

Values, Mission and Vision of Harit Pradesh Milk Producer Company Limited

Values:

- **Quality at each level**
- **Transparency**
- **Honesty**
- **Commitment**
- **Punctual**
- **Passionate**
- **Progressive**
- **Team spirit**

Mission:

Harit Pradesh MPC is determined to provide maximum benefits to its milk producing members by providing competitive price for quality milk and technical services to increase milk production at low cost; along with this, MPC is committed to reach high quality milk and milk products to its consumers.

Vision:

Harit Pradesh MPC will be the first choice of milk producer members, consumers and employees and will be the foremost among the top 10 institutions in the dairy sector of India.

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

CIN: U01110UP2021PTC154607

Regd Office: MH-35, Pallavpuram-2, Modipuram, Meerut, Uttar Prdaesh 250 110

Tel 0121-4341575

Email: info@haritpmilk.com

DIRECTORS' REPORT

The Directors are pleased to present their First (1st) Annual Report on the operations of the Company along with the Audited Accounts for the year ended March 31, 2022.

Financial Results

The summarized Financial Results are as under:

(Rupees in Lakhss)	
Particulars	31.03.2022
Total Revenue	941.20
Total Cost including expenses	902.95
Profit / Loss Before Tax	38.25
Tax Expense:	
(1) Current Tax	0
(2) Deferred Tax	9.63
Net Tax Expense	9.63
Profit/ (Loss) after Tax	28.62

During the year under review, the Company has achieved a turnover of Rs.931.43 Lakhs.

The Company during the period has achieved total income of Rs.941.20 Lakhs, comprising of operational revenues amounting to Rs.931.43 Lakhs and other income amounting to Rs.9.77 Lakhs. The total expenses incurred during the period amounting to Rs.902.95 Lakhs. The Company has made a profit of Rs.28.62 Lakhs during the FY 2021-22.

Limited Return (Dividend)

Your directors do not recommend dividend to the shareholders for the financial year 2021-22.

Transfer to General Reserve

The Board of Directors proposes to transfer an amount of Rs.28.62 Lakhss to the credit of General Reserve in terms of relevant provisions of the Articles of Association of the Company read with Section 378ZI of the Companies Act, 2013.

Operations Overview

MILK PROCUREMENT:

The Company is procuring milk from Bulandshahr, Shamli, Hapur, Muzaffarnagar, Meerut, Bijnor and Saharanpur districts in Uttar Pradesh covering 1,226 villages with 1,417 MPPs as on 31st March 2022. Company has 10 Milk Chilling Centres (MCC) and 27 Bulk Milk Coolers (BMC) having Combined Cooling Capacity of 2,33,000 liter per day. During the financial year 2021-22 (11 days operations) the Company has procured 21,60,236.77 liters of 'Raw Milk' directly from the members of the company.

At the end of the financial year 2021-22, out of 16,482 members 10,813 pourers have emerged as "Active Members". The members have, thus, shown their confidence in the working of the Company. This healthy indicator reflects the onset of the growth 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 prices to its members towards the milk being supplied by them.

The Company is continuously endeavoring to maximize the productivity by enhancing efficiencies and taking cost reduction measures like reduction of the logistics cost, better supervision, quality checks and better controls etc.

Milk Pooling Point (MPPs)

Milk Pooling Points are developed, organized and made functional as per standard requirements of Standard

Operating Procedure (SOP).

Milk collection accessories such as DPMCU, Milk Analyzer, Weigh Balance, Milk Bucket, SS Strainer etc. are provided at every MPP. Routine calibration of Analyzer and weighing balances are performed as per calibration Schedule & plan in accordance with the SOP.

Milk is received at MPP as per the scheduled time and inward transport vehicle also lift milk from MPP as per their schedule timings.

Milk quality and quantity is assured by Sahayak to Transporter during this activity and records are maintained. Composite and Dispatch report of milk received from farmers is generated and handed over to transporter by Sahayak, thus accountability and traceability is maintained throughout the supply chain.

System also has been implemented for hand-over milk from MPP/BMC to transporter who in turn make the same milk reaching within stipulated time at MCC.

Milk delivered to the MCC is tested for organoleptic quality and FAT /SNF testing is done with AMCU (Automatic Milk Collection Unit). Milk analysis including tests for adulteration, during pouring by pourer and during dispatch to BMC are governed as per SOP to ensure good quality milk with traceability. All records/ information are maintained.

Milk Chilling Centers (MCCs)

Milk Chilling Centers facilities have been developed as per Standard approved layout with hygienic design.

Milk received from MPP is cooled down as soon as possible below 4 °C after it arrives at the MCC in the morning and evening shift/s. This cooling requires considerable use of energy, suitable compressor system equipment and insulated storage tanks designed specifically for milk. There are several ways of satisfying these requirements and these should be examined, bearing in mind the need to minimize operating costs related to cooling.

Milk cooled at MCC is transported to the customer directly.

Bulk Milk Coolers (BMCs)

Company having 27 BMCs capacities that ranges from 1,000 to 5,000 liters of capacity.

QUALITY ASSURANCE

To collect good quality milk from the farmers, trainings on clean milk production were provided to farmers at villages.

The milk pooling points were equipped with necessary equipments. The Sahayaks have been trained for hygienic milk collection.

To maintain freshness of raw milk, the collected milk is quickly transported from MPP to BMC/MCC with dedicated inward milk vehicles as per scheduled times.

The milk at BMC/MCC has been accepted as per incoming raw milk specifications. The operations at BMC/MCC were performed as per specifically designed standard operating procedures which are also incorporating all requirements of schedule 4 of FSSAI. A detailed sampling plan has been followed at BMC/MCC to take utmost care of raw milk quality at different stages such as receiving, storage and dispatch. Once the milk accepted at BMC/MCC, the milk is chilled as soon as possible to 4 °C and milk temperature has been continuously monitored to maintain quality during storage until dispatch to processing plant through road tankers.

The laboratory at BMC/MCC are equipped with all necessary equipments, chemicals and glasswares to comply MPC quality norms and legal requirements

To ensure collection of good quality of milk, MPC has implemented various documentation and verification procedure at different points of milk collection stages.

The QA staff has been trained on hygiene principles and latest analytical procedures to test and dispatch only good quality milk to customers

The MPPs and BMCs/MCCs have complied all legal requirements like FSSAI license and Weights and Measure stamping for milk collection operations.

PRODUCER INSTITUTION BUILDING (PIB):

PIB ensures implementation of membership enrolment activities of the Company. During the financial year, company enrolled 16,482 members, out of which 10,813 have emerged as active members. The members have thus shown their confidence in the working of the Company. 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.

PIB focuses on Educating and sensitizing members about their roles and responsibilities apart from spreading information about various activities relating to members of the Company.

MPCs Core Design Principles:

Core Design Principles were strictly observed. Business dealings were restricted only with members.

INFORMATION TECHNOLOGY: -

The role of ICT (Information and Communication Technology) for maintaining transparent transactions and access to business intelligence in the Producer Company becomes very important in the complexity of the value chain. Our IT system ensures that the data regarding quantity, fat and SNF (solids-not-fat) of the milk supplied by the producers is transmitted online from the Milk Pooling Point to the server, based on which the member payment is automatically calculated from ERP system and the amount is transferred to the member's Bank account without any manual intervention. The IT system updates member data and the milk rate chart in the data processors at all the MPPs ensuring that milk is collected only from members.

ERP System

Harit Pradesh Milk Producer Company Limited has implemented 'SARTHAK' ERP (Enterprise Resource Planning) system from 21st March, 2022, a platform for seamless integration of operations and information through Enterprise solutions.

Milk Collection Applications

Harit Pradesh Milk Producer Company Limited has implemented milk collection application to automate milk collection process in the field. Application has features to capture milk procurement data from MPP BMC and MCC and moves data automatically in SARTHAK system to process member's payment.

The application helps in automation at MPP, BMC and MCC level like milk is collected only from registered members, data gets updated in DPU (Data Processing Unit) without manual intervention and RMRD (Raw Milk Reception at Dock) milk data gets updated automatically in Milk Collection Application.

GPRS (General Packet Radio Service) - Implemented GPRS system to automate data from Milk pooling points (MPP) directly to system in order to avoid any delay in receiving milk procurement data. GPRS data would help in getting online & timely data, avoiding usage of pen drives, and instant rate chart update at MPP directly from central server.

Field Engineering Services - Company has Field Engineering Services for repair DPMCU's at MCC level.

HUMAN RESOURCE: -

People are the assets and have been instrumental in driving the Company's performance. Their passion, commitment, sense of ownership and team work 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.

Human Resource Department works as an enabler for achieving the company's objectives. It works as a business partner which enables all functions and departments to achieve their true potential.

Human resource management involves overseeing all things related to managing an organization's human capital.

Employment Generation:

Harit Pradesh Milk Producer company provides employment opportunities in the region, be it Sahayak, or route vehicle transporters, tanker transporters, contractual labours as well as Direct Employment in the Company.

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.

Change in nature of Business

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

Material Changes and Commitments

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

Capital Structure & Issue of shares and Membership

Company has increased its Authorized Share Capital from Rs.5 Crore to Rs.10 Crore during the year. The Authorized Share Capital of the Company stood at Rs.10 Crore as on 31st March, 2022. Company has issued 41,722 equity shares of Rs.100/- each during the year. Hence, subscribed and paid up share capital of the Company stood at Rs.41,72,200 as on 31st March, 2022.

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, 2022, Company had a total membership base of 10,624 members. After March 31, 2022, Company has enrolled 8062 new members and the membership of 7 members have been cancelled. Therefore, the total number of members as on the date of this report stands at 18679 members.

Voting Rights & Attendance at AGM

- Company was operationalised on 21st March, 2022, the milk producers, who were members as on 31st March, 2022 shall be entitled to attend and vote at the AGM. Every member(s) shall have single vote only.
- New members, who were admitted post March 31, 2022, will not be entitled to exercise voting right at 2nd AGM.

Investor Education and Protection Fund (IEPF)

During the year under review no amount of unpaid/undivided 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 Meetings

The Board meets periodically for the transactions of business of the Company and during the year under review five Board Meetings were held. The details of the Board Meeting conducted during the year is as under:

Board Meeting no.	Date of Board Meeting	Board Strength	No. of Directors Present
1 st	31.10.2021	5	5
2 nd	12.11.2021	5	4
3 rd	27.12.2021	5	3
4 th	07.02.2022	6	6
5 th	20.03.2022	6	4

Committee

No committee of the Board was constituted during the period under review.

Company's Policy Relating to Directors Appointment, Payment of Remuneration and Discharge their duties.

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

Change in Directorship

During the year under review Shri Kapil Bhardwaj (DIN: 09377124), Shri Virendra (DIN:09377062), Shri Shailendra Singh (DIN: 09377123), Smt. Anju Devi (DIN: 09377125) and Shri Ankur Kumar (DIN: 09377126) the first directors of the Company were appointed as Director in 1st Annual General Meeting held on 26.10.2021.

During the year under review Dr. Hitesh Poonia (DIN: 09443126) was appointed as Whole Time Director in the Board of the

Company effective from 1st January, 2022 for a period of Five years.

After close of the financial year Dr. C. P. Devanand (DIN: 07773929), was appointed as Expert Director on the Board of the Company with effect from 6th May, 2022 for a period of two years.

Article 9.6 provides that one fourth of the total elected directors shall retire by rotation at every Annual General Meeting and the directors who have been longest in office since their last appointment shall retire. As per Article 9.6 i, as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

Considering the above provisions, retirement of Shri Kapil Bhardwaj (DIN: 09377062) and Shri Shailendra Singh (DIN: 09377123) directors by rotation at the ensuing Annual general meeting was determined by lot. Both the directors shall retire at the ensuing AGM and being eligible, offer themselves for re-appointment.

Composition of Board of Directors & Appointment/Retirement of Directors at ensuing AGM

Article 9.4 to article 9.6 of the Articles of Association of the company deals with the composition of Board. Article 9.4 provides for the criteria for categorizing the members into different classes, Article 9.5 provides that to the extent possible, representation on the Board shall be based on the patronage of the respective class.

The Board of Directors at its meeting held on 20.03.2022 has waived off the applicability of class for first 3 years of operation of the company.

TRAINING OF BOARD MEMBERS: -

No training was provided during the period under review to the directors of the Company.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the profit of the Company for the year ended on that date.
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors had 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 such systems are adequate and operating effectively.

Internal Financial Control

The Company has in place proper and adequate internal control system which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

Pursuant to the section 378ZF of the Companies Act, 2013, M/s Ernst & Young LLP, Chartered Accountants has been appointed as Internal Auditor of the Company who have independently evaluated the adequacy of internal control and concurrently audit the majority of the transaction in terms of value.

Holding/Subsidiary/Associate Companies

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

Deposits

The Company has neither accepted nor renewed any deposits within the meaning of Sec. 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time.

Particulars of Loan, Guarantees or Investments

During the year under review, the Company has not granted any loans, nor given any guarantee or securities or made investments within the meaning of Sec. 186 of the Act.

During the year under review, members at its Extra Ordinary General Meeting held on 7th February, 2022 has approved the borrowing limit up to Rs.50 Crores over and above the paid-up share capital of the Company, its free reserves and securities premium.

Contracts and Arrangements with Related Parties

All related party transactions that were entered into during the financial year 2021-22 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 Note no 27 to the Balance Sheet as on 31st March, 2022.

Corporate Social Responsibility (CSR)

The Company does not meet the criteria mentioned under section 135 relating to Corporate Social Responsibility. Hence, provisions relating to CSR are not applicable to the Company.

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.

During the year under review, Company is in the process of developing a Risk Management Policy.

Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earning and out go

(i) Conservation of Energy, Technology Absorption

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

(ii) Foreign Exchange earnings and outgo

Earnings - Nil;
Outgo - Nil.

Company has no electricity consumption except for general office and lightning purposes.

Vigil Mechanism

The Company does not satisfy the criteria mentioned under section 177(9) read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 relating to Vigil Mechanism. Hence, provisions relating to Vigil Mechanism are not applicable to the Company.

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

M/s S.B. Billimoria & Co. LLP, Chartered Accountants, have been appointed at the 1st Annual General Meeting of the Company to hold the office until the conclusion of 6th Annual General Meeting of the Company to be held in the financial year 2026-27.

The Auditor's Report for financial year 2021-22 does not contain any qualification, reservation or adverse remark.

Frauds reported by Auditor

During the year under review, the Statutory Auditors have 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.

Cost Record

The provision of Cost audit as per section 148 doesn't applicable on the Company.

Boards' comment on the Auditors' Report

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

Secretarial standards

The Company complies with applicable provisions of secretarial standards issued by the Institute of Company Secretaries of India.

Web Link of Annual Return

The Company has no website under the review period.

Disclosure under Sexual Harassment of women at workplace (Prevention, Prohibition and redressal) Act, 2013

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and rules made there under. During the year under review Company has no Sexual Harassment Policy.

Insolvency and Bankruptcy code, 2016

There was no application made under the provisions of Insolvency and Bankruptcy code, 2016 during the year nor any one-time settlement done with any bank.

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 support to the Company.

We wish to convey our profound gratitude to NDDB, NDDB 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: Meerut
Date: 11 September, 2022**

Sd/-
**Kapil Bhardwaj
Chairman and Director
DIN:09377124**

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HARIT PRADESH MILK PRODUCER COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **HARIT PRADESH MILK PRODUCER COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2022, and the Statement of Profit and Loss, the Cash Flow Statement for the period then ended, and 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 read with the Companies (Accounting Standards) Rules, 2021, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2022, its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (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 made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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 the Director's Report, but does not include the 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 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 Companies Act, 2013 ("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 Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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.

Auditors' Responsibility 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 financial 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 Company's internal control.
- 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 Section 143(3) of the Act, based on our audit 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 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 of the Company as on 31 March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) Reporting on the adequacy of Internal Financial Control Over Financial Reporting of the Company and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable in view of the exemption available to the Company in terms of the notification no. G.S.R. 583(E) dated 13 June, 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July, 2017
 - 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 is 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 Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 30 to the financial statements, no funds 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 person(s) or entity(ies), including foreign entities.
(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 30 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities.
(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 under (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.
2. The Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, is not applicable to the Company in terms of clause 1 (2) (v) of the Order.
3. As required by Section 378ZG of the Part IV of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in that Section.

For S. B. Billimoria & Co. LLP
Chartered Accountants
(Registration No. 101496W/W100774)

Sd/-

Jitendra Agarwal
Partner
(Membership No. 87104)
(UDIN: 22087104ARSQUW3982)

Place: Mumbai
Date: 11 September, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 3 under 'Reports on Other Legal and Regulatory Requirements' section of our report of even date)

- a) The amount of debts due from sale of goods and services are as disclosed in note 13 to the financial statements. According to the information and explanations given to us, no debts are considered as doubtful of recovery.
- b) According to the information and explanations given to us, the Company does not have cash on hand and does not hold any investment securities as at year end.
- c) The details of assets and liabilities as at 31 March, 2022 are as per the financial statements of the Company as at and for the year ended 31 March, 2022.
- d) In our opinion and according to the information and explanations given to us, the Company has not done any transaction which appears to be contrary to the provisions of Chapter XXIA of the Companies Act, 2013.
- e) According to the information and explanations given to us, the Company has not granted any loan to its directors.
- f) According to the information and explanations given to us, the Company has not given any donations or subscriptions during the year.
- g) According to the information and explanations given to us, there are no other matters except stated above.

For S. B. Billimoria & Co. LLP
Chartered Accountants
(Registration No. 101496W/W100774)

Place: Mumbai
Date : 11 September, 2022

Sd/-
Jitendra Agarwal
Partner
(Membership No. 87104)
(UDIN: 22087104ARSQUW3982)

HARIT PRADESH MILK PRODUCER COMPANY LIMITED
BALANCE SHEET AS AT 31 MARCH, 2022

	Note No.	As at 31 March, 2022 Rupees in Lakhs
A. EQUITY AND LIABILITIES		
1. Shareholders' funds		
(a) Share capital	3	41.72
(b) Reserves and surplus	4	28.62
		70.34
2. Share application money pending allotment	22	4.68
3. Non - current liabilities		
(a) Deferred tax liabilities (Net)	5	9.63
(b) Long - term provisions	6	2.30
		11.93
4. Current liabilities		
(a) Trade payables	7	
(i) Total outstanding dues of micro enterprises and small enterprises		0.81
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		951.85
(b) Other current liabilities	8	1,451.50
(c) Short - term provisions	9	0.17
		2,404.33
Total		2,491.28
B. ASSETS		
1. Non - current assets		
(a) Property, plant and equipment		
(i) Tangible assets	10	1,427.43
(b) Long - term loans and advances	11	2.32
		1,429.75
2. Current assets		
(a) Inventories	12	97.48
(b) Trade receivables	13	890.50
(c) Cash and cash equivalents	14	71.21
(d) Short - term loans and advances	15	2.34
		1,061.53
Total		2,491.28

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For S.B. Billimoria & Co LLP

Chartered Accountants

Sd/-
Jitendra Agarwal
Partner

Sd/-
Anju Devi
Director
(DIN:09377125)

Sd/-
Ankur Kumar
Director
(DIN:09377126)

Sd/-
Dr.Hitesh Poonia
Chief Executive & Director
(DIN:09443126)

Sd/-
Shriman Narayan Pandey
Company Secretary
(M.No:F7763)

Sd/-
Sujit Kumar Choudhary
Manager - Accounts & Finance

Place: Mumbai
Date: 11 September, 2022

Place: Meerut
Date: 11 September, 2022

HARIT PRADESH MILK PRODUCER COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 MARCH, 2022

	Note No.	Period ended 31 March, 2022 Rupees in Lakhs
1. Revenue from operations	16	931.43
2. Other income	17	9.77
3. Total Income (1+2)		941.20
4. EXPENSES		
(a) Purchases of traded goods	18	918.64
(b) Changes in inventories of traded goods	19	(97.48)
(c) Employee benefits expense	20	25.56
(d) Depreciation	10	8.13
(e) Other expenses	21	48.10
Total expenses		902.95
5. Profit before tax (3-4)		38.25
6. Tax expense:		
(a) Current tax		-
(b) Deferred tax charge/(credit)		9.63
Net tax expense (a+b)		9.63
7. Profit for the period (5-6)		28.62
8. Earnings per equity share:	25	
(Nominal value Rs. 100 per share)		
(a) Basic		899.64
(b) Diluted		899.64

See accompanying notes forming part of the financial statements

In terms of our report attached

For S.B. Billimoria & Co LLP
Chartered Accountants

Sd/-

Jitendra Agarwal
Partner

For and on behalf of the Board of Directors

Sd/-
Anju Devi
Director
(DIN:09377125)
(DIN:09377126)

Sd/-
Ankur Kumar
Director

Sd/-
Dr.Hitesh Poonia
Chief Executive &
Director
(DIN:09443126)

Sd/-
Shriman Narayan Pandey
Choudhary Company Secretary
Accounts & Finance(M.No:F7763)

Sd/-
Sujit Kumar
Manager -

Place: Mumbai
Date: 11 September, 2022

Place: Meerut
Date: 11 September, 2022

HARIT PRADESH MILK PRODUCER COMPANY LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH, 2022

	Period ended 31 March, 2022 Rupees in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES:	
Profit before tax	38.25
Adjustments for :	
Depreciation	8.13
Operating profit before working capital changes	46.38
Adjustments for movement in working capital:	
(Increase)/Decrease in inventories	(97.48)
(Increase)/Decrease in trade receivables	(890.50)
(Increase)/Decrease in short term loans and advances	(2.34)
Increase/(Decrease) in provision	2.47
Increase/(Decrease) in trade payables	952.66
Increase/(Decrease) in other current liabilities	1,451.50
Cash generated from operations	1,462.69
Net income tax paid	(2.32)
Net cash flow from/(used in) operating activities - (A)	1,460.37
B. CASH FLOW FROM INVESTING ACTIVITIES:	
Purchase of property, plant and equipment	(1,435.56)
Net cash flow from/(used in) investing activities - (B)	(1,435.56)
C. CASH FLOW FROM FINANCING ACTIVITIES:	
Proceeds from issue of share capital	41.72
Share application money received	4.68
Net cash flow from/(used in) financing activities - (C)	46.40
Net increase in Cash and cash equivalents (A+B+C)	71.21
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at the end of the period	71.21
Components of Cash and cash equivalents as at:	
Balances with banks:	
-in current accounts	71.21
Cash and cash equivalents as per Cash Flow Statement	71.21
Cash and cash equivalents as per Balance Sheet (Note 14)	71.21

See accompanying notes forming part of the financial statements

In term of our report attached

For and on behalf of the Board of Directors

For S.B. Billimoria & Co LLP
Chartered Accountants

Sd/-
Jitendra Agarwal
Partner

Sd/-
Anju Devi
Director
(DIN:09377125)

Sd/-
Ankur Kumar
Director
(DIN:09377126)

Sd/-
Dr.Hitesh Poonia
Chief Executive & Director
(DIN:09443126)

Sd/-
Shriman Narayan Pandey
Company Secretary
(M.No:F7763)

Sd/-
Sujit Kumar Choudhary
Manager - Accounts & Finance

Place: Mumbai
Date: 11 September, 2022

Place: Meerut
Date: 11 September, 2022

HARIT PRADESH MILK PRODUCER COMPANY LIMITED
Notes forming part of the financial statements

1. Corporate information

Harit Pradesh Milk Producer Company Limited ("the Company") was incorporated on 26 October, 2021 under the Companies Act, 2013 vide its certificate of incorporation dated 26 October, 2021.

The Company has started the milk procurement operations in the state of Uttar Pradesh. The Company procures milk directly from milk producers through 'Milk Pooling Points' (MPP) in villages of Uttar Pradesh and sales to its customers.

These financial statements are for the period 26 October, 2021 (the date of incorporation of the Company to 31 March, 2022. This being the first year of operations of the Company, no comparative amounts have been provided.

2. Significant accounting policies

The significant accounting policies are as follows:

(a) 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 read with Rule 7 of the Companies (Accounts) Rules, 2015 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") The financial statements are prepared on accrual basis under the historical cost convention.

(b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires 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 the 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 recognized in the period in which results are known/materialize.

(c) Cash and cash equivalents (for the purposes 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 months 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.

(d) Cash flow statement

Cash flows are reported using the indirect method, 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.

(e) Revenue recognition

Sales are recognized on transfer of significant risk and rewards of ownership to the buyers, which generally coincides with the delivery of goods to customers.

(f) Other income

Interest income on deposits is recognized on the accrual basis.

(g) Property, Plant and Equipment and Intangible Assets

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of Property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other 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 and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on Property, plant and equipment after its purchase is capitalized only of such expenditure results in an increase in the future benefits from such asset beyond its previous assessed standard of performance.

(h) Depreciation and amortisation

Depreciation on tangible assets has been provided on straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets assessed

as under based on technical advice, taking into account the nature of asset, the estimated usage of assets, the operating condition of the asset, past history of replacements, anticipated technological changes, manufactured warranties and maintenance support etc.

The useful life considered for charging depreciation other than for rates prescribed in Schedule II is as follows:

Description	Useful life (in years)
Plant and equipment	10

The Company has acquired tangible assets from Mother Dairy Fruit & Vegetable Private Limited ("MDFVPL) which were used by the MDFVPL for their business operations. Depreciation on these assets are being charged on remaining useful life of these assets.

Depreciation is provided pro-rata from the date of addition of tangible assets.

(i) Inventories

Inventories comprises traded goods. Inventories are valued at lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost is determined using weighted average method. Cost includes all charges incurred in bringing the inventories to their present location and condition. Traded goods include appropriate proportion of overheads.

(j) Employee benefits

Employee benefits include Provident Fund, Employee State Insurance scheme, Gratuity and compensated absences.

i. Defined contribution plans

The Company's contributions to Provident Fund and Employees State Insurance scheme 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

Gratuity is considered as defined benefit plan. Gratuity is provided based on actuarial valuation carried out at the balance sheet date. The incremental liability based on an actuarial valuation as per the 'Projected Unit Credit' method, as at the reporting date, is charged to the Statement of Profit and Loss Account. Actuarial gains and losses are recognized 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 for the services rendered by employees are recognised during the year when the employees render the services. These benefits include performance incentives and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

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 services are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date on the basis of actuarial valuation.

(k) Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

(l) Taxes on income

Income tax comprises current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognized on timing differences; being the difference between taxable incomes and 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 recognized for all timing differences. Deferred tax assets are recognized 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 realized. However, if there are unabsorbed depreciation and carry forward 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 realize such 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 legal enforceable right for such set off.

(m) Borrowing cost

Borrowing costs includes interest and ancillary costs incurred. Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset, pertaining to the period from commencement of activities relating to construction/development of qualifying asset upto the date of capitalization of such asset, are capitalized as part of the cost of that asset. All other borrowing costs are recognized as an expense in the statement of profit and loss during the period in which they are incurred.

(n) Impairment of assets

At each balance sheet date, the Company reviews the carrying values of its Property, plant and equipment to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an assets net selling price and value in use. In assessing value in use the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognized as income in the statement of profit and loss.

(o) Segment Information

Business Segments (Primary)

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The Company is primarily engaged in procurement and sale of milk and milk products. This has been considered as a single business segment.

(p) Provisions and contingencies

A provision is recognized when the Company has present obligation as a result of past event 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 employee benefits) are not discounted to their present value and are determined based on 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 Assets are not recognized in the financial statements. Contingent liabilities are disclosed in the notes to accounts.

(q) Leases

Lease arrangements where the risks and rewards incident to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rent under operating leases are recognized in the statement of profit and loss account on straight line basis over the lease term.

(r) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization 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.

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

3. Share Capital

	As at 31 March, 2022	
	Number of shares in Lakhs	Amount Rupees in Lakhs
(a) Authorised share capital Equity Shares of Rs. 100 each	10.00	1,000
(b) Issued, subscribed and fully paid up share capital Equity Shares of Rs. 100 each	0.42	41.72

See notes (i) to (v) below

Notes:

(i) Rights, preferences and restrictions attached to shares

The Company has issued one class of equity shares having face value of Rs. 100 each. Each member is entitled to one vote. Members are entitled to limited return and bonus in accordance with Articles of Association of the Company.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the period:

	As at and period ended 31 March, 2022	
	Number of shares in Lakhs	Amount Rupees in Lakhs
Shares outstanding at the beginning of the period	-	-
Shares issued during the period	0.42	41.72
Shares outstanding at the end of the period	0.42	41.72

(iii) None of the members holds 5% or more of the share capital of the Company.

(iv) No share has been issued for a consideration other than cash or by way of bonus shares during the year.

(v) Details of Share holding of Promoters:

Sr. no.	Promoter Name	Share held by Promoters at the end of the period*	
		31 March, 2022	
		No. of Shares	% of Total
1	Ankur Kumar	12	0.03
2	Sanjeev	12	0.03
3	Jitendra Kumar	12	0.03
4	Shailendra	11	0.03
5	Pradeep Kumar	15	0.04
6	Anil Kumar	15	0.04
7	Anju Devi	10	0.02
8	Virendra	10	0.02
9	Kapil Bhardwaj	10	0.02
10	Satish Tyagi	10	0.02

* The company was incorporated in the financial year 2021-22 and hence no prior period comparatives are given.

4. Reserves and surplus

As at
31 March, 2022
Rupees in Lakhs

(a) Surplus in Statement of Profit and Loss

Opening balance	-
Add: Net profit for the period	28.62
Closing balance	<u><u>28.62</u></u>

5. Deferred tax Assets /Liabilities

(a) Tax effect of items constituting deferred tax liabilities:

(i) On difference between book balance and tax balance of property, plant and equipment	(25.38)
---	---------

(b) Tax effect of items constituting deferred tax assets:

(i) Provision for compensated absences and gratuity	0.62
(ii) Provision for performance linked incentive	0.51
(iii) Unabsorbed depreciation	14.62

Net deferred tax (asset) / liabilities

(9.63)

Note: The company has recognised deferred tax asset on unabsorbed depreciation based on the management's estimates of future profits considering increase in its business operations.

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

**As at
31 March, 2022
Rupees in Lakhs**

6. Long term provisions

(a) Provision for employee benefits:

(i)	compensated absences	For 0.61
(ii)	gratuity	For 1.69
		<u><u>2.30</u></u>

7. Trade payables

(Other than acceptances)

Total outstanding dues of micro enterprises and small enterprises (See note 28)

0.81

Total outstanding dues of creditors other than micro enterprises and small enterprises

951.85

952.66

7.1 Trade Payable Ageing Schedule

Rupees in Lakhs

Particulars	Outstanding for following periods from due date of payments as at 31 March, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
(a) MSME	0.81	-	-	-	0.81
(b) Others	951.85	-	-	-	951.85
(c) Disputed Dues - MSME	-	-	-	-	-
(d) Disputed Dues - Others	-	-	-	-	-
Total	952.66	-	-	-	952.66

8. Other current liabilities

(a) Statutory remittances

1.79

(b) Salary payable

13.04

(c) Payable for purchase of property, plant and equipment (see note 10)

1,436.67

1,451.50

9. Short term provisions

(a) Provision for employee benefits

(i)	For compensated absences	0.16
(ii)	For gratuity	0.01
		<u><u>0.17</u></u>

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

10. Property, plant and equipment

Particulars	Rupees in Lakhs									
	Gross block				Accumulated depreciation				Net block	
	As at 1 April, 2021	Additions	Disposals	As at 31 March, 2022	As at 1 April, 2021	For the period	On disposals	As at 31 March, 2022	As at 31 March, 2022	As at 31 March, 2021
Tangible assets										
Plant and equipment	-	1,423.02	-	1,423.02	-	8.00	-	8.00	1,415.02	-
Furniture and fixture	-	1.25	-	1.25	-	0.01	-	0.01	1.24	-
Computer	-	10.67	-	10.67	-	0.11	-	0.11	10.56	-
Office equipment	-	0.62	-	0.62	-	0.01	-	0.01	0.61	-
Total	-	1,435.56	-	1,435.56	-	8.13	-	8.13	1,427.43	-

Note

The above Property, plant and equipment have been purchased from Mother Dairy Fruit & Vegetable Private Limited ("MDFVPL") vide an agreement dated 31 March, 2022 entered into between MDFVPL and the company. These Property, plant and equipment have been purchased at the written down value as in the books of account of MDFVPL as at 1 March, 2022.

In terms of the agreement, the payment for these tangible assets will be made to MDFVPL by the Company withing 90 days from the date of invoice of MDFVPL.

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

As at
31 March, 2022
Rupees in Lakhs

11. Long - term loans and advances

(Unsecured, considered good)

(a) Advance income tax	2.32
	2.32

12. Inventories

(At lower of cost and net realisable value)

(a) Traded goods (including in transit Rs.94.15 lakhs)	97.48
	97.48

13. Trade receivables

(a) Unsecured, considered good	890.50
	890.50

13.1 Trade Receivable Ageing Schedule

Rupees in Lakhs

Particulars	Outstanding for the following periods from due date of Payment as at 31 March, 2022					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed Trade Receivable						
(i) Considered Good	890.50	-	-	-	-	890.50
(ii) Considered Doubtful	-	-	-	-	-	-
(b) Disputed Trade Receivable						
(i) Considered Good	-	-	-	-	-	-
(ii) Considered Doubtful	-	-	-	-	-	-
Total	890.50	-	-	-	-	890.50

14. Cash and cash equivalents

(a) Balance with banks in current accounts	71.21
Cash and cash equivalents as per AS -3 - Cash flow statement	71.21
	71.21

15. Short - term loans and advances

(Unsecured, considered good)

(a) Prepaid expenses	2.34
	2.34

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

	<u>Period ended 31</u> <u>March, 2022</u>
	Rupees in Lakhs
16. Revenue from operations	
(a) Sale of raw milk	931.43
	<u>931.43</u>
17. Other income	
(a) Other non-operating income	
(i) Membership fees	9.77
	<u>9.77</u>

HARIT PRADESH MILK PRODUCER COMPANY LIMITED**Notes forming part of the financial statements**

	Period ended 31 March, 2022
	Rupees in Lakhs
18. Purchases of traded goods	
(a) Raw milk	918.64
	918.64
19. Changes in inventories of traded goods Decrease/(increase) in inventories of traded goods	
(a) Inventories at the beginning of the period	
(i) Stock-in-trade	-
(b) Inventories at the end of the period	
(i) Stock-in-trade	97.48
Net (increase)/decrease	(97.48)
20. Employee benefits expense	
(a) Salaries and wages	23.10
(b) Contribution to provident fund (see note 23)	0.61
(c) Gratuity expenses (see note 23)	1.70
(d) Staff welfare expenses	0.15
	25.56

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

	Period ended 31 March,2022
	Rupees in Lakhs
21. Other expenses	
(a) Rent	0.86
(b) Rates and taxes	11.18
(c) Freight and forwarding expenses	11.04
(d) Legal and professional fees	3.79
(e) Auditor's remuneration (see note (i) below)	7.67
(f) Travelling and conveyance	1.82
(g) Labour charges	7.47
(h) Joining and recruitment expenses	1.82
(i) Miscellaneous expenses	2.45
	48.10
Note:	
(i) Auditors' remuneration comprises:	
(a) Statutory audit fee	5.00
(b) Tax audit fee	1.50
(c) Goods and Services Tax on above	1.17
	7.67

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

22. The Company had received share application money of Rs. 4.68 lakh against which company has allotted 4,670 shares at the Board Meeting held on 6 May, 2022 and 14 shares at the Board Meeting held on 17 June, 2022. The shares were allotted within the period specified in the share application form.

23. Employee benefit plans:

Defined-Contribution Plans

The Company makes Provident Fund contributions which are defined contribution plans, for all employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

The Company has recognised Rs.0.61 Lakhs for Provident Fund contribution in the statement of profit and loss.

Defined benefit plan

The Company offers its employees defined-benefit plan in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plan is based on years of service and the employee's compensation immediately before separation. The gratuity scheme covers all employees. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to the statement of Profit and Loss.

The following tables set out the status of defined benefit scheme in respect of gratuity:

Change in defined benefit (a) obligation	Period ended 31 March, 2022 Rupees in Lakhs
Present value of obligation at the beginning of the period	-
Current service cost	2.47
Present value of obligations at the end of the period	2.47

(b) Amount recognised in the Balance Sheet	As at 31 March, 2022 Rupees in Lakhs
Present value of defined benefit obligations	2.47
Net liability/(asset) recognised in the balance sheet	2.47

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

(c) Expenses recognised in the Statement of Profit and Loss	Period ended 31 March, 2022
	Rupees in Lakhs
Current service costs	2.47
Expenses recognized in the Statement of Profit and Loss	<u>2.47</u>

(d) Balance Sheet reconciliation	As at 31 March, 2022
	Rupees in Lakhs
Expenses as above	2.47
Net liability/(asset) at the end of the period	<u>2.47</u>

The actuarial calculations used to estimate defined benefit obligations and expenses are based on the following assumptions, which if changed, would affect the defined benefit obligation and expense.

(e) Principal actuarial assumptions	Period ended 31 March, 2022
Discount rate	7.47% p.a.
Expected salary escalations	7% p.a.
Attrition rate	10% p.a.
Remaining work life	20.07 Years
Mortality table used	ILA 2012-14 Ultimate

Discount rate is based on prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligation which is equal to remaining working life.

The estimates of future salary increases considered, takes into account the inflation, seniority, promotions, increments and other relevant factors.

(f) Actuarial assumptions for compensated absences.

Actuarial assumptions used for valuation of liability for compensated absences is same as mentioned in point no.(e) above.

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

- 24.** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment, received Presidential assent in September 2020. The Code has been published in the Gazette of India, however, the date on which the Code will come into effect is yet to be notified. The Company will assess the impact when Code and rules thereon will be notified and will record any related impact in the period the Code and rules thereon becomes effective.

25. Earnings per Equity Share

Particulars	Unit	Period ended 31 March,2022
Net profit after tax	Rupees in Lakhs	28.62
Weighted average number of equity shares outstanding during the period	Numbers	3,181
Nominal Value of Equity Shares	Rupees	100.00
Basic Earnings per Share	Rupees	899.64
Equity shares used to compute diluted earnings per share	Numbers	3,181
Diluted Earnings per Share	Rupees	899.64

HARIT PRADESH MILK PRODUCER COMPANY LIMITED
Notes forming part of the financial statements

26. Related party disclosures

(a) Name of the related parties and nature of relationship

Nature of Relationship	Name of person
Key Management Personnel:	Dr.Hitesh Poonia

(b) The nature and amount of transactions during the period with the above related parties are as follows:

Nature of transactions	(Rupees in Lakhs)	
	KMP	Total
Managerial remuneration:		
Dr.Hitesh Poonia (w.e.f 1 January, 2022)	6.40	6.40

27. The disclosures as required under Accounting Standard AS-17 on Segment reporting are not required as the Company primarily deals in single business segment of Milk and operates in one geographical area.

28. Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	Period ended 31 March,2022
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting year;	0.81
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-
(d) The amount of interest due and payable for the year;	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year; and	-
(f) 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.	-

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.

29 No funds 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 person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

30. Ratios

The ratios for the period 31 March, 2022 are as follows:

S.No.	Ratio	Basis of Computation	31 March, 2022
1	Current ratio (in times)	Current Assets/Current Liabilities	0.44
2	Debt-Equity ratio (in times)(refer explanation 5)	Total Debt/Shareholder's Equity	-
3	Debt service coverage ratio (in times) (refer explanation 5)	EBITDA/Debt Service	-
4	Return on equity Ratio (in %)	Net profit after tax/Shareholder's equity ⁽¹⁾	40.69
5	Inventory turnover ratio (in times)	Revenue from operations/Inventories	9.56
6	Trade receivable turnover ratio (intimes)	Revenue from operations/Trade receivables	1.05
7	Trade payable turnover ratio (intimes)	Purchase of traded goods/Trade payables	1.01
8	Net capital turnover ratio (in times)	Revenue from operations/Working capital ⁽²⁾	(0.69)
9	Net profit ratio (in %)	Profit after taxes/Revenue from operations	3.07
10	Return on capital employed(in %)	EBIT ⁽³⁾ /Capital employed ⁽⁴⁾	47.83
11	Return on investment (in %)(refer explanation 6)	Dividend /Investment	-

Explanation:

- 1 Shareholder's equity = Shareholder's fund
- 2 Working Capital = Current Assets-Current Liabilities
- 3 Earnings before interest and tax (EBIT) = Profit before tax + Finance costs if any
- 4 Capital Employed = Shareholder's equity ± Deferred Tax liabilities/ assets
- 5 The company does not have any debts and finance cost. Hence this ratio is not applicable.
- 6 No investment is made by the company.Hence there is no variance compared to the comparative period.

This is the first set of financial statements of the company. Accordingly, there is no ratios for the comparative period and hence reason for variance is not applicable.

Sd/-
Anju Devi
Director
(DIN:09377125)

Sd/-
Ankur Kumar
Director
(DIN:09377126)

Sd/-
Dr.Hitesh Poonia
Chief Executive & Director
(DIN:09443126)

Sd/-
Shriman Narayan Pandey
Company Secretary
(M.No:F7763)

Place: Meerut
Date: 11 September, 2022

Sd/-
Sujit Kumar Choudhary
Manager - Accounts & Finance

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

CIN: U01110UP2021PTC154607

Regd Office: MH-35, Pallavpuram-2, Modipuram, Meerut, Uttar Prdaesh 250 110

Tel 0121-4341575

Email: info@haritpmilk.com

NOTICE

NOTICE is hereby given that the 2nd Annual General Meeting of the members of Harit Pradesh Milk Producer Company Limited will be held on Friday, the 30th day of September, 2022 at 'Hotel Sagar', Garh Rd, opposite Lokpriya Hospital, Samrat Palace, Panchsheel Colony, Meerut, Uttar Pradesh 250 002' at 11.30 am to transact the following business:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2022 and the Profit and Loss Account of the Company for the period ended on that date together with schedules and notes forming part thereof and the reports of Directors and Auditor's thereon and to pass following Ordinary Resolution in this regard:

"RESOLVED that the audited Balance Sheet as at 31st March 2022, the Profit and Loss Account and Cash Flow Statement for the period ended on that date together with Schedules and notes forming a part thereof and the Directors' and Auditors' Report of the Company, be and are hereby approved and adopted."

2. To consider and appoint a Director in place of Shri Kapil Bhardwaj (DIN 09377124) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and appoint a Director in place of Shri Shailendra Singh (DIN 09377123) who retires by rotation and being eligible offers himself for re-appointment.
4. Appointment of Shri Vivek Kumar as a Director

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

"RESOLVED that Shri Vivek Kumar (DIN 09733815) a member of the Company who has signified his consent to act as Director be and is hereby appointed as Director of the Company whose period of office shall be liable to retire by rotation."

5. Appointment of Shri Pawan Kumar Tyagi as a Director

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

"RESOLVED that Shri Pawan Kumar Tyagi (DIN 09733867) a member of the Company who has signified his consent to act as Director be and is hereby appointed as Director of the Company whose period of office shall be liable to retire by rotation."

6. To consider and approve the Budget of the Company for the FY 2022-2023.

"RESOLVED that, the Budget estimates of the Company for the period from 1st April, 2022 to 31st March, 2023 as laid before the Annual General Meeting be and is hereby approved."

7. To consider and approve the alterations in the Articles of Association of the Company and if thought fit, to pass with or without modification(s) following Special Resolution:

"RESOLVED that pursuant to the relevant provisions of Chapter XXI-A of the Companies Act, 2013 in particular Section 378-I, 378ZQ, 378ZR, Section 14 and other applicable provisions of the 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:

4.3(iii): 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:

9.13(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.

9.13(ii): 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.

By order of the Board of Directors

Sd/-

Place: Meerut
Date: 13 September, 2022

Shriman Narayan Pandey
Company Secretary
M. No. F7763

NOTES

1. THE COMPANY'S MANAGEMENT HAS TO ENSURE ABIDING BY ALL THE COVID-19 RELATED GUIDELINES ISSUED BY THE AUTHORITIES. HENCE, THE MEMBERS OF THE COMPANY WHO WOULD LIKE TO ATTEND THE ANNUAL GENERAL MEETING (AGM) IN-PERSON ARE REQUIRED TO INFORM THE COMPANY AT LEAST 7 DAYS BEFORE THE SCHEDULED DATE OF THE AGM SO AS TO ENABLE THE COMPANY TO MAKE ALL NECESSARY ARRANGEMENTS IN ORDER TO STRICTLY F O L L O W THE SOCIAL DISTANCING N O R M S AND ALL OTHER COVID -19 RELATED PROTOCOL REQUIREMENTS. TO MINIMIZE THE RISK OF COVID-19, NO MEMBER WITHOUT PRIOR INTIMATION TO THE COMPANY OF HIS/HER INTENTION TO ATTEND THE AGM, WILL BE PERMITTED TO ATTEND THE AGM.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A SHOW OF HANDS AS WELL AS IN A POLL INSTEAD OF HIMSELF/HERSELF AND A **PROXY MUST BE A MEMBER** OF THE COMPANY. **NON MEMBER CANNOT BE APPOINTED AS PROXY.** THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST **48 HOURS** BEFORE THE SCHEDULED TIME OF THE MEETING. PROXY FORM IS ANNEXED HERETO.
3. Members/Proxies are requested to bring the Attendance Slip sent herewith duly filled in for attending the meeting.
4. Considering the share capital held by members, every member shall have single vote (show of hands or poll).
5. After the end of financial year 2021-22 and till the date of this notice, 8062 new members were admitted, who will not be entitled to vote at ensuing AGM.
6. 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).
7. Following documents are enclosed with Notice:
 - a. Statement of qualification in respect of the candidates to be elected as director along with name as given in item number 2,3,4 & 5 and statement with respect to item number 7.
 - b. Minutes of last Annual General Meeting held on 29.11.2021.
 - c. Balance Sheet as at 31st March, 2022 and the Profit and Loss Account of the Company for the period ended on that date together with schedules and notes forming part thereof and the reports of Directors and Auditor's.
 - d. Budget for the FY 2022-23.
8. Members are requested to bring their copy of the 1st Annual Report at the AGM as the Company would not provide any copy at the venue of the AGM.
9. 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.
10. Members are requested to quote their folio number and their member code in all their correspondence.
11. Members are requested to notify immediately any change in their addresses and Bank Account details to the Company.
12. Weapons, firearms, ammunitions, knives and blades, sharp instruments etc., are prohibited at the AGM venue.

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

Item Nos. 2, 3, 4 & 5

	Shri Kapil Bhardwaj	Shri Shailendra Singh	Shri Vivek Kumar	Shri Pawan Kumar Tyagi
Age:	43	48	42	46
Qualification:	Graduate	Graduate	Graduate	Graduate
Occupation	Farming & Animal Husbandry	Farming & Animal Husbandry	Farming & Animal Husbandry	Farming & Animal Husbandry
Experience:	20 years in Farming & Animal Husbandry	28 years in Farming & Animal Husbandry	15 years in Farming & Animal Husbandry	20 years in Farming & Animal Husbandry
Terms and conditions of appointment:	Non Executive Director liable to retire by rotation	Non Executive Director liable to retire by rotation	Non Executive Director liable to retire by rotation	Non Executive Director liable to retire by rotation
Remuneration sought to be paid and last drawn remuneration:	0	0	0	0
Date of first appointment on Board:	26/10/2021	26/10/2021	Proposed to appoint in 2 nd Annual General Meeting	Proposed to appoint in 2 nd Annual General Meeting
Number of Board Meetings attended:	8	6	-	-
Shareholding:	10	11	5	5
Relation with other Directors and KMP:	No	No	No	No
Membership/ Chairmanship of Committees of Board:	No	No	No	No

By order of the Board of Directors

Sd/-

Shriman Narayan Pandey
Company Secretary
M. No. F7763

Place: Meerut
Date: 13 September, 2022

Explanatory Statement

Item No. 4

As per Article 9.2 of the Articles of Association, the Board of the Company shall have at least five and not more than fifteen Directors. Presently Company has 7 Directors in the Board. As the members are increasing, more representation from producer members in the Board of the company are desirable.

In view of above, Shri Vivek Kumar, a member of the Company has expressed his willingness to act as Director in the Board of the Company. The Board is of the view that the appointment of Shri Vivek Kumar on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the Resolution No. 4 for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Shri Vivek Kumar himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an Ordinary Resolution.

Item No. 5

As per Article 9.2 of the Articles of Association, the Board of the Company shall have at least five and not more than fifteen Directors. Presently Company has 7 Directors in the Board. As the members are increasing, more representation from producer members in the Board of the company are desirable.

In view of above, Shri Pawan Kumar Tyagi, a member of the Company has expressed his willingness to act as Director in the Board of the Company. The Board is of the view that the appointment of Shri Pawan Kumar Tyagi on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the Resolution No. 5 for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Shri Pawan Kumar Tyagi himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an Ordinary Resolution.

Item No. 7

The existing Articles of Association of the Company necessitate certain changes to incorporate and reflect in them certain provisions to bring in better clarity in understanding and administering the provisions of Articles in line with the applicable provisions of the law implemented and amended from time to time as well as to bring more clarity in the process of appointment, continuation and severance of members/director of the Company in certain circumstances; and to eliminate ambiguity and giving broader meaning to the definition clauses wherever required.

Therefore, the proposed alterations detailed in the special resolution are recommended as alterations of certain existing Articles to provide flexibility and ease in the business operation and management of the Company and to avoid any unintended ambiguity.

The Board of Directors at their meeting held on 11th September, 2022 had with the requisite majority as per Section 378 I of the Companies Act, 2013, approved the proposal of amending the Articles of Association of the Company. Pursuant to the provisions of the Companies Act, 2013, approval of the members by way of special resolution shall be required for amending the Articles of Association of the Company. Therefore, the proposed alterations detailed in the special resolution are recommended by the Board for the amendment/alteration of certain existing provisions of the Articles of Association of the Company.

The Board of Directors recommends the Special Resolution set out in Item No. 7 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.

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 except Saturdays, during normal office hours (11.00 hrs to 16.00 hrs) from the date hereof up to the date of the meeting.

Item No. 6

Harit Pradesh Milk Producer Company Limited			
S.No.	Particulars	Total (Rs. in Lakhs)	Per KG
		Budget FY 2022-23	Budget FY 2022-23
		(E)	(C)
	Total Procurement - KG	61,769,000	-
	Average Procurement - KGPD	169,230	-
	Fat %	5.51	-
	SNF %	8.63	-
A	Sales Realisation	27,620.46	44.72
	Increase & (Decrease) in Inventory	-	-
B	Less : Producer Price	23,791.08	38.52
	Less : Fat & Snf Recovery		-
C	Gross Margin	3,829.38	6.20
D	Less : Variable Cost - Milk Procurement exp*	782.28	1.27
E	Sahayak Margin	648.19	1.05
	- Transportation Charges		-
F	Milkvan Tranport { Village to BMC }	640.99	1.04
G	Outward Freight {BMC/MCC - Mother Dairy}	279.79	0.45
H	Variable Cost Total	2,351.26	3.81
I	Contribution	1,478.12	2.39
	Less : Fixed Cost -Administrative exp	276.05	0.45
	Manpower	678.80	1.10
J	EBITDA	523.27	0.85
	Interest	122.19	0.20
	Depreciation	346.11	0.56
K	Profit/(Loss) from Milk Operations	54.97	0.09

* Variable cost Milk Procurement expense mainly include Price incentive, BMC & MCC Expenses, Procurement staff salary, Electricity & Diesel

** Other Income include Admission Fees from Members & Interest on Fixed Deposit

Minutes of the First Annual General Meeting of Harit Pradesh Milk Producer Company Limited held on 29th November, 2021 at Hotel Sagar, Meerut, Uttar Pradesh commenced at 11:00 AM & concluded at 12.45 PM.

PRESENT:

1.	Shri Kapil Bhardwaj	:	Chairman & Shareholder
2.	Smt. Anju Devi	:	Director & Shareholder
3.	Shri Ankur Kumar	:	Director & Shareholder
4.	Shri Jitendra	:	Shareholder
5.	Shri Pradeep Kumar	:	Shareholder
6.	Shri Satish	:	Shareholder
7.	Shri Sailendra Singh	:	Director & Shareholder
8.	Shri Virendra	:	Director & Shareholder

Special Invitees:

1.	Shri Mariappan R	:	Practice Head, PIB-NDDDB Dairy Services
2.	Shri Shubhankar Saha	:	Analyst- Legal & CS – NDDDB Dairy Services
3.	Dr. Hitesh Poonia	:	Team Leader-Bulandshahr MPG
4.	Shri Ranjit Kumar	:	Team Leader- Muzaffarnagar MPG

8 members were present in person holding 80 equity shares of the Company.

- A. Shri Kapil Bhardwaj took the chair.
- B. Shri Kapil Bhardwaj, chairman declared that the quorum is present in terms of article 11.6 of Articles of Association of the Company. The meeting was then called to order.
- C. The Chairman welcomed the members, Directors to the 1st Annual General Meeting of the Company.
- D. With the unanimous consent of the members present, the Notice convening the 1st Annual General Meeting having already been circulated to the members was taken as read.

Chairman also thanked NDDDB Dairy Services and Mother Dairy Fruit & Vegetable Private Limited (Mother Dairy), for taking initiative to setup milk procurement system to begin with and for providing active support in setting up the Company and for various other services.

Thereafter, Chairman, took up the item of Agenda for the meeting.

The meeting transacted the following business:

1. To consider and adopt Memorandum and Articles of Association of the Company.

Shri Virendra proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM:29.11.2021:1/2021

“RESOLVED that the Memorandum and the Articles of Association of the Company as registered with the Registrar of Companies, Uttar Pradesh and as placed before the meeting be and is hereby adopted.”

Shri Shailendra Singh seconded the above resolution.

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

2. To consider and appoint a director in place of Shri Virendra (DIN 09377062), who vacates the office, being eligible, offer himself for re-appointment.

Shri Satish proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM:29.11.2021:2/2021

“RESOLVED that Shri Virendra (DIN 09377062), a first Director of the Company, who vacates the office at the 1st Annual General Meeting of the Company and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Shri Pradeep Kumar seconded the above resolution.

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

3. To consider and appoint a director in place of Shri. Shailendra Singh (DIN 09377123), who vacates the office, being eligible, offers himself for re-appointment.

Shri Jitendra proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM:29.11.2021:3/2021

“RESOLVED that Shri Shailendra Singh (DIN 09377123), a first Director of the Company, who vacates the office at the 1st Annual General Meeting of the Company and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Shri Ankur Kumar seconded the above resolution.

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

4. To consider and appoint a director in place of Shri Kapil Bhardwaj (DIN 09377124), who vacates the office, being eligible, offers herself for re-appointment.

Smt. Anju Devi proposed the following resolution as an Ordinary Resolution:

Resolution No.1st AGM:29.11.2021:4/2021

“RESOLVED that Shri Kapil Bhardwaj (DIN 09377124), a first Director of the Company, who vacates the office at the 1st Annual General Meeting of the Company and being eligible offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Shri Virendra seconded the above resolution.

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

- 5. To consider and appoint a director in place of Smt. Anju Devi (DIN 09377125), who vacates the office, being eligible, offers himself for re-appointment.**

Shri Sailendra Singh proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM:29.11.2021:5/2021

“RESOLVED that Smt. Anju Devi (DIN 09377125), a first Director of the Company, who vacates the office at the 1st Annual General Meeting of the Company and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Shri Satish seconded the above resolution.

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

- 6. To consider and appoint a director in place of Shri Ankur Kumar (DIN 09377126), who vacates the office, being eligible, offer himself for re-appointment.**

Shri Pradeep Kumar proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM:29.11.2021:6/2021

“RESOLVED that Shri Ankur Kumar (DIN 09377126), a first Director of the Company, who vacates the office at the 1st Annual General Meeting of the Company and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Shri Jitendra seconded the above resolution.

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

- 7. To consider and approve the Budget estimates of the Company for the period 26th October 2021 to 31st March 2022.**

Shri Ankur Kumar proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM:29.11.2021:7/2021

“RESOLVED that the Budget Estimates of the Company for the period from 26th October 2021 to 31st March 2022, as laid before the annual general meeting be and is hereby approved.”

Smt. Anju Devi seconded the above resolution.

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

8. To consider and approve criteria for categorizing the members into different classes based on patronage.

Shri Kapil Bhardwaj proposed the following resolution as an Ordinary Resolution:

Resolution No.1st AGM:29.11.2021:8/2021

"RESOLVED that in terms of Article 9.4 of the Articles of Association of the Company, the criteria for categorizing members into different classes based on the members participation in business (i.e patronage) are set out herein under, as recommended by the Board of Directors be and is hereby approved and adopted:

SI No.	Parameter	Class-A	Class-B	Class-C
1	No. of days of milk supplied to the MPC in a year.	>= 270 days	>=270 days	>=200 days
2	Annual Milk Quantity supplied to the MPC (in Litres).	>=3000	>=1500	>=500
3	Milk quantity supplied during Flush months (namely November to February) to that of the milk quantity supplied during Lean months (namely April to July) during a financial year;	Not more than 3	Not more than 3	Not more than 3
4	Minimum number of MPC shares subscribed (amount of share capital contributed).	30 shares (Rs.3000/-)	15 shares (Rs.1500/-)	5 shares (Rs.500/-)

* Note –

- a) The actual share contribution or the actual milk quantity supplied, whichever is lower, will be considered for the purpose of arriving at the categorisation of class.
- b) For the purpose of patronage calculation, the following shall be considered:
 - i. Members who have been admitted during the previous financial year and have not yet completed 365 days of their membership but have subscribed the minimum required share capital for the class chosen by them shall be considered to belong to that class.
 - ii. Any member who will not meet the criteria under Class A or Class B may slide to an appropriate lower class for which the member meets the criteria. However, they will not be eligible to contest for the Board of Directors position for that year.

- iii. Those members who are not fulfilling the required criteria to retain at least 'Class C' will be issued notice for cancellation of membership as per the provisions of Article 4.3 read with Article 8 of the Articles of Association of the Company. However, if Board allows them to continue their membership, then such members will be considered members without any class."

Shri Satish seconded the above resolution.

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

9. To consider and approve the preliminary expenses amounting to Rs.49312/- incurred for incorporating the Company by NDDDB Dairy Services and be reimbursed to them.

Shri Virendra proposed the following resolution after amendment as an Ordinary Resolution:

Resolution No.1st AGM: 29.11.2021:9/2021

"RESOLVED that the preliminary expenses amounting to Rs.49312/- (Rupees Forty- Nine Thousand Three Hundred Twelve Only) incurred for incorporating the Company by NDDDB Dairy Services in connection with the incorporation of the Company as per the statement placed before the Meeting be and is hereby approved.

Shri Sailendra Singh seconded the above resolution.

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

10. To consider and adopt the following resolution for the appointment of Statutory Auditors of the Company.

Smt. Anju Devi proposed the following resolution as an Ordinary Resolution:

Resolution No.1st AGM: 29.11.2021:10/2021

"RESOLVED that M/s. S B Billimoria & Co, Chartered Accountants, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this 1st Annual General Meeting up-to-the conclusion of the sixth Annual General Meeting of the Company, at such remuneration as may be decided by the Board for every financial year."

Shri Kapil Bhardwaj seconded the above resolution.

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

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

Shri Virendra proposed the following resolution as an Ordinary Resolution:

Resolution No.1st AGM: 29.11.2021:11/2021

"RESOLVED that, pursuant to the relevant provisions of chapter XX1A of the Companies Act, 2013, in particular Sections 378H, 378ZQ, 378ZR and other applicable provisions, if any, of the Companies Act, 2013 (together with any statutory modification or re-enactment thereof for the time being in force) the applicable provisions of the Memorandum and Articles of Association of the Company, the Authorized Share Capital of the Company be increased from Rs.10,00,000/- (Rupees Ten Lacs Only) divided into 10000 Equity Shares of Rs.100/- (Rupees One Hundred) each to Rs.100,000,000/- (Rupees Ten Crore) divided into 10,00,000 (Ten Lacs) Equity Shares of Rs.100/- (Rupees One Hundred) each by creation of an additional 990,000 (Nine Lac Ninety Thousand) Equity Shares of Rs.100/- (Rupees One Hundred) each.

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

"VI. The Authorised Share Capital of the Company is Rs.100,000,000/- (Rupees Ten Crore) divided into 1000000 (Ten Lakh) Equity Shares of Rs.100/- (Rupees One Hundred) each."

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

Shri Kapil Bhardwaj seconded the above resolution.

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

12. To consider and alter the main objects of the Company and if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution:

Shri Ankur Kumar proposed the following resolution as Special Resolution:

Resolution No.1st AGM: 29.11.2021:12/2021

"RESOLVED that, pursuant to the relevant provisions of Chapter XX1-A of the Companies Act, 2013, and other applicable provisions, if any, of the Companies Act, 2013 (together with any statutory modification or re-enactment thereof for the time being in force), the applicable provisions of the Memorandum and Articles of Association of the Company and subject to the approval Central Government, the existing Clause III A of Memorandum of Association of the Company be and is hereby altered by adding following new object as point 5 and renumbering the existing point 5 as new point 6.

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

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

Shri Sailendra Singh seconded the above resolution.

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

Date of entry: 20 December, 2021

Date of signing: 20 December, 2021

Sd/-
CHAIRMAN

Form No. MGT-11
PROXY FORM
HARIT PRADESH MILK PRODUCER COMPANY LIMITED
 CIN NO. U01110UP2021PTC154607
 Regd Office: MH-35, Pallavpuram-2, Modipuram,
 Meerut, Uttar Pradesh 250 110
 Tel 0121 4341575, Email: info@haritpmilk.com

Name of Member(s):
Registered Address:
Email Id:
Folio No.:

I/We being the member(s) ofshares of the above named Company, hereby appoint

1. Name
 Folio No.
 Address.
 Email Id
 Signature, or failing him

2. Name
 Address
 Email Id
 Signature..... , or failing him

3. Name
 Email Id
 Signature.....

as my proxy to attend and vote for me and on my behalf at the 2nd Annual General Meeting of the Company, to be held on the 30th day of September, 2022 at 11.30 AM at 'Hotel Sagar', Garh Rd, opposite Lokpriya Hospital, Samrat Palace, Panchsheel Colony, Meerut, Uttar Pradesh 250 002' and at any adjournment thereof in respect of such resolutions as are indicated below:

SI.	Resolution	Vote		
		In favour	In against	Neutral
1	To receive, consider and adopt the Balance Sheet as at 31 st March, 2022 and the Profit and Loss Account of the Company for the period ended on that date together with schedules and notes forming part thereof and the reports of Directors and Auditor's thereon.			
2	To consider and appoint a Director in place of Shri Kapil Bhardwaj (DIN 09377124) who retires by rotation and being eligible offers himself for re-appointment.			
3	To consider and appoint a Director in place of Shri Shailendra Singh (DIN 09377123) who retires by rotation and being eligible offers himself for re-appointment.			
4	Appointment of Shri Vivek Kumar as a Director.			
5	Appointment of Shri Pawan Kumar Tyagi as a Director.			
6	To consider and approve the Budget of the Company for the FY 2022-2023.			
7	To consider and approve the alterations in the Articles of Association of the Company.			

Signed this.....day of September, 2022

Signature of Shareholder:

Signature of Proxy holder:

Affix Rs.1. Revenue Stamp
--

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

ATTENDANCE SLIP

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

CIN NO. U01110UP2021PTC154607
Regd Office: MH-35, Pallavpuram-2, Modipuram,
Meerut, Uttar Pradesh 250 110
Tel 0121 4341575, Email: info@haritpmilk.com

Folio No:

Member Code:

I hereby record my presence at the 2nd Annual General Meeting of Harit Pradesh Milk Producer Company Limited held on 30th September, 2022.

Name of the Shareholders.....

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

(A) To attend : _____

(B) To attend and Vote : _____

Signature of the Shareholder/Proxy*

*strike out whichever is not applicable

ACKNOWLEDGEMENT

HARIT PRADESH MILK PRODUCER COMPANY LIMITED

CIN NO. U01110UP2021PTC154607
Regd Office: MH-35, Pallavpuram-2, Modipuram,
Meerut, Uttar Pradesh 250 110
Tel 0121 4341575, Email: info@haritpmilk.com

Folio Number:

MPP Code:

I Member Code R/omember of Harit Pradesh Milk Producer Company Limited. I have received the notice of the 2nd Annual General Meeting sent by the Company along with all enclosures.

Signature / Thumb Impression of the Member

Date:

Place:

Conditions for continuation and cancellation of Membership

- i. the Member acquires any business interest which is in conflict with the business of the Company.
- ii. the member is indulging / has indulged in an act which is detrimental to the functioning of the Company or which has damaged or likely to damage the interest and reputation of the company.
- iii. The member is engaged in production of milk from milch animals owned by him and responsible for the care and management of cow(s) and buffalo(es).
- iv. The member has supplied milk for at least 200 days during the previous financial year and poured a minimum of 500 litres of milk annually.
- v. The member has subscribed for shares matching the annual quantity of milk supplied.
- vi. The total milk supplied to the Company during the winter months namely November to February shall not exceed 3 times to milk supplied during the summer months namely April to July during the year.
- vii. The milk supplied by the member has met all the quality standards as stipulated by the Company from time to time.
- viii. The member has not defaulted in any payment of Rs.1000/- or more to be made to Harit Pradesh Milk Producer Company for a period of last 6 months or more.
- ix. The member has not indulged in an act which is detrimental to the functioning of the Company and also to the interest of the Company.
- x. The member has not indulged in any business which is in conflict to the business interest of Milk Producer Company.
- xi. The member has not wilfully deceived the Milk Producer Company.
- xii. The Member has not provided any incorrect information to the Company. The company can verify the information provided by the member on suo motto basis or on receiving complaint from a bona fide member.
- xiii. The Member has not been found defaulted in supplying the entire surplus milk of his/her household to the Company.
- xiv. More milk quantity poured in the member code in comparison to the actual milk production/surplus in the household as declared by the members
- xv. Fake membership including more than one members in the same household (including the Sahayak family)
- xvi. Member code is used to pour milk of somebody else
- xvii. If membership is allotted in Sahayak's name.

वार्षिक आम सभा के स्थल का रुट मैप

