

Indujaa Mahila Milk Producer Company Limited

CIN : U01820MH2018PTC311727

Address : Plot No. 35-C, Kuber Kunj, Rajendra Nagar,
Dhamangaon Road, Yavatmal - 445001 Maharashtra

Second Statutory Audit Report

Financial Year : 2019-20

Assessment Year : 2020-21

INDEPENDENT AUDITOR'S REPORT

To the Members of
INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED** ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit, and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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



INDEPENDENT AUDITOR'S REPORT

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INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED

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Basis for Opinion

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Other Information

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, , and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) This report does not include Report on the internal financial controls with reference to financial statements under clause (i) of sub - section 3 of Section 143 of the Act (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls with reference to financial statements is not applicable to the Company basis the



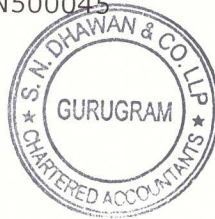
exemption available to the Company under Ministry of Corporate Affairs ('MCA') notification no. G.S.R. 583(E) dated 13 June 2017, read with corrigendum dated 13 July 2017 on reporting on internal financial controls.

- (g) In our opinion and to the best of our information and according to the explanations given to us and according to subsection (5) of section 581 C of the Companies Act, 1956, this being a producer company registered under PART IXA of Companies Act 1956 is considered as Private Company, accordingly the Company being a private company, Section 197 of the Act related to the managerial remuneration not applicable.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would have impact on its financial position- Refer Note 26 (d) to the financial statements;
 - ii. The Company did not have any long-term contract including derivative contract for which there were any material foreseeable losses- Refer Note 26 (e) to the financial statements;
 - iii. There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company- Refer Note 26 (c) to the financial statements
3. As per section 581ZG of the Part IXA of the Companies Act, 1956 (in terms of section 465 of the Companies Act, 2013, provisions of part IXA of the Companies Act are applicable to a producer company in a manner as if the Companies Act, 1956 has not been repealed), we give in the 'Annexure B' a statement on the matters specified in the that section.

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

Vinesh Jain

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 20087701AAAAFM6228



Place: NEW DELHI
Date: 07.09.2020

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 **INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED** on the financial statements as of and for the year ended 31 March 2020)

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



the year-end for a period of more than six months from the date they become payable.

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

- (b) According to the information and explanations given to us, there are no dues in respect of income-tax, and Goods and Services Tax that have not been deposited with the appropriate authorities on account of any dispute. The operation of the Company did not give rise to Sales Tax, VAT, Customs Duty and Excise Duty.
- (viii) In our opinion and according to the information and explanations given to us, the Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, Section 197 of the Act related to the managerial remuneration not applicable.
- (xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) The Company is registered under Chapter IXA of the Companies Act, 1956 and hence reporting under clause (xiv) of CARO 2016 is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.



(xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) of the order are not applicable.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

Vinesh Jain

Vinesh Jain

Partner

Membership No.: 087701

UDIN: 20087701AAAAFM6228




Place: NEW DELHI
Date: 07.09.2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED** on the financial statements as of and for the year ended 31 March 2020)

- (i) The amount of debts due from sale of goods and services are disclosed in Note 13 to the financial statements. According to the information and explanations given to us no debts are considered as doubtful as of recovery.
- (ii) According to the information and explanations given to us, the company does not hold any cash on hand as at the year end. According to the information and explanation given to us, the company does not hold and investment securities.
- (iii) The details of assets and liabilities as at 31 March, 2020 are as per financial statements of the company as at end and for the year ended 31 March, 2020.
- (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 IXA of the Companies Act, 1956.
- (v) According to the information and explanation given to us, the company has not granted any loan to its directors.
- (vi) According to the information and explanation given to us, the Company has not given any donations or subscriptions during the year.

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


Vinesh Jain
Partner
Membership No.: 087701
UDIN: 20087701AAAAFM6228



Place: NEW DELHI
Date: 07.09.2020

INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
BALANCE SHEET AS AT MARCH 31, 2020
CIN: U01820MH2018PTC311727

	Note No.	As at 31 March, 2020 Rupees	As at 31 March, 2019 Rupees
Equity and liabilities			
1 Shareholder's funds			
a. Equity share capital	3	2,475,700	162,300
b. Reserves and surplus	4	1,375,293	216,530
		3,850,993	378,830
2 Share application money pending allotment	31	766,300	65,100
3 Deferred grant	5	45,900,877	18,504,366
4 Non- current liabilities			
a. Long-term provisions	9	562,146	118,803
		47,229,323	18,688,269
5 Current liabilities			
a. Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	6	-	-
- Total outstanding dues of other than micro enterprises and small enterprises	6	18,171,518	1,810,570
b. Unutilised grant	7	-	2,234,242
c. Other current liabilities	8	14,506,657	5,264,062
d. Short term provisions	9	243,774	50,954
		32,921,949	9,359,828
Total equity and liabilities		84,002,265	28,426,927
Assets			
1 Non-current assets			
a. Property, plant and equipment	10	43,453,407	13,898,146
b. Capital work-in-progress		2,447,471	4,606,221
c. Long-term loans and advances	11	82,644	80,130
		45,983,522	18,584,497
2 Current assets			
a. Inventories	12	3,152,040	31,227
b. Trade receivables	13	16,525,042	657,149
c. Cash and cash equivalents	14	5,987,721	8,974,070
d. Short-term loans and advances	15	194,696	179,984
e. Other current assets	16	12,159,244	-
		38,018,743	9,842,430
		84,002,265	28,426,927

See accompanying notes forming part of the financial statements

As per our report of even date attached

For S. N. Dhawan & Co LLP

Chartered Accountants

Firm's Registration No. 000050N/N500045

Vinesh Jain

Partner

Membership No. 087701

Place: New Delhi

Date: 07.09.2020



For and on behalf of the Board of Directors

Indujaa Mahila Milk Producer Company Limited

Sikandar Shekhalal Mulani

Director and Chief Executive

DIN:08208845

Vandana Sanjay Ingale

Director

DIN:08176791

Varsha Shankar Band

Director

DIN:08176824



Place: Yavatmal (Maharashtra)

Date: 07.09.2020

INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020
CIN: U01820MH2018PTC311727

	Note No.	Year ended 31 March, 2020 Rupees	For the period 11 July, 2018 to 31 March, 2019 Rupees
1 Revenue from operations	17	130,367,769	5,050,245
2 Other Income	18	19,328,459	5,775,615
3 Total revenue (1 + 2)		149,696,228	10,825,860
4 Expenses			
a. Purchase of stock-in-trade	19	115,335,204	3,982,541
b. Procurement expenses	20	13,264,858	986,168
c. Change in inventory of stock-in-trade	21	(3,120,813)	(31,227)
d. Employee benefits expenses	22	10,855,700	2,847,596
e. Depreciation and amortisation expenses	23	-	-
f. Other expenses	24	11,963,958	2,772,631
Total expenses		148,298,907	10,557,709
5 Profit before tax (3 - 4)		1,397,321	268,151
6 Tax expenses			
a. Current tax		238,558	51,621
b. Deferred tax		-	-
		<u>238,558</u>	<u>51,621</u>
7 Profit for the year/period (5 - 6)		1,158,763	216,530
8 Earnings per equity share (of Rupees 100 per share):			
a. Basic		215.46	873.10
b. Diluted	25	88.86	240.86

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
Vinesh Jain
Partner
Membership No. 087701

Place: New Delhi
Date: 07.09.2020



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

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Director and Chief Executive
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Director
DIN: 08176791



V.S. Band
Varsha Shankar Band
Director
DIN: 08176824

Place: Yavatmal (Maharashtra)
Date: 07.09.2020

INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020
CIN: U01820MH2018PTC311727

	Year ended 31 March, 2020 Rupees	For the period 11 July, 2018 to 31 March, 2019 Rupees
A. Cash flow from operating activities		
Profit/ (Loss) before tax	1,397,321	268,151
Adjustment for :		
Profit on sale/discard of property plant and equipment	(7,161)	-
Interest income	(74,983)	-
Operating profit before working capital changes	1,315,177	268,151
Adjustment for		
Movements in working capital:		
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	16,360,948	1,810,570
Long-term provisions	443,343	118,803
Short term provisions	14,228	3,760
Other current liabilities	3,380,384	1,135,412
Adjustments for (increase) / decrease in operating assets:		
Inventories	(3,120,813)	(31,227)
Trade receivables	(15,867,893)	(657,149)
Long-term loans and advances	(2,514)	(80,130)
Short-term loans and advances	(14,712)	(179,984)
Other current assets	(23,838)	-
Cash from operations	2,484,310	2,388,206
Income tax paid (net)	(59,966)	(4,427)
Net cash generated from operating activities	2,424,344	2,383,779
B. Cash flow from investment activities		
Purchase of property, plant and equipment	(26,177,166)	(14,965,773)
Sale of fixed assets	36,499	-
Increase in other bank balances not classified as cash and cash equivalent	(2,700,000)	-
Interest Income	74,983	-
Net cash used in investing activities	(28,765,684)	(14,965,773)
C. Cash flow from financing activities		
Proceeds from issue of equity shares(net)	2,313,400	162,300
Proceeds from issue of share application money	701,200	65,100
Proceeds from grants	36,394,000	27,000,000
Utilisation of the grants for revenue expenditure	(18,830,184)	(5,715,288)
Interest income on grant	76,575	43,952
Net cash generated from financing activities	20,654,991	21,556,064
Net increase in cash and cash equivalents	(5,686,349)	8,974,070
Add: Opening cash and cash equivalents	8,974,070	-
Closing cash and cash equivalents	3,287,721	8,974,070
Components of cash and cash equivalents		
Balance with bank:		
in current account	3,287,721	8,974,070
Cash and cash equivalents as per cash flow statement	3,287,721	8,974,070
Add: Bank balance not considered as cash and cash equivalents	2,700,000	-
Cash and bank balances as per Balance Sheet (Note 14)	5,987,721	8,974,070

See accompanying notes forming part of the financial statements

As per our report of even date attached

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

Vinesh Jain
Partner
Membership No. 087701

Place: New Delhi
Date: 07.09.2020



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

Sikandar Shekhalal Mulani
Director and Chief Executive
DIN: 08208845

Vandana Sanjay Ingale
Director
DIN: 08176791

Varsha Shankar Band
Director
DIN: 08176824

Place: Yavatmal (Maharashtra)
Date: 07.09.2020



INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

1 Corporate Information

Indujaa Mahila Milk Producer Company Limited ('the Company') was incorporated on 11 July, 2018, pursuant to sub-section (2) of section 7 of Companies Act, 2013 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.

The previous period financial statements have been prepared for the period 11 July, 2018, (date of incorporation) to 31 March, 2019, hence are not strictly comparable with the current year.

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")/Companies Act, 1956 ("the Act") as applicable. As per the provisions contained under section 465 of the Companies Act, 2013 (section yet to be notified), the provisions of Part IXA of the Companies Act, 1956 shall be applicable mutatis mutandis to a producer company in a manner as if the Companies Act, 1956 has not been repealed until a special Act is enacted for Producer Companies. There are no specific provisions under the Companies Act, 2013 with regard to Producer Companies. As such inference has been drawn that the provisions of Part IXA of the Companies Act, 1956 are applicable to the Producer Company in a manner as if the Companies Act, 1956 has not been repealed.

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.

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 & 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 and software	3 Years
Furniture and fixtures	1 & 10 Years
Office equipments	5 Years

Note:

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



2.8 Inventories

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

2.9 Grants

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

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

2.10 Employee Benefits

Employee benefits includes Provident Fund, Gratuity and Leave Encashment.

i. Defined Contribution Plans :

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

ii. Defined Benefit Plans :

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

iii. Short-term employee benefits :

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

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

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

iv. Long-term employee benefits :

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



2.11 Segment reporting

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

2.11 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.

2.12 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 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.

2.13 Impairment of Asset

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

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

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

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

2.14 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.



2.15 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.

2.16 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.



INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	Rupees	Number of shares	Rupees
3 Share capital				
a Authorised				
1,50,000 Equity shares of Rs. 100/- each	150,000	15,000,000	150,000	15,000,000
b Issued, subscribed and paid up				
Equity Shares of Rs. 100/- each fully paid up	24,757	2,475,700	1,623	162,300

Notes:

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

	As at 31 March, 2020		As at 31 March, 2019	
	Number of shares	Rupees	Number of shares	Rupees
Equity shares with voting rights				
Balance at the beginning of the period	1,623	162,300	-	-
Share issued during the year (net of shares cancelled/surrendered and reissued during the year/period)	23,134	2,313,400	1,623	162,300
Balance at the end of the year/period	24,757	2,475,700	1,623	162,300

- iv. The Company is registered under part IXA of the Companies Act, 1956 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 her 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 sold to members or otherwise cancelled as the Board thinks fit.

4 Reserves and surplus

Surplus/(Deficit) in Statement of Profit and Loss

Balance at the beginning of the year/period
Profit/ (Loss) for the year/period

	As at 31 March, 2020 Rupees	As at 31 March, 2019 Rupees
	216,530	-
	1,158,763	216,530
	1,375,293	216,530



INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

	As at 31 March, 2020 Rupees	As at 31 March, 2019 Rupees
5 Deferred grant		
Balance at the beginning of the year/period	18,504,366	-
Capital grant utilised during the year/period (see note 7)	32,039,377	19,094,422
Less: Depreciation pertaining to assets acquired from grant (see note 10)	4,613,528	590,056
Less: Deferred grant pertaining to asset sold/discarded	29,338	-
	45,900,877	18,504,366

Note:

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

6 Trade payable

a. Total outstanding dues of micro enterprises and small enterprises (see note 'i' below)		
b. Total outstanding dues of other than micro enterprises and small enterprises	18,171,518	1,810,570
	18,171,518	1,810,570

Note

- i. The disclosure of the amount outstanding to micro enterprises and small enterprises are as follows:

Amount payable to suppliers under MSMED (suppliers) as on 31 March

- Principal -
- Interest -

Payments made to supplier beyond the appointed day during the year

- Principal -
- Interest -

Amount of interest due and payable for delay in payment (which have been paid beyond the appointed day during the year) but without adding interest under MSMED

Amount of interest accrued and remaining unpaid as on 31 March

Amount of interest remaining due and payable to suppliers disallowable as deductible expenditure under Income Tax Act, 1961

7 Unutilised grant

a. Unutilised grant for operating/capital expenditure (see note 'i' below)	-	2,234,242
	-	2,234,242

Note:

i. Grant for operating/capital expenditure

Opening balance	2,234,242	-
Add: Grant received during the year	36,394,000	27,000,000
Add: Interest income on grant (see note 18)	76,575	43,952
Add: Deferred grant pertaining to sale of property, plant and equipment	29,338	-
Less: Released to profit and loss (see note 18)	18,830,184	5,715,288
Less: Utilised during the year for capital expenditure	32,039,377	19,094,422
Closing balance of Unutilised Grant	-	2,234,242
Closing balance of Grant Recoverable	12,135,406	-
Less: Amount recognised under other current assets (see note 16)	(12,135,406)	-

ii. Terms of Grant:

- a. Total sanctioned amount of grant is Rs. 12,25,43,000/-
- b. Term of grant is initially for a period of three years, commencing from 11 July, 2018 to 31 March, 2021.
- c. 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.
- d. 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 ('DHANNII') within one month from the agreed date of closure by a prescribed mode notified at the time by officials of DHANNII.

iii. 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
- 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'.

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

v. Details of grant received till 31 March , 2020 is as follows

Financial year in which grant is received:

- 2018-19
- 2019-20

Amount
Rupees
27,000,000
36,394,000
63,394,000

8 Other current liabilities

- a. Statutory remittances
(Contributions to Provident fund, withholding taxes etc.)
- b. Trade/Security deposits
- c. Payable for property, plant and equipments

As at 31 March, 2020	As at 31 March, 2019
Rupees	Rupees
205,796	20,412
4,310,000	1,115,000
9,990,861	4,128,650
14,506,657	5,264,062

9 Provisions

a. Long term provisions

- i. Provision for gratuity
- ii. Provision for compensated absence

212,524	44,105
349,622	74,698
562,146	118,803

b. Short term provisions

- i. Provision for income tax (net)
- ii. Provision for gratuity
- iii. Provision for compensated absence

225,786	47,194
3,981	826
14,007	2,934
243,774	50,954



INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

10 Property, plant and equipment

	Furniture and fixture	Plant and machinery	Computers & Software	Office equipment	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Gross cost					
Opening Balance					
Additions	1,010,014	10,960,476	1,853,794	663,918	14,488,202
Disposals	-	-	-	-	-
Balance as at 31 March, 2019	1,010,014	10,960,476	1,853,794	663,918	14,488,202
Additions	1,219,054	32,465,421	375,556	138,096	34,198,127
Disposals	-	15,135	16,358	-	31,493
Balance as at 31 March, 2020	2,229,068	43,410,762	2,212,992	802,014	48,654,836
Accumulated depreciation					
Opening Balance					
Additions	11,451	383,251	184,472	10,882	590,056
Disposals	-	-	-	-	-
	11,451	383,251	184,472	10,882	590,056
Additions	172,280	3,649,797	647,669	143,782	4,613,528
Disposals	-	437	1,718	-	2,155
Balance as at 31 March, 2019	183,731	4,032,611	830,423	154,664	5,201,429
Net carrying amount					
Balance as at 31 March, 2019	998,563	10,577,225	1,669,322	653,036	13,898,146
Balance as at 31 March, 2020	2,045,337	39,378,151	1,382,569	647,350	43,453,407

Note:

- i. Property, plant and equipment is funded out of grant.



INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

	As at 31 March, 2020 Rupees	As at 31 March, 2019 Rupees
11 Long term loans and advances		
a. Security Deposits	82,644	80,130
	82,644	80,130
12 Inventories (As taken, certified and valued by management at cost)		
a. Raw Bulk milk	2,944,196	31,227
b. Cattle feed	207,844	-
	3,152,040	31,227
13 Trade receivables (Unsecured and considered good)		
a. Trade receivable outstanding for a period less than six months from the date they are due for payment		
i. considered good	16,525,042	657,149
	16,525,042	657,149
14 Cash and cash equivalents		
a. Cash and cash equivalents		
A. Balance with banks		
i. In current accounts	3,287,721	8,974,070
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements)	3,287,721	8,974,070
b. Other bank balance		
i. In fixed deposits account (original maturity of more than 3 months)	2,700,000	-
Total - Other bank balances (B)	2,700,000	-
Total Cash and bank balances (A+B)	5,987,721	8,974,070
15 Short term loans and advances (Unsecured, considered good)		
a. Prepaid expenses	194,696	179,984
	194,696	179,984
16 Other current assets		
a. Grant recoverable (see note 7)	12,135,406	-
b. Interest accrued but not due on bank deposits	23,838	-
	12,159,244	-



INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

	Year ended 31 March, 2020	For the period 11 July, 2018 to 31 March, 2019
	Rupees	Rupees
17 Revenue from operations		
a. Sales bulk milk	126,269,599	5,050,245
b. Sales Cattle feed and mineral mixture	3,841,780	-
c. Other operating income (see note below)	256,390	-
	130,367,769	5,050,245
Note:		
Other operating income		
a. AI Charges received	256,390	-
	256,390	-
18 Other Income		
a. Revenue recognised from grant utilisation - Revenue grant (see note 7)	18,830,184	5,715,288
b. Admission fee from members	156,518	29,870
c. Recoveries	-	-
d. Interest income (see Note 'i' below)	74,983	-
e. Miscellaneous income	259,613	30,457
f. Profit on sale/discard of fixed property, plant and equipment	7,161	-
	19,328,459	5,775,615
Note:		
i. Interest income		
Interest income on fixed deposits	151,558	43,952
Less: Amount transferred to un-utilized grant (see note 7)	(76,575)	(43,952)
Interest income recorded in other income	74,983	-
19 Purchases of traded goods		
a. Purchases of raw bulk milk	111,444,556	3,982,541
b. Purchases of cattle feed & mineral mixture	3,890,648	-
	115,335,204	3,982,541
20 Procurement expenses		
a. Labour charges	1,190,097	162,714
b. Chemicals and consumables	550,435	206,288
c. Freight inward	8,736,079	465,454
d. Price incentive	257,151	23,324
e. Sahayak incentive	2,531,096	128,388
	13,264,858	986,168
21 Changes in inventories of stock-in-trade		
Inventories at the beginning of the year/period	31,227	-
Inventories at the end of the year/period	3,152,040	31,227
Net decrease/ (increase) in inventories	(3,120,813)	(31,227)
22 Employee benefit expenses		
a. Salary, wages and allowances	9,469,373	2,608,538
b. Gratuity expense	196,370	48,099
c. Contribution towards provident fund, esi and labour welfare	912,904	-
d. Staff welfare expense	277,053	190,959
	10,855,700	2,847,596



INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

23 Depreciation and amortization expenses

a. Depreciation on property, plant and equipment	4,613,528	590,056
Less: Depreciation pertaining to assets acquired on grant (see note 5)	(4,613,528)	(590,056)
	-	-

24 Other expenses

a. Power and fuel charges	773,420	53,351
b. Rent	1,301,523	316,708
c. Repair and maintenance		
- Repairs and maintenance - plant and machinery	56,890	13,110
- Repairs and maintenance - Others	522,317	135,910
d. Rates and taxes	49,423	41,215
e. Communication expenses	562,998	74,980
f. Distribution, freight and forwarding	2,703,102	95,289
g. Legal and professional fees	404,081	254,814
h. Payments to auditors (see Note 'i' below)	88,500	82,600
i. Meeting and training expenses	674,340	365,922
j. Travelling and conveyance	1,987,344	439,510
k. Printing and stationery	591,076	213,299
l. Testing expense	142,599	31,342
m. Preliminary Expense	-	280,505
n. AI and Nutritional Service Delivery Cost	454,464	216,924
o. AI Technician Expenses	1,134,616	
p. Miscellaneous expenses	517,265	157,152
	11,963,958.00	2,772,631

Note:

- i. Payments to the auditors comprise (including tax)
- Statutory audit fees

	88,500	82,600
	88,500	82,600



INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

	Year ended 31 March, 2020	For the period 11 July, 2018 to 31 March, 2019
	Rupees	Rupees
25 Earning Per share		
Basic		
a. Net profit after tax available for equity share holders	1,158,763	216,530
b. Weighted average number of Equity Shares of Rs.100 each outstanding during the year (No's of shares)	5,378	248
c. Nominal value per Equity Shares (Rs.)	100	100
d. Basic earnings per share (a/b) (Rs.)	215.46	873.10
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		
a. Net profit after tax available for equity share holders	1,158,763	216,530
b. Weighted average number of equity shares for Basic EPS	5,378	248
Add: Effect of share application money	7,663	651
Weighted average number of equity shares - for Diluted EPS	13,041	899
c. Nominal value per equity shares	100	100
d. Basic earnings per share - Diluted	88.86	240.86

26 Commitments and contingencies

- The estimated amount of contracts remaining to be executed on capital amount and not provided for (net of advances) amount to Rs. 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.
- 27** The Company's strategic steering committee, examines the Company's performance on the basis of sales of goods, the Company engaged in the business of trading of milk and operates in single geographical segment in India only hence the reporting requirements for segment disclosure as prescribed by AS 17 are not applicable.

28 Leasing Arrangements

Operating lease

- The Company has taken premises under cancellable and non cancellable operating leases. Rent amounting to Rs. 13,01,523 (Previous year Rs. 3,16,708) has been debited to the Statement of Profit and Loss during the year. The future minimum lease payments under these operating leases as of 31 March, 2020 are as follows:

Operating lease rentals

Due within 1 year
 Due between 1 to 5 years
 Above 5 years

As at 31 March, 2020	As at 31 March, 2019
Rupees	Rupees
-	218,292
-	-
-	-
-	218,292

There is a lock in period of 1 year in case of office lease from lease commencement date. However, w.r.t BMC lease there is a lock in period of 5 years on part of lessor only and can be cancelled by company (lessee) by giving notice of 3 Month anytime after commencement of lease.



29 Related parties

A. List of Related Parties:

INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

i. Key management personnel

Sikandar Shekhalal Mulani	Whole time Director (w.e.f. 28/08/2018)
Vandana Sanjay Ingale	Director (w.e.f. 11/07/2018)
Sima Dhammapal Fulzele	Director (w.e.f. 11/07/2018)
Varsha Shankar Band	Director (w.e.f. 11/07/2018)
Roshni Vinod Shelokar	Director (w.e.f. 01/08/2019)
Swati Rupesh Bashtikar	Director (w.e.f. 01/08/2019)
Nita Roshan Rathod	Director (w.e.f. 01/08/2019)
Mamta Amardip Wankhade	Director (upto. 01/10/2019)
Abhilasha Vishnu Narnavre	Director (upto. 01/10/2019)

B. Transactions with the Related Parties

		Year ended 31 March, 2020	For the period 01.04.2018 to 31.03.2019
		Rupees	Rupees
Sikandar Shekhalal Mulani	Remuneration	982,479	539,227
Vandana Sanjay Ingale	Sitting Fees	500	2,000
Sima Dhammapal Fulzele	Sitting Fees	2,000	2,000
Varsha Shankar Band	Sitting Fees	2,000	2,000
Abhilasha Vishnu Narnavre	Sitting Fees	-	1,000
Mamta Amardip Wankhade	Sitting Fees	-	1,000
Roshni Vinod Shelokar	Sitting Fees	500	NA
Swati Rupesh Bashtikar	Sitting Fees	1,000	NA
Nita Roshan Rathod	Sitting Fees	500	NA
Sikandar Shekhalal Mulani	Reimbursement of Expenses	188,618	169,784
Vandana Sanjay Ingale	Reimbursement of Expenses	500	500
Sima Dhammapal Fulzele	Reimbursement of Expenses	1,500	500
Varsha Shankar Band	Reimbursement of Expenses	1,500	500
Abhilasha Vishnu Narnavre	Reimbursement of Expenses	-	500
Mamta Amardip Wankhade	Reimbursement of Expenses	-	-
Roshni Vinod Shelokar	Reimbursement of Expenses	500	NA
Swati Rupesh Bashtikar	Reimbursement of Expenses	500	NA
Nita Roshan Rathod	Reimbursement of Expenses	500	NA
		1,182,597	719,011

C. Balance outstanding as at year end

Trade payables as at year end

	As at 31 March, 2020	As at 31 March, 2019
	Rupees	Rupees
Sikandar Shekhalal Mulani	-	2,610
Vandana Sanjay Ingale	-	1,400
Sima Dhammapal Fulzele	-	1,400
Varsha Shankar Band	450	1,400
Abhilasha Vishnu Narnavre	-	1,400
Mamta Amardip Wankhade	-	-
	450	8,210

30 Employee benefits

A. Defined contribution plan

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

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

- a. Contribution towards provident fund
b. Contribution towards esi



	Year ended 31 March, 2020	For the period 01.04.2018 to 31.03.2019
	Rupees	Rupees
a. Contribution towards provident fund	772,063	-
b. Contribution towards esi	138,717	-

INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

c. Contribution towards labour welfare fund

2,124	-
912,904	-

B. Defined benefit plan

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

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

	Year ended 31 March, 2020	For the period 11 July, 2018 to 31 March, 2019
	Rupees	Rupees
i. Changes in Present Value of Benefit Obligation		
Present Value of Benefit Obligation at beginning of the period	44,931	-
Current Service Cost	170,468	44,931
Interest Cost	3,055	-
Benefit Paid	(24,796)	(3,168)
Actuarial Losses (Gains)	22,847	3,168
Present Value of Benefit Obligation at end of the period	<u>216,505</u>	<u>44,931</u>
iii. Amount Recognized in the Balance Sheet		
Present Value of Benefit Obligation at end of the year	216,505	44,931
Net Liability recognized in Balance Sheet	<u>216,505</u>	<u>44,931</u>
iv. Expenses Recognized in the Statement of Profit and Loss		
Current Service cost	170,468	44,931
Interest cost	3,055	-
Net actuarial losses (gains) recognized in the period	22,847	3,168
Expenses recognized in Statement of Profit and Loss	<u>196,370</u>	<u>48,099</u>
v. Balance Sheet Recognition		
Net liability at the beginning of the period	44,931	-
Expenses as above	196,370	48,099
Benefit Paid	(24,796)	(3,168)
Net liability at the end of the year	<u>216,505</u>	<u>44,931</u>
Net liabilities recognised in the balance sheet		
Short-term provisions	3,981	826
Long-term provisions	212,524	44105
	<u>216,505</u>	<u>44,931</u>
vi. Principal Actuarial Assumptions		
Retirement Age	58 Years	58 Years
Discount Rate	6.80% p.a.	7.70% p.a.
Expected Salary Escalations	7.00% p.a.	7.00% p.a.
Attrition Rate	5.00% p.a.	5.00% p.a.
(5% at younger ages and reducing to 1% at older ages according to graduated scale)		
Mortality Table Used	Indian Assured Lives Mortality (2012-14) Ultimate	
vii. Experience adjustments		
Present value of defined benefit	216,505	44,931
Plan assets and plan liabilities	-	-



31 Share application money pending allotment

As at 31 March 2020, the Company has received an amount of Rs. 7,66,300 (Previous year Rs. 65,100) towards share application money towards 7,663 (Previous year- 651 (No)) equity shares of the Company at a premium of Rs. Nil. Subsequently, the Company has allotted the shares on 29 June, 2020. The Company has sufficient authorised capital to cover the allotment of these shares. Pending allotment of shares, the amounts are maintained in a designated bank account and are not available for use by the Company.

32 The Company is engaged in carrying the business of Sales of bulk milk and related products which is sold in India only, hence reporting requirements for segment disclosure as prescribed by AS 17 are not applicable.

INDUJAA MAHILA MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS
CIN: U01820MH2018PTC311727

- 33 All assets and liabilities are presented as Current or Non-current as per criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services rendered by the company, its operations and realization, the company has ascertained its operating cycle of less than 12 months. Accordingly 12 months period has been considered for the purpose of Current/ Non-current classification of assets and liabilities.
- 34 The Company has not meet the conditions of CSR rules, net worth, turnover and net profit hence the provisions of CSR not applicable to the Company.
- 35 Previous period figure are for the period 11 July, 2018 to 31 March, 2019, hence not comparable with current year's number. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For S. N. Dhawan & Co LLP

Chartered Accountants

Firm's Registration No. 000050N/N500045

Vinesh Jain
Vinesh Jain

Partner

Membership No. 087701



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

[Signature]
Sikandar Shekhalal Mulani
Director and Chief Executive

DIN:08208845

DIN:08208845

4.9.2020

Vandana Sanjay Ingale

Director

DIN:08176791



V.S. Band

Varsha Shankar Band

Director

DIN:08176824

Place: New Delhi
Date: 07.09.2020

Place: Yavatmal (Maharashtra)
Date: 07.09.2020