



Kashi Milk Producer Company Limited
Annual Report
2021-2022

Kashi Milk Producer Company Limited
CIN: U01409UP2021PTC155262

Board of Directors (by 26 July 2022)

Director :

Mrs. Anju Devi

Mrs. Aradhana

Mrs. Mamta Singh

Mrs. Babita

Mrs. Saroj Kumari

Chief Executive & Director :

Dr. Manveer Singh

Company Secretary:

Priyanka satywali

Statutory Auditor:

**M/s N.R and associate,
Chartered Accountants**

Internal Auditor:

**M/s Ray & Ray,
Chartered Accountants**

Bankers:

**Indian Bank
ICICI Bank**

Registrar and Transfer Agent:

BEETAL Financial & Computer Services Pvt Ltd

Registered Office:

**9/132-9, Suddhipur, Shivpur (Airport Road)
Varanasi (Uttar Pradesh) -221003
Email: info@kasheemilk.com
Phone: 0542-4085526**

DIRECTORS' REPORT

TO THE MEMBERS OF KASHEE MILK PRODUCER COMPANY LIMITED

The Directors are pleased to present before you Annual Report together with the Audited Financial Statements for the year ended 31st March 2022.

The Company was incorporated on 11/11/2021 as a Producer Company under the provisions of Part IXA of the Companies Act, 1956 in the state of Uttar Pradesh to undertake the business of pooling, purchasing, processing of milk of the members, marketing of the same and to deal in the activities that are of or incidental to any activity related thereto.

FINANCIAL RESULTS

The Company's financial performance, for the period ended March 31, 2022, is summarised below:

Particulars	11 Nov 2021 to 31st March 2022 (₹)
A. Revenue from Operation	18,47,291
B. Other Income	42,74,183
C. Total Income (A+B)	6121474
D. Total Expenses	60,71,546
E. Profit / (Loss) Before Tax (C-D)	49,928
F. Tax Expense	8,186
G. Net Profit / (Loss) After Tax (E-F)	41,742

STATE OF THE COMPANY'S AFFAIRS

During the year under review, the total revenue from operations was ₹ 18, 47,291. Further, the Company has earned a profit after tax of ₹ 41,742.

DIVIDEND

There is no recommendation of dividends being made by the Board.

TRANSFER TO GENERAL RESERVE

Pursuant to provisions of article no 11.10 of Article of Association of the Company read with Section 378ZI of the Companies Act 2013, the Board proposes to transfer ₹ 41742 out of the profit after tax of the company for the financial year 2021-22 to the credit of General Reserve in the Balance sheet.

OPERATIONS REVIEW

MILK PROCUREMENT

The Company's milk procurement operations were started on 9th March 2022 and continue to remain extended in 50 villages of Chandauli district of Uttar Pradesh through one BMC location situated in Village Karin (Sakaldiha), Chandauli. During the year, the Company procured **46347.48** liters of liquid milk.

At the end of the financial year, the Company had **544** 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.

Regarding milk procurement prices, the Company continues to pay competitive and remunerative prices to its members for the milk being supplied by them. The Company is continuously endeavouring to maximize productivity by enhancing efficiencies and taking cost reduction measures like reducing the logistics cost, better supervision, quality checks, better logistic controls, etc.

QUALITY INITIATIVES

Clean milk production at the village level is assured by providing training to the milk producers. Relevant SOPs are developed for collecting milk from farmers to Milk Pooling Point and for dispatching milk to BMC from these MPPs. Further appropriate training is provided to Sahayak and field staff for collecting good quality milk.

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

The tests are designed to ensure that milk products meet the requirements of the customer as well as FSSAI standards for Physical, Chemical, microbial and contaminants.

PRODUCTIVITY ENHANCEMENT SERVICES

Since the Company started its operations on 9th March 2022, productivity enhancement services (PES) yet to be initiated but the preparations for the same have been undertaken. Under PES, doorstep Artificial Insemination services, pregnancy diagnosis, balanced cattle feed, Poorvanchal special mineral mixture, mastitis control & prevention, high yielding fodder seed, dairy management training, etc. will be provided to dairy animals in the operational area.

PRODUCER INSTITUTION BUILDING (PIB)

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

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

MPC's Core Design Principles

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

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

Training & Capacity Building Programs

The awareness programs were organized covering members, potential members for inducting new producer members, Training programs were conducted for Shayak and field employees. Major training programs conducted during the year 2021-22 were:

S.N.	Training Programmes	No. of Training Conducted	No. of Participants Trained
1.	IBP Orientation Program - Field Team	01	02
2.	Sahayak Orientation program	01	23

MATERIAL CHANGES AFTER THE CLOSURE OF THE FINANCIAL YEAR

During the Year 2021-22 there are no material changes or commitments affecting the financial position of the Company which have occurred after March 31, 2022 till the date of this report. There are no significant and material orders passed by the Regulators and Courts that would impact the going concern status of the Company and its future operations.

CHANGE IN NATURE OF BUSINESS

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

SHARE CAPITAL AND MEMBERSHIP

As at March 31, 2022, the paid-up share capital was ₹ 64300 comprising of 544 members on Register of Members of the Company. After 31st March, 2021, Company has allotted :

Type of applicant	Date	No. of share applicant	No. Of share allotted	Amount (INR)
NEW	1 ST JUNE 2022	241	784	78400
EXISTING	1 ST JUNE 2022	371	1813	181300
NEW	26 TH JULY 2022	219	733	73300
EXISTING	26 TH JULY 2022	337	1930	193000
	TOTAL		52600	526000

Therefore, the total number of members as on date of this report stands at **1004** members and paid up share capital amount at **Rs 5,90,300**

VOTING RIGHTS AND ATTENDANCE AT AGM

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

Since the Company has not completed one year after operationailization, the criteria for the voting rights “a single vote for every member who has poured milk for at least 200 days and 500 litres” shall not be applicable for the financial year 2021-22 hence all the enrolled producer members will be eligible for the voting.

BOARD OF DIRECTORS: -

a) Composition of the Board

- | | | |
|----------------------|---|-----------------|
| 1. Mrs. Anju Devi | : | (Din: 09395092) |
| 2. Mrs. Aradhana | : | (Din: 09395183) |
| 3. Mrs. Mamata Singh | : | (Din: 09395184) |
| 4. Mrs. Babita | : | (Din: 09395185) |
| 5. Mrs. Saroj Kumari | : | (Din: 09395186) |
| 6. Dr. Manvir Singh | : | (Din: 09442343) |

b) Change in Composition of the Board

During the year the changes were made to the composition of the Board are as follows:

Dr. Manvir Singh appointed as Chief Executive and Ex-Officio Director of the Company with effect from 10th of December 2021 .

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of annual accounts, the applicable accounting standards have been followed by the Company;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2022 and of the profit of the Company for the period ended on that date.
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the directors have prepared the annual accounts on a going concern basis.
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

The Statutory Auditors of the Company, M/s. N.R.& Associates, Chartered Accountants., hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this 2nd 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.

FRAUDS REPORTED BY AUDITOR

During the year of review, Statuory Auditor did not find any instance of Fraud under subsection (12) of section 143 of companies act 2013.

INTERNAL CONTROL SYSTEM AND AUDIT

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

HUMAN RESOURCE

People are the assets and have been instrumental in driving the Company's performance. Their passion, commitment, sense of ownership, and teamwork have 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 recognized and employees are motivated to realize their true potential.

INFORMATION TECHNOLOGY

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

PARTICULARS OF EMPLOYEES

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

SAFETY AND HEALTH

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

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

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

- i. Part A and B of the Rules pertaining to Conservation of energy and technology absorption are presently not applicable to the Company.
- ii. Foreign Exchange earnings and outgo: Earnings – Nil; Outgo - Nil.

MEETINGS

During the financial year 2021-22, 6 meetings of the Board of Directors of the Company were duly convened. The details are the following:

No. of Meeting	Date of Board Meeting
1 st	23.11.2021
2 nd	10.12.2021
3 rd	11.01.2022
4 th	16.02.2022
5 th	09.03.2022
6 th	30.03.2022

PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS

The Company has not given any loans, guarantees, and investments as per the Companies Act, 2013 during the financial year 2021-22.

PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the contracts or arrangements with related parties are made on an arm's length basis. The details of contracts or arrangements appear in notes forming part of the Financial Statement for the year ended 31st March 2022.

Details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government;

There was no fraud reported by the statutory auditors of the Company under sub-section 12 of section 143 of the Companies Act, 2013 other than those which are reportable to the Central Government.

RISK MANAGEMENT POLICY

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

DEPOSITS

No disclosure or reporting was required in respect of the details relating to deposits covered under provisions of the Act as there were no deposits during the financial year 2021-22.

INTERNAL FINANCIAL CONTROL

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

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

The company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder and has implemented a secure workplace policy. During the financial year 2021-22, no complaint has been received by the Company in this regard.

CORPORATE SOCIAL RESPONSIBILITY

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

INSOLVENCY AND BANKRUPTCY CODE, 2016

There has been no application made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year ended 31st March, 2022.

VIGIL MECHANISM

The Provisions of section 177 of the companies act 2013 read with rule 6 and 7 of the Companies (Meeting of the Board and its Powers) Rules 2013, is not applicable to the company

ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere thanks and appreciation for the contributions and support extended by the Members of the Company, Business Associates and Bankers for their continued support during the year.

Your directors also take this opportunity to place on record their sincere thanks to NRLM, UPSRLM, and NDDB Dairy Services for providing encouragement and continuous support.

The Board also places on record its appreciation for the enthusiastic co-operation, hard work and dedication of all the employees of the company and all concerned without which it would not have been possible to achieve all round progress and growth of the Company.

For and on behalf of the Board of Directors

sd/-

Anju Devi

Director

DIN:9395092

sd/-

Saroj Kumari

Director

DIN:9395186

Sd/-

Dr. Manvir Singh

Chief Executive

DIN: 9442343

Date: 26.07.2022

Place: Varanasi

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
KASHEE MILK PRODUCER COMPANY LIMITED

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Kashee Milk Producer Company Limited ("The company"), which comprise the Balance Sheet as at March 31, 2022 the Statement of Profit and Loss and the Cash Flow Statement along with notes to the Financial Statements and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating for ensuring 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.

Auditors' Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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 as required by section 143(3) of the Act, we report that:

1. We have sought and were able to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
3. In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
4. In our opinion the aforesaid financial statements comply with the Accounting Standards under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
5. On the basis of written representations received from the directors, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act.
6. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our Report in "Annexure A".

7. As required by Section 378ZG of Part IV of Chapter XXIA of The Companies Act, 2013, we give in the “Annexure B’ , a statement on the matters specified in that section.
8. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as at 31 March, 2022 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.
9. a. The management has represented that, to the best of its knowledge and belief, 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 persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
 - provide any guarantee, security, or the like from or on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause 9(a) and (b) contain any material misstatement.

10. No dividend was declared or paid during the year by the Company, hence compliance with the Section 123 of the Act is not applicable.

11. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

Sd/-

Mahua Bhattacharjee

Membership No: 508592

Partner

UDIN:22508592ANXNLD5763

For & On behalf of N.R. & ASSOCIATES,

Chartered Accountants

(Regn No: 312101E)

Delhi

26 JULY 2022

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 6 under 'Report on Other Legal and Regulatory requirement Section of our report of even date)

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

We were engaged to audit the internal financial controls with reference to financial statements of Kashee Milk Producer Company Limited ("the Company") as of 31 March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness

exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained except as mentioned in para "Emphasis of Matter" in the Audit report, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of internal financial controls over financial reporting

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India .

Sd/-

Mahua Bhattacharjee
Membership No: 508592
Partner
UDIN:22508592ANXNLD5763
For & On behalf of N.R. & ASSOCIATES,
Chartered Accountants
(Regn No: 312101E)
Delhi
26 JULY 2022

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 7 under 'Report on Other Legal and Regulatory requirement Section of our report of even date)

- i. The amount of debts due from sale of goods and services are as disclosed in note no 14 to the financial statements. According to the information and explanations given to us , no debts disclosed in note no 14 to the financial statements are considered as doubtful of recovery.
- ii. Cash and cash equivalent as on March 31, 2022 has been physically verified by the management and no discrepancy was verified on such verification. According to the information and explanations given to us, the Company does not hold any investment securities.
- iii. The details of assets and liabilities as at March 31, 2022 are as per the financial statements of the Company as at and for the year ended March 31, 2022.
- iv. 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.
- v. According to the information and explanations given to us, the Company has not granted any loan to its Directors.
- vi. According to the information and explanations given to us, the Company has not given any donations or subscriptions during the year.

Sd/-

Mahua Bhattacharjee

Membership No: 508592

Partner

UDIN:22508592ANXNLD5763

For & On behalf of N.R. & ASSOCIATES,

Chartered Accountants

(Regn No: 312101E)

Delhi

26 JULY 2022

Kashee Milk Producer Company Limited

CIN NO. U01409UP2021PTC155262;

Registered Office: 9/132-9, Suddhipur, Shivpur (Airport Road) Varanasi,

UP – 221003 IN

Email: info@kasheemilk.com ; Telephone No:0542-4085526

NOTICE

Notice is hereby given that the **2nd** Annual General Meeting of the Shareholders of Kashee Milk Producer Company Limited will be held on **FRIDAY, 26th day of August 2022** at **Hotel Vikram Palace 66, Central Jail Rd, Chotta Chuppepur, Varanasi, Uttar Pradesh 221003** at **12:00 Noon**, to transact the following business:

ORDINARY RESOLUTION:

- 1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2022 and the Profit and Loss Account and cash flow statement for the period ended on that date and the Directors' and Auditors' report 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 is hereby approved and adopted.”

- 2. To consider the appointment of a Director in place of Smt. Anju Devi (DIN 09395092), who is retiring by rotation and is ineligible for reappointment and to adopt the following resolution as a general resolution in this regard.**

“RESOLVED THAT in accordance with the provisions of Chapter XXIA of the Companies Act, 2013 read with section 152 and other applicable provisions of the Companies Act, 2013 if any, Smt. Anju Devi (DIN 09395092) director, liable to retire by rotation at the ensuing Annual General Meeting, and being ineligible does not offer herself for re-appointment and the resulting vacancy be filled up by appointing Smt. Sangeeta Devi (DIN: 0009687721) as Director and whose period of office shall be liable to retire by rotation.

3. To consider the appointment of a Director in place of Smt. Saroj Kumari (DIN 09395186), who is retiring by rotation and is ineligible for reappointment and to adopt the following resolution as a general resolution in this regard.

“RESOLVED THAT in accordance with the provisions of Chapter XXIA of the Companies Act, 2013 read with section 152 and other applicable provisions of the Companies Act, 2013 if any, Smt. Saroj Kumari (DIN 09395186) director, liable to retire by rotation at the ensuing Annual General Meeting, and being ineligible does not offer herself for re-appointment and the resulting vacancy be filled up by appointing Smt. Sarita Devi (DIN 0009687193) as Director and whose period of office shall be liable to retire by rotation.

4. To consider and approve the Budget of the Company for the FY 2022- 23 and pass the following as ordinary resolution in this regard:

“RESOLVED THAT the Budget 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

SPECIAL RESOLUTION:

5. 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 Part XXI-A of the Act in particular Sec. 378-I, 378ZQ, 378ZR, Sec 14 and other applicable provisions of Companies Act, 2013 including rules made thereunder, and the applicable provisions of the Memorandum and Articles of Association of the Company and with the approval of shareholders by way of a special resolution, the existing Articles of Association of the Company be and are hereby altered in the manner and to the extent following:

- (1) 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.

- 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.

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

Any member who is not eligible to continue as a Member shall be served a written notice by the Company for removal as Member and given an opportunity of being heard. The Member would need to reply to the notice within the stipulated period as specified in the notice. Thereafter, the Board shall take a decision in the matter.

However for the purpose of sending notices to the members, the Board may exempt one or more eligibility criterion for all the members during a particular year.

RESOLVED FURTHER that this supersedes all earlier arrangements.

ALSO RESOLVED that Chief executive or Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things as may be required to implement this resolution.”

By order of the Board of Directors

SD/-

Place: Varanasi

Dr. Manvir Singh

Date: 26.07.2022

Chief Executive

NOTES

1. a member entitled to attend and vote at the annual general meeting (AGM) is entitled to appoint a proxy to attend and vote on a show of hands as well as on a poll instead of himself/herself and **a proxy must be a member of the company. non-member cannot be appointed as a proxy.** the instrument appointing proxy in order to be effective must be deposited at the registered office of the company, duly completed, stamped and signed, **at least 48 hours before the scheduled time** of the meeting. a blank proxy form is enclosed herewith.
2. Every member will have only one vote (on a show of hands as well as on poll) irrespective of her shareholding or patronage in the Company.
3. The following documents are enclosed with this notice:
 - (i) The names of candidates for election to the office of Director including a statement of qualifications in respect of each candidate;
 - (ii) Minutes of the previous AGM held on 4th February 2022
 - (iii) The audited Balance Sheet as of 31st March, 2022. and Profit and Loss Account for the financial year ended 31st March 2022 together with Reports of the Board of Directors and Auditors thereon is annexed herewith.
 - (iv) Budget for FY-2022-2023 is also enclosed.
4. The member requiring information on accounts or operation of the Company or indenting any query are requested to forward the same to the Company Secretary at the registered office of the company, at least 7 days prior to the date of meeting.
5. Members are requested to quote their folio numbers and member code in all their correspondence.
6. The Explanatory Statement setting out all material facts in respect of Item no. 5 of the accompanying notice is attached herewith.
7. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the members at the Registered Office of the Company on all working days during normal business hours (between 11:00 hrs to 16:00 hrs).

8. The limited return (dividend), as recommended by the Board, if declared at the meeting, will be paid to those shareholders, whose names appear as Members in the Register of Members of the Company as on 31st March 2022.
9. Members are requested to notify immediately any change in their addresses along with PIN Code and Mobile Number to the Company.
10. Members are requested to note that as per Section 205A of the Companies Act,1956/ Section 123 of the Companies Act 2013, dividends not encased /claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, No claims in this respect shall lie against IEPF or the Company.
11. The members are requested to bring their ID card issued by the Company at AGM Venue for their identification purpose.
12. Weapons, fire arms, 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

Name	Occupation	Qualification
1. Sangeeta Devi	Animal Husbandry	Higher Secondary Passed
2. Sarita Devi	Animal Husbandry	B.A, M.A,B.ED

By order of the Board of Directors

Sd./-

Place: Varanasi

Dr. Manvir Singh

Date: 26.07.2022

Chief Executive & Director

EXPLANATORY STATEMENT

The existing Article **9.13 & existing Article 4.3. iii of the** Articles of Association of the Company necessitate certain changes to bring in better clarity in understanding and administering the provisions of Articles in line with the other provisions of AOA or the law implemented and amended from time to time,; to eliminate ambiguity to some provisions of AOA wherever required and to provide flexibility and ease in the business operation and management of the Company.

The Board of Directors at their meeting held on 26.07.2022 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. 5 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.

Budget 2022-2023

Kashee Milk Producer Company Limited			
Revenue Budget			
S.No.	Particulars	UoM	Proposed Budget FY 22-23
(I)	Milk Procurement Qty	(KGPD)	33,627
(II)	Revenue from Milk Operations	(Rs. in Lakhs)	5,681.52
(III)	Producer Price	(Rs. in Lakhs)	5,253.00
(IV)	Sahayak Margin	(Rs. in Lakhs)	126.26
(V)	Sahayak Stipend	(Rs. in Lakhs)	58.65
(VI)	Logistic Cost	(Rs. in Lakhs)	279.15
(VII)	Other Milk Procurement Cost	(Rs. in Lakhs)	437.56
(VIII)	Fixed Cost	(Rs. in Lakhs)	533.61
(IX)	Profit/(Loss) from Milk Operation befor Grant Support	(Rs. in Lakhs)	(1,006.70)
(X)	Grant Support -Milk Operations	(Rs. in Lakhs)	1,137.01
(XI)	Other Income	(Rs. in Lakhs)	11.40
(XII)	Profit/(Loss) from Milk Operation after Grant Support	(Rs. in Lakhs)	141.71
Capex Budget			
S.No.	Particulars	UoM	Proposed Budget FY 22-23
	Milk Operation		1,158.54
(I)	MPP SETUP	(Rs. in Lakhs)	713.85
(II)	BMC SETUP	(Rs. in Lakhs)	86.52
(III)	MCC SETUP	(Rs. in Lakhs)	54.00
(IV)	Cluster Office Setup	(Rs. in Lakhs)	20.60
(V)	Head Office Setup	(Rs. in Lakhs)	50.00
(VI)	ICT	(Rs. in Lakhs)	133.56
(VII)	Sales and Marketing Infrastructure	(Rs. in Lakhs)	100.00
B	PES Operation		73.00
(I)	3 Litre Cryo Container	(Rs. in Lakhs)	8.06
(II)	35 Litre Cryo Container	(Rs. in Lakhs)	18.04
(III)	55 Litre Transport Cryo Container	(Rs. in Lakhs)	8.80
(IV)	Liquid Nitrogen Silo	(Rs. in Lakhs)	30.00
(V)	Big Semen Storage Container	(Rs. in Lakhs)	4.50
(VI)	Small Semen Storage Container	(Rs. in Lakhs)	3.60
I	Total Capex	(Rs. in Lakhs)	1,231.53
II	Total Capex grant	(Rs. in Lakhs)	1,231.53

MINUTES OF THE FIRST ANNUAL GENERAL MEETING OF KASHEE MILK PRODUCER COMPANY LIMITED HELD ON FRIDAY, THE 4TH DAY OF FEBRUARY, 2022 AT REGISTERED OFFICE OF THE COMPANY- AT 9/132-9, SUDDHIPUR SHIVPUR (AIRPORT ROAD) VARANASI UP 221003 AT 12.00 NOON.

PRESENT:

1.	Smt. Anju Devi	Chairman & Shareholder
2.	Smt Babita	Director & Shareholder
3.	Smt. Mamata Singh	Director & Shareholder
4.	Smt. Aradhana	Director & Shareholder
5.	Smt. Saroj Kumari	Director & Shareholder
6.	Smt Vindu Devi	Shareholder
7.	Smt. Pooja Singh	Shareholder
8.	Smt. Arti	Shareholder
9.	Smt. Shila Devi	Shareholder
10.	Radhika Devi	Shareholder
11.	Smt. Anita Devi	Shareholder
12.	Dr. Manvir Singh	Chief Executive & Director

As per the attendance register of the 1st Annual General Meeting (AGM) of the Company, 11 shareholders representing 110 equity shares were present in person in the Meeting. As per the provisions of Section 581ZA (9) of the Companies Act, 1956 this constituted a valid quorum.

- A. Smt. Anju Devi took the chair and declared that the quorum is present in terms of article 11.6 of Articles of Association of the Company. The Register of Proxies, Members' Register and Register of Directors' shareholding were available at the venue of AGM and open for inspection. The meeting was then called to order.
- B. The Chairman welcomed the members and Directors to the 1st Annual General meeting of the Company. The meeting was then called to order.
- C. 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.
- D. Thereafter, the Chairman in her speech briefed the members the background and the reason behind formation of Kashee Milk Producer Company Limited in the district of Varanasi, Uttar Pradesh.

She also thanked the National Dairy Development Board Dairy Services and NRLM that took initiative to setup milk procurement system to begin with and for providing active support in setting up the Company and for various other services.

After concluding the address to the members, the Chairman directed the meeting to transact the business as set out in the Notice of 1st AGM.

ORDINARY BUSINESS:

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

Smt. Puja Singh (Folio No.: 05) proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM: 04.02.2022:1/2021-22

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

Smt. Babita (Folio No.:02) 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 Smt Saroj Kumari (DIN 09395186), who vacates the office, being eligible, offers herself for re-appointment.

Smt. Mamta Singh (Folio No.: 06) proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM: 04.02.2022:02/2021-22

RESOLVED THAT Smt Saroj Kumari (DIN 09395186)), 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.”

Smt. Anita Devi (Folio No.: 11) 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 Smt. Anju Devi (DIN 09395092) who vacates the office, being eligible, offer himself for re-appointment.

Keeping in view the facts that Smt Anju Devi was interested in the aforesaid matter, Smt. Puja Singh was appointed as Chairman of meeting for the aforesaid resolution only

Smt. Saroj Kumari (Folio No.: 04) proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM: 04.02.2022:3/2021-22

“RESOLVED THAT Smt. Anju Devi (DIN 09395092) 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.”

Smt. Radhika Devi (Folio No.: 10) 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 Smt Aradhana (DIN 09395183) who vacates the office, being eligible, offer herself for re-appointment.

Smt. Pooja Singh (Folio No.:05) proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM: 04.02.2022: 4/2021-22

“RESOLVED THAT Smt Aradhana (DIN 09395183), 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.”

Smt. Babita (Folio No.: 02) 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. Mamta Singh (DIN 09395184) who vacates the office, being eligible, offer herself for re-appointment.

Smt Anju Devi (Folio No.: 01) proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM: 04.02.2022: 5/2021-22

“RESOLVED THAT Smt. Mamta Singh (DIN 09395184), 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.”

Smt. Pooja Singh (Folio No.: 05) seconded the above resolution.

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

6. To consider and appoint a director in place of Smt. Babita (DIN 09395185), who vacates the office, being eligible, offer himself for re-appointment.

Smt. Vindu Devi (Folio No.: 3) proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM: 04.02.2022:6/2021-22

“RESOLVED THAT Smt. Babita (DIN 09395185), 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.”

Smt. Arti (Folio No.: 07) 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 11th November, 2021 to 31st March 2022.

Smt. Aradhana (Folio No.: 08) proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM: 04.02.2022:7/2021-22

“RESOLVED THAT the Budget Estimates of the Company for the period from 11th November, 2021 to 31st March, 2022, as laid before the annual general meeting be and is hereby approved.”

Smt. Shila Devi (Folio No.: 09) 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 the preliminary expenses amounting to Rs. 51,112/- incurred for incorporating the Company by NDDB Dairy Services and be reimbursed to them.

Smt. Anju Devi (Folio No.: 01) proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM: 04.02.2022:8/2021-22

“RESOLVED THAT the preliminary expenses amounting to **Rs.51,112/-** (Rupees Fifty One Thousand One Hundred Twelve Only) incurred by NDDB Dairy Services in connection with the incorporation of the Company as per the statement placed before the Meeting be and is hereby approved.

RESOLVED FURTHER THAT the above preliminary expenses be reimbursed to Rajasthan Grameen Aajeevika Vikas Parishad.

Smt. Radhika Devi (Folio No.: 10) seconded the above resolution.

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

9. To consider and adopt the following resolution for the appointment of First Auditors of the Company.

Smt. Pooja Singh (Folio No.: 05) proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM: 04.02.2022:9/2021-22

“RESOLVED THAT, M/s. N.R & Associates, 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.

Smt. Babita (Folio No.: 02) 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 increase in authorised share capital of the Company

Smt. Shila Devi (Folio No.: 09) proposed the following resolution as an Ordinary Resolution:

Resolution No. 1st AGM: 04.02.2022:10/2021-2022

“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. 50,000,000/- (Rupees Five Crore) divided into 5,00,000 (Five Lacs) Equity Shares of Rs.100/- (Rupees One Hundred) each by creation of an additional 490,000 (Four 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. 50,000,000/- (Rupees Five Crore) divided into 500000 (Five Lacs Only) 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.”

Smt. Arti (Folio No.: 07) seconded the above resolution.

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

SPECIAL RESOLUTION

11. To consider and alter the main objects of the Company

Smt. Mamta Singh (Folio No.: 06) proposed the following resolution as an Special Resolution:

Resolution No. 1st AGM: 04.02.2022:11/2021-2022

“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.”

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

**Varanasi
30.03.2022**

**Sd/-
Chairman**

KASHEE MILK PRODUCER COMPANY LIMITED

CIN: U01409UP2021PTC155262

Regd Office: 9/132-9, Suddhipur, Airport Road, Varanasi (UP)

Email: Kashee.mpc@gmail.com

ATTENDANCE SLIP

Folio No:

Member
Code:

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

I hereby record my presence at the 2nd Annual General Meeting of the Kashee Milk Producer Company Limited held on Friday, 26th August, 2022.

Name of the Shareholders.....

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

Signature of the Shareholder/Proxy*

*strike out whichever is not applicable.

KASHEE MILK PRODUCER COMPANY LIMITED

CIN: U01409UP2021PTC155262

Regd Office: 9/132-9, Suddhipur, Airport Road, Varanasi (UP)

Email: Kashee.mpc@gmail.com

ACKNOWLEDGEMENT SLIP

Folio No

--	--	--	--	--

I Resident
..... is a member
of Kashee Milk Producer Company Limited. I have received Notice of Second Annual
General Meeting sent by the Company.

Signature of the Member

Date:

Place:

Form No. MGT-11

Proxy form

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

CIN: U01409UP2021PTC155262

Name of the Company: Kashee Milk Producer Company Limited.

Registered office: 9/132-9, Suddhipur Shivpur (Airport Road) Varanasi UP 221003 IN

Name of the Member	:		Number of shares:	:	
Registered address	:		Folio no.:	:	
E-mail Id	:		Membership Code:	:	

I/ We being the member of Kashee Milk Producer Company Limited, hereby appoint

S.no	Name	Address	Email	Membership code	Folio No.
1.					
2					

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 2nd Annual General Meeting of members of the Company, to be held on Friday, 26th August 2022 at Hotel Vikram Palace 66, Central Jail Road, Chhota Chuppepur, Varanasi, Uttar Pradesh – 221003 at 12:00 Noon the, and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Resolution

S.No	Resolution	Favour	Against
1	To receive, consider and adopt the audited Balance Sheet as at 31 st March 2022 and the Profit and Loss Account and cash flow statement for the period ended on that date and the Directors' and Auditors' report thereon and to pass following Ordinary resolution in this regard.		
2	To consider the appointment of a Director in place of Smt. Anju Devi (DIN 09395092), who is retiring by rotation and is ineligible		

	for reappointment and to adopt the following resolution as a general resolution in this regard.		
3	To consider the appointment of a Director in place of Smt. Saroj Kumari (DIN 09395186), who is retiring by rotation and is ineligible for reappointment and to adopt the following resolution as a general resolution in this regard.		
4	To consider and approve the Budget of the Company for the FY 2022- 23 and pass the following as ordinary resolution in this regard		

Special Resolution:

<u>5</u>	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.		
----------	---	--	--

Signed this day of..... 2022

Signature of Shareholder

Signature of Proxy holder(s)

Note: This representative form is necessary to reach the registered office of the company 48 hours before the general meeting mentioned above and it is mandatory for the representative to be a member of the company.

KASHEE MILK PRODUCER COMPANY LIMITED

BALANCE SHEET AS AT MARCH 31, 2022

	Note No.	As at March 31, 2022	As at March 31, 2021
A. EQUITY AND LIABILITIES		Rupees	Rupees
1. Shareholder's funds			
(a) Share Capital	3	64,300	-
(b) Reserves and Surplus	4	41,742	-
(c) Money received against share warrants		-	-
		<u>106,042</u>	<u>-</u>
2. Share application money pending allotment		-	-
3. Deferred Grant	5	7,220,853	-
4. Non-current liabilities			
Long-term borrowings			
Other Long term liabilities			
(a) Other long term liabilities		-	-
(b) Long-term Provisions	6	<u>111,056</u>	<u>-</u>
5. Current Liabilities			
(a) Short term borrowings		-	-
(b) Trade payables	7	-	-
(i) Total outstanding dues of micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		1,800,943	-
(c) Other current liabilities	8	17,040,611	-
(d) Short term provisions	9	24,896	-
		<u>18,866,450</u>	<u>-</u>
Total		<u>26,304,400</u>	<u>-</u>
B. ASSETS			
1. Non-current assets			
(a) Property plant and equipment and intangible assets			
(i) Property, plant and equipment	10	6,602,882	-
(ii) Intangible Assets	10	417,770	-
(iii) Capital work-in-progress	10	7,372,422	-
(iv) Intangible assets under development		-	-
(b) Deferred tax assets (net)	11	-	-
(c) Long-term loans and advances	12	-	-
(d) Other non-current assets		-	-
		<u>14,393,075</u>	<u>-</u>
2. Current assets			
(a) Inventories	13	91,125	-
(b) Trade Receivables	14	1,204,615	-
(c) Cash and Cash equivalents	15	10,488,942	-
(d) Short-term loans and advances	16	126,644	-
(e) Other current assets	17	-	-
		<u>11,911,325</u>	<u>-</u>
Total		<u>26,304,400</u>	<u>-</u>
See accompanying notes forming part of the financial statements	2		

In terms of our report attached

For and on behalf of the Board of Directors

For N R & Associates

Chartered Accountants
FRN: 312101E

sd/-
Manvir Singh
Director & CE
DIN:9442343

sd/-
Anju Devi
Director
DIN:9395092

sd/-
Mahua Bhattacharjee
Partner
Membership no: 508592

sd/-
Saroj Kumari
Director
DIN:9395186

sd/-
Priyanka Satywali
Company Secretary
M.No.A45196

Delhi
26 July 2022

Varanasi
26-Jul-22

KASHEE MILK PRODUCER COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

	Note No.	As at March 31, 2022	As at March 31, 2021
		Rupees	Rupees
1. Revenue from operations	18	1847291	-
2. Other Income	19	<u>4274183</u>	-
3. Total Revenue (1+2)		<u>6121474</u>	<u>-</u>
4. EXPENSES			
(a) Purchase of stock in trade	20	1,795,686	-
(b) Change in inventory of stock-in-trade	21	(91,125)	-
(c) Employee benefits expenses	22	1,981,529	-
(d) Finance Costs		-	-
(e) Depreciation and amortization expenses		-	-
(f) Other expenses	23	2,385,456	-
Total Expenses		<u>6,071,546</u>	<u>-</u>
5. Profit before tax (3-4)		49,928	-
6. Tax expenses			
(a) Current tax		8,186	-
(b) Deferred tax		-	-
(c) Short/ (Excess) Income Tax pertaining to earlier years		-	-
Net Tax Expense (a+b+c)		<u>8,186</u>	<u>-</u>
7. Profit for the year (5-6)		<u>41,742</u>	<u>-</u>
Earnings per equity share			
(Nominal Value Rs.100 per share)			
(a) Basic	24	247	-
(b) Diluted		247	-
See accompanying notes forming part of the financial statements	2		

In terms of our report attached

For N R & Associates
Chartered Accountants
FRN: 312101E

sd/-
Mahua Bhattacharjee
Partner
Membership no: 508592

Delhi
26 July 2022

For and on behalf of the Board of Directors

sd/-
Manvir Singh
Director & CE
DIN:9442343

sd/-
Saroj Kumari
Director
DIN:9395186

Varanasi

sd/-
Anju Devi
Director
DIN:9395092

sd/-
Priyanka Satywali
Company Secretary
M.No.A45196

26-Jul-22

KASHEE MILK PRODUCER COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

	Year ended 31.03.2022 (Rupees)	Year ended 31.03.2021 (Rupees)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) for the year	41,742	-
Adjustment for :		
Provision for employee benefits	111,056	-
Finance Cost	-	-
Depreciation and Amortization Expenses	-	-
Loss/ (profit) on sale of property, plant, equipment and intangible assets	-	-
Interest Income from Grant	-	-
Operating profit before working capital changes	152,798	-
Adjustment for movement in working capital		
Decrease/(Increase) in inventories	(91,125)	-
Decrease/(Increase) in trade receivables	(1,204,615)	-
Decrease/(Increase) in loans and advances	(126,644)	-
(Decrease)/Increase in trade payables	1,800,943	-
(Decrease)/Increase in other current liabilities	17,040,611	-
(Decrease)/Increase in short term provisions	24,896	-
Cash generated from operations	17,444,066	-
Net income tax (paid)/refund	-	-
Net cash flow from/(used in) operating activities (A)	17,596,864	-
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Expenditure on Property, plant equipment and Intangible assets including CWIP (net of utilised capital grant)	(7,172,222)	-
Interest received	-	-
Provision- non current	-	-
Net cash flow from/(used in) investing activities (B)	(7,172,222)	-
Direct Taxes paid	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	64,300	-
Proceeds from long term borrowings	-	-
Net increase/(decrease) in working capital borrowings	-	-
Dividend paid	-	-
Net cash flow from/(used in) financing activities (C)	64,300	-
Net Increase/ (Decrease) in Cash and Cash Equivalents(A+B+C)	10,488,942	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	10,488,942	-
Components of cash and cash equivalents as at:		
Cash and cash equivalents as per cash flow statement	10,488,942	-
Cash and cash equivalent as per Balance Sheet (Note 15)	10,488,942	-

See accompanying notes forming part of the financial statements

2

In terms of our report attached

For and on behalf of the Board of Directors

For N R & Associates
Chartered Accountants
FRN: 312101E

sd/-
Manvir Singh
Director & CE
DIN:9442343

sd/-
Anju Devi
Director
DIN:9395092

sd/-
Mahua Bhattacharjee
Partner
Membership no: 508592

sd/-
Saroj Kumari
Director
DIN:9395186

sd/-
Privanka Satywali
Company Secretary
M.No.A45196

Delhi
26 July 2022

Varanasi
26-Jul-22

KASHEE MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate information

Kashee Milk producer company Limited ("the company") was incorporated on November 11, 2021, under Chapter XXIA of the Companies Act, 2013.

The Company has started the procurement operations in Varanasi in the state of Uttar Pradesh from 9th of March, 2022. The Company procures milk directly from milk producers through "Milk Pooling Points" (MPP) in villages in and around Varanasi and sells it to Mother Dairy Fruit and Vegetable Private Limited and other dairies in open market.

2. Significant accounting policies

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 and the relevant provisions of the Companies Act, 2013. The Financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates and the difference between the actual results and the estimates are recognised in the period in which the results are known / materialise.

c. Revenue recognition

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

d. Other Income

Interest income on deposits are recognised on a time proportion basis, admission fee from members are recognised on accrual basis and revenue grant utilised on accrual basis.

e. Property, Plant and Equipment and Intangible assets

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets 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 fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

f. Capital work-in-progress

Assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

g. Depreciation and amortisation

- (i) Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 in respect of the following categories of assets. The life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

<u>Asset Type</u>	<u>Useful Life</u>
Milk Cans	4 Years
Plant & Machinery	10 Years
Computer	3 Years
Furniture & Fixtures	10 Years
Office equipments	3 Years
Software	1 Years

- (ii) The residual value of fixed assets is retained at Rupee 1 each.

KASHEE MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

h. Impairment of assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss.

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

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

i. Inventories

Inventories are valued at the lower of cost and the net realisable 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.

j. Grants

Governments grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/ subsidies will be received. Governments grants related to depreciable property, plant and equipment are treated as deferred grants which is recognised in the statement of Profit and Loss on a systematic and rational basis over the useful life of the asset, i.e. depreciation charged on assets procured from such grants is appropriated from Deferred Grant and recognised in The Statemnt of Profit and Loss by way of reduced depreciation charge.

Revenue grants and subsidies are recognised as income.

k. Employee benefits

a Short term

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 service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

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

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

b Long term

The Company has both defined-contribution and defined-benefit plans. Defined benefit plan has some assets in special funds or securities and plan is financed by the Company.

i. Defined-contribution plans

The Company's contributions to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

ii. Defined-benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

iii. Other employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

KASHEE MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

i. Taxes on income

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 the Income Tax Act, 1961 and other applicable tax laws.

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

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

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

m. Provisions and contingencies

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

n. Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

o. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

p. Leases

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

KASHEE MILK PRODUCER COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

q. 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.

r. Material events

Material events occurring after the Balance Sheet date are taken into cognizance.

s. Cash and cash equivalents (for 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.

t. Operating cycle

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

KASHEE MILK PRODUCER COMPANY LIMITED

Notes forming part of Financial Statements

Note 3: SHARE CAPITAL

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount (Rupees)	Number of Shares	Amount (Rupees)
(a) Authorized Share Capital				
5,00,000 Equity shares of Rs.100/- each	500,000	50,000,000	-	-
(b) Issued, subscribed and paid up				
643 Equity Shares of Rs.100/- each fully paid up*	643	64,300	-	-

Refer Notes (i) to (iv) below

(i) Rights, preferences and restrictions attached to shares

The Company has only one class of shares referred to as Equity Shares having a par value of Rs.100 per share. Every member shall have a single vote, provided that the member has poured milk for at least 200 days totaling to at least 500 litres in a year.

Members are entitled to limited returns (dividend) and bonus in accordance with Articles of Association of the Company.

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity Shares of Rs.100/- each	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount (Rupees)	Number of Shares	Amount (Rupees)
Shares outstanding at the beginning of the year	-	-	-	-
Add: Shares issued during the year (net of shares surrendered)	643	64,300	-	-
Less: Shares cancelled during the year	-	-	-	-
As at the end of the year	643	64,300	-	-

(iii). The Company is registered under Chapter XXIA of the Companies Act, 2013 as 'Producer Company' and none of the member holds 5% or more of the share capital of the Company.

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

KASHEE MILK PRODUCER COMPANY LIMITED

Notes forming part of Financial Statements

Note 4: RESERVES & SURPLUS

Particulars	As at March 31, 2022	As at March 31, 2021
	Rupees	Rupees
(a) General Reserve		
Opening balance	-	-
Add: transferred from surplus in statement of Profit and Loss	41,742	-
Closing Balance	41,742	-
(b) Surplus in Statement of Profit and Loss Account		
Balance as on date of last balance sheet	-	-
Profit/ (Loss) for the year	41,742	-
Less: Transferred to general reserve	(41,742)	-
Closing Balance	-	-

Note 5: DEFERRED GRANT

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Opening balance	-	-
(b) Add: Capital grant utilized during the year (Refer note no 32)	7,330,975	-
(c) Less: Assets disposed during the year	-	-
(d) Less: Depreciation pertaining to assets acquired from Grant (Refer note no 10)	(110,122)	-
(e) Add: Depreciation on disposal of assets	-	-
Closing Balance	7,220,853	-

Note 6 LONG TERM PROVISIONS

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Gratuity	65,755	-
Provision for Leave Encashment	45,301	-
	111,056	-

Note 7 TRADE PAYABLES AGEING SCHEDULE

Particulars	As at March 31, 2022					As at March 31, 2021
	Outstanding for following periods from due date of payment					
	Less than 1 yr	1-2 yrs	2-3 yrs	More than 3 yrs	Total	
(i) Dues to MSMEs	-	-	-	-	-	-
(ii) Other dues	1,800,943	-	-	-	1,800,943	-
(iii) Disputed dues MSME	-	-	-	-	-	-
(iv) Disputed dues others	-	-	-	-	-	-
					1,800,943	-

Note 8 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Payable to employees	149,128	-
(b) Share Surrendered	-	-
(c) Other current liabilities	224,761	-
(d) Income Tax Deducted at Source Payable	278,730	-
(e) Provident Fund Payable	-	-
(f) GST Payable (net of ITC)	8,907	-
(g) Grant received (net of utilization) (see note 32)	2,176,325	-
(h) Security Deposits	2,010,000	-
(i) Advance From Debtors	2,836	-
(j) Payable for purchase of fixed assets (*Note)	12,189,924	-
	17,040,611	-

*Note: Payable for purchase of Fixed assets include payable to MSME Vendors of Rs. 1,17,22,265.

Note 9 SHORT TERM PROVISIONS

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Provision for Income Tax* (net)	8,186	-
(b) Provision for Gratuity	759	-
(c) Provision for Performance Linked Incentive (PLI)	-	-
(d) Provision for Bonus	10,489	-
(e) Provision for Leave Encashment	5,962	-
	24,896	-

Note 11 DEFERRED TAX ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Balance/ (Liability) as on date of last balance sheet	-	-
Changes made during the year		
- on difference between book balance and tax balance of fixed assets	-	-
- on provision for Bonus, Gratuity and Leave Encashment	-	-
- on preliminary Expenses to the extent available for amortization in future years	-	-
	-	-

Deferred Tax has not been recognized considering deduction available under section 80-PA of the Income Tax Act, 1961, which results in no timing difference.

Note 12 LONG TERM LOANS AND ADVANCES

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Security Advance Office	-	-
(b) Security Advance Store	-	-
	-	-

Note 13 INVENTORIES

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Stock in trade Raw Milk	91,125	-
(b) Cattle Feed	-	-
(c) Chemicals, Consumables and tools	-	-
	91,125	-

Note 14 TRADE RECEIVABLES AGEING SCHEDULE

Particulars	As at March 31, 2022					As at March 31, 2021
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed trade receivables considered good	1,204,615	-	-	-	-	1,204,615
(b) Undisputed trade receivables - considered doubtful	-	-	-	-	-	-
(c) Disputed trade receivables considered good	-	-	-	-	-	-
(d) Disputed trade receivables - considered doubtful	-	-	-	-	-	-
						1,204,615

Note 15 CASH AND CASH EQUIVALENTS			As at March 31, 2022	As at March 31, 2021
	Particulars			
(a) Cash and Cash Equivalents				
(i) Cash in hand			-	-
(ii) Balance with Banks			-	-
a) In current accounts			-	-
Cash and Cash Equivalents as per AS 3 -Cash Flow Statement			<u>10,488,942</u>	<u>-</u>
(b) Other Bank Balances				
(i) In deposit accounts			-	-
(ii) Balance held as security			-	-
(iii) In earmarked accounts			-	-
			<u>10,488,942</u>	<u>-</u>
Note 16 SHORT TERM LOANS AND ADVANCES				
(Unsecured, considered good)				
	Particulars		As at March 31, 2022	As at March 31, 2021
(a) Advance to vendors			-	-
(b) Prepaid Expenses			72,644	-
(c) Security Advance Office			10,000	-
(d) Security Advance Store			44,000	-
(e) Other Advance			-	-
			<u>126,644</u>	<u>-</u>
Note 17 OTHER CURRENT ASSETS				
(Unsecured, considered good)				
	Particulars		As at March 31, 2022	As at March 31, 2021
(a) Interest accrued but not due on bank deposits			-	-
(b) Others			-	-
			<u>-</u>	<u>-</u>
Note 18 REVENUE FROM OPERATIONS				
	Particulars		As at March 31, 2022	As at March 31, 2021
Traded goods				
(a) Raw Milk			1,847,291	-
(b) Cattle Feed			-	-
(c) Mineral Mixture			-	-
			<u>1,847,291</u>	<u>-</u>
Note 19 OTHER INCOME				
	Particulars		As at March 31, 2022	As at March 31, 2021
(a) Admission fee from members			22,584	-
(b) Income from Grant			4,242,700	-
(c) Tender Fees			8,899	-
			<u>4,274,183</u>	<u>-</u>
Note 20 PURCHASES OF STOCK IN TRADE				
	Particulars		As at March 31, 2022	As at March 31, 2021
(a) Raw Bulk Milk			1,795,686	-
(b) Cattle Feed			-	-
(c) Mineral Mixture			-	-
			<u>1,795,686</u>	<u>-</u>
Note 21 CHANGES IN INVENTORIES OF STOCK-IN-TRADE				
	Particulars		As at March 31, 2022	As at March 31, 2021
Decrease/(increase) in inventories of stock in trade of raw milk				
(a) Inventories at the beginning of the year			-	-
(b) Inventories at the end of the year			91,125	-
Net decrease/ (increase) in inventories			<u>(91,125)</u>	<u>-</u>
Note 22 EMPLOYEE BENEFIT EXPENSES				
	Particulars			
(a) Salary and wages			1,976,070	-
(b) Contribution towards Provident Fund and other funds			-	-
(c) Staff welfare expenses			5,459	-
			<u>1,981,529</u>	<u>-</u>
			<u>1,981,529</u>	<u>-</u>
Note 23 OTHER EXPENSES				
	Particulars		As at March 31, 2022	As at March 31, 2021
Consumption of stores and spares			60,294	-
Freight, Cartage and Forwarding Expense			163,958	-
Power and Fuel			77,356	-
Rent			87,000	-
Rates and taxes			9,700	-
Retainership Contractual expenses			351,665	-
Repairs and Maintenance - Others			6,549	-
Repairs and Maintenance - Comouters			13,325	-
Bank Charges			163	-
Incentives and commission to sahavaks			(21,605)	-
Labour Charges			24,296	-
Travelling and Conveyance			344,914	-
Training Expenses			22,131	-
Communication & Networking expenses			22,852	-
Printing and Stationery			117,358	-
Professional Fees			81,266	-
Meeting Expenses			55,645	-
Miscellaneous Expenses			4	-
Auditor's remuneration(see note (1) below)			53,100	-
Pre Incorporation Expenses			916,065	-
			<u>2,385,456</u>	<u>-</u>
			<u>2,385,456</u>	<u>-</u>
Note				
(1) Remuneration to Auditors				
(a) Statutory audit fee			45,000	-
(b) Tax Audit Fee			-	-
(c) GST on above			8,100	-
			<u>53,100</u>	<u>-</u>

KASHEE MILK PRODUCER COMPANY LIMITED

Notes forming part of Financial Statements

Note 24	Contingent liabilities and commitments (to the extent not provided for)			
	Particulars		As at March 31, 2022	As at March 31, 2021
			Rupees	Rupees
	Contingent Liabilities			
	Claim against the company not acknowledged as debt		Nil	Nil
	Commitments			
	Estimated amount of contracts remaining to be executed on capital account and not provided for (advances paid of Rs Nil; previous year Rs. Nil)		63,593,470.32	-
			63,593,470.32	-
Note 25	LITIGATIONS			
	Particulars		As at March 31, 2022	As at March 31, 2021
			Rupees	Rupees
	Pending litigation or disputes with any customer, service provider, creditors, staff, Government Authorities and other stake holder.		Nil	Nil
	Impact of pending litigations on financial position in financial statements		Nil	Nil
			-	-
Note 26	The Company is engaged in single business segment of trading of milk and operates in single geographical segment in India. Hence the disclosures required under Accounting Standard (AS) - 17 on Segment Reporting are not applicable.			
Note 27	Leasing Arrangements			
	The Company has taken premises on operating lease. Lease rentals paid during the year have been recognized as expense as per Accounting Standard 19 (AS 19) "Leases".			
	The Company has entered into three operating lease arrangements for office premises, BMC and store. The lease rental expenses of Rs 95,643/- (out of which Rs 8,643/-, pertains to pre incorporation cost) in respect of obligation under operating lease has been recognised in the statement of profit and loss.			
	Future minimum lease payments are:		As at March 31, 2022	As at March 31, 2021
	Particulars		Rupees	Rupees
	Payable not later than 1 year		377,357	-
	Payable later than 1 year but not later than 5 years		-	-
			377,357	-
Note 28	Earning per equity share			
	Particulars	Unit	As at March 31, 2022	As at March 31, 2021
	Net profit after Tax	Rs.	41,742	-
	Weighted average number of equity shares outstanding during the year	Numbers	169	-
	Nominal value per equity share		100	-
	Basic earning per share		247	-
	Equity shares used to compute diluted earning per share		169	-
	Diluted earning per share		247	-
Note 29	Disclosures in Accordance with Revised Accounting Standard 15 (AS-15) on "Employee benefits"			
	A. Defined contribution plan			
	The Company offers its employees defined contribution plan in the form of Provident Fund, which covers all regular employees. Provident Fund Contribution is deposited with the Regional Provident Fund Commissioner (RPFC). Both the employees and the Company pay predetermined contributions into the provident fund. The contributions are normally based on ascertain proportion of the employee's salary.			
			As at March 31, 2022	As at March 31, 2021
			Rupees	Rupees
	The Provident Fund contribution recognized in the statement of profit and loss.			
	B. Defined benefit plan			
	The Company offers its employees defined benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are based on years of service and the employees' compensation (immediately before retirement). The gratuity scheme covers all regular employees. In the case of the gratuity scheme the Company contributes to a trust administered by LIC of India and funds approved by Income Tax Authorities. Commitments are Actuarially determined at year end. Actuarial valuation is done based on "Projected Unit Credit (PCU) Actuarial Method". Gains and losses of changed Actuarial assumptions are charged to the statement of Profit and Loss account.			
	Funded status of the defined benefit plan in respect of Gratuity and amount recognised in the financial statements.		As at March 31, 2022	As at March 31, 2021
			Rupees	Rupees
	i. Changes in Present Value of Benefit Obligation			
	Present Value of Benefit Obligation at beginning of the year		-	-
	Current Service Cost		66,014	-
	Interest Cost		-	-
	Benefit Paid		-	-
	Actuarial Losses (Gains)		-	-
	Present Value of Benefit Obligation on 31.03.2022		66,014	-
	ii. Changes in Fair Value of Plan Assets			
	Fair Value of Plan Assets at beginning of the year		-	-
	Expected Return on Plan Assets		-	-
	Company Contributions		-	-
	Benefits paid		-	-
	Actuarial Losses (Gains)		-	-
	Fair Value of Plan Assets on 31.03.2022		-	-
	iii. Return on Plan Assets			
	Expected Return on Plan Assets		-	-
	Actuarial Gains/ (Losses)		-	-
	Actuarial Return on Plan Assets		-	-
	iv. Amount Recognized in the Balance Sheet			
	Present Value of Benefit Obligation on 31.03.2022		66,014	-
	Fair Value of Plan Assets on 31.03.2022		-	-
	Net Liability / (Asset) recognized in Balance Sheet		66,014	-
	v. Expenses Recognized in the Statement of Profit and Loss			
	Current Service cost		66,014	-
	Interest cost		-	-
	Expected Return on Plan Assets		-	-
	Net actuarial losses (gains) recognized in the year		-	-
	Expenses recognized in Statement of Profit and Loss		66,014	-

vi. Balance Sheet Recognition		
Net liability/ (assets) at the beginning of the year	-	-
Expenses as above	66,014	-
Contributions	-	-
Net liability/ (assets) at the end of the year	<u>66,014</u>	<u>-</u>

vii. Principal Actuarial Assumptions		
Discount Rate	7.52% p.a.	-
Expected Salary Escalations	7.00% p.a.	-
Attrition Rate	5.00% p.a.	-
(5% at younger ages and reducing to 1% at older ages according to graduated scale)		
Mortality Table Used	I.A.L.M. (2012-14) Ultimate	

	As at March 31, 2022	As at March 31, 2021
	Rupees	Rupees

C. Actuarial Assumptions for Compensated Absences (Leave Liability)

i. Changes in Present Value of Benefit Obligation		
Present Value of Benefit Obligation at beginning of the year	-	-
Current Service Cost	51,263	-
Interest Cost	-	-
Benefit Paid	-	-
Actuarial Losses (Gains)	-	-
Present Value of Benefit Obligation on 31.03.2022	<u>51,263</u>	<u>-</u>

ii. Changes in Fair Value of Plan Assets		
Fair Value of Plan Assets at beginning of the year	-	-
Expected Return on Plan Assets	-	-
Company Contributions	-	-
Benefits paid	-	-
Actuarial Losses (Gains)	-	-
Fair Value of Plan Assets on 31.03.2022	<u>-</u>	<u>-</u>

iii. Return on Plan Assets		
Expected Return on Plan Assets	-	-
Actuarial Gains/ (Losses)	-	-
Actuarial Return on Plan Assets	<u>-</u>	<u>-</u>

iv. Amount Recognized in the Balance Sheet		
Present Value of Benefit Obligation on 31.03.2022	51,263	-
Fair Value of Plan Assets on 31.03.2022	-	-
Net Liability / (Asset) recognized in Balance Sheet	<u>51,263</u>	<u>-</u>

v. Expenses Recognized in the Statement of Profit and Loss		
Current Service cost	51,263	-
Interest cost	-	-
Expected Return on Plan Assets	-	-
Net actuarial losses (gains) recognized in the year	-	-
Expenses recognized in Statement of Profit and Loss	<u>51,263</u>	<u>-</u>

vi. Balance Sheet Recognition		
Net liability/ (assets) at the beginning of the year	-	-
Expenses as above	51,263	-
Contributions	-	-
Net liability/ (assets) at the end of the year	<u>51,263</u>	<u>-</u>

vii. Principal Actuarial Assumptions		
Discount Rate	7.52% p.a.	-
Expected Salary Escalations	7.00% p.a.	-
Attrition Rate	5.00% p.a.	-
(5% at younger ages and reducing to 1% at older ages according to graduated scale)		
Mortality Table Used	I.A.L.M. (2012-14) Ultimate	

	As at March 31, 2022	As at March 31, 2021
	Rupees	Rupees

D. Experience Adjustment

Gratuity		
Present value of defined benefit	66,014	-
Fair Value of plan assets	-	-
Funded status	66,014	-
Gain/ (losses) on obligations	-	-
Gain/ (losses) on plan assets	-	-

Leave Liability		
Present value of defined benefit	51,263	-
Fair Value of plan assets	-	-
Funded status	51,263	-
Gain/ (losses) on obligations	-	-
Gain/ (losses) on plan assets	-	-

Actuarial assumptions used for valuation of liability for compensated absence is same as vii above

Note 30 Related Party Disclosures :

A. Name of related parties and nature of relationship

Nature of relationship	Name of person
Key Management Personnel	Dr. Manveer Singh (Chief Executive & Director)

B. Transactions with the Related Parties

Transactions during the year	Amount in Rupees	
	KMP	Total
1. Income		
-	-	-
2. Expense		
Managerial Remuneration	853,498	853,498
	(-)	(-)
Expense reimbursements	-	-
	(-)	(-)
3. Balances at year end		
Expense payable	9,500	9,500
	(-)	(-)

*Figures in brackets indicate previous year figures

Note 31 Details of Grants:

Details of grants received from UP State Rural LivelyHood Mission . and its utilisation is as under;

	As at March 31, 2022	As at March 31, 2021
	Rupees	Rupees
a Balance bought forward	-	-
b Received during the year	13,750,000	-
c Interest earned on Grant funds	-	-
d Utilized during the year	-	-
- For Property plant and equipment (net of recoveries)	2,106,973	-
- For Capital Work in progress	200,200	-
- For revenue expenses	3,040,377	-
Total utilized	5,347,550	-
e Refunded to	-	-
f Unutilized Grant	8,402,450	-
g Less: Eligible operating expenses incurred during the financial year ended March 31, 2022 to be utilised from grant	1,202,323	-
Less: Eligible capex expenses incurred during the financial year ended March 31, 2022 to be utilised from grant	5,023,802	-
Balance Carried Forward (f-g)	2,176,325	-

Note 1: Grant utilized for purchase of capital assets has been recorded as deferred grant and revenue grant utilised has been shown under other income

Note 32 Impairment Loss

There was no impairment loss on Fixed Assets on the basis of review carried out by the management in accordance with Accounting Standard '28' as at 31st March, 2022.

Note 33 The balance in creditors accounts in the opinion of the management are true and correct and payable to the extent shown in the ordinary course of business.

Note 34 None of the Assets included in property, plant and equipment and intangible assets along with those under Capital Work in Progress, have been insured as on 31st March 2022. However, the company has subsequently taken insurance with insured value of Rs. 1,55,12,478 with a policy valid till 28-06-2023.

Note 35 The disclosure as required under Accounting Standard AS-17, on segment reporting are not required as the Company primarily deals in single business segment of Raw Milk Sale and operates in one geographical area.

Note 36 Additional Regulatory Information: Ratios

Ratio	Numerator	Denominator	Current year	Previous year
Current ratio (in times)	Total current assets	Total current liabilities	0.63	-
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	-	-
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Net Interest and lease payments + Principal repayments	-	-
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	39%	-
Inventory turnover ratio	Cost of goods sold	Average inventory	37.41	-
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	0.77	-
Trade payables turnover ratio (in times)	Net credit purchase	Average trade payables	0.50	-
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	(0.88)	-
Net profit ratio (in %)	Profit for the year	Revenue from operations	0.82	-
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	47%	-
Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	-	-

Note 37 The management has considered all the possible effects, if any, that may result from the pandemic relating to COVID-19 on the results of operations, liquidity, capital resources and carrying amounts of trade receivables. In developing the assumptions and estimates relating to the uncertainties as on the balance sheet date in relation to the recoverable amounts of the assets, the management has considered the global economic conditions prevailing as at the date of approval of these financial results and has used the internal and external sources of information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic. The management will continue to monitor and assess the ongoing developments and respond accordingly.

Note 38 The comparable figures for the corresponding previous year are NIL as this is the first year of operation of the Company.

For and on behalf of the Board of Directors

sd/-
Manvir Singh
Director & CE
DIN:9442343

sd/-
Anju Devi
Director
DIN:9395092

sd/-
Saroj Kumari
Director
DIN:9395186

sd/-
Privanka Satywali
Company Secretary
M.No.A45196

Varanasi
26 July 2022