

SEVENTH ANNUAL REPORT

FINANCIAL YEAR: 2022-2023

RUHAANII MILK PRODUCER COMPANY LIMITED



Ruhaanii Milk Producer Company Limited

CIN: U01114HR2016PTC107713

Regd office: Maharana Pratap Singh Chowk, Huda Road
Khairpur Colony, Sirsa, Haryana - 125055

Email: mpcl@ruhaanilmilk.com

Website: www.ruhaanilmilk.com

Tel: 7341113005

RUHAANII MILK PRODUCER COMPANY LIMITED

CIN: U01114HR2016PTC107713

ANNUAL REPORT 2022-23

Board of Directors

Shri Sher Singh	-Chairman and Director
Shri Iqbal Singh	- Director
Shri Paramjeet	- 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 Surya Parkash	- Chief Executive and Director

Company Secretary

Shri Pankaj Goyal

Registrar and Transfer Agent

Link InTime India Pvt Ltd
New Delhi

Banker

HDFC Bank Ltd.
Punjab National Bank
IDBI Bank.

Registered Office

Maharana Pratap Singh Chowk,
Huda Road, Khairpur Colony,
Sirsa, Haryana - 125055

Auditor

S.N Dhawan and Company LLP
Chartered Accountants

Internal Auditor

N R Associates
Chartered Accountants

RUHAANII MILK PRODUCER COMPANY LIMITED

CIN: U01114HR2016PTC107713

**Registered Office: Maharana Pratap Singh Chowk, HUDA Road, Khairpur Colony, Sirsa, Haryana
- 125055**

Tel : 7341113005

Website: www.ruhaaniimilk.com

Email: Rmpcl@ruhaaniimilk.com

NOTICE

NOTICE is hereby given that the 8th Annual General Meeting of the members of Ruhaanii Milk Producer Company Limited will be held on 26th September 2023 at 12:00 Noon, at Luxmi Narayan Sweets, Sirsa -125055, Haryana to transact the following business:

- 1. To receive, consider and adopt the Financial Statement for the financial year ended 31st March 2023 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 regard:**

“RESOLVED THAT the audited Financial Statements for the financial year ended 31st March 2023, 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 appoint a director in place of Shri Rajbhinder Singh (DIN: 08996372), who retires by rotation, and being ineligible does not offer himself for re-appointment in this regard to pass the following ordinary resolution: -**

“RESOLVED THAT Shri Rajbhinder Singh (DIN: 08996372), Director of the company, who is liable to retire by rotation at the ensuring Annual general meeting of the company and being ineligible does not offer himself for re-appointment.”

- 3. To consider and appoint a director in place of Shri Balkaran Singh (DIN: 08929775), who retires by rotation, and being ineligible does not offer himself for re-appointment in this regard to pass the following ordinary resolution: -**

“RESOLVED THAT Shri Balkaran Singh (DIN: 08929775), Director of the company, who is liable to retire by rotation at the ensuring Annual general meeting of the company and being ineligible does not offer himself for re-appointment.”

4. To consider and approve Budget of the company for the F.Y. 2023-24.

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

“RESOLVED THAT the Budget of the company for the Financial Year 2023-24 as placed before the annual general meeting be and is hereby approved.”

5. To consider and approve 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 a Special Resolution:

“RESOLVED THAT pursuant to the relevant provisions of Part XXI-A of the Act in particular Sec. 378-I, 378ZQ, 378ZR, Sec 14 and other applicable provisions of Companies Act, 2013 including rules made thereunder, the existing Articles of Association 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/modified and shall be 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 10th Annual General Meeting of the Company.

2. The existing **Article 9.6 ii** be altered/modified and shall be 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 10th 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/modified and shall be 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 10th Annual General Meeting of the Company.

RESOLVED FURTHER THAT all acts, actions, deeds and things done by the Board of Directors of the Company prior to the aforesaid alterations be and are hereby also approved.

RESOLVED FURTHER THAT, the Chief Executive 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.”

By order of the Board of Directors

Place: Sirsa

Date: 08 September 2023

Surya Parkash

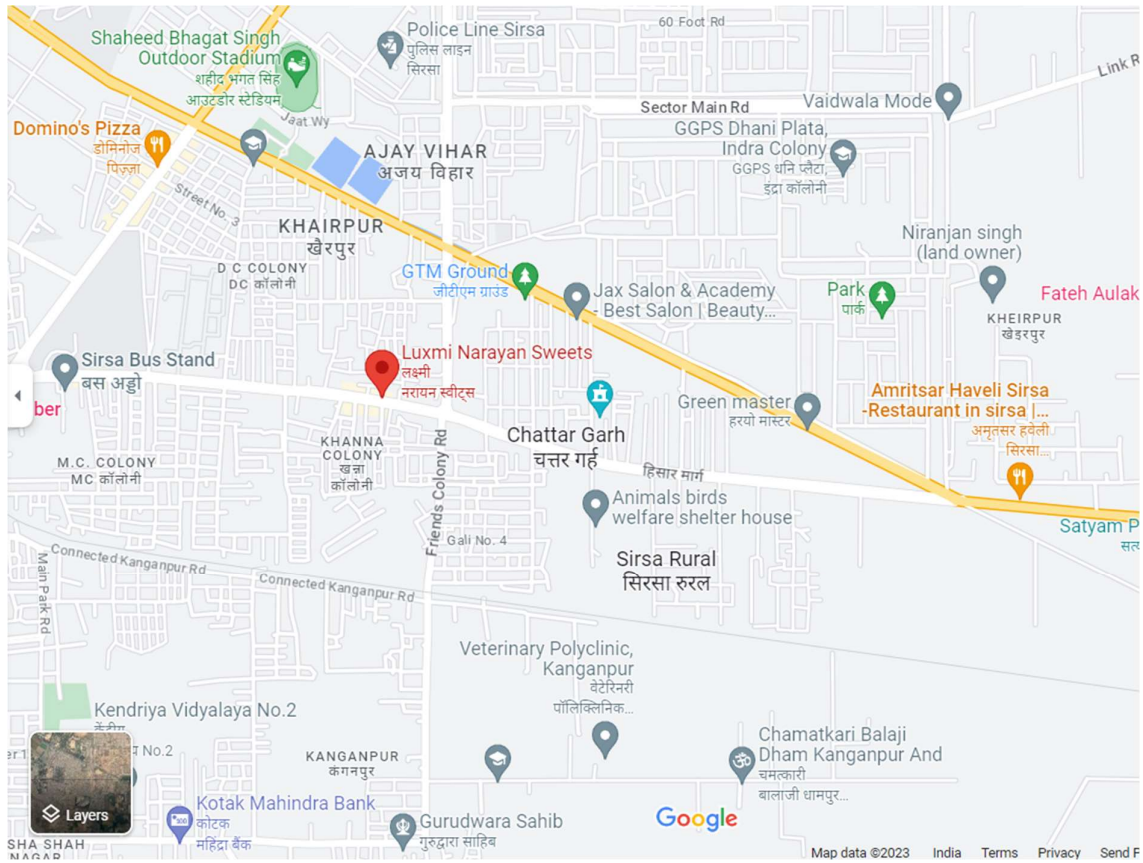
Chief Executive & Director

DIN: 10243278

NOTES

1. 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.
2. Members/Proxies are requested to bring the Attendance Slip sent herewith duly filled in for attending the meeting.
3. 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).
4. 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.
5. 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.
6. Members are requested to quote their folio number and their member code in all their correspondence.
7. Members are requested to notify immediately any change in their addresses and Bank Account details to the Company.
8. Weapons, firearms, ammunition, knives and blades, sharp instruments etc., are prohibited at the AGM site.
9. A Route Map along with Prominent Landmark for easy location to reach the venue of Annual General Meeting is annexed with the notice of Annual General Meeting.

GUIDE MAP TO THE VENUE OF AGM



By order of the Board of Directors

Place: Sirsa

Date: 08 September 2023

Surya Parkash

Chief Executive & Director

DIN: 10243278

Explanatory Statement Pursuant to Section 102 of the companies Act, 2013

Item no. 4

Budget For FY 2023-24

Ruhaanii Milk Producer Company Limited					
Revenue Budget					
S.No.	Particulars	UoM	Budget FY 22-23	Outlook FY 22-23	Proposed Budget FY 23-24
(I)	Milk Procurement Qty	(KGPD)	54749	31131	40608
(II)	Revenue from Milk Operations	(Rs. in Lakhs)	9412.51	5687.97	7767
(III)	Producer Price	(Rs. in Lakhs)	8369.82	4973.94	7036
(IV)	Sahayak Margin	(Rs. in Lakhs)	201.81	64.78	191.52
(V)	Logistic Cost	(Rs. in Lakhs)	512.26	353.06	266.67
(VI)	Other Milk Procurement Cost	(Rs. in Lakhs)	224.06	238.54	177.85
(VII)	Fixed Cost	(Rs. in Lakhs)	137	139.68	114.13
(VIII)	Profit/(Loss) from Milk Operation before Grant Support	(Rs. in Lakhs)	(32.44)	(82.02)	(19.46)
(IX)	Grant Support -Milk Operations	(Rs. in Lakhs)	-	-	-
(X)	Profit/(Loss) from Milk Operation after Grant Support	(Rs. in Lakhs)	(32.44)	(82.02)	(19.46)
(XI)	Revenue Expenses for PES Activities	(Rs. in Lakhs)	-	-	-
(XII)	(Deficit) -PES Operations	(Rs. in Lakhs)	-	-	-
(XIII)	Grant Support -PES Operations	(Rs. in Lakhs)	-	-	-
(XIV)	Profit/(Loss) from PES Operations	(Rs. in Lakhs)	-	-	-
(XV)	Other Income	(Rs. in Lakhs)	33.82	15.60	27.73
(XVI)	Profit/(Loss) Befor Tax	(Rs. in Lakhs)	1.38	(66)	8.27
Capex Budget					
S.No.	Particulars	UoM	Budget FY 22-23	Outlook FY 22-23	Proposed Budget FY 23-24
A	Milk Operation				
(I)	MPP SET UP COST	(Rs. in Lakhs)	-	-	-
(II)	CANS	(Rs. in Lakhs)	-	-	-
(III)	BMC	(Rs. in Lakhs)	-	-	-

(IV)	HO SET UP	(Rs. in Lakhs)	-	-	-
(V)	ICT	(Rs. in Lakhs)	-	-	-
(VI)	DPMCU	(Rs. in Lakhs)	-	-	-
(VII)	BMC Accessories	(Rs. in Lakhs)	-	-	-
(VIII)	AMCU	(Rs. in Lakhs)	-	-	-
(IX)	BMC set up cost	(Rs. in Lakhs)	-	-	-
(X)	ETP	(Rs. in Lakhs)	-	-	-
(XI)	Cluster Officer Set up	(Rs. in Lakhs)	-	-	-
	Capex -Milk Operations	(Rs. in Lakhs)	-	-	-
(XII)	Capex Grant Support - Milk Operations	(Rs. in Lakhs)	-	-	-
	Capex from own Funds	(Rs. in Lakhs)	-	-	-
B	PES Operation		-	-	-
(I)	Containers	(Rs. in Lakhs)	-	-	-
(II)	LN Silo	(Rs. in Lakhs)	-	-	-
(III)	Handheld Device/Tablet	(Rs. in Lakhs)	-	-	-
(IV)	Laptop	(Rs. in Lakhs)	-	-	-
(V)	PES Centre set up	(Rs. in Lakhs)	-	-	-
	Capex -PES Operations	(Rs. in Lakhs)	-	-	-
(VI)	Capex Grant Support - PES Operations	(Rs. in Lakhs)	-	-	-
	Capex from own Funds	(Rs. in Lakhs)	-	-	-
I	Total Capex	(Rs. in Lakhs)	-	-	-
II	Total Capex grant	(Rs. in Lakhs)	-	-	-
III	Capex from own Funds	(Rs. in Lakhs)	-	-	-

Item No.05

To ensure inclusive governance, it is expected that a well distributed representation is given to the membership of entire area of operation. But as per the provisions of the Articles of the Company, members need to be maintaining certain qualification criteria like belonging to a class of membership for becoming eligible to be elected to the Board of the Company. To earn a class of membership, any member has to be pouring milk for certain days and quantity to fulfill the required class criteria. However, it takes time for members to earn class-based requirement during the initial years. The existing article will deprive representation of members in the Board from four new districts where it got approval to expand the operation. Hence, it is being proposed to defer class-based representation on the Board by amending the provisions of the articles as given below in the notice:

Further, the members are informed that, in accordance with the requirements of Section 378 I of the Companies Act, 2013, the amendment of the Articles of Association was proposed by more than two-thirds of the elected directors at the Board Meeting held on 8th September 2023 and is required to be adopted by the Members as a special resolution at the Annual general meeting of the shareholders of the Company.

A copy of the Memorandum and Articles of Association together with the proposed alterations is available for inspection by the Members at the Registered Office of the Company between 11 a.m. to 4 p.m. on all working days from the date hereof upto the date of the meeting.

The Board of Directors recommends the Special Resolution set out in Item No. 05 of the accompanying notice for the approval of the members.

None of the Directors/Officers of the Company or their relatives are, in any way, interested or concerned in the resolution except as the member of the Company.

Place: Sirsa

Date:

Surya Parkash

Chief Executive & Director

DIN: 10243278

MINUTES OF THE 7TH ANNUAL GENERAL MEETING OF RUHAANII MILK PRODUCER COMPANY LIMITED HELD ON FRIDAY, 30TH DAY OF SEPTEMBER 2022 AT MEHAK RESORT, MANSA, PUNJAB-151505, COMMENCED AT 12.00 NOON CONCLUDED AT 12:30 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. Smt Kanta devi : Director & Shareholder
6. Shri Surender : Director & Shareholder
7. Shri Baljinder Singh : Director
8. Shri Brajesh Narain Singh : Director
9. Shri Vikas Kumar : Chief Executive & Director

Company Secretary

Shri Amritpal Singh

Members

In person : 38 members in person holding 1,360 equity shares.

Through proxy: 4700 shareholders were present through proxy holding 127270 shares.

In total 4,738 members were present holding 128,638 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 7th Annual General meeting of the Company.

D. With the unanimous consent of the members present, the Notice convening the 7th 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 7th AGM.

The meeting transacted the following businesses:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2022 and the Profit and Loss Account for the period ended on that date and the Directors' and Auditors' report thereon.

1.1 Shri Jatinder Singh (Folio No 0009653) proposed the following resolution as an Ordinary Resolution:

RESOLUTION NO.: 01/7th AGM: 30.09.2022/2021-22.

“RESOLVED THAT the audited Balance Sheet as at 31st March 2022 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 Sandeep Singh (Folio No.:0007595) 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 & approve the Budget of the Company for the period 1st April 2022 to 31st March, 2023.

2.1 Shri Gurpreet Singh (Folio No 0009612) proposed the following resolution as an Ordinary Resolution:

RESOLUTION NO.: 01/7th AGM: 30.09.2022/2021-22.

“RESOLVED THAT the Budget of the Company for the period from 1st April 2022 to 31st March 2023, as laid before the members in the annual general meeting be and is hereby approved”.

Shri Gurmel Singh (Folio No.:0007510) 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 Gurpreet Singh (DIN 07850152), who retires by rotation and being ineligible to not to offer himself for re-appointment.

3.1 Shri Sukhcharan Singh (Folio No 0007430) proposed the following resolution as an Ordinary Resolution:

RESOLUTION NO.: 03/7th AGM: 30.09.2022/2021-22.

“RESOLVED THAT, pursuant to the provisions of Section 378P of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company Shri Gurpreet Singh (DIN: 07850152), Director, who shall complete his second term of appointment and, not eligible for re-appointment as per the provisions of Article 9.6.iii, shall retire at the 7th Annual General meeting of the Company, and based on the recommendation of the Board of directors, in his place election/appointment of Shri Paramjeet Singh (DIN: 009733228), be and is hereby appointed as a Director of the Company, whose period of office shall be liable to retire by rotation.”

Shri Gurjeet Singh (Folio No.:0013099) 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 and appoint a Director in place of Shri Sukhjinder Singh (DIN 08199126) who retires by rotation and being ineligible to not to offer himself for re-appointment.

4.1 Shri Harpreet Singh (Folio No 0011077) proposed the following resolution as an Ordinary Resolution

RESOLUTION NO.: 04/7th AGM: 30.09.2022/2021-22

“RESOLVED THAT, pursuant to the provisions of Section 378P of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Sukhjinder Singh (DIN: 08199126), Director, who shall complete his second term of appointment and, not eligible for re-appointment as per the provisions of Article 9.6.iii, shall retire at the 7th Annual General meeting of the Company, and based on the recommendation of the Board of directors, in his place appointment of Shri Iqbal Singh (DIN: 009733304), be and is hereby appointed as a Director of the Company, whose period of office shall be liable to retire by rotation.”

Shri Sukhpal Singh (Folio No.:0007912) seconded the resolution.

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

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

5.1 Shri Pawan Kumar (Folio No: 0013966) proposed the following resolution as an Ordinary Resolution

RESOLUTION NO.: 05/7th AGM: 30.09.2022/2021-22

“RESOLVED THAT pursuant to the relevant provisions of Part XXI-A of the Act in particular Sec. 378-I and other applicable provisions of Companies Act, 2013 including rules made thereunder, the existing Articles of Association of the Company be and are hereby altered in the manner and to the extent following:

(1) The existing Article 4.3. iii. be altered/modified and shall be read as under:

Any member who is not eligible to continue as a Member shall be served a written notice by the Company for removal as Member and given an opportunity of being heard. The Member would need to reply to the notice within the stipulated period as specified in the notice. Thereafter, the Board shall take a decision in the matter. However for the purpose of sending notices to the members, the Board may exempt one or more eligibility criterion for all the members during a particular year.

(2) The existing Article 9.13 be altered/modified and shall be read as under:

- I. The quorum for a meeting of the Board shall be one-third of the total strength of directors, subject to a minimum of three including the presence of at least one elected Director and one Expert Director. Notwithstanding the above, the quorum for the meeting of the Board of Directors shall not require the presence of the Expert Director in case there is no Expert Director on the Board of the Company.

In case meeting of the Board could not be held for want of quorum, the meeting shall stand adjourned for the date, time and place as decided by the Chairman of the Company. However, the adjourned meeting shall be convened by the Chairman within seven days from the date of original meeting.

Shri Jagtar Singh (Folio No: 0003064) 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 Approve guidelines for the constitution of Nominating Committee.

6.1 Shri Jatinder Singh (Folio No.: 0009653) proposed the following resolution as an Ordinary Resolution:

RESOLUTION NO.: 06/6th AGM: 30.09.2021/2020-21

“RESOLVED THAT the guidelines for constitution of Nominating Committee be and are hereby adopted and approved pursuant to the relevant provisions of the Companies Act, 2013, including its Part XXI-A and the applicable provisions of the Memorandum and Articles of Association of the Company, which are laid down herein below i.e.,

- (i) The Board of the Ruhaanii Milk Producer Company Limited (“Company”) shall constitute a “Nominating Committee”, (NC) within three months of the completion of the F.Y, for suggesting to the Board ‘Potential candidate for the vacant producer-member director position on the Board of the Company.
- (ii) The vacancy of the Producer Directors on the Board (under Class A or Class B or Class C category) shall be announced by the Board of Directors of the Company. The notice inviting nominations from eligible members for consideration by the Nominating Committee (to fill as many number of positions as vacant on the board) shall be put on the notice board of the Company and or on the website of the Company, if there is one or by sending a circular by ordinary post to the members of the respective class(es) for which the vacancy arises.
- (iii) The Board shall prepare a process which has to be followed by the ‘Nominating Committee’ for identifying such potential members as referred under Article.
- (iv) The “Nominating Committee” shall consider the following table showing the ‘Applicant’s eligibility scores’ to be given against each parameter for the eligible applicant:

S no	Parameter for applicant’s eligibility score	Maximum Score
1	Number of days of Milk supplied to the Company during previous two financial years Scoring will be as follows: (95% or more days -25 ; 85% to <95% days - 20 ; 75% to <85% - 15 ; 65% to <75% - 10 ; 55% to <65% - 5 ; <55% - 0)	25
2	Share capital subscription is not falling short by more than 10% of the of the actual requirement as on 31st March of the previous financial year	10

3	Supplying the entire surplus to the Company during the period (i.e. has not supplied milk to any other players /competitors/operators)-based on self-declaration and subsequent verification by the Company.	10
4	Continuously maintained the member qualification (@ 3 marks for each year for the last 5 years)	15
5	Educational qualification of the applicant (over and above the minimum required qualification – for graduates -10 and for Post graduates – 15) Minimum qualification shall be as per the Articles of Association.	15
6	Other Training programmes attended – Producer / Quality and Clean Milk awareness (5 marks); orientation programme for VCG/MRG (5 marks) /Leadership Development Programme (5 marks) For Board of Directors’ Training Programme of Ruhaanii Milk Producer Company Limited attended (15 marks).	15
7	Received any award or recognition as member of the Company (like best IB Award for member / VCG / MRG etc) / Applicant has served as Director on the Board of Directors of Ruhaanii Milk Producer Company Limited (5 marks).	5
8	Having received recognition for voluntary service (subject to documentary proof)	5
	TOTAL	100

(v) The ‘Nominating Committee’ constituted by the Board shall comprise of-

- i. A producer-member director on the Board from the membership class for which the vacancy has arisen provided that such Producer-member director is not the one who is retiring at that AGM. If more than one producer-member director qualifies, then one NC member shall be identified through draw of lots. Also, if no producer-member director is available from that class, then any other producer-member director shall be identified through draw of lots;

- ii. One expert from any Management Institute of repute or an institution having done considerable work for development of producer owned enterprises; and
- iii. One Expert Director who is on the Board of the Company.

The Company Secretary of the Company shall assist the 'Nominating Committee' and be responsible for maintaining all the relevant documents thereof including the minutes of the meeting of the Nominating Committee.

- (vi) The term of the 'Nominating Committee' shall be from the date of first meeting of the committee to the date till it sends its recommendation to the Board of the Company.
- (vii) The Board shall prescribe the process to be adopted by the 'Nominating Committee' for identifying such potential members.

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution, the Board of Directors of the Company 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 Jagtar Singh (Folio No.: 0008268) seconded the resolution.

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

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

Date: 07/10/2022

Sd/-

Chairman

Place: Mansa

RUHAANII MILK PRODUCER COMPANY LIMITED

CIN: U01114HR2016PTC107713

**Registered Office: Maharana Pratap Singh Chowk, HUDA Road, Khairpur Colony, Sirsa, Haryana
- 125055**

Tel : 7341113005

Website: www.ruhaaniimilk.com

Email: Rmpcl@ruhaaniimilk.com

ATTENDANCE SLIP

Folio No:

Member

Code:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I hereby record my presence at the 8th Annual General Meeting of the Ruhaanii Milk Producer Company Limited held on Tuesday, 26th September, 2023 at 12:00 Noon, at Luxmi Narayan Sweets, Sirsa -125055, Haryana.

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: U01114HR2016PTC107713

**Registered Office: Maharana Pratap Singh Chowk, HUDA Road, Khairpur Colony, Sirsa, Haryana
- 125055**

Tel : 7341113005

Website: www.ruhaaniimilk.com

Email: Rmpcl@ruhaaniimilk.com

Form No: MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member:

Registered address:

Email Id:

Folio No:

I/We, being the member (s) of shares of the above-named company, hereby
appoint

1. Name :
Email :
Folio:
Address:
Signature :

Or failing him

2. Name :
Email :
Folio:
Address:
Signature:

as my/our proxy to attend and vote for me/us and on my/our behalf at the 8th Annual General Meeting of the Company, to be held on Tuesday, 26th day, September, 2023 at 12:00 Noon IST at the Luxmi Narayan Sweets, Sirsa-125055, Haryana and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. no.

1. Adoption of Audited Financial Statements for the Financial Year 2022-23.
2. To consider and appoint a director in place of Shri Rajbhinder Singh and being ineligible does not offer himself for re-appointment.
3. To consider and appoint a director in place of Shri Balkaran Singh and being ineligible does not offer himself for re-appointment.
4. To consider and approve Budget of the company for the Financial Year 2023-24.
5. Alteration in Articles of Association of the company.

Signed thisday of 2023

Signature of member Signature of Proxy holder(s).....

Affix revenue
Stamp of
Re. 1

Notes: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

RUHAANII MILK PRODUCER COMPANY LIMITED

CIN: U01114HR2016PTC107713

**Registered Office: Maharana Pratap Singh Chowk, HUDA Road, Khairpur Colony, Sirsa, Haryana
- 125055**

Tel : 7341113005

Website: www.ruhaaniimilk.com

Email: Rmpcl@ruhaaniimilk.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 8th Annual General Meeting sent by the Company.

Signature of the Member

Date:

Place:

DIRECTORS' REPORT

TO THE MEMBERS OF RUHAANII MILK PRODUCER COMPANY LIMITED

The Directors are pleased to present before you Seventh (7th) Annual Report on the operations of the Company along with the Audited Accounts for the year ended March 31st, 2023.

FINANCIAL RESULTS: -

The Company's financial performance, for the period ended March 31, 2023, is summarised below:

Particulars	For the year ended on 31st March 2023 (Figures in Thousand)	For the year ended on 31st March 2022 (Figures in Thousand)
Revenue from Operations	5,79,070	6,98,347
Other income	2437	3015
Total Revenue	5,81,507	7,01,362
Total Cost including expenses	5,88,190	7,00,860
Profit / Loss Before Tax	(6683)	503
Tax Expense		
(1) Current Tax	-	220
(2) Deferred Tax	-	-
Net Tax Expense	-	220
Profit/ (Loss) after Tax	(6683)	283
Limited Return (Dividend)	-	-
Transfer to General reserve	-	283

STATEMENT OF THE COMPANY'S AFFAIRS: -

The company during the year has achieved total revenue of Rs 58,15,07,000 The operational revenues generated was Rs 57,90,70,000, whereas other incomes earned during the period amounted to Rs 24,37,000. The total expenses incurred during the year amounted to Rs 58,81,90,000 including depreciation and amortization expense of Rs 12,56,000. This has resulted into an net Loss before tax (LBT) of Rs 66,83,000 and net Loss after tax (LAT) of Rs. 66,83,000.

The earnings per share (EPS) on an Equity share having a face value of Rs. 100/- stands at Rs. (30.55)/- considering the total Equity Capital of Rs. 2.20 Crore.

LIMITED RETURN (DIVIDEND):-

The board does not propose dividend for the F.Y. 2022-23.

TRANSFER TO GENERAL RESERVE

The Board does not transfer any amount to General Reserve for the F.Y. 2022-23.

REVIEW OF OPERATIONS:

MILK PROCUREMENT:

During the year, the Company has procured 31131 KgPD of liquid milk (Total Quantity: 30224 Litres).

By the end of the financial year, the Company had enrolled 11964 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.

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 228 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 1 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 2022-23 were:

S.N.	Training Programmes	Nos. of Training Conducted	No of Participants Trained
1	Producer Awareness Programme	90	2250
2	Quality and Clean Milk Production Programme	25	425
3	Orientation Programme- VCG	50	250
4	Orientation Programme-MRG	5	50
5	Training of BMC/MCC Staff	10	80
6	Sahayak orientation program	20	200
7	Director Training Programme	2	13

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 2022-23 there are no material changes or commitments affecting the financial position of the Company. Further, there were two MCC's which have been closed in Sirsa and Adampur district after March 31, 2023 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, 2023. Company has issued 2,22,211 equity shares of Rs. 100/- each during the year. Hence, subscribed and paid-up share capital of the Company stood at Rs. 2,22,21,100/- as on 31st March, 2023.

Apart from above, Company has cancelled 38,630 shares of 1089 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, 2023, Company had a total membership base of 11966 members. After March 31, 2023, Company has enrolled 1049 new members and the membership of 5929 members have been surrendered/cancelled. Therefore, the total number of members as on the date of this report stands at 7086 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 2022-23.

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. Paramjeet	:	(Din: 09733228)
4.	Mr. Iqbal Singh	:	(Din: 09733304)
5.	Mr. Rajbhinder Singh	:	(Din: 08996372)
6.	Mr. Balkaran Singh	:	(Din: 08929775)
7.	Mr. Surender	:	(Din: 09151648)
8.	Mr. Brajesh Narain Singh	:	(Din: 08019957)
9.	Mr. Baljinder Singh	:	(Din: 07868463)
10.	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 nine Board meetings were held as under:

Board Meeting no.	Date of Board Meeting	Board Strength	No. of Directors Present
32 nd	20 th May 2022	10	10
33 rd	13 th July 2022	10	10
34 th	09 th September 2022	10	9
35 th	17 th November 2022	10	9
36 th	14 th January 2023	10	9
37 th	14 th March 2023	10	8

c) Change in Directorship

Shri Sukhjinder Singh (Din: 08199126) retired as Director of the Company with effect from 30th September, 2022. The Board places on record its appreciation of services rendered by them during their tenure as Directors.

Shri Gurpreet Singh (Din: 07850152) retired as Director of the Company with effect from 30th September, 2022. The Board places on record its appreciation of services rendered by them during their tenure as Directors.

Shri Paramjeet (Din: 09733228) and Shri Iqbal Singh (Din: 09733304) were appointed as Directors on the Board of the Company with effect from 30th September, 2022.

After the closure of review period, Shri Vikas Kumar (Din: 09298961) has resigned as Chief Executive Officer & Director of the Company with effect from 06th July, 2023. The Board places on record its appreciation of services rendered by them during their tenure as Directors.

Shri Surya Parkash (Din: 10243278) was appointed as Chief Executive Officer & Directors on the Board of the Company with effect from 07th July, 2023.

TRAINING OF BOARD MEMBERS: -

During the reporting 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 for the financial year ended 31st March 2023, 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, 2023 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 Vikas Kumar, Member;
Shri Gurpreet Singh, Member;

After the closure of review period, the Stakeholders Relationship Committee was re-constituted by the Board. The Committee consists of:

Shri Sher Singh, Chairman;
Shri Surya Parkash, Member;
Shri Iqbal Singh, Member;

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.

INTERNAL AUDITORS: -

M/s NR Associates, Delhi have been appointed as Internal Auditors of the Company for the Financial Year 2022-23 by the Board of Directors in terms of Section 378ZF of the Companies Act, 2013 and rules and regulations, made thereunder. The internal auditors conduct extensive audit throughout the year across all functional areas and submit their report to the Board.

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 2022-23.

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, 2023 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, 2023.

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.

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, have been appointed at the 6th Annual general Meeting to hold office upto the conclusion of 11th Annual General meeting of the company to be held in the Year 2026.

The Auditor's report for the financial Year 2022-23 does not contain any qualification, reservation or adverse remark. The Auditors have conveyed their confirmation about their eligibility to continue as Statutory Auditors of the company.

During the year under review, the Statutory Auditors has not reported any instances of frauds committed in the company by its officers or employees to the board under section 143 (12) of the Companies Act, 2013 details of which would need to be mentioned in this Report.

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 call for any further comment.

COST RECORD

As per the provision of the companies (Cost Records & Audit) Rules, 2014, Cost audit is not applicable to the Company.

INTERNAL FINANCIAL CONTROL: -

Company believes that internal control is a pre-requisite for better governance and that business plans should be exercised within a framework of checks and balances. Internal financial control over financial reporting have been designed to provide reasonable assurance with regards to recording and providing reliable financial information and complying with applicable accounting standards.

The ERP system is configured to ensure all transactions are integrated seamlessly with the underlying books of account. As per Section 378ZF of the Companies Act, 2013, Company has to carry out internal audit of its accounts. Accordingly, Company has appointed M/s NR Associates as Internal Auditors of the Company for the year 2022-23. The Internal Auditors independently evaluate the adequacy of internal control and concurrently audit the majority of the transactions in value terms.

During the year under review, no reportable material weakness in the operations was observed.

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 year under review, no complaints were received from any of the employees and no complaints were pending at the beginning of the year.

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.

ANNUAL RETURN

Pursuant to the requirements under section 92 (3) and section 134 (3) of the Act read with Rule 12 of the companies (Management and Administration) Rules, 2014, an extract of the annual return in prescribed form MGT-7 is uploaded on the website of the company, which can be accessed at www.ruhaaniimilk.com/category/annual-returns/

INSOLVENCY AND BANKRUPTCY CODE, 2016

There has been no application made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year ended 31st March, 2023.

DETAILS OF DIFFERENCE IN VALUATION

As per section 134 of the Companies Act, 2013, a detail of difference between amount of valuation done at the time of one-time settlement and valuation done while taking loan from banks is required to be furnished in Director Report. Since no settlement was undertaken during the year under review hence it is not applicable on the company.

WAY FORWARD FOR THE F.Y. 2023-24

With renewed vigor and zeal to overcome the challenges faced in FY 2022-23, Ruhaanii Milk Producer Company Limited envisage to grow its milk procurement and targets a daily average milk procurement of 40608 Kg/Day from its registered members. We are planning to run 300 villages in our two MCC's i.e Raman Mandi & Ratia area under ("National Programme for Dairy Development (NPDD)' of Government of India to strengthen its milk procurement value chain and at the same time benefit more number of producers by bringing them under the fold of a transparent and efficient company like Ruhaanii Milk Producer Company Limited.

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: 08.09.2023

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 2023, and the statement of Profit and Loss and cash flow statement 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, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss, 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.

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 obtained at the date of this auditor's report is the information included in the Director's Report but does not include financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do 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 identified above 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, on the other information that we obtained prior to the date of this auditor's report 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, the 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 the 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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, 2020 ("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 A**" 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 to the extent applicable 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 Cash Flow Statement 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.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended; 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.
 - (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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The financial statements disclose the impact of pending litigations on the financial position of the Company - Refer Note 28 (d) to the financial statement.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 28 (e) to the financial statement.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note 28 (c) to the financial statement.

- iv. (a). The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to account, no funds which are material either individually or in the aggregate have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b). The Management has represented, that, to the best of its knowledge and belief, as disclosed in notes to accounts, no funds which are material either individually or in the aggregate have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c). Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided in (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
 - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only with effect from 1 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable.
3. As per section 378ZG of the Part XXIA of the Companies Act, 2013, we give in the ‘Annexure C’ 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: 23087701BGWNNM1269
Place: Gurugram
Date: 08 September 2023

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 2023)

- (i) In respect of the Company's property, plant and equipment and intangible assets:
 - (a)
 - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a regular program of physical verification of its property, plant and equipment under which property, plant and equipment 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 property, plant and equipment 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 (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
 - (d) The Company has not revalued its Property, Plant and Equipment and intangible assets during the year, being under cost model. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.
 - (e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.
- (ii)
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
 - (b) In our opinion and according to the information and explanations given to us, during the year, the Company has not been sanctioned any working capital limits from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clause 3(iii)(a) to (f) 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 neither accepted any deposits nor the amounts which are deemed to be deposits during the year and further the Company 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/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) In respect of statutory dues:

(a) In our opinion and according to the information and explanations given to us, statutory dues including , provident fund and employee state insurance, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities though there has been slight delay in deposit of goods and services tax and income tax. 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 duty of customs, excise duty, services tax, value added tax, sales tax,.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix)

(a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not availed any term loan during the year, accordingly provisions of clause 3(ix) (c) of the Order are not applicable during the year.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have not been used for long-term purposes during the year by the Company.

(e) According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.

(f) According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable.

(x)

(a) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x)(b) of the order are not applicable.

(xi)

- (a) 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 has been noticed or reported during the period covered by our audit.
 - (b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and upto the date of this report.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a) to (c) 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 Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards. Since, the Company is a private limited Company, therefore, the provisions of Section 177 of the Act are not applicable to the Company.
- (xiv)
 - (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the internal audit reports issued to the Company till date and covering the period under audit.
- (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 its directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.
- (xvi)
 - (a) The Company is not required to be registered under Section 45-IA of the RBI Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.
 - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the RBI as per the RBI Act, 1934. Accordingly, provisions of clause 3 (xvi) (b) of the order are not applicable.
 - (c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India.
 - (d) The Group has no CIC which are part of the Group. Accordingly, the provisions of clause 3(xvi) (d) of the order are not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The provisions of Section 135 of the Act are not applicable to the Company. Accordingly, provisions of clause 3 (xx) (a) and (b) of the order are not applicable.
- (xxi) In our opinion and according to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(xxii) of the Order are not applicable.

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

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 23087701BGWNMN1269

Place: Gurugram
Date: 08 September 2023

**Annexure B to the Independent Auditor's Report
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section
of the Independent Auditor's Report of even date)**

**Independent Auditor's report on the Internal Financial Controls with reference to financial
statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **RUHAANII MILK PRODUCER COMPANY LIMITED** ("the Company") as at 31 March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

1. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial statements criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial statements issued by the Institute of Chartered Accountants of India ('the Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the respective company's policies, the safeguarding of the company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' responsibility

2. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
3. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
4. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of internal financial controls with reference to financial statements

5. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls with reference to financial statements

6. Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

7. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

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

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 23087701BGWNMN1269

Place: Gurugram
Date: 08 September 2023

ANNEXURE C 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 PRODUCER COMPANY LIMITED** on the financial statements as of and for the year ended 31 March 2023)

- (i) The amount of debts due from sale of goods and services are disclosed in Note 18 to the financial statements. According to the information and explanations given to us debts which are considered as doubtful as of recovery is disclosed in Note 14.
- (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, 2023 are as per financial statements of the Company as at end and for the year ended 31 March, 2023.
- (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**
6Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 23087701BGWNMN1269

Place: Gurugram
Date: 08 September 2023

RUHAANII MILK PRODUCER COMPANY LIMITED
BALANCE SHEET AS AT 31 MARCH 2023
CIN: U01114HR2016PTC107713

	Note No.	As at 31 March,2023 Rs./ thousands	As at 31 March,2022 Rs./ thousands
Equity and liabilities			
1 Shareholder's funds			
a. Share capital	3	22,031	21,673
b. Reserves and surplus	4	6,912	13,596
		28,943	35,269
2 Share application money pending allotment	34	1,033	390
3 Deferred grant	5	26,441	37,380
4 Non- current liabilities			
a. Long-term provisions	9	795	568
		795	568
5 Current liabilities			
a. Trade payables			
- Total outstanding dues of micro and small enterprises	6	5	250
- Total outstanding dues of other than micro and small enterprises	6	32,241	24,858
b. Unutilised grant	7	-	-
c. Other current liabilities	8	13,993	9,055
d. Short term provisions	9	57	46
		46,296	34,209
		74,565	72,547
Total equity and liabilities		103,508	107,816
Assets			
1 Non-current assets			
a. Property, plant and equipment	10.1	37,452	40,352
b. Intangible assets	10.2	172	326
c. Capital work-in-progress	10.3	6,443	3,634
d. Long-term loans and advances	11	610	1,588
e. Other non-current assets	12	112	112
		44,789	46,012
2 Current assets			
a. Inventories	13	3,853	8,772
b. Trade receivables	14	42,690	20,683
c. Cash and bank balances	15	10,946	29,298
d. Short-term loans and advances	16	496	489
e. Other current assets	17	734	2,562
		58,719	61,804
		103,508	107,816

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

Surya Parkash
Director and Chief Executive
DIN:10243278

Sher Singh
Director
DIN:08529224

Vinesh Jain
Partner
Membership No. 087701

Amit Kumar
Manger- Accounts & Finance

Pankaj Goyal
Company Secretary
Mem. No: 68372

Place: Gurugram
Date:

Place: Sirsa(Haryana)
Date: 08.09.2023

RUHAANII MILK PRODUCER COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023
CIN: U01114HR2016PTC107713

	Note No.	For the year ended 31 March,2023 Rs./ thousands	For the year ended 31 March,2022 Rs./ thousands
1 Revenue from operations	18	579,070	698,347
2 Other Income	19	2,437	3,015
3 Total Revenue (1 + 2)		581,507	701,362
4 Expenses			
a. Purchase of stock-in-trade	20	503,449	618,436
b. Procurement expenses	21	30,111	32,863
c. Changes in inventories of finished goods and stock-in-trade	22	4,919	(798)
d. Employee benefits expenses	23	17,669	15,470
e. Depreciation and amortisation expenses	24	1,256	453
f. Finance cost	25	42	401
g. Other expenses	26	30,744	34,035
Total Expenses		588,190	700,860
5 Profit/Loss before tax (3 - 4)		(6,683)	503
6 Tax expenses			
a. Current tax		-	220
b. Deferred tax		-	-
		-	220
7 Profit/Loss for the year (5 - 6)		(6,683)	283
8 Earnings per equity share (of Rs. 100 per share):			
a. Basic	27	(30.55)	1.56
b. Diluted	27	(30.55)	1.52

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

Surya Parkash
Director and Chief Executive
DIN:10243278

Sher Singh
Director
DIN:08529224

Vinesh Jain
Partner
Membership No. 087701

Amit Kumar
Manger- Accounts & Finance

Pankaj Goyal
Company Secretary
Mem. No: 68372

Place: Gurugram
Date:

Place: Sirsa (Haryana)
Date: 08.09.2023

RUHAANII MILK PRODUCER COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023
CIN: U01114HR2016PTC107713

	For the year ended 31 March,2023	For the year ended 31 March,2022
	Rs./ thousands	Rs./ thousands
A. Cash flow from operating activities		
Profit before tax	(6,683)	503
Adjustment for :		
Depreciation and amortisation expenses	1,256	453
Interest income	(558)	(393)
Provision for doubtful recoverables	-	304
Liabilities written back	-	(217)
Operating profit before working capital changes	(5,985)	649
Adjustment for		
Movements in working capital:		
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	7,138	(6,505)
Long-term provisions	227	(48)
Short term provisions	11	29
Other current liabilities	(873)	1,470
Adjustments for (increase) / decrease in operating assets:		
Inventories	4,919	(798)
Trade receivables	(22,007)	9,007
Short-term loans and advances	(7)	(238)
Other current assets	1,828	(1,350)
Cash from operations	(14,749)	2,216
Income tax paid (net)	978	(2,831)
Net cash flow from/(used in) operating activities	(13,771)	(615)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(6,140)	(7,738)
Other bank balances not classified as cash and cash equivalent	6,183	(1,450)
Interest Income	558	393
Net cash flow from/(used in) investing activities	601	(8,795)
C. Cash flow from financing activities		
Proceeds from issue of equity shares(net)	(32)	4,425
Proceeds from issue of share application money(net)	1,033	390
Dividend paid	-	(1,186)
Grant refunded	-	(1,553)
Utilisation of the grants for revenue expenditure	-	(39)
Net cash flow from (used in) financing activities	1,001	2,037
Net Increase/(decrease) in Cash and Cash Equivalents	(12,169)	(7,373)
Add: Opening balance of cash and cash equivalents	20,386	27,759
Closing balance of cash and cash equivalents	8,217	20,386
Cash and cash equivalents comprises:		
Balances with banks:		
in current accounts	773	12,385
In fixed deposits account (original maturity of 3 months or less)	7,444	8,001
Cash and cash equivalents as per cash flow statement	8,217	20,386

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

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

Surya Parkash
Director and Chief Executive
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Amit Kumar
Manger- Accounts & Finance

Pankaj Goyal
Company Secretary
Mem. No: 68372

Place: Gurugram
Date:

Place: Sirsa (Haryana)
Date: 08.09.2023

RUHAANII MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01114HR2016PTC107713

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: U01114HR2016PTC107713

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 :

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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.

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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

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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.

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	As at 31 March,2023		As at 31 March,2022	
	Number of shares	Rs./ thousands	Number of shares	Rs./ thousands
3 Share capital				
a Authorised				
5,00,000 Equity shares of Rs. 100/- each	500,000	50,000	500,000	50,000
b Issued, subscribed and paid up				
Equity Shares of Rs. 100/- each fully paid up	220,302	22,030	216,726	21,673

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.
- 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,2023		As at 31 March,2022	
	Number of shares	Rs./ thousands	Number of shares	Rs./ thousands
Equity shares with voting rights				
Balance at the beginning of the year	216,726	21,673	169,447	16,945
Share issued during the year	42,206	4,221	82,460	8,246
	258,932	25,894	251,907	25,191
Shares cancelled/surrendered and reissued during the year	38,630	3,863	35,181	3,518
Balance at the end of the year	220,302	22,031	216,726	21,673

- 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.
- vi. **Shares held by promoters***

Name of promoter	As at 31 March, 2023		As at 31 March, 2022		%Change
	No. of Shares held	% Holding	No. of Shares held	% Holding	
1 Sher Singh	63	0.03%	27	0.01%	133.33%
2 Balkaran Singh	20	0.01%	20	0.01%	0.00%
3 Rajbhinder Singh	37	0.02%	24	0.01%	54.17%
4 Kanta Devi	28	0.01%	28	0.01%	0.00%
5 Surender	23	0.01%	23	0.01%	0.00%
6 Iqbal Singh	101	0.05%	101	0.05%	0.00%
7 Paramjeet Singh	152	0.07%	148	0.07%	2.70%

* Promoter here means as defined in Companies Act, 2013.

- vi. No share has been issued for a consideration other than cash/bank or bonus during the year or 5 years immediately preceding the financial year.

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	As at 31 March,2023 Rs./ thousands	As at 31 March,2022 Rs./ thousands
4 Reserves and surplus		
a. General reserve		
Opening balance	13,683	2,750
Add: Transferred from surplus in Statement of Profit and Loss	-	10,933
Closing Balance	13,683	13,683
b. Surplus/(Deficit) in Statement of Profit and Loss		
Balance at the beginning of the year	(88)	11,749
Add:		
Profit/Loss for the year	(6,683)	283
Less:		
Final limited return (dividend) to members for the year ended 31 March, 2021 (Rs. 7- /share)	-	1,186
Transferred to general reserve	-	10,933
Closing Balance	(6,771)	(88)
	6,912	13,596
5 Deferred grant		
Balance at the beginning of the year	37,380	43,017
Capital grant utilised during the year (see note 'i' below)	-	1,450
	37,380	44,467
Less: Depreciation pertaining to assets acquired from grant (see note 10.1 and 10.2)	10,939	7,087
	26,441	37,380

Note:

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

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	As at 31 March,2023 Rs./ thousands	As at 31 March,2022 Rs./ thousands
6 Trade payables		
a. Outstanding dues of micro and small enterprises (see note 'ii' below)	5	250
b. Outstanding dues of other than micro and small enterprises	32,241	24,858
	32,246	25,108

Notes:

i. Trade payables ageing schedule

As at 31 March 2023

	Accruals (Unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro and small enterprises	-	5	-	-	-	5
(ii) Total outstanding dues of creditors other than micro and small enterprises	1,151	30,508	527	51	4	32,241
(iii) Disputed dues of micro and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
	1,151	30,513	527	51	4	32,246

As at 31 March 2022

	Accruals (Unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro and small enterprises	-	250	-	-	-	250
(ii) Total outstanding dues of creditors other than micro and small enterprises	660	24,104	90	4	-	24,858
(iii) Disputed dues of micro and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
	660	24,354	90	4	-	25,108

Note: The above ageing is computed from the date of transaction.

	As at 31 March,2023 Rs./ thousands	As at 31 March,2022 Rs./ thousands
ii. 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 the end of accounting year;		
- Principal	5	250
- 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.

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	As at 31 March,2023 Rs./ thousands	As at 31 March,2022 Rs./ thousands
7 Unutilised grant		
a. Unutilised grant for operating/capital expenditure (see note 'i' below)	-	-
	-	-
Note:		
i. Grant for operating/capital expenditure-Phase 2		
Opening balance		
-Unspent grant	-	3,042
-Grant recoverables	-	-
	-	3,042
Increase in grant liability / decrease in grant recoverable for		
Grant received during the year		
Interest income on grant (see note 19)	-	-
	-	-
Utilisation of Grant		
Utilised for capital expenditure (see note 5)	-	1,450
Income recognised in profit and loss (see note 19)	-	39
	-	1,489
Less: Amount returned during the year	-	1,553
Closing balance of Unutilised Grant	-	-

v. Terms of Grant:

	Phase II
a. Name of project	Dairy Value Chain Development
b. Total sanctioned amount (Rs./ thousands)	45,770
c. Term of grant	1 December, 2019 to 31 March, 2021 extended upto 30 June 2021

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.

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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. 1553 thousands 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.

8 Other current liabilities

	As at 31 March,2023	As at 31 March,2022
	Rs./ thousands	Rs./ thousands
a. Statutory remittances (Contributions to provident fund, withholding taxes etc.)	347	876
b. Security deposits	7,085	6,498
c. Payable for property, plant and equipment	6,235	424
d. Advance from Customers	-	237
e. Amount payable for share surrendered	325	1,006
f. Share application money due for refund	-	14
g. Unclaimed/unpaid dividend (see note below)	1	-
	13,993	9,055

Note:

Unpaid dividend pertains to financial year 2020-21 which is paid through Demand Draft during the financial year 31 March 2022 and subsequently return unpaid during the financial year 31 March 2023.

9 Provisions

a. Long term provisions

i. Provision for gratuity	323	230
ii. Provision for leave encashment	472	338
	795	568

b. Short term provisions

i. Provision for gratuity	5	4
ii. Provision for leave encashment	52	42
	57	46

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10.1 Property, plant and equipment

	Furniture and fixture	Plant and machinery	Computers	Office equipment	Total
	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands
Gross cost					
Balance as at 1 April,2021	1,730	51,752	1,552	430	55,464
Additions	1,951	2,354	318	698	5,321
Disposals	-	-	-	-	-
Balance as at 31 March, 2022	3,681	54,106	1,870	1,128	60,785
Additions	193	8,795	-	123	9,111
Disposals	-	-	-	-	-
Balance as at 31 March, 2023	3,874	62,901	1,870	1,251	69,896
Accumulated depreciation					
Balance as at 1 April,2021	199	11,920	900	168	13,187
Additions	329	6,414	350	153	7,246
Disposals	-	-	-	-	-
Balance as at 31 March, 2022	528	18,334	1,250	321	20,433
Additions	719	10,751	314	227	12,011
Disposals	-	-	-	-	-
Balance as at 31 March, 2023	1,247	29,085	1,564	548	32,444
Net carrying amount					
Balance as at 31 March, 2022	3,153	35,772	620	807	40,352
Balance as at 31 March, 2023	2,627	33,816	306	703	37,452

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
	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands
Gross cost					
Balance as at 1 April,2021	1,718	51,201	1,552	426	54,897
Additions	1,571	144	260	107	2,082
Disposals	-	-	-	-	-
Balance as at 31 March, 2022	3,289	51,345	1,812	533	56,979
Additions	-	114	-	123	237
Disposals	-	-	-	-	-
Balance as at 31 March, 2023	3,289	51,459	1,812	656	57,216
Accumulated depreciation					
Balance as at 1 April,2021	197	11,807	900	167	13,071
Additions	294	6,220	344	60	6,918
Disposals	-	-	-	-	-
Balance as at 31 March, 2022	491	18,027	1,244	227	19,989
Additions	662	9,812	314	98	10,886
Disposals	-	-	-	-	-
Balance as at 31 March, 2023	1,153	27,839	1,558	325	30,875
Net carrying amount					
Balance as at 31 March, 2022	2,798	33,318	568	306	36,990
Balance as at 31 March, 2023	2,136	23,620	254	331	26,341

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10.2 Intangible assets
(other than self generated)

	Computer Software	Total
	Rs./ thousands	Rs./ thousands
Gross cost		
Balance as at 1 April ,2021	932	932
Additions	-	-
Disposals	-	-
Balance as at 31 March, 2022	932	932
Additions	30	30
Disposals	-	-
Balance as at 31 March, 2023	962	962
Accumulated depreciation		
Balance as at 1 April ,2021	312	312
Additions	294	294
Disposals	-	-
Balance as at 31 March, 2022	606	606
Additions	184	184
Disposals	-	-
Balance as at 31 March, 2023	790	790
Net carrying amount		
Balance as at 31 March, 2022	326	326
Balance as at 31 March, 2023	172	172

Notes:

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

	Computer Software	Total
	Rs./ thousands	Rs./ thousands
Gross cost		
Balance as at 1 April ,2021	555	555
Additions	-	-
Disposals	-	-
Balance as at 31 March, 2022	555	555
Additions	-	-
Disposals	-	-
Balance as at 31 March, 2023	555	555
Accumulated depreciation		
Opening balance	233	233
Additions	169	169
Disposals	-	-
Balance as at 31 March, 2022	402	402
Additions	53	53
Disposals	-	-
Balance as at 31 March, 2023	455	455
Net carrying amount		
Balance as at 31 March, 2022	153	153
Balance as at 31 March, 2023	100	100

10.3 Capital work in progress

	As at 31 March, 2023	As at 31 March, 2022
	Rs./ thousands	Rs./ thousands
a. Capital work in progress	6,443	3,634
	6,443	3,634

Notes:

(i) (a) Capital work in progress ageing schedule

As at 31 March 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6,443	-	-	-	6,443
Projects temporarily suspended	-	-	-	-	-
	6,443	-	-	-	6,443

As at 31 March 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,397	123	114	-	3,634
Projects temporarily suspended	-	-	-	-	-
	3,397	123	114	-	3,634

(b) There are no projects in capital work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

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

	As at 31 March, 2023	As at 31 March, 2022
	Rs./ thousands	Rs./ thousands
a. Capital work in progress	-	237
	-	237

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	As at 31 March,2023 Rs./ thousands	As at 31 March,2022 Rs./ thousands
11 Long term loans and advances (Unsecured, considered good)		
a. Advance income tax	610	1,588
	610	1,588
12 Other non-current assets		
a. Security deposits	112	112
	112	112
13 Inventories (As taken, certified and valued by management at cost)		
a. Stock in trade		
- Raw bulk milk	2,132	6,827
- Cattle feed	217	1,319
- Other milk products	1,504	626
	3,853	8,772
14 Trade receivables		
a. Secured, considered good	-	-
b. Unsecured, considered good	42,690	20,683
c. Doubtful	303	-
	42,993	20,683
Allowance for bad and doubtful debts		
a. Secured, considered good	-	-
b. Unsecured considered good	-	-
c. Doubtful	303	-
	303	-
	42,690	20,683

Trade receivables ageing schedule

As at 31 March 2023

	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	42,690	-	-	-	-	42,690
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	303	-	-	303
(iii) Disputed Trade receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered doubtful	-	-	-	-	-	-	-
	-	42,690	-	303	-	-	42,993

As at 31 March 2022

	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	20,380	303	-	-	-	20,683
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered doubtful	-	-	-	-	-	-	-
	-	20,380	303	-	-	-	20,683

Note: The above ageing is computed from the date of transaction.

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	As at 31 March,2023	As at 31 March,2022
	Rs./ thousands	Rs./ thousands
15 Cash and bank balances		
a. Balance with banks		
i. In current accounts	773	12,385
ii. In fixed deposits account (original maturity of 3 months or less)	7,444	8,001
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)	8,217	20,386
b. Other bank balances		
i. In earmarked accounts		
- Unpaid dividend account*	8	7
ii. In fixed deposits account (original maturity of more than 3 months)	2,721	8,905
Total - Other bank balances (B)	2,729	8,912
Total Cash and bank balances (A+B)	10,946	29,298
* Balance in unpaid divided account represents excess amount transferred to that account which is subsequently transferred to current account.		
16 Short term loans and advances (Unsecured, considered good)		
a. Prepaid expenses	496	489
	496	489
17 Other current assets		
a. Accrued interest	53	-
a. Advance to employees	6	82
b. Advance to vendors	-	378
c. Recoverable for excess share allotted and surrendered	-	7
d. Other recoverables*		
i. considered good	675	2,095
ii. considered doubtful	1,211	304
Less: Provision for doubtful recoverables	(1,211)	(304)
	734	2,562

*includes penalty recoverable from sahayaks and transporters

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	For the year ended 31 March,2023	For the year ended 31 March,2022
	Rs./ thousands	Rs./ thousands
18 Revenue from operations		
(a) Sale of products (see note 'i' below)	579,070	698,347
	579,070	698,347
Notes:		
i. Sale of products comprises:		
A. Manufactured goods		
a. Ghee	-	2,285
	-	2,285
B. Traded goods		
a. Raw Milk	569,197	683,426
b. Cattle feed and others	5,869	3,965
c. Other milk products	4,004	8,671
	579,070	696,062
Total	579,070	698,347
19 Other Income		
a. Revenue recognised from grant utilisation		
- Revenue grant (see note 7)	-	39
b. Admission fee from members	188	212
c. Interest income (see note 'i' below)	558	393
d. Liabilities no longer required written back	-	217
e. Rental Income	120	-
f. Miscellaneous income	1,571	2,154
	2,437	3,015
Note:		
i. Interest income		
a. Interest income on fixed deposits	462	393
b. Interest on Income tax refund	96	-
	558	393
20 Purchases of traded goods		
a. Raw bulk milk	492,698	606,500
b. Cattle feed and others	5,651	3,570
c. Other milk products	5,100	8,366
	503,449	618,436

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	For the year ended 31 March,2023	For the year ended 31 March,2022
	Rs./ thousands	Rs./ thousands
21 Procurement expenses		
a. Labour charges	182	270
b. Chemicals and consumables	752	812
c. Freight inward	21,831	22,227
d. Sahayak Incentive	7,346	9,554
	30,111	32,863
22 Changes in inventories of finished goods and stock-in-trade		
Inventories at the beginning of the year		
Finished Goods	-	1,552
Stock in trade	8,772	6,422
	8,772	7,974
Inventories at the end of the year		
Finished Goods	-	-
Stock in trade	3,853	8,772
	3,853	8,772
Net decrease/ (increase) in inventories	4,919	(798)
23 Employee benefit expenses		
a. Salary, wages and allowances	15,687	13,636
b. Gratuity expense	284	193
c. Contribution towards provident fund and other funds	1,203	1,131
d. Staff welfare expense	495	510
	17,669	15,470
24 Depreciation and amortization expenses		
a. Depreciation on property, plant and equipment	12,011	7,246
b. Depreciation on intangible assets	184	294
	12,195	7,540
Less: Depreciation and amortisation pertaining to assets acquired on grant	(10,939)	(7,087)
	1,256	453
25 Finance cost		
a. Interest on delayed payment of statutory dues	42	401
	42	401

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	For the year ended 31 March,2023	For the year ended 31 March,2022
	Rs./ thousands	Rs./ thousands
26 Other expenses		
a. Power and fuel charges	405	686
b. Rent	874	1,030
c. Repair and maintenance		
- plant and machinery	1,609	1,065
- Others	49	106
d. Milk chilling expenses	6,393	6,625
e. Ghee processing charges	-	110
f. Rates and taxes	162	124
g. Communication expenses	882	761
h. Distribution, freight and forwarding	14,404	17,716
i. Legal and professional fees	890	911
j. Payments to auditors (see Note 'i' below)	189	119
k. Meeting and training expenses	296	529
l. Travelling and conveyance	2,506	2,501
m. Provision for doubtful debts	303	-
n. Provision for doubtful recoverables	908	304
o. Printing and stationery	228	498
p. Miscellaneous expenses	646	950
	30,744	34,035

Note:

i. Payments to the auditors comprise (including Goods and services tax)		
- Statutory audit fees	159	119
- Certification fees	30	-
	189	119

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	For the year ended 31 March,2023	For the year ended 31 March,2022
	Rs./ thousands	Rs./ thousands
27 Earning Per share		
Basic		
a. Net profit after tax available for equity share holders	(6,683)	283
b. Weighted average number of Equity Shares of Rs.100 each outstanding during the year (Number of shares)	218,727	181,615
c. Nominal value per Equity Shares (Rs.)	100	100
d. Basic earnings per share - Basic (a/b)	(30.55)	1.56

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	(6,683)	283
b. Weighted average number of equity shares for Basic EPS	218,727	181,615
Add: Effect of share application money	10,330	3,903
Weighted average number of equity shares - for Diluted EPS	229,057	185,518
c. Nominal value per equity shares	100	100
d. Diluted earnings per share *	(30.55)	1.52

* Diluted EPS has not been calculated, since the effect of the same is anti-dilutive and considered same as Basic earning per share.

28 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. Nil (previous year Rs. Nil).
- 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.

29 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.

30 Leasing arrangements

Operating lease - As lessee

The lease rentals charged during the year for cancellable/non-cancellable leases relating to rent of building premises as per the agreements and maximum obligation on long-term non-cancellable operating leases are as follows:

	For the year ended 31 March,2023	For the year ended 31 March,2022
	Rs./ thousands	Rs./ thousands
Lease rentals	874	1,030

Obligations on non-cancellable leases :-

Particulars

	As at 31 March 2023	As at 31 March 2022
	Rs./ thousands	Rs./ thousands
Payable not later than one year	439	436

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Payable later than one year but not later than five years	-	-
Payable later than five years	-	-
	<u>439</u>	<u>436</u>

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31 Related parties

A. List of Related Parties:

i. Key management personnel

Mr. Vikas Kumar	Whole time Director (w.e.f. 30 August 2021)
Mr. Sukhjinder Singh	Director (upto 30 September 2022)
Mr. Baljinder Singh	Director
Mr. Sher Singh	Director
Mr. Gurpreet Singh	Director (upto 30-Sept-2022)
Mr. Sukhwinder Singh	Director (upto 30 September 2021)
Mr. Brajesh Narain Singh	Director
Mr. Balkaran Singh	Director
Mr. Rajbhinder Singh	Director
Mr. Surender	Director (w.e.f. 19 April 2021)
Smt. Kanta Devi	Director (w.e.f. 19 April 2021)
Mr. Iqbal Singh	Director (w.e.f. 30 September 2022)
Mr. Paramjeet Singh	Director (w.e.f. 30 September 2022)

B. Transactions with the Related Parties

		For the year ended 31 March,2023	For the year ended 31 March,2022
		Rs./ thousands	Rs./ thousands
Mr. Shailesh Pandey	Remuneration	-	542
Mr. Vikas Kumar	Remuneration	1,500	431
Mr. Gurpreet Singh	Sitting Fees	5	10
Mr. Sukhjinder Singh	Sitting Fees	5	11
Mr. Sher Singh	Sitting Fees	9	12
Mr. Iqbal Singh	Sitting Fees	5	-
Mrs Kanta Devi	Sitting Fees	6	-
Mr. Sukhwinder Singh	Sitting Fees	-	2
Mr. Balkaran Singh	Sitting Fees	6	11
Mr. Paramjeet Singh	Sitting Fees	3	-
Mr. Surender	Sitting Fees	9	-
Mr. Rajbhinder Singh	Sitting Fees	9	12
Mr. Vikas Kumar	Reimbursement of Expenses	188	-
Mr. Surender	Purchase of raw bulk milk	44	2
Mr. Paramjeet Singh	Purchase of raw bulk milk	156	-
Smt. Kanta Devi	Purchase of raw bulk milk	105	3
Mr. Iqbal Singh	Purchase of raw bulk milk	542	-
Mr. Sher Singh	Purchase of raw bulk milk	256	-
Mr. Balkaran Singh	Purchase of raw bulk milk	6	1
Mr. Rajbhinder Singh	Purchase of raw bulk milk	154	3
		3,007	1,040

C. Balance outstanding as at year end

i. Trade payables for purchase of milk at year end

	As at 31 March, 2023	As at 31 March, 2022
	Rs./ thousands	Rs./ thousands
Mr. Gurpreet Singh	1	-
Mr. Rajbhinder Singh	-	3
Mr. Paramjeet Singh	4	-
Mr. Balkaran Singh	1	1
Mr. Sher Singh	2	-
Mr. Iqbal Singh	18	-
Mr. Surender	-	1
Smt. Kanta Devi	2	3
	27	8

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32 Disclosure of financial ratios

Particulars	Numerator	Denominator	As at	As at	Variance %	Reason for variance
			31 March 2023	31 March 2022		
a. Current ratio	Current assets	Current liability	1.27	1.81	-30%	Note 1
b. Debt equity ratio	Total debt	Equity shareholder's fund	NA	NA	-	
c. Debt service coverage ratio	Net operating Income	Total debt service	NA	NA	-	
i. Return on equity ratio	Net income	Equity shareholder's fund	-23.09%	0.80%	-2983%	Note 2
d. Inventory turnover ratio	Cost of goods sold	Average inventory	80.53	73.77	9%	
e. Trade receivables turnover ratio	Net sales	Average trade receivables	18.27	27.73	-34%	Note 3
f. Trade payables turnover ratio	Net purchases	Average trade payables	17.56	21.72	-19%	
g. Net capital turnover ratio	Net sales	Working capital	46.61	25.31	84%	Note 4
h. Net profit ratio	Net profit	Net sales	-1.15%	0.04%	-2953%	Note 2
j. Return on capital employed	Earning before interest and tax	Capital employed	-22.94%	2.56%	-996%	Note 2
k. Return on investment	Earning on investments	Average investments	NA	NA	-	

Working of the ratios

Basis of ratios	Year ended	Ratio	Year ended	Ratio
	31 March 2023		31 March 2022	
a. Current ratio				
Current assets	58,719	1.27	61,804	1.81
Current liability	46,296		34,209	
b. Debt Equity ratio				
Total debt (Long term debt+Short term debt+Capital lease obligation)	-	-	-	-
Equity shareholder's fund (Share capital+ Reserves and surplus)	28,943		35,269	
c. Debt service coverage ratio	NA		NA	
d. Return on equity ratio				
Net operating income (PAT)	(6,683)	-23.09%	283	0.80%
Equity shareholder's fund (Share capital+ Reserves and surplus)	28,943		35,269	
e. Inventory turnover ratio				
Cost of goods sold	508,368	80.53	617,638	73.77
Average inventory (opening inventory+closing inventory)/2	6,313		8,373	
f. Trade receivables turnover ratio				
Net sales (Total sales - Sales return)	579,070	18.27	698,347	27.73
Average trade receivables [(Opening debtors +Closing debtors) / 2]	31,687		25,187	
g. Trade payables turnover ratio				
Net Purchases (purchases - purchases returns)	503,449	17.56	618,436	21.72
Average trade payables [(opening trade payables+closing trade payables)/2]	28,677		28,469	
h. Net capital turnover ratio				
Net sales (Total sales - Sales return)	579,070	46.61	698,347	25.31
Working capital = Current assets - Current liabilities	12,423		27,595	
i. Net profit ratio				
Net profit	(6,683)	-1.15%	283	0.04%
Net sales (Total sales - Sales return)	579,070		698,347	
j. Return on capital employed				
Earnings before interest and tax	(6,641)	-22.94%	904	2.56%
Capital employed = Total assets - Current liabilities	28,943		35,269	
k. Return on investment		NA		NA

Notes:

- 1 Due to a decrease in current assets resulting from losses in the current year, the current ratio has decreased.
- 2 In the current year, there has been a net loss compared to the previous year. This loss can be attributed to a decline in the gross margin on sales, which in turn has led to reductions in the return on equity, net profit, and return on capital employed.
- 3 In the current year, the collection period from customers has increased, and there has also been a decline in sales. These factors combined have led to a decrease in the trade receivable turnover ratio.
- 4 In the current year, there has been a significant decline in working capital due to losses. This decline has led to an increase in the net capital turnover ratio.