, this provision shall be in vogue after 7th AGM of the Company and till such time the vacant position shall be filled based on the recommendation of the Board of the Company

3. The existing Article 9.7 be altered to read as under;

To fill the vacant position(s) on the Board or otherwise, the Board may co-opt Additional Director(s) or Director to fill the casual vacancy provided that the member identified to fill the casual vacancy has fulfilled the membership continuation criteria at least for two preceding financial years and the Additional Director or Director so appointed shall hold office till the next Annual General Meeting of the Company or for a shorter period if the Board decides so at the time of appointment. However, such a person cannot be co-opted to fill the vacant position on the Board in two subsequent years.

Further, the requirement of 'membership continuation criteria at least for two preceding financial years' shall be effective from the conclusion of 7th Annual General Meeting of the Company.

4. The existing Article 11.6 (i) c be altered to read as under;

No person shall be appointed a proxy unless he/she is a Member. "A member appointed as proxy shall act on behalf of such member or number of members not exceeding three hundred and holding in the aggregate not more than ten percent of the share capital of the company".

RESOLVED FURTHER THAT the Chief Executive be and is hereby authorised to file necessary forms with the Registrar of Companies and do all such acts, deeds, matters and things and to sign and execute all such documents as may be necessary to give effect to this resolution."

Shri Avtar Singh (Folio No.: 0001666) seconded the resolution.

The Chairman put the motion to vote and on show of hands declared the same as carried unanimously.

**8. To consider and Increase Authorized Share Capital of the Company.**

- 8.1 Shri Sandeep Singh (Folio No.: 0003594) proposed the following resolution as a Special Resolution:

**RESOLUTION NO.: 06/5th AGM: 14.12.2020/2019-20**

**"RESOLVED THAT**, pursuant to the relevant provisions of Part IX-A of the Companies Act, 1956, in particular Sections 581H, 581ZQ, 581ZR and other applicable provisions, if any, of the Companies Act, 1956, including its Sections 16 & 94 (together with any statutory modification or re-enactment thereof for the time being in force including the provisions, if and to the extent applicable mutatis mutandis or otherwise, of the Companies Act, 2013) and the applicable provisions of the Memorandum and Articles of Association of the Company, the Authorised Share Capital of the Company be increased from Rs. 2,00,00,000 (Rupees Two Crore) divided into 2,00,000 (Two Lakh) Equity Shares of Rs.100/- (Rupees One Hundred) each to Rs. 5 Cr (Rupees Five Crore Only) divided into 5 Lacs (Five Lacs) Equity Shares of Rs.100/- (Rupees One Hundred) each by the creation of an additional 3,00,000 (Three Lakh) Equity Shares of Rs.100/- (Rupees One Hundred) each.

RESOLVED further that, the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause VI thereof by the following new Clause

"VI. The Authorized Share Capital of the Company is Rs. 5,00,00,000 (Rupees Five Crore Only) divided into 5,00,000 (Five Lakh) equity Shares of Rs.100/- (Rupees One Hundred) each."

RESOLVED further that for the purpose of giving effect to this resolution, the Chief Executive be and is hereby authorized to take all such steps as it may in its absolute discretion deem necessary and expedient and to settle any question, difficulty or doubt that may arise in this regard."

Shri Rajwant Singh (Folio No.: 0002039) seconded the resolution.



The Chairman put the motion to vote and on show of hands declared the same as carried unanimously.

**9. To consider and appoint Shri Shri Balkaran Singh as a Director.**

9.1 Shri Pargat Singh (Folio No.: 0002312) belonging to class- C proposed the following resolution as an Ordinary Resolution:

**RESOLUTION NO.: 06/5th AGM: 14.12.2020/2019-20**

**“RESOLVED THAT** Shri Balkaran Singh (DIN 08929775)- representing Class- C who was appointed as an additional director on the Board of Directors of the Company w.e.f. 21st October, 2020 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company, whose period of office shall be liable to retire by rotation.”

Shri Jagchanan Singh (Folio No.: 0000781) belonging to class- C seconded the resolution.

The Chairman put the motion to vote and on show of hands declared the same as carried unanimously.

**10. To appoint Shri Rajbhinder Singh as Director of the Company.**

10.1 Shri Gurdas Singh (Folio No.: 0000019) belonging to class- B proposed the following resolution as an Ordinary Resolution:

**RESOLUTION NO.: 06/5th AGM: 14.12.2020/2019-20**

**“RESOLVED THAT** in accordance with the provisions of Chapter IX A of the Companies Act, 1956 read with section 152 and other applicable provisions of the Companies Act, 2013 if any, Shri Rajbhinder Singh (Folio 03015)- representing Class- B be and is hereby appointed as Director of the Company, from the date Director Identification Number (DIN) is allotted by Ministry of Corporate Affairs whose period of office shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** Chief Executive be and is hereby authorized to do all such acts, deeds and things required to implement this resolution.”

Shri Jagtar Singh (Folio No.: 0004157) belonging to class- B seconded the resolution.

The Chairman put the motion to vote and on show of hands declared the same as carried unanimously.

**11.** There being no other business to transact at the meeting, the meeting concluded with a vote of thanks to the Chair.

**Date: 23<sup>rd</sup> Decemebr 2020**  
**Place : Mansa**

**Chairman**  
**Sher Singh**

## DIRECTORS' REPORT

### TO THE MEMBERS OF

### RUHAANII MILK PRODUCER COMPANY LIMITED

The Directors are pleased to present before you Fifth (5th) Annual Report on the operations of the Company along with the Audited Accounts for the year ended March 31st, 2021.

The company was incorporated on October 21<sup>st</sup> 2016 as a Producer Company under the provisions of Part IXA of the Companies Act, 1956 in the state of Punjab to undertake the business of pooling, purchasing, processing of milk of the members, marketing of the same and to deal in the activities that are of or incidental to any activity related thereto.

### **FINANCIAL RESULTS:** -

The Company's financial performance, for the period ended March 31, 2021, is summarised below:

#### **(Rs. In Crores)**

<b>Particulars</b>	<b>For the year ended on 31<sup>st</sup> March 2021 (Amount in Lakh)</b>	<b>For the year ended on 31<sup>st</sup> March 2020 (Amount in Lakh)</b>
Revenue from Operations	64,77,86,661.00	20,92,96,953.00
Other income	79,61,648.00	11,21,994.00
<b>Total Revenue</b>	<b>65,57,48,309.00</b>	<b>21,04,18,947.00</b>
Total Cost including expenses	64,10,70,488.00	20,91,80,543.00
Profit / Loss Before Tax	1,46,77,821.00	12,38,404.00
Tax Expense		
(1) Current Tax	25,58,930.00	2,03,060.00
(2) Deferred Tax	-	-
Net Tax Expense	25,58,930.00	2,03,060.00
<b>Profit/ (Loss) after Tax</b>	<b>1,21,18,891.00</b>	<b>10,35,344.00</b>

It gives us an immense pleasure to inform that, during the year under review, the Company has achieved a turnover of Rs. 64.77 Crore.

### **STATEMENT OF THE COMPANY'S AFFAIRS:** -

During the year under review (FY 2020-21), the total revenue generated increased to Rs. 65.57 Crore as against Rs. 21.04 Crore of previous year, registering a growth of 212 %. The total cost including expenses increased to Rs. 64.10 Crore as against Rs. 20.91 as resulted a profit before tax (PBT) of Rs. 1.46 Crore and net profit after tax (PAT) of Rs. 1.21 Crore.

The earnings per share (EPS) on an Equity share having a face value of Rs. 100/- stands at Rs. 71.52 /- considering the total Equity Capital of Rs. 1.69 Crore.

## **LIMITED RETURN (DIVIDEND):-**

The Milk Producer Company (MPC) has a consistent track record of declaration of dividend on the share capital to the members. Looking at the profit earned by the Company, the Directors of your Company in their meeting held on 08<sup>th</sup> September 2021, recommended dividend of Rs. 7 /- per share on the Equity share capital of Rs. 1.69 Crore. The dividend, subject to the approval of Members at the ensuing 6th Annual General Meeting, will be paid to those Members whose names appear on the Register of Members as on 31.03.2021.

The Dividend at Rs 7 /- per Equity Share for the financial year will be Rs 11,86,129/-

## **TRANSFER TO GENERAL RESERVE**

The Board proposes to transfer Rs 1,09,32,762/- out of the profit after tax of the Company for the financial year 2020-21 to the credit of General Reserve in terms of relevant provisions of the Articles of Association of the Company read with Section 378ZI of the Companies Act, 2013.

## **REVIEW OF OPERATIONS:**

### ***MILK PROCUREMENT:***

The Company's milk procurement operations continue to remain extended in 334 villages of Mansa & Bathinda districts of Punjab and Hissar, Sirsa & Fatehabad district of Haryana through its one BMC and three MCC's. During the year, the Company has procured 43,103 KgPD of liquid milk (Total Quantity: 1,52,74,604 Litres).

By the end of the financial year, the Company had enrolled 9960 members. The members have shown their confidence in the working of the Company with year-on-year growth in membership. This healthy indicator reflects the onset of the growth saga of the Company, which will certainly reach higher peaks in years to come with the mutual assistance and support of more and more active members.

To encourage the members to pour milk regularly in the Company, the Company has paid incentive of 31.93 Lakhs to its members.

As regards procurement prices, the Company continues to pay competitive and remunerative prices to its members towards the milk being supplied by them.

The Company is continuously endeavoring to maximize milk procurement from its members by enhancing efficiencies and taking cost reduction measures like reduce the logistics cost, better supervision, quality checks and better logistic controls etc.

### ***QUALITY INITIATIVE:***

All Milk chilling Centres (MCCs) & Bulk Milk Cooler (BMC) under use are well equipped with the basic testing facilities and instruments for quality testing of raw milk. Towards ensuring and maintaining high quality levels in the operations of the Company, the Company has provided and is continuously providing technical support and trainings to all the concerned with emphasis on hygiene which are directly connected to the quality of milk.

## **PRODUCTIVITY ENHANCEMENT SERVICES**

### **CATTLE FEED**

The Company sold about 313.79 MT Cattle Feed during the year under review.

### **MINERAL MIXTURE**

The Company has developed Mineral Mixture in the brand name of the Company considering the available fodder, climate and feeding habits in area of operations and is providing to producers at a competitive price for improvement in health, milk production and reproduction of milch animals.

The Company sold about 7.60 MT Mineral Mixture during the year under review

### **PRODUCER INSTITUTION BUILDING (PIB):**

PIB strengthens the business through better governance and member centric approach. The efforts are directed to increase membership and member participation in business of the company resulting in better economies of scale.

The PIB activities differentiate the Producer Company from the other players in the dairy sector mainly through its open and transparent governance systems and member's contribution towards equity in proportion to their patronage.

### **MPCs Core Design Principles:**

Core Design Principles were strictly observed. Business dealings were restricted only with members. Active user membership and their participation in business and governance were encouraged through member education and awareness building programs. It has resulted in most of the active members having fulfilled the matching share capital contribution during the year.

Appropriate mechanism is being initiated for member communication and grievance redressal through constitution of informal groups at village level who meet on periodic basis for ensuring two-way communication between members and the Company, thereby, addressing the member grievances. The employees are also imparted behavioural and motivational training for managing business operations efficiently and achieve economy of scale required to ensure viability and self-sustenance at the earliest.

### **Training & Capacity Building Programs:**

Members were imparted training on various awareness programs related to dairying so that they understand their roles and responsibilities. The training programs from time to time are organized covering members, potential members, Board members and employees. Major training programs conducted during the year 2020-21 were:

S.N.	Training Programmes	Nos. of Training Conducted	No of Participants Trained
1	Producer Awareness Programme	81	1782
2	Quality and Clean Milk Production Programme	20	455
3	Orientation Programme- VCG	20	110

4	Orientation Programme-MRG	13	105
5	Training of BMC/MCC Staff	1	6
6	Sahayak orientation program	10	250
7	Director Training Programme	1	5

### **CHANGE IN NATURE OF BUSINESS**

There is no change in the nature of business of company during the year under review.

### **MATERIAL CHANGES AND COMMITMENTS**

During the Year 2020-21 there are no material changes or commitments affecting the financial position of the Company which have occurred after March 31, 2021 till the date of this report. There are no significant and material orders passed by the Regulators and Courts that would impact the going concern status of the Company and its future operations.

### **CAPITAL STRUCTURE & ISSUE OF SHARES AND MEMBERSHIP**

Company has not made any changes in its Authorized share capital during the year, the Authorized share capital of the Company stood at Rs. 5 Crore as on 31st March, 2021. Company has issued 1,69,447 equity shares of Rs. 100/- each during the year. Hence, subscribed and paid up share capital of the Company stood at Rs. 1.69 crore as on 31st March, 2021.

Apart from above, Company has cancelled 10,402 nos shares of 885 members on account of surrender/cancellation of membership and has re-issued the said surrendered/ cancelled shares to new and existing members during the year.

Apart from above, Company has not issued any equity shares or preference shares or any securities which carry a right or option to convert such securities into shares.

As at March 31, 2021, Company had a total membership base of 9,960 members. After March 31, 2021, Company has enrolled 1101 new members and the membership of 313 members have been surrendered/cancelled. Therefore, the total number of members as on the date of this report stands at 10,748 members.

### **VOTING RIGHTS & ATTENDANCE AT AGM**

Those milk producers, who were members as on date of this report shall be entitled to attend the AGM.

The voting rights shall be based on a single vote for every member who has poured milk for at least 200 days and 500 litres in the financial year 2020-21.

### **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

During the year under review no amount of unpaid/unclaimed dividend was required to be transferred to Investor Education Protection Fund (IEPF) pursuant to the requirement of section 124(5) of the Companies Act, 2013.

**BOARD OF DIRECTORS: -****a) Composition of the Board**

1.	Mrs. Kanta Devi	:	(Din: 09151567)
2.	Mr. Sher Singh	:	(Din: 08529224)
3.	Mr. Sukhwinder Singh	:	(Din: 08544199)
4.	Mr. Sukhjinder Singh	:	(Din: 08199126)
5.	Mr. Gurpreet Singh	:	(Din: 07850152)
6.	Mr. Rajbhinder Singh	:	(Din: 08996372)
7.	Mr. Balkaran Singh	:	(Din: 08929775)
8.	Mr. Surender	:	(Din: 09151648)
9.	Mr. Brajesh Narain Singh	:	(Din: 08019957)
10.	Mr. Baljinder Singh	:	(Din: 07868463)
11.	Mr. Vikas Kumar	:	(Din: 09298961)

**b) Board Meetings**

The Board meets periodically for the transactions of business of the Company and during the year under consideration five Board meetings were held as under:

Board Meeting no.	Date of Board Meeting	Board Strength	No. of Directors Present
18th	22-07- 2020	9	6
19th	29-09-2020	9	7
20th	11-11-2020	10	6
21st	08-03-2021	9	7
22nd	31-03-2021	9	8

**c) Change in Directorship**

Shri Angrej Singh retired as Director of the Company with effect from 14<sup>th</sup> December, 2020. Shri Resham Singh resigned as director of the company with effect from 15<sup>th</sup> December 2020. Shri Shailesh Pandey resigned as director of the company w.e.f 27.08.2021. The Board places on record its appreciation of services rendered by them during their tenure as Directors.

Shri Rajbhinder Singh and Shri Balkaran Singh were appointed as Directors on the Board of the Company with effect from 14<sup>th</sup> December, 2020. Shri Sukhjinder Singh was re-appointed as Director of the Company with effect from 14<sup>th</sup> December, 2020. Shri Surender and Smt Kanta Devi were appointed as additional director in the company with effect from 19<sup>th</sup> April 2021. Shri Vikas kumar was appointed as the Chief Executive and director of the company w.e.f 30.08.2021.

**TRAINING OF BOARD MEMBERS: -**

During the report period, the directors have undergone Refressal Training Programme. This has increased their awareness about the functioning of the Company thus enabling them to take up their leadership role in a more involved and informed manner.

## **DIRECTORS' RESPONSIBILITY STATEMENT: -**

As required under Section 134(5) of Companies Act, 2013 ('Act'), Directors confirm that:

- a) in the preparation of annual accounts, the applicable accounting standards have been followed by the Company;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2021 and of the profit of the Company for the period ended on that date.
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the directors have prepared the annual accounts on a going concern basis.
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **COMMITTEE**

### ***Stakeholders Relationship Committee***

Pursuant to requirement of section 178(5) of the Companies Act, 2013, Stakeholders Relationship Committee was constituted by the Board to resolve the grievance of shareholders of the Company. The Committee consists of:

Shri Sher Singh, Chairman;  
Shri Shailesh Pandey, Member;  
Shri Gurpreet Singh, Member;

The Committee was constituted on 31st March, 2021. Hence, no meeting was held during the year.

### **COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES.**

The provisions of section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

### **Frauds reported by Auditor**

During the year of review, statutory auditor did not find any instance of fraud under sub-section (12) of section 143 of the Companies Act, 2013

**INTERNAL CONTROL SYSTEM AND AUDIT: -**

The Company has in place the proper and adequate internal control system, which ensures that all assets are safeguarded and protected and the transactions are authorized, recorded and reported correctly. The internal audit of accounts is conducted regularly by the external firm of Chartered Accountants viz., M/s. Ray & Ray, Chartered Accountants. The Internal Auditors independently evaluate the adequacy of internal controls and carryout the audit.

**HUMAN RESOURCE: -**

People are the assets and have been instrumental in driving the Company's performance. Their passion, commitment, sense of ownership and teamwork has enabled the Company to achieve growth. The Company has always striven to offer a positive, supportive, open and high-performance work culture and environment where innovation is encouraged, performance is recognised and employees are motivated to realise their true potential.

**PARTICULARS OF EMPLOYEES: -**

During the year under report, none of the employees of the Company were in receipt of remuneration equal to or exceeding limit as prescribed under the Companies Act.

**SAFETY AND HEALTH: -**

Your Company provides a safe and healthy workplace for its employees. There is always focus on the health and safety of employees, especially those physically handling the milk. Regular medical check-ups and necessary training is provided to employees.

**INFORMATION TECHNOLOGY: -**

Information technologies provides support to various functions of the Company and help in making the system streamline and online. The key focus of IT is to provide appropriate technologies to improve efficiency in operations, enable informed decision making and thereby to increase revenue. IT interventions in our Company are making the systems streamlined and online.

**HOLDING/SUBSIDIARY/ASSOCIATE COMPANIES**

The Company does not have any holding/subsidiary/associate Companies.

**DEPOSITS**

No disclosure or reporting was required in respect of the details relating to deposits covered under the Companies Act, 2013 as there were no deposits during the financial year 2020-21.



## **PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS**

The Company has not made any Investment, given guarantee and securities during the year under review. Therefore, no need to comply provisions of section 186 of Companies Act, 2013.

## **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year ended 31st March, 2021 were on an arm's length basis and were in the ordinary course of business. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons. Thus, disclosure in Form AOC-2 is not required. However, the disclosure of transactions with related party for the year, as per Accounting Standard -18 Related Party Disclosures is given in Notes to the Balance Sheet as on 31st March, 2021.

## **RISK MANAGEMENT POLICY**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. These procedures are reviewed to ensure that management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, financial, human, and statutory compliance etc.

M/s. Ray & Ray, Internal auditors in their reports give their risk assessment on various issues and these reports are periodically presented and discussed at the board meetings.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO: -**

Particulars required to be furnished pursuant to Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:

(i) Part A and B of the Rules pertaining to Conservation of energy and Technology absorption are presently not applicable to the Company.

(ii) Foreign Exchange earnings and outgo: Earnings – Nil; Outgo - Nil.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

## **AUDITORS:-**

Statutory Auditors of the Company M/s S.N. Dhawan & Co., Chartered Accountants, hold office until the conclusion of the ensuing Annual General

Meeting and being eligible offer themselves for re-appointment until the conclusion of 11th Annual General Meeting of the Company to be held in the Year 2026.

As required under the provisions of section 139(1) of the Companies Act, 2013, the Company has received a written consent from M/s S.N. Dhawan & Co., Chartered Accountants, Chartered Accountant to their appointment and a certificate, to the effect that their re-appointment, if made, would be in accordance with the new Act and the Rules framed there under and that they satisfy the criteria provided in Section 141 of the Companies Act, 2013.

Your directors recommend the re-appointment of M/s S.N. Dhawan & Co., Chartered Accountants as Statutory Auditors of the Company at the ensuing Annual General Meeting for a period of five year.

#### **COST RECORD**

The provision of Cost audit as per section 148 is not applicable to the Company.

#### **BOARDS' COMMENT ON THE AUDITORS' REPORT**

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not calls for any further comment.

#### **INTERNAL FINANCIAL CONTROL: -**

Pursuant to the applicable provision of the Companies Act, the Company has adequate internal financial control systems in place.

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

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder and has implemented secure workplace policy. During the financial year 2020-21, no complaint has been received by the Company in this regard.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of section 135 of the Companies Act, 2013 regarding corporate social responsibility are not applicable to the Company.

#### **VIGIL MECHANISM**

Provisions related to vigil mechanism are not applicable to the Company.

#### **INSOLVENCY AND BANKRUPTCY CODE, 2016**

There have been no application made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year ended 31st March, 2021.

#### **APPLICABILITY OF COMPANIES ACT, 2013**

The Company being a Producer Company was governed by the provisions of part IX-A of the Companies Act, 1956 up to 10th February, 2021. Thereafter, Chapter XXI-

A relating to Producer Companies of Companies Act, 2013 was notified by the Central Government w.e.f 11th February, 2021. Upon the said notification, Chapter XXI-A of the Companies Act, 2013 became the guiding law for Producer Companies. Consequently, Company started complying with the provisions of the Companies Act, 2013 since then.

### **APPRECIATIONS AND ACKNOWLEDGMENTS**

The Board of Directors wish to convey their appreciation to members, business associates for their support and contribution during the period under review. The Directors would also like to thank employees, bankers and both internal and statutory auditors for their continued support to the Company.

We wish to convey our profound gratitude to National Dairy Development Board, NDDDB Dairy Services, Mother Dairy Fruit & Vegetable Private Limited for their co-operation and support during the year.

For and on Behalf of the Board of  
Directors

Place: Sirsa  
Date: 08<sup>th</sup> September, 2021

Sd/-  
Sher Singh  
Chairman & Director  
Din: 08529224

# INDEPENDENT AUDITOR'S REPORT

To the Members of  
**RUHAANII MILK PRODUCER COMPANY LIMITED**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of **RUHAANII MILK PRODUCER COMPANY LIMITED** ("the Company"), which comprise the balance sheet as at 31 March, 2021, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2021, and profit, and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 ("the ICAI") 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

Information Other than the Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises of the Director's Report, which we obtained on the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 these financial statements.

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 financial statements, 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 statements 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 financial statements, including the disclosures, and whether the financial statements 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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) This report does not include Report on the internal financial controls with reference to financial statements under clause (i) of sub - section 3 of Section 143 of the Act (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls with reference to financial statements is not applicable to the Company basis the exemption available to the Company under Ministry of Corporate Affairs ('MCA') notification no. G.S.R. 583(E) dated 13 June 2017, read with corrigendum dated 13 July 2017 on reporting on internal financial controls.
  - (g) In our opinion and to the best of our information and according to the explanations given to us and according to subsection (5) of section 378 C of the Companies Act, 2013, this being a producer company registered under PART XXIA of Companies Act 2013 is considered as Private Company, accordingly the Company being a private company, Section 197 of the Act related to the managerial remuneration not applicable.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position – Refer Note 26(d) to the financial statements
    - ii. The Company did not have any long-term contract including derivative contract for which there were any material foreseeable losses– Refer Note 26(e) to the financial statements;
    - iii. There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company– Refer Note 26(c) to the financial statements

3. As per section 378ZG of the Part XXIA of the Companies Act, 2013, we give in the 'Annexure B' a statement on the matters specified in the that section.

For **S.N. Dhawan & CO LLP**  
Chartered Accountants  
Firm Registration No.: 000050N/N500045

Vinesh Jain  
Partner  
Membership No.: 087701  
UDIN: 21087701AAAAFS2093

Place: Gurgaon  
Date: 08-09-2021

## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **RUHAANII MILK PRODUCER COMPANY LIMITED** on the financial statements as of and for the year ended 31 March, 2021)

- (i) In respect of its property, plant and equipment's:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us, the Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and according to the information and explanations given to us, no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) According to the information and explanations given to us, other than certain delay in payment of goods and service tax and income tax, the Company is generally regular in depositing undisputed statutory dues including cess, and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

We are informed that the operations of the Company during the year did not give rise to any liability for, Sales Tax, VAT, Customs Duty and Excise Duty.

- (b) According to the information and explanations given to us, there are no dues in respect of income-tax, and Goods and Services Tax that have not been deposited with the appropriate authorities on account of any dispute. The operation of the Company did not give rise to Sales Tax, VAT, Customs Duty and Excise Duty.



- (viii) In our opinion and according to the information and explanations given to us, the Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, Section 197 of the Act related to the managerial remuneration not applicable.
- (xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) The Company is registered under Chapter XXIA of the Companies Act, 2013 and hence reporting under clause (xiv) of CARO 2016 is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause3 (xv) of the order are not applicable.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause3 (xvi) of the order are not applicable.

For **S.N. Dhawan & CO LLP**  
Chartered Accountants  
Firm Registration No.: 000050N/N500045

Vinesh Jain  
Partner  
Membership No.: 087701  
UDIN: 21087701AAAAFS2093

Place: Gurgaon  
Date: 08-09-2021

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **RUHAANII MILK PRODUCER COMPANY LIMITED** on the financial statements as of and for the year ended 31 March, 2021)

- (i) The amount of debts due from sale of goods and services are disclosed in Note 13 to the financial statements. According to the information and explanations given to us no debts are considered as doubtful as of recovery.
- (ii) According to the information and explanations given to us, the company does not hold any cash on hand as at the year end. According to the information and explanation given to us, the Company does not hold and investment securities.
- (iii) The details of assets and liabilities as at 31 March, 2021 are as per financial statements of the Company as at end and for the year ended 31 March, 2021.
- (iv) In our opinion and according to the information and explanation given to us, the company has not done any transaction which appears to be contrary to the provisions of part XXIA of the Companies Act, 2013.
- (v) According to the information and explanation given to us, the Company has not granted any loan to its directors.
- (vi) According to the information and explanation given to us, the Company has not given any donations or subscriptions during the year.

For **S.N. Dhawan & CO LLP**  
Chartered Accountants  
Firm Registration No.: 000050N/N500045

Vinesh Jain  
Partner  
Membership No.: 087701  
UDIN: 21087701AAAASF2093

Place: Gurgaon  
Date: 08-09-2021

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**BALANCE SHEET AS AT 31 MARCH, 2021**  
**CIN: U01114PB2016PTC045813**

	Note No.	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
<b>Equity and liabilities</b>			
<b>1 Shareholder's funds</b>			
a. Share capital	3	16,944,700	4,942,800
b. Reserves and surplus	4	14,498,698	2,379,807
		<b>31,443,398</b>	<b>7,322,607</b>
<b>2 Share application money pending allotment</b>	31	303,100	1,099,500
<b>3 Deferred grant</b>	5	43,017,031	27,874,855
<b>4 Non- current liabilities</b>			
a. Long-term provisions	9	615,975	502,922
<b>5 Current liabilities</b>			
a. Trade payables			
- Outstanding dues of micro enterprises and small enterprises	6		
- Outstanding dues of other than micro enterprises and small enterprises	6	31,830,330	18,708,302
b. Unutilised grant	7	3,041,675	-
c. Other current liabilities	8	7,692,709	17,599,137
d. Short term provisions	9	1,040,044	44,266
		<b>87,540,864</b>	<b>65,828,982</b>
<b>Total equity and liabilities</b>		<b>118,984,259</b>	<b>73,151,589</b>
<b>Assets</b>			
<b>1 Non-current assets</b>			
<b>a. Fixed assets</b>			
- Property, plant and equipment	10.1	42,276,986	21,746,794
- Intangible assets	10.2	620,142	491,507
- Capital work-in-progress	10.3	999,678	6,066,791
b. Long-term loans and advances	11	436,500	66,710
		<b>44,333,306</b>	<b>28,371,802</b>
<b>2 Current assets</b>			
a. Inventories	12	7,974,254	3,286,883
b. Trade receivables	13	29,689,770	20,396,334
c. Cash and bank balances	14	35,220,984	6,814,912
d. Short-term loans and advances	15	251,441	72,245
e. Other current assets	16	1,514,504	14,209,413
		<b>74,650,953</b>	<b>44,779,787</b>
		<b>118,984,259</b>	<b>73,151,589</b>

See accompanying notes forming part of the financial statements  
As per our report of even date attached

**For S. N. Dhawan & Co LLP**  
Chartered Accountants  
Firm's Registration No. 000050N/N500045

**For and on behalf of the Board of Directors**  
**Ruhaanii Milk Producer Company Limited**

**Vikas Kumar**  
Director and Chief Executive  
DIN:09298961

**Ajay Kumar**  
Assist. Manager Finance

**Vinesh Jain**  
Partner  
Membership No. 087701

**Sher Singh**  
Director  
DIN:08529224

**Amritpal Singh**  
Company Secretary

Place: Gurgaon  
Date: 8/9/2021

Place: Sirsa(Haryana)  
Date: 08-09-2021

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2021**  
**CIN: U01114PB2016PTC045813**

	<u>Note No.</u>	<u>For the year ended 31 March,2021</u>	<u>For the year ended 31 March,2020</u>
		<u>Rupees</u>	<u>Rupees</u>
1 Revenue from operations	17	647,786,661	209,296,953
2 Other Income	18	7,961,648	1,121,994
<b>3 Total Revenue (1 + 2)</b>		<b>655,748,309</b>	<b>210,418,947</b>
<b>4 Expenses</b>			
a. Cost of material consumed		3,473,373	-
b. Purchase of stock-in-trade	19	570,082,768	185,648,182
c. Procurement expenses	20	32,098,650	9,041,567
d. Changes in inventories of finished goods	21	(4,687,371)	(1,961,888)
e. Employee benefits expenses	22	10,921,720	6,135,126
f. Depreciation and amortisation expenses	23	161,968	33,174
g. Other expenses	24	29,019,380	10,284,382
<b>Total Expenses</b>		<b>641,070,488</b>	<b>209,180,543</b>
<b>5 Profit before tax (3 - 4)</b>		<b>14,677,821</b>	<b>1,238,404</b>
<b>6 Tax expenses</b>			
a. Current tax		2,558,930	203,060
b. Deferred tax		-	-
		<u>2,558,930</u>	<u>203,060</u>
<b>7 Profit for the year (5 - 6)</b>		<b>12,118,891</b>	<b>1,035,344</b>
<b>8 Earnings per equity share (of Rupees 100 per share):</b>			
a. Basic	25	164.26	39.34
b. Diluted	25	157.78	18.91

See accompanying notes forming part of the financial statements

As per our report of even date attached

**For S. N. Dhawan & Co LLP**  
Chartered Accountants  
Firm's Registration No. 000050N/N500045

**For and on behalf of the Board of Directors**  
**Ruhaanii Milk Producer Company Limited**

**Vikas Kumar**  
Director and Chief Executive  
DIN:09298961

**Ajay Kumar**  
Assist. Manager Finance

**Vinesh Jain**  
Partner  
Membership No. 087701

**Sher Singh**  
Director  
DIN:08529224

**Amritpal Singh**  
Company Secretary

Place: Gurgaon  
Date: 8/9/2021

Place: Sirsa (Haryana)  
Date: 08-09-2021

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March, 2021**  
**CIN: U01114PB2016PTC045813**

	For the year ended 31 March,2021	For the year ended 31 March,2020
	Rupees	Rupees
<b>A. Cash flow from operating activities</b>		
Profit before tax	14,677,821	1,238,404
Adjustment for :		
Depreciation and amortisation expenses	161,968	33,174
Interest income	(380,956)	(141,020)
<b>Operating profit before working capital changes</b>	<b>14,458,833</b>	<b>1,130,558</b>
<b>Adjustment for</b>		
Movements in working capital:		
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	13,122,025	8,471,156
Long-term provisions	113,053	266,765
Short term provisions	1,675	8,041
Other current liabilities	4,013,827	1,120,975
Adjustments for (increase) / decrease in operating assets:		
Inventories	(4,687,371)	(1,961,888)
Trade receivables	(9,293,436)	(11,520,536)
Long-term loans and advances	(51,000)	(11,000)
Short-term loans and advances	(179,196)	(32,455)
Other current assets	(1,416,404)	(97,066)
Cash from operations	<b>16,082,006</b>	<b>(2,625,450)</b>
Income tax paid (net)	(1,558,617)	(157,974)
<b>Net cash flow from/(used in) operating activities</b>	<b>14,523,389</b>	<b>(2,783,424)</b>
<b>B. Cash flow from investment activities</b>		
Purchase of property, plant and equipment	(35,749,589)	(92,397)
Other bank balances not classified as cash and cash equivalent	(7,454,653)	(7,119)
Interest Income	380,956	141,020
<b>Net cash flow from/(used in) investing activities</b>	<b>(42,823,286)</b>	<b>41,504</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares(net)	10,902,400	287,700
Proceeds from issue of share application money(net)	303,100	1,099,500
Proceeds from grants	43,308,000	-
Dividend paid (including tax)	-	(370,430)
Grant refunded	-	(3,232,772)
Utilisation of the grants for revenue expenditure	(5,300,098)	(248,551)
Interest income on grant	37,914	49,856
<b>Net cash flow from (used in) financing activities</b>	<b>49,251,316</b>	<b>(2,414,697)</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents</b>	<b>20,951,419</b>	<b>(5,156,617)</b>
Add: Opening balance of cash and cash equivalents	6,807,793	11,964,410
Closing balance of cash and cash equivalents	<b>27,759,212</b>	<b>6,807,793</b>
<b>Cash and cash equivalents comprises:</b>		
Balances with banks:		
in current accounts	27,759,212	6,807,793
Cash and cash equivalents as per cash flow statement	<b>27,759,212</b>	<b>6,807,793</b>

See accompanying notes forming part of the financial statements

As per our report of even date attached

**For S. N. Dhawan & Co LLP**  
Chartered Accountants  
Firm's Registration No. 000050N/N500045

**Vinesh Jain**  
Partner  
Membership No. 087701

Place: Gurgaon  
Date: 08-09-2021

**For and on behalf of the Board of Directors**  
**Ruhaanii Milk Producer Company Limited**

**Vikas Kumar**                      **Ajay Kumar**  
Director and Chief Executive    Assist. Manager Finance  
DIN:09298961

**Sher Singh**                      **Amritpal Singh**  
Director                              Company Secretary  
DIN:08529224

Place: Sirsa (Haryana)  
Date 08-09-2021

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**CIN: U01114PB2016PTC045813**

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## **1 Corporate Information**

Ruhaanii Milk Producer Company Limited ('the Company') was incorporated on 21 October, 2016, under Part IXA of the Companies Act, 1956 with the main object to carry on the business of pooling, purchasing, processing of milk and milk products primarily of the members, to provide technical and managerial services in the area of breeding, feed/fodder, veterinary services to increase milk production for the benefit of the members and to deal in activities that are part of or incidental to any activity related thereto.

## **2 Significant Accounting Policies**

### **2.1 Basis of Accounting**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the New Act").

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

All the assets and liabilities have been classified as current or non current as per the company's normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Based on the nature of services rendered by the Company and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 month for the purpose of current- non current classification of assets and liabilities.

### **2.2 Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### **2.3 Cash flow statement**

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statement', whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

For the purpose of cash flow statement, cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three month or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**CIN: U01114PB2016PTC045813**

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## 2.4 Revenue Recognition

Sales are recognised net of returns and trade discounts, on transfer of significant risk and rewards of ownership to the buyers, which generally coincides with the delivery of goods to customers.

## 2.5 Other income

Interest Income on deposits and admission fees from members are recognized on accrual basis.

## 2.6 Property, plant and equipment including intangibles

Property, plant and equipment and intangible assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost of property, plant & equipment and intangible assets comprises their purchase price net of any trade discounts and rebates, other taxes (others than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant & equipment up to the date asset is ready for its intended use. Subsequent expenditure on property, plant & equipment after its purchase is capitalized only if such expenditure results in an increase in future benefits from such asset beyond its previous assessed standard of performance.

### Capital work-in-progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

## 2.7 Depreciation and amortization

Depreciation on property, plant & equipment and intangible assets has been provided on straight line method (with out considering any residual value) as per the useful life of the assets, taking into account the nature of the asset, the estimated useful life of assets as estimated by the management, the operating condition of the asset, past history of replacements, anticipated technological changes, manufactured warranties and maintenance support etc. as under:

Description	Useful life
Plant and machinery	4 to 10 Years
Computer	3 Years
Furniture and fixtures	15 Years
Office equipment's	10 Years
Intangible assets	3 Years

Note:

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

## **2.8 Inventories**

Inventories comprises of trading good (milk). Inventories are valued at lower of cost and net realizable value after providing for obsolescence and other losses, wherever considered necessary. Cost is determined using First In First Out (FIFO) method. Cost includes all charges incurred in bringing the inventories to their present location and condition. Small tools, chemicals, stores and spares and consumables are charged to consumption as and when purchased.

## **2.9 Grants**

Grants and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and the grants/subsidies will be received. Grants related to depreciable Property, Plant & Equipment are treated as deferred grants which is recognised in the statement of profit and loss on a systematic and rational basis over the useful life of the asset i.e. depreciation charge on assets procured from such grants is appropriated from Deferred Grant and recognized in the statement of profit and loss by way of reduced depreciation charge.

Revenue government grants and subsidies are recognized as income over the periods necessary to match them with costs for which they are intended to compensate on a systematic basis.

## **2.10 Employee Benefits**

Employee benefits includes Provident Fund, Gratuity and Leave Encashment.

### **i. Defined Contribution Plans :**

The Company's contributions to provident fund is considered as defined contribution plan and are charged to the Statement of Profit and Loss based on the amount of contributions required to be made as and when services are rendered by the employees.

### **ii. Defined Benefit Plans :**

The Company's gratuity and leave encashment are considered as defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

### **iii. Short-term employee benefits :**

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognised during the year when the employees render the service. These benefits include salaries, wages, bonus and performance incentives which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short term compensated absences is accounted as under:

- a. in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- b. in case of non-accumulating compensated absences, when the absences occur.

### **iv. Long-term employee benefits :**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled.



### **2.11 Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

### **2.12 Earning Per Share:**

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard, AS - 20, Earnings Per Share. Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year except where the result would be anti-dilutive.

### **2.13 Taxes on income**

Income Tax expense comprises current tax and deferred tax. Current tax liability is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and provisions of Income Tax Act, 1961, considering deduction available under section 80 PA of Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

### **2.14 Impairment of Asset**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

### **2.15 Provisions and Contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

### **2.16 Leases**

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

### **2.17 Operating cycle**

Based on the nature of products/ activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

	As at 31 March,2021		As at 31 March,2020	
	Number of shares	Rupees	Number of shares	Rupees
<b>3 Share capital</b>				
<b>a Authorised</b>				
5,00,000 Equity shares of Rs. 100/- each	500,000	50,000,000	200,000	20,000,000
<b>b Issued, subscribed and paid up</b>				
Equity Shares of Rs. 100/- each fully paid up	169,447	16,944,700	49,428	4,942,800

**Notes:**

- i. The Company has only one class of shares referred to as Equity Shares having a par value of Rs.100/- per share. Every member shall have a single vote, provided that the member has poured milk for at least 200 days totalling to at least 500 liters in a year. However at the first two Annual General Meeting of the Company, all member shall have a single vote each.
- ii. Members are entitled to limited returns (dividend) and bonus in accordance with Articles of Association of the Company.
- iii. Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31 March,2021		As at 31 March,2020	
	Number of shares	Rupees	Number of shares	Rupees
<b>Equity shares with voting rights</b>				
Balance at the beginning of the year	49,428	4,942,800	38,471	3,847,100
Share issued during the year (net of shares cancelled/surrendered and reissued during the year)	120,019	12,001,900	10,957	1,095,700
Balance at the end of the year	<b>169,447</b>	<b>16,944,700</b>	<b>49,428</b>	<b>4,942,800</b>

- iv. The Company is registered under part XXIA of the Companies Act, 2013 as 'Producer Company' and none of the member holds 5% or more of the share capital of the Company.
- v. As per Articles of Association of the Company, if board is satisfied that any member has failed to retain the qualification as a member, the board shall direct the member to surrender their shares to the Company at par value or such other value as determined by the Board. Surrendered equity share shall be deemed to be the property of the Company and may be issued to members or otherwise cancelled as the Board thinks fit.

	As at 31 March,2021	As at 31 March,2020
	Rupees	Rupees
<b>4 Reserves and surplus</b>		
<b>a. General reserve</b>		
Opening balance	1,714,893	-
Add: Transferred from surplus in Statement of Profit and Loss	1,035,444	1,714,893
Closing Balance	<b>2,750,337</b>	<b>1,714,893</b>
<b>b. Surplus/(Deficit) in Statement of Profit and Loss</b>		
Balance at the beginning of the year	664,914	1,714,893
<b>Add:</b>		
Profit for the year	12,118,891	1,035,344
<b>Less:</b>		
Final limited return (dividend) to members for the year ended 31 March, 2019 (Rs. 8- /share)	-	307,768
Tax on above limited return (dividend)	-	62,662
Transferred to general reserve	1,035,444	1,714,893
Closing Balance	<b>11,748,361</b>	<b>664,914</b>
	<b>14,498,698</b>	<b>2,379,807</b>

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

	<b>As at 31 March,2021 Rupees</b>	<b>As at 31 March,2020 Rupees</b>
<b>5 Deferred grant</b>		
Balance at the beginning of the year	27,874,855	16,913,922
Capital grant utilised during the year(see note 7)	<u>20,892,828</u>	<u>13,862,762</u>
	48,767,683	30,776,684
Less: Depreciation pertaining to assets acquired from grant (see note 10.1 to 10.3)	<u>5,750,652</u>	<u>2,901,829</u>
	<b><u>43,017,031</u></b>	<b><u>27,874,855</u></b>

**Note:**

- i. The grant received has been recognised as liability till the utilisation of the grant.

**6 Trade payable**

a. Outstanding dues of micro enterprises and small enterprises (see note 'i' below)		
b. Outstanding dues of other than micro enterprises and small enterprises	31,830,330	18,708,302
	<b><u>31,830,330</u></b>	<b><u>18,708,302</u></b>

**Note**

- i. The disclosure of the amount outstanding to micro enterprises and small enterprises are as follows:
- a. the principal amount and the interest due thereon remaining unpaid to any supplier as at
- Principal
  - Interest
- b. the amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;
- c. the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;
- d. The amount of interest accrued and remaining unpaid at the end of accounting year;
- e. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006;  
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

	<b>As at 31 March,2021 Rupees</b>	<b>As at 31 March,2020 Rupees</b>
<b>7 Unutilised grant</b>		
a. Unutilised grant for operating/capital expenditure (see note 'i' and 'ii' below)	3,041,675	-
	<b>3,041,675</b>	<b>-</b>
<b>Note:</b>		
<b>i. Grant for operating expenditure-Phase 1</b>		
Opening balance		
-Unspent grant	-	3,182,916
<b>Increase in grant liability / decrease in grant recoverable for</b>		
Grant received during the year	-	-
Interest income on grant (see note 18)	-	49,856
	<b>-</b>	<b>49,856</b>
Less: Repayment of grant fund	-	3,232,772
Less: Released to profit and loss (see note 20)	-	-
Closing balance of unutilised grant	<b>-</b>	<b>-</b>
<b>ii. Grant for operating/capital expenditure-Phase 2</b>		
Opening balance		
-Unspent grant	-	-
-Grant recoverables	14,111,313	-
	<b>14,111,313</b>	<b>-</b>
<b>Increase in grant liability / decrease in grant recoverable for</b>		
Grant received during the year	43,308,000	-
Interest income on grant (see note 20)	37,914	-
	<b>43,345,914</b>	<b>-</b>
<b>Utilisation of Grant</b>		
Utilised for capital expenditure (see note 5)	20,892,828	13,862,762
Utilised for revenue expenditure (see note 20)	5,300,098	248,551
	<b>26,192,926</b>	<b>14,111,313</b>
Closing balance of Unutilised Grant	<b>3,041,675</b>	<b>-</b>
Closing balance of grant recoverable	<b>-</b>	<b>14,111,313</b>
Less: Amount recognised under other current assets (see note 18)	<b>-</b>	<b>(14,111,313)</b>
	<b>-</b>	<b>-</b>
<b>v. Terms of Grant:</b>		
	<b>Phase I</b>	<b>Phase II</b>
a. Name of project	Setting up milk procurement system in Mansa district of Punjab	Dairy Value Chain Development
b. Total sanctioned amount	Rs. 3,86,69,000	Rs. 4,57,70,167
c. Term of grant	1 August, 2016 to 31 July, 2019.	1 December, 2019 to 31 March, 2021 extended upto 30 June 2021

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

As at 31 March,2021 Rupees	As at 31 March,2020 Rupees
----------------------------------	----------------------------------

**d. Purpose of the grant:**

To support farmers for the purpose of providing sustainable livelihood alternative through dairying and alleviating poverty and improving their standard of living by undertaking the following:

- To carry out pooling, purchasing, processing of milk supplied by the members, marketing of the same and to deal in allied activities.
- To provide or arrange to provide technical and managerial assistance/ support to increase mil production for the benefit of the members.
- To provide education, training and other activities to promote mutual assistance amongst the members.

**e. Repayment of grant**

Any funds lying unutilized including accrued, actual interest post expiry of the grant period shall be returned/ repaid to Dairy Health Nutrition Initiative India Foundation ('DHANII') within one month from the agreed date of closure by a prescribed mode notified at the time by officials of DHANII.

During the previous year, the company has repaid unutilised grant of Rs. 31,82,916 along with interest earned amounting to Rs. 49,856 to DHANII.

**vi. Grant utilisation**

**a. Grant for capital expenditure**

The grant utilised for capital expenditure has been recorded as deferred grant (see note 5) which subsequently adjusted with the amortisation expenses of property plant and equipment acquired from the grant on systematic basis.

**b. Grant for operating expenditure**

The grant received for the specific expenditure has been recognised as liability till the utilisation of the grant, when the expenditure incurred the Company recognised corresponding income under 'Other income'.

vii. There are no unfulfilled conditions or contingencies attached to these grants which management expect not to fulfil.

	As at 31 March,2021 Rupees	As at 31 March,2020 Rupees
<b>8 Other current liabilities</b>		
a. Statutory remittances (Contributions to Provident fund, withholding taxes etc.)	1,004,620	194,493
b. Security deposits	5,605,000	2,580,000
c. Payable for property, plant and equipment's	532,389	14,452,644
d. Amount payable for share surrendered	536,800	358,100
e. Share application money due for refund	13,900	13,900
	<b>7,692,709</b>	<b>17,599,137</b>
<b>9 Provisions</b>		
<b>a. Long term provisions</b>		
i. Provision for gratuity	368,706	217,833
ii. Provision for leave encashment	247,269	285,089
	<b>615,975</b>	<b>502,922</b>
<b>b. Short term provisions</b>		
i. Provision for income tax (net)	1,022,679	28,576
ii. Provision for gratuity	6,906	4,080
iii. Provision for leave encashment	10,459	11,610
	<b>1,040,044</b>	<b>44,266</b>

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

	As at 31 March,2021 Rupees As at 31 March,2021 Rupees	As at 31 March,2020 Rupees As at 31 March,2020 Rupees
<b>11 Long term loans and advances</b>		
a. Security deposits	111,500	60,500
b. Advance income tax	-	6,210
c. Capital advances	325,000	-
	<b>436,500</b>	<b>66,710</b>
<b>12 Inventories</b> (As taken, certified and valued by management at cost)		
a. Finished goods - Ghee	1,551,979	-
b. Stock in trade		
- Raw bulk milk	4,246,701	2,451,333
- Cattle feed	1,625,374	835,550
- Ghee	550,200	-
	<b>7,974,254</b>	<b>3,286,883</b>
<b>13 Trade receivables</b> <b>(Unsecured and considered good)</b>		
a. Trade receivable outstanding for a more than six months from the date they are due for payment	-	-
b. Trade receivable outstanding for a period less than six months from the date they are due for payment	29,689,770	20,396,334
	<b>29,689,770</b>	<b>20,396,334</b>
<b>14 Cash and cash equivalents</b>		
a. Balance with banks		
i. In current accounts	27,759,212	6,807,793
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)	<b>27,759,212</b>	<b>6,807,793</b>
b. Other bank balances		
i. In earmarked accounts		
- Unpaid dividend account (see note'i')	-	7,119
ii. In fixed deposits account (original maturity of more than 3 months)	7,461,772	-
Total - Other bank balances (B)	<b>7,461,772</b>	<b>7,119</b>
Total Cash and cash equivalents (A+B)	<b>35,220,984</b>	<b>6,814,912</b>
<b>Note:</b>		
i. Balance in unpaid dividend account represents excess amount transferred to that account which is subsequently transferred to current account.		
<b>15 Short term loans and advances</b> <b>(Unsecured, considered good)</b>		
a. Prepaid expenses	251,441	72,245
	<b>251,441</b>	<b>72,245</b>
<b>16 Other current assets</b>		
a. Grant recoverable (see note 7)	-	14,111,313
b. Recoverable for excess share allotted and surrendered	72,000	72,000
c. Recoverable for excess share allotted	-	26,100
d. Other recoverables	1,442,504	-
	<b>1,514,504</b>	<b>14,209,413</b>

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

**10.1 Property, plant and equipment**

	Furniture and fixture	Plant and machinery	Computers	Office equipment	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Gross cost</b>					
<b>Balance as at 1 April ,2019</b>	705,397	19,501,143	763,840	364,021	21,334,401
Additions	-	7,930,648	-	4,300	7,934,948
Disposals	-	-	-	-	-
<b>Balance as at 31 March, 2020</b>	<b>705,397</b>	<b>27,431,791</b>	<b>763,840</b>	<b>368,321</b>	<b>29,269,349</b>
Additions	1,024,902	24,319,664	788,484	61,500	26,194,550
Disposals	-	-	-	-	-
<b>Balance as at 31 March, 2021</b>	<b>1,730,299</b>	<b>51,751,455</b>	<b>1,552,324</b>	<b>429,821</b>	<b>55,463,899</b>
<b>Accumulated depreciation</b>					
<b>Balance as at 1 April ,2019</b>	85,358	3,934,374	524,654	67,320	4,611,706
Additions	50,579	2,577,936	237,529	44,805	2,910,849
Disposals	-	-	-	-	-
<b>Balance as at 31 March, 2020</b>	<b>135,937</b>	<b>6,512,310</b>	<b>762,183</b>	<b>112,125</b>	<b>7,522,555</b>
Additions	62,981	5,408,181	137,640	55,556	5,664,358
Disposals	-	-	-	-	-
<b>Balance as at 31 March, 2021</b>	<b>198,918</b>	<b>11,920,491</b>	<b>899,823</b>	<b>167,681</b>	<b>13,186,913</b>
<b>Net carrying amount</b>					
Balance as at 31 March, 2020	569,460	20,919,481	1,657	256,196	21,746,794
<b>Balance as at 31 March, 2021</b>	<b>1,531,381</b>	<b>39,830,964</b>	<b>652,501</b>	<b>262,140</b>	<b>42,276,986</b>

**Notes:**

The details of assets purchased from capital grant and included in the above schedule are given below:

	Furniture and fixture	Plant and machinery	Computers	Office equipment	Total
<b>Gross cost</b>					
<b>Balance as at 1 April , 2019</b>	705,397	19,501,143	763,840	364,021	21,334,401
Additions	-	7,471,537	-	-	7,471,537
Disposals	-	-	-	-	-
<b>Balance as at 31 March, 2020</b>	<b>705,397</b>	<b>26,972,680</b>	<b>763,840</b>	<b>364,021</b>	<b>28,805,938</b>
Additions	1,013,202	24,227,555	788,484	61,500	26,090,741
Disposals	-	-	-	-	-
<b>Balance as at 31 March, 2021</b>	<b>1,718,599</b>	<b>51,200,235</b>	<b>1,552,324</b>	<b>425,521</b>	<b>54,896,679</b>
<b>Accumulated depreciation</b>					
<b>Balance as at 1 April, 2019</b>	85,358	3,934,374	524,654	67,320	4,611,706
Additions	50,579	2,544,994	237,529	44,573	2,877,675
Disposals	-	-	-	-	-
<b>Balance as at 31 March, 2020</b>	<b>135,937</b>	<b>6,479,368</b>	<b>762,183</b>	<b>111,893</b>	<b>7,489,381</b>
Additions	61,015	5,328,262	137,640	55,126	5,582,043
Disposals	-	-	-	-	-
<b>Balance as at 31 March, 2021</b>	<b>196,952</b>	<b>11,807,630</b>	<b>899,823</b>	<b>167,019</b>	<b>13,071,424</b>
<b>Net carrying amount</b>					
Balance as at 31 March, 2020	569,460	20,493,312	1,657	252,128	21,316,557
<b>Balance as at 31 March, 2021</b>	<b>1,521,647</b>	<b>39,392,605</b>	<b>652,501</b>	<b>258,502</b>	<b>41,825,255</b>



**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

**10.2 Intangible assets**

(other than self generated)

	Computer Software	Total
	Rupees	Rupees
<b>Gross cost</b>		
<b>Balance as at 1 April ,2019</b>	<b>55,200</b>	<b>55,200</b>
Additions	500,000	500,000
Disposals	-	-
<b>Balance as at 31 March, 2020</b>	<b>555,200</b>	<b>555,200</b>
Additions	376,897	376,897
Disposals	-	-
<b>Balance as at 31 March, 2021</b>	<b>932,097</b>	<b>932,097</b>
<b>Accumulated depreciation</b>		
<b>Balance as at 1 April ,2019</b>	<b>39,539</b>	<b>39,539</b>
Additions	24,154	24,154
Disposals	-	-
<b>Balance as at 31 March, 2020</b>	<b>63,693</b>	<b>63,693</b>
Additions	248,262	248,262
Disposals	-	-
<b>Balance as at 31 March, 2020</b>	<b>311,955</b>	<b>311,955</b>
<b>Net carrying amount</b>		
<b>Balance as at 31 March, 2020</b>	<b>491,507</b>	<b>491,507</b>
<b>Balance as at 31 March, 2021</b>	<b>620,142</b>	<b>620,142</b>

**Notes: Gross cost**

The details of assets purchased from capital grant and included in the above schedule are given below:

	Computer Software	Total
	Rupees	Rupees
<b>Gross cost</b>		
<b>Balance as at 1 April ,2019</b>	<b>55,200</b>	<b>55,200</b>
Additions	500,000	500,000
Disposals	-	-
<b>Balance as at 31 March, 2020</b>	<b>555,200</b>	<b>555,200</b>
Additions	-	-
Disposals	-	-
<b>Balance as at 31 March, 2021</b>	<b>555,200</b>	<b>555,200</b>
<b>Accumulated depreciation</b>		
<b>Opening balance</b>	<b>39,539</b>	<b>39,539</b>
Additions	24,154	24,154
Disposals	-	-
<b>Balance as at 31 March, 2020</b>	<b>63,693</b>	<b>63,693</b>
Additions	168,609	168,609
Disposals	-	-
<b>Balance as at 31 March, 2021</b>	<b>232,302</b>	<b>232,302</b>
<b>Net carrying amount</b>		
<b>Balance as at 31 March, 2020</b>	<b>491,507</b>	<b>491,507</b>
<b>Balance as at 31 March, 2021</b>	<b>322,898</b>	<b>322,898</b>

**10.3** Capital works in progress of Rs 9,99,678 represents cost incurred towards plant and machinery which is partially funded from capital grant.

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

	For the year ended 31 March,2021	For the year ended 31 March,2020
	Rupees	Rupees
<b>17 Revenue from operations</b>		
(a) Sale of products (see note 'i' below)	647,786,661	209,296,953
	<b>647,786,661</b>	<b>209,296,953</b>
<b>Note:</b>		
<b>i. Sale of products comprises:</b>		
<b>A. Manufactured goods</b>		
a. Ghee	2,867,850	-
	<b>2,867,850</b>	<b>-</b>
<b>B. Traded goods</b>		
a. Raw Milk	633,040,655	206,645,143
b. Cattle feed	7,680,320	2,651,810
c. Ghee	4,197,836	-
	<b>644,918,811</b>	<b>209,296,953</b>
<b>Total</b>	<b>647,786,661</b>	<b>209,296,953</b>
<b>18 Other Income</b>		
a. Revenue recognised from grant utilisation - Revenue grant (see note 7)	5,300,098	248,551
b. Admission fee from members	441,888	197,283
c. Interest income (see Note 'i' below)	380,956	141,020
d. Miscellaneous income	1,838,706	535,140
	<b>7,961,648</b>	<b>1,121,994</b>
<b>Note:</b>		
<b>i. Interest income</b>		
Interest income on fixed deposits	418,870	141,020
Less: Amount transferred to un-utilized grant (see note 7)	(37,914)	-
Interest income recorded in other income	<b>380,956</b>	<b>141,020</b>
<b>21 Cost of material consumed</b>		
<b>Raw material</b>		
a. Opening stock	-	-
b. Add: Purchases	3,473,373	-
	<b>3,473,373</b>	<b>-</b>
c. Less: Closing stock	-	-
	<b>3,473,373</b>	<b>-</b>
<b>19 Purchases of traded goods</b>		
a. Purchases of raw bulk milk	557,840,657	182,549,352
b. Purchases of cattle feed	7,721,370	3,098,830
c. Purchases of ghee	4,520,741	-
	<b>570,082,768</b>	<b>185,648,182</b>
<b>20 Procurement expenses</b>		
a. Labour charges	330,250	558,507
b. Chemicals and consumables	1,429,390	316,885
c. Freight inward	13,634,204	3,964,270
d. Price incentive	3,170,165	452,590
e. Sahayak Incentive	13,534,641	3,749,315
	<b>32,098,650</b>	<b>9,041,567</b>

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

	For the year ended 31 March,2021	For the year ended 31 March,2020
	Rupees	Rupees
<b>21 Changes in inventories of stock-in-trade</b>		
Inventories at the beginning of the year		
Finished Goods	-	-
Stock in trade	3,286,883	1,324,995
Inventories at the end of the year		
Finished Goods	1,551,979	-
Stock in trade	6,422,275	3,286,883
Net decrease/ (increase) in inventories	<b>(4,687,371)</b>	<b>(1,961,888)</b>
<b>22 Employee benefit expenses</b>		
a. Salary, wages and allowances	9,279,163	5,346,470
b. Gratuity expense	153,699	127,314
c. Contribution towards provident fund and other funds	1,086,754	628,876
d. Staff welfare expense	402,104	32,466
	<b>10,921,720</b>	<b>6,135,126</b>
<b>23 Depreciation and amortization expenses</b>		
a. Depreciation on property, plant and equipment	5,664,358	2,910,849
b. Depreciation on intangible assets	248,262	24,154
	5,912,620	2,935,003
Less: Depreciation pertaining to assets acquired on grant	(5,750,652)	(2,901,829)
	<b>161,968</b>	<b>33,174</b>
<b>24 Other expenses</b>		
a. Power and fuel charges	787,678	1,081,327
b. Rent	820,297	702,086
c. Repair and maintenance		
- plant and machinery	551,931	312,527
- Others	107,792	15,946
d. Milk chilling expenses	6,183,327	132,083
e. Ghee processing charges	568,623	-
f. Rates and taxes	328,664	70,691
g. Communication expenses	933,102	505,281
h. Distribution, freight and forwarding	14,964,967	4,883,558
i. Legal and professional fees	726,187	340,101
j. Payments to auditors (see Note 'i' below)	123,900	92,748
k. Meeting and training expenses	322,921	380,126
l. Travelling and conveyance	1,664,270	1,318,452
m. Printing and stationery	569,575	111,160
n. Miscellaneous expenses	366,146	338,296
	<b>29,019,380</b>	<b>10,284,382</b>
<b>Note:</b>		
i. Payments to the auditors comprise (including Goods and services tax)		
- Statutory audit fees	100,300	88,500
- Certification fees	23,600	-
- Out of pocket expenses	-	4,248
	<b>123,900</b>	<b>92,748</b>

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rupees	Rupees
<b>25 Earning Per share</b>		
<b>Basic</b>		
a. Net profit after tax available for equity share holders	12,118,891	1,035,344
b. Weighted average number of Equity Shares of Rs.100 each outstanding during the year (No's of shares)	73,779	43,752
c. Nominal value per Equity Shares (Rs.)	100	100
d. Basic earnings per share - Basic	164.26	39.34

**Diluted**

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the share application money for the respective periods.

a. Net profit after tax available for equity share holders	12,118,891	1,035,344
b. Weighted average number of equity shares for Basic EPS	73,779	43,752
Add: Effect of share application money	3,031	10,995
Weighted average number of equity shares - for Diluted EPS	76,810	54,747
c. Nominal value per equity shares	100	100
d. Basic earnings per share - Diluted	157.78	18.91

**26 Commitments and contingencies**

- The estimated amount of contracts remaining to be executed on capital amount and not provided for (net of advances) amount to Rs. 20,11,946 (previous year Rs. 1,77,04,880).
- The Company has other commitments for services in normal course of business, the Company's operations does not give raise to any commitments for purchase of goods and employee benefits.
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- The Company does not have any pending litigations which would impact its financial position in its financial statements. Contingent liabilities Rs. Nil (Previous year Rs. Nil).
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

**27** The Company engaged in the business of trading of milk and operates in single geographical segment in India only hence the reporting requirements for segment disclosure as prescribed by AS 17 are not applicable.

**28 Leasing Arrangements**

**Operating lease**

- The Company has taken premises under cancellable and non cancellable operating leases. Rent amounting to Rs. 8,20,297 (Previous year Rs. 7,02,086 ) has been debited to the Statement of Profit and Loss during the year. The future minimum lease payments under these operating leases as of 31 March, 2021 are as follows:

	Due within 1 year	Due between 1 to 5 years	Above 5 years	Total Amount due
	Rupees	Rupees	Rupees	Rupees
Operating lease rentals	545,845	1,014,621	-	1,560,466
	397,500	580,000	-	977,500

Note: Figures in brackets are pertains to previous year.

- The lease for corporate office premises is for a period of five years and agreement provides for increase in lease payments by 5% every year.

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

**29 Related parties**

**A. List of Related Parties:**

i. Key management personnel

Mr. Shailesh Pandey	Whole time Director
Mr. Amrik Singh	Director(up to 20 September, 2019)
Mr. Gurpreet Singh	Director
Mr. Jagjit Singh	Director(up to 20 September, 2019)
Mr. Alok Kumar Gupta	Director (upto 15 August,2020)
Mr. Sukhjinder Singh	Director
Mr. Baljinder Singh	Director
Mr. Angrej Singh	Director (upto 14 December,2020)
Mr. Resham Singh	Director ( from 25 April, 2019 to 15 December 2020)
Mr. Sher Singh	Director (w.e.f. 20 August, 2019)
Mr. Sukhwinder Singh	Director (w.e.f. 20 August, 2019)
Mr. Brajesh Narain Singh	Director (w.e.f. 29 Septemeber,2020)
Mr. Balkaran Singh	Director (w.e.f. 21 October,2020)
Mr. Rajbhinder Singh	Director (w.e.f. 14 December,2020)

	For the year ended 31 March,2021	For the year ended 31 March,2020
	Rupees	Rupees

**B. Transactions with the Related Parties**

Mr. Shailesh Pandey	Remuneration	1,167,841	920,038
Mr. Amrik Singh	Sitting Fees	-	590
Mr. Gurpreet Singh	Sitting Fees	2,950	2,360
Mr. Sukhjinder Singh	Sitting Fees	2,950	2,360
Mr. Malkeet Singh	Sitting Fees	-	590
Mr. Amrik Singh	Sitting Fees	-	590
Mr. Sher Singh	Sitting Fees	2,950	1,180
Mr. Sukhwinder Singh	Sitting Fees	590	590
Mr. Balkaran Singh	Sitting Fees	590	-
Mr. Rajbhinder Singh	Sitting Fees	1,180	-
Mr. Shailesh Pandey	Reimbursement of Expenses	-	146,997
Mr. Gurpreet Singh	Reimbursement of Expenses	2,950	2,360
Mr. Sukhjinder Singh	Reimbursement of Expenses	2,950	2,360
Mr. Malkeet Singh	Reimbursement of Expenses	-	590
Mr. Sher Singh	Reimbursement of Expenses	2,950	1,180
Mr. Sukhwinder Singh	Reimbursement of Expenses	590	590
Mr. Balkaran Singh	Reimbursement of Expenses	590	-
Mr. Rajbhinder Singh	Reimbursement of Expenses	1,180	-
Mr. Gurpreet Singh	Purchase of raw bulk milk	72,264	58,839
Mr. Sukhjinder Singh	Purchase of raw bulk milk	40,233	42,968
Mr. Sher Singh	Purchase of raw bulk milk	26,194	59,165
Mr. Sukhwinder Singh	Purchase of raw bulk milk	41,270	98,152
Mr. Balkaran Singh	Purchase of raw bulk milk	55,729	-
Mr. Rajbhinder Singh	Purchase of raw bulk milk	9,599	-
		<b>1,435,551</b>	<b>1,341,499</b>

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

**30 Employee benefits**

**A. Defined contribution plan**

The Company offers its employees defined contribution plan in the form of Provident Fund. Provident Fund cover all regular employees. Provident Fund Contribution is deposited with the Regional Provident Fund Commissioner (RPFC). Both the employees and the Company pay predetermined contributions into the provident fund. The contributions are normally based on ascertain proportion of the employee's salary.

The Company's contributions towards provident fund is charged to the Statement of Profit and Loss comprises

	<b>For the year ended 31 March 2021</b>	<b>For the year ended 31 March 2020</b>
	<b>Rupees</b>	<b>Rupees</b>
a. Contribution towards provident fund and other funds	1,086,754	628,876

**B. Defined benefit plan**

The Company's gratuity liability is a unfunded defined benefit retirement plan. As per the Company Gratuity scheme the Company paid lump sum payment to employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

	<b>For the year ended 31 March 2021</b>	<b>For the year ended 31 March 2020</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>i. Changes in Present Value of Benefit Obligation</b>		
Present Value of Benefit Obligation at beginning of the year	221,913	94,599
Current Service Cost	155,695	101,314
Interest Cost	15,090	6,433
Benefit Paid	-	-
Actuarial Losses (Gains)	(17,086)	19,567
Present Value of Benefit Obligation at end of the year	375,612	221,913
<b>iii. Amount Recognized in the Balance Sheet</b>		
Present Value of Benefit Obligation at end of the year	375,612	221,913
Fair Value of Plan Assets at end of the year	-	-
<b>Net Liability / (Asset) recognized in Balance Sheet</b>	<b>375,612</b>	<b>221,913</b>
<b>iv. Expenses Recognized in the Statement of Profit and Loss</b>		
Current Service cost	155,695	101,314
Interest cost	15,090	6,433
Expected Return on Plan Assets	-	-
Net actuarial losses (gains) recognized in the year	(17,086)	19,567
Expenses recognized in Statement of Profit and Loss	153,699	127,314
<b>v. Balance Sheet Recognition</b>		
Net liability/ (assets) at the beginning of the year	221,913	94,599
Expenses as above	153,699	127,314
Contributions	-	-
Net liability/ (assets) at the end of the year	375,612	221,913
<b>vi. Principal Actuarial Assumptions</b>		
Discount Rate	6.80% p.a.	6.80% p.a.
Expected Salary Escalations	7.00% p.a.	7.00% p.a.
Attrition Rate	5.00% p.a.	5.00% p.a.
(5% at younger ages and reducing to 1% at older ages according to graduated scale)		
Mortality Table Used	I.A.L.M. (2012-14) Ultimate	
<b>vii. Experience adjustments</b>		
Present value of defined benefit	375,612	221,913

**RUHAANII MILK PRODUCER COMPANY LIMITED**  
**NOTE FORMING PART OF FINANCIAL STATEMENT**  
**CIN: U01114PB2016PTC045813**

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**31 Share application money pending allotment**

As at 31 March 2021, the Company has received an amount of Rs. 3,03,100 towards share application money towards 3031 equity shares of the Company (As at 31 March, 2020 Rs. 10,99,500 towards share application money towards 10,995 equity shares ) at a premium of Rs. Nil (As at 31 March, 2020 Rs. Nil). Subsequently, the Company has allotted the shares on 30 April, 2021. The Company has sufficient authorised capital to cover the allotment of these shares.

**32** The Company has not meet the conditions of CSR rules, net worth, turnover and net profit hence the provisions of CSR not applicable to the Company.

**33** As per tax expert advice obtained by the Company, the income from sale of milk and cattle feed is available for deduction under section 80-PA of The Income Tax Act, 1961. Accordingly, based on tax advice provisions for income tax comprises Corporate Minimum Alternative Tax ('MAT'). The Company has not recognised MAT credit due to uncertainty of future taxable profit.

**34** The Company's business of dealing in milk and milk products has been considered as essential service. Hence, dairy industry in which the Company operates is among the businesses that are not significantly impacted consequent to disruption due to COVID-19. Therefore, the Company believes that thus far, there is no significant impact of COVID-19 pandemic on the financial position of the Company. Further, the Company is not expecting any significant change in estimates as of now as the company is running its business and operations as usual without any major disruptions.

**35** All assets and liabilities are presented as Current or Non-current as per criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services rendered by the company, its operations and realization, the company has ascertained its operating cycle of less than 12 months. Accordingly 12 months period has been considered for the purpose of Current/ Non-current classification of assets and liabilities.

**36** The Board of Directors has recommended a dividend of Rs. 7 (i.e., 7%) per equity share of Rs. 100 each for the financial year ended 31 March, 2021. The dividend payment is subject to approval of members at the ensuing Annual General Meeting.

**37** The Code on Social Security, 2020 ('Code') relating to employee benefits, during employment and post-employment benefits, has received the Presidential assent in September 2020. This Code has been published in the Gazette of India. However, the effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. The Company will evaluate the impact of the Code and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

**38** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**For and on behalf of the Board of Directors**  
**Ruhaanii Milk Producer Company Limited**

**Vikas Kumar**  
Director and Chief Executive  
DIN:09298961

**Ajay Kumar**  
Assist. Manager Finance

**Sher Singh**  
Director  
DIN:08529224

**Amritpal Singh**  
Company Secretary