

BAPUDHAM MILK PRODUCER COMPANY LIMITED

CIN: U01110BR2017PTC034288

Regd Office: "Ujjawal Complex", Chandmari Chowk, (in front of Indian Oil Petrol Pump)

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

Financial Results

The summarized Financial Results are as under:

Particulars	(Amount in Rs.)	
	31.03.2021	31.03.2020
Total Revenue	97,25,67,745	98,52,97,758
Total Cost including expenses	99,18,84,897	101,53,07,659
Profit / Loss Before Tax	(19,31,71,52)	(3,00,09,901)
Tax Expense		
(1) Current Tax	-	-
(2) Deferred Tax	(41,58,925)	(75,22,643)
Net Tax Expense	(41,58,954)	(75,22,643)
Profit/ (Loss) after Tax	(1,51,58,227)	(2,24,87,257)

During the year under review, the Company has achieved a turnover of Rs.97,25,67,745.

The Company during the period has achieved total income of Rs.97,25,67,745/-, comprising of operational revenues amounting to Rs.96,73,58,763/- and other income amounting to Rs.52,08,982/- as compared to the previous financial year i.e. Rs.98,52,97,758/-. The total expenses incurred during the period amounting to Rs.99,18,84,897/- as compared to Rs.1,01,53,07,659/- against the previous year. The Company has made loss of (Rs.1,51,58,227/-) during 2020-21 as against loss of (Rs.2,24,87,257/-) during the last financial year.

Limited Return (Dividend)

Your directors do not recommend any dividend to the shareholders.

Transfer to General Reserve

Company doesn't propose anything to transfer into the General Reserve.

Operations Overview

MILK PROCUREMENT:

The Company's milk procurement operations area is extended to East Champaran, West Champaran, Gopalganj, Sitamarhi & Sheohar districts of Bihar covering total of 938 MPPs in 757 villages as on 31st March 2021 under 34 Bulk Milk Coolers (BMC) locations having Combined Cooling Capacity of 170000 Lt per day. During the year FY 2020-21 the Company has procured 2,0269886 Liters (2.03 Crore Liters) of Raw Milk from the farmers of the region directly.

At the end of the financial year 2020-21, out of total of 49,253 members 43351 pourers have emerged as "Active members". The members have, thus, shown their confidence in the working of the Company. This healthy indicator reflects the onset of the growth saga of the Company, which will certainly reach higher peaks in years to come with the mutual assistance and support of more and more active members.

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

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

Milk Pooling Point (MPPs)

Milk pooling points are developed, organized and made functional as per standard requirements of Standard Operating Procedure (SOP).

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

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

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

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

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

Bulk Milk Coolers (BMCs)

Bulk Milk Cooler facilities have been developed as per Standard approved layout with hygienic design. Selection of site has been finalized by Quality Assurance (QA) and DVC (Write full form and take DVC in bracket) team against the set criteria.

Milk received from MPP is cooled down as soon as possible below 4 °C after it arrives at the BMC in the morning and evening shift/s. This cooling requires considerable use of energy, suitable compressor system equipment and insulated storage tanks designed

specifically for milk. There are several ways of satisfying these requirements and these should be examined, bearing in mind the need to minimize operating costs related to cooling.

Milk cooled at BMC is transported to Processing plant for Pasteurization and further disposal to customer.

Location and general building requirements for Bulk Milk Cooler/Milk Cooling Centers.

Small to medium-sized BMCs have capacities that range from 1,000 to 20,000 liters and require significant investment in the milk collection and supply chain.

1.BMCs/MCC site selection is done mainly by:

- a. proximity to allow access for delivery/collection trucks including bulk milk tankers – all year round;
- b. access to the national grid electricity supply, which should preferably be a reliable three phase power supply;
- c. access to a supply of potable water from either the mains or a tube well;
- d. good drainage so that buildings are not subject to subsidence or encroachment;
- e. vicinity to a village to facilitate the employment of BMCs personnel and provide increased security.

2.BMCs/MCC buildings establishment

- a. Walls and roofing provide protection from foreign matter and unwanted substances.
- b. There are sufficient windows to allow proper lighting and air movement
- c. All internal walls up to a height of 6 fit are smooth-rendered and tiled or painted.
- d. Other wall surfaces and ceilings should be painted with high-quality emulsion paint.
- e. The building must be well ventilated to provide the compressor system with sufficient e. Entrance areas, especially at the milk reception point, should be of smooth-rendered concrete and well drained.
- f. External walls must be well maintained and painted to provide a clean and hygienic impression of the BMC.
- g. A septic tank or other suitable system for toilet and other waste

After close of the FY 2020-21 we have expanded our operation in Samastipur area and planned to open 600 MPPs with 3 MCCs having capacity of 20 KLPD each.

QUALITY ASSURANCE

Production of fresh and Clean Milk

To a great extent, the hygienic quality of fresh milk is determined by milk handling practices at the milk producer level.

Progressive Work for Clean Milk Production

For quality control of raw and pasteurized milk, approved tests are implemented to ensure the application of approved practices in all functional BMCs with respect to all standards and regulations concerning the milk and milk products. The tests are designed to ensure that milk products meet accepted standards for CHEMICAL COMPOSITION AND PURITY AS WELL AS LEVELS OF DIFFERENT MICRO-ORGANISMS.

All functional Bulk Milk Cooler (BMCs) under use are well equipped with the basic testing facilities and instruments for quality testing of raw and pasteurized milk. Towards ensuring and provided and continuously providing technical support and training to all the concerned directly connected.

In house training were provided w.r.t. 'operation and management', 'sanitary practice and awareness program' to all Quality officers and quality Assistance. Considering the water Act-1974 all functional BMCs equipped with ETP system with in house testing laboratory i.e. TDS, PH, Taste, odor and color. In order to ensure good and superior quality of milk Company gets water testing from the external laboratory approved by FSSAI. As per FSSAI Regulation all BMCs are duly licensed. Also, as per FSSAI notification Schedule-(4), Concept of FSMS based have been Implemented on GMP and GHP. All tests as provided under FSSAI manual are being done at all BMCs.

As per legal metrology Weight and Measurement, license of all equipment has been done in time.

Company continuously making efforts on improvement of milk quantity and quality (constituent) to the members/farmers and spread awareness of Ration Balancing Program etc.

Milk cooling and storage

Fresh warm milk should be cooled to below 4 °C after it arrives at the BMC in the morning and late afternoon/early evening. This cooling requires considerable use of energy, suitable compressor system equipment and insulated storage tanks designed specifically for milk. There are several ways of satisfying these requirements and these should be examined, bearing in mind the need to minimize operating costs related to cooling.

TESTING, VERIFICATION, DOCUMENTATION

All functional BMCs are fully equipped for several testing as per SOPs framed by the Company.

Almost all the raw milk is targeted to be procured through Bulk Milk Coolers (MCC/BMCs) maintaining the required temperature, thus increasing its quality and maintaining the cold chain for raw milk in order to give quality products. Various equipment's will be installed/replaced/strengthened as per need.

COVID-19 Safety Training

All quality executives, BMC in-charge and chemists have been given safety training on COVID-19.

PRODUCER INSTITUTION BUILDING (PIB):

PIB ensures implementation of membership enrolment activities of the Company. During the financial year, company enrolled 49,253 members, out of which 43,351 have emerged

as active members. The members have thus shown their confidence in the working of the Company. This healthy indicator reflects the onset of the growth saga of the Company, which will certainly reach higher peaks in years to come with the mutual assistance and support of more and more active members.

PIB focuses on Educating and sensitizing members about their roles and responsibilities apart from spreading information about various activities relating to members of the **Company**. **Bapudham conducted “Producer Awareness Program” covering 35,000 producers/members in five districts of Bihar.** Focus of these Educational/Awareness programs was to encourage members to come forward and actively participate in Dairy activities resulting in higher return with enhanced milk quality. These programs helped in creating awareness about roles and responsibilities as members of the company. In addition, different type of awareness activities was executed like household visit by field team, **BMPCL awareness movie shown in more than 500 villages.** **“Awareness program on scientific feeding and Cattle Management during summers” is provided in 12 batches to around 550 members.** We have distributed high nutritional multi cut annual grass such as Makkhan Grass, Khand Mishri, Nuri feed etc. which improve the milk production and quality. It is very good in Protein with good palatability. In these pandemic situation we have organized different type of staff training and awareness program to conduct our business safely as well as stay staff during this time through online platform. We have participated Milk Producer Digital Award from NDDDB and achieve the Pride Movement to wining the 2nd and 3rd Position.

In order to establish and strengthen an appropriate mechanism for member communication and grievance redressal about 5,000 VCG (Village Contact Group) members and 1,100 MRG (Member Relation Group) members at village and BMC level respectively, were empowered with refresher training on their role and responsibilities. Help Line No. (9065526302) which had been established at HO level in 2018-19 for direct handling of field level grievances started to provide its services 24X7 hrs in 2020-21.

MPCs Core Design Principles:

Core Design Principles were strictly observed. Business dealings were restricted only with members. Active user membership & their participation in business and governance were encouraged. Majority of the active members have fulfilled the matching share capital contribution during the year.

INFORMATION TECHNOLOGY: -

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

Various ICT projects have been implemented by Bapudham Milk Producer Company Limited (BMPCL) to support business as part of their long term IT strategy.

ERP System

Bapudham Milk Producer Company Limited has implemented SAP ERP (Enterprise Resource Planning) system from 1st January 2019, platform for seamless integration of operations and information through Enterprise solutions. It improves the product

planning processes; have centralized data across functions for better efficiency, costs and inventory management system in place.

Our ERP system processes all membership-related transactions like MPC membership, allocation of shares, share capital deductions, cancellation and transfer of shares, incentives to members, etc. It maintains a database of members including information on the animal holding in addition to their personal and biometric information. The system enables timely monitoring of whether the member fulfils the criteria for continuation of membership.

Data Centre is an essential part to run ERP system more efficiently and secure. IT team of BMPCL jointly with the help of NDS IT team has designed and co-hosted data centre at CtrlS Data Centres Limited which is run and managed by professional. The Data Centre provides all ERP Hardware and Software requirement with 24 x 7 supports to BMPCL.

Milk Collection Applications

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

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

This Application also captures purchase of various inputs like cattle feed, mineral mixture, Dewarmer etc. by the members from the MPC. It automatically deducts the cost of **these services and inputs from the member's milk payment**.

BMPCL Website – Company's Website help in improving business credibility, enhance online presence etc. Our Website is www.bapudhammilk.com.

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

Transparency – We are sending milk payment cycle wise detail through SMS to Milk Pouring Members & Sahayak.

Helpdesk for Field Engineering Services – Centralised Helpdesk with appropriate SOP is established to support Field Engineering Services for repair DPMcus at MPP/BMC level.

PRODUCTIVITY ENHANCEMENT SERVICES

Bapudham MPC is providing quality animal nutrition inputs to its producer members **under brand name “Bapudham Feed” at price competitive to other cattle feeds available** in market. Presently, three products viz. '[Bapudham Feed \(BIS Type II\)](#)' in 50kg bag & 25kg Bag (contains 1KG ASMM inside), '[Bapudham Min](#)' “**Bihar Specific Mineral Mixture**” and “[Oxfenvet](#)” a Dewormer (bolous) have been made available through its network.

Products are being outsourced through reputed suppliers after thorough scrutiny and under strict quality control by Bapudham MPC.

Speciality of Input Products-

We are currently supplying Balanced Cattle Feed (BCF) and Mineral Mixture on Cost basis to the pourers for improving the quality of milk as part of productivity enhancement Services. During the year under review we supplied 2,377 MT of CF, and 60 MT of Mineral mixture. We are also promoting Green Fodder Cultivation in the region and distributed amongst the pourers for reducing the cost of production.

As compared to other products available in market, "**Bapudham Feed**" and "**Bapudham Min**" are different. The Bapudham feed is Urea free. Urea, which is a cheaper source of nitrogen is being in commercial cattle feeds available in market at cheaper rates. Various researches shows adverse impact of urea feeding on reproduction ability of animals, **leading to anestrus, repeat breeding and infertility. That's why our company provides** some cattle feed with pure protein content (without Urea). Further, Bapudham Min is a chelated mineral Amino acid complex, which makes it readily absorbable in intestine of animals in comparison to other non-chelated mineral mixture products.

"**Oxfenvet**" (Dewormer) which contains Oxfendazole, (2,200 mg in each Bolus) is a broad spectrum Benzimidazole anthelmintic. **It's dosing in pregnant animals is recognized as safe.**

Mode of Availability to Farmers-

This facility is available to "Bapudham MPCL" members under "Payment deduction from Milk Payment", so there is no need to pay in cash. For members/non-members, "**QR Code**" facility is also available on BMCs where they can purchase various inputs by digital payment. All three input facilities are available at all functional BMCs area.

Animal Health Care Services:

For providing the Preventive and Curative Animal Health Care services to our pourers, BMPCL is also coordinating and liaisoning with Veterinarian of the State to take care of it and provide services to the farmers.

Bapudham Milk Producer Company also participated the Pashu Arogya Mela and won the respectable position in different category. We have conducted 22 Animal Health Camp in the financial year 2020-21.

Artificial Insemination Services:

For providing AI services at the farm door step, AI workers are trained from NDDDB Jalandhar and necessary/auxiliaries supplies like Frozen Semen Dosage(FSD), AI Gun, Sheath etc. are procured by them from Identified Vendors only as per agreed rates only. The AI Services with good quality tested Semen is provided to our pourers on Cost basis at their door step.

HUMAN RESOURCE: -

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

Your Human Resources Department works for both the people who work for a company or organization and the department responsible for managing resources related to employees when notions such as motivation, organizational behaviour, and selection assessments began to take shape.

Your Human Resources Department arranged and organized various training programs to up-grade the technical as well as soft skills and capacity building in the employees.

Social security is a most important & essential for attracting to employees that maximise the 'happiness & retention' of employees where company has increased the Group Mediclaim Policy & Group Accidental Policy for contractual employees/Off Roll employees.

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

Employment Generation:

The activities carried out by BMPCL thrives employment opportunities amongst the youth of the region, be it Sahayak, or Route Vehicle transporters, Tanker Transporters, Labours under Indirect Employment as well as Company's Roll and Off Roll staffs under Direct employment.

The Vision, Mission and Values (VMV) of the Company are being followed in true letter and spirit across all the levels of organization, for sustaining the long term growth of the Company.

Safety and health:

Your Company provides a safe and healthy workplace for its employees. There is always focus on the health and safety of employees, especially those physically handling the milk.

Change in nature of Business

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

Material Changes and Commitments

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

Capital Structure & Issue of shares and Membership

Company has not made any changes in its Authorized share capital during the year, the Authorized share capital of the Company stood at Rs.5 Crore as on 31st March, 2021. Company has issued 1,51,102 equity shares of Rs.100/- each during the year. Hence, subscribed and paid up share capital of the Company stood at Rs.3.75 crore as on 31st March, 2021.

Apart from above, Company has cancelled 84,797 nos shares of 17,591 members on account of surrender/cancellation of membership and has re-issued the said surrendered/ cancelled shares to new and existing members during the year.

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

As at March 31, 2021, Company had a total membership base of 49,104 members. After March 31, 2021, Company has enrolled 5759 new members and the membership of 1,643 members have been surrendered/cancelled. Therefore, the total number of members as on the date of this report stands at 53,220 members.

In order to avoid cancellation of membership, all the members are requested to fulfil all the patronage criteria of their respective class i.e. Class-A, Class-B and Class-C and conditions for continuation of membership during the relevant financial years.

Voting Rights & Attendance at AGM

Out of total 49104 members as on date,

- 4295 members (Comprising Class-A, Class-B & Class-C) have the rights to exercise vote on all resolutions to be moved at the 5th AGM (including voting on election of their respective class of Director) since they have fulfilled all the conditions set for their respective class.
- 1530 members have the rights to exercise vote on all resolutions (except voting on election of their respective class of Director(s)) to be moved at the 5th AGM since they failed to fulfil all conditions of their respective class though they completed minimum days and kgs/ltr of milk supply to company during the FY 2020-21.
- 43279 members are entitled to attend 5th AGM but do not have the rights to exercise vote on any resolutions to be moved at the 5th AGM.

New members, who were admitted post March 31, 2021, will not be entitled to exercise voting right at 5th AGM.

Investor Education and Protection Fund (IEPF)

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

Board Meetings

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

Board Meeting no.	Date of Board Meeting	Board Strength	No. of Directors Present
16 th	13.06.2020	10	09
17 th	09.09.2020	08	07
18 th	24.10.2020	08	08
19 th	12.02.2021	11	10
20 th	26.03.2021	11	10

Committee

Stakeholders Relationship Committee

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

Smt. Kumkum Kumari, Chairman;

Shri Raj Kishor Kumar, Member;
Shri Sandeep Kumar, Member;

The Committee was constituted on 26th March, 2021. Hence, no meeting was held during the year.

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

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

Change in Directorship

Shri Prabhunath Dubey and Shri Kundan Kumar resigned from directorship of the Company with effect from 25th August, 2020.

Shri Narsingh Baitha, Shri Arvind Kumar and Shri Surendra Singh were appointed as Directors on the Board of the Company with effect from 26th December, 2020.

After close of the financial year Shri Mariappan Ramarathinasamy, retired as an Expert Director of the Company upon completion of his term and ceased to be Director with effect from 30th June, 2021 (after close of office hours). The Board places on record its appreciation of services rendered by them during their tenure as Director.

Shri Devanand Chakkingal Pathayapura was appointed as Expert Director on the Board of the Company with effect from 1st July, 2021.

Shri Sajal Biswas was reappointed as Expert Director of the Company with effect from 1st July, 2021.

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

Article 9.5 of the Articles of Association of the Company provides for the determination of criteria for categorizing members into different classes based on their patronage and representation of such classes of members on the Board, to the extent possible.

Based on the analysis of the data w.r.t., fulfilment of patronage criteria by the members during FY 2020-21, it has been found that, Class-A, Class-B and Class-C of members amongst themselves were respectively 45%, 16% and 39%. Accordingly, the composition of the Board providing for representation of each class of members on the Board based on patronage of each class of members comes to 4 Directors for Class-A, 1 Director for Class-B and 3 Directors for Class-C respectively. The Company shall meet the requirement of Article 9.5 as under: -

Class-A Directors-

Presently, company having no director representing Class A.

Class-B Directors-

At present the Board has 3 Directors representing Class-B. 1 Director representing Class B is liable to retire by rotation. In order to fill the position based on patronage, retiring director will not be reappointed at the 5th AGM.

Class-C Directors-

Pursuant to Article 9.6 of the Article of Association of the Company, 4 Directors representing Class C and are not liable to retire by rotation.

Based on the recommendation of Nominating Committee, the Board recommends the **appointment of Shri Dhananjay Pandey, to fill up a vacancy out of 2 vacant positions in “Class-A”**.

The statement containing name and qualification of the Directors seeking appointment is annexed to the Notice convening 5th AGM of the Company.

This will make the total strength of Directors in Class-A to 1, in Class-B to 2 and in Class-C to 4 Directors as permissible under Article 9.5 and 9.6 of the Articles of Association of the Company, if the abovementioned proposed appointment of Directors is approved at 5th AGM.

TRAINING OF BOARD MEMBERS: -

Two days Board of Director training program was held on February 2021 on “**Orientation program for New Directors and Refresher program for all Board of Directors**”

Directors’ Responsibility Statement

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

1. In the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the profit of the Company for the year ended on that date.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have **prepared the annual accounts on a ‘going concern’ basis**.
5. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Frauds reported by Auditor

During the year of review, statutory auditor did not find any instance of fraud.

Internal Financial Control

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

Pursuant to the section 378ZF of the Companies Act, 2013, M/s Ernst & Young LLP, Chartered Accountants has been re-appointed as Internal Auditors of the Company who have independently

evaluated the adequacy of internal control and concurrently audit the majority of the transaction in terms of value.

Holding/Subsidiary/Associate Companies

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

Deposits

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

Particulars of Loan, Guarantees or Investments

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

Contracts and Arrangements with Related Parties

All related party transactions that were entered into during the financial year ended 31st March, 2021 **were on an arm's length basis and were in the ordinary course of business.** Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons. Thus, disclosure in Form AOC-2 is not required. However, the disclosure of transactions with related party for the year, as per Accounting Standard -18 Related Party Disclosures is given in Note no 35 to the Balance Sheet as on 31st March, 2021.

Corporate Social Responsibility (CSR)

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

Risk Management Policy

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

Company has developed and implemented a Risk Management Policy and the same has been adopted by the Board.

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

(i) Conservation of Energy, Technology Absorption

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

(ii) Foreign Exchange earnings and outgo

Earnings - Nil;

Outgo - Nil.

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

Vigil Mechanism

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

Details of significant and Material Orders passed by the Regulators, Courts and Tribunals

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

Auditors

Statutory Auditors of the Company M/s S.B. Billimoria & Co., Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment until the conclusion of 10th Annual General Meeting of the Company to be held in the Year 2026.

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

Your Directors recommend the re-appointment of M/s S.B. Billimoria & Co., Chartered Accountants as Statutory Auditors of the Company at the ensuing Annual General Meeting for a period of 5 years.

Cost Record

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

Boards' comment on the Auditors' Report

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

Web Link of Annual Return

The Company is having website i.e. www.bapudhammilk.com and annual report of Company has been published on such website. Link of the same is given below: bapudhammilk.com/annual-reports/

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

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and rules made there under, your Company has adopted a Sexual Harassment Policy for women to ensure healthy working environment without fear of prejudice, gender bias and sexual harassment. There were no incidences of sexual harassment reported during the year under review.

Insolvency and Bankruptcy code, 2016

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

Applicability of Companies Act, 2013

The Company being a Producer Company was governed by the provisions of part IX-A of the Companies Act, 1956 up to 10th February, 2021. Thereafter, Chapter XXIA relating to Producer Companies of Companies Act, 2013 was notified by the Central Government w.e.f 11th February, 2021. Upon the said notification, Chapter XXIA of the Companies Act, 2013 became the guiding law for Producer Companies. Consequently, Company started complying with the provisions of the Companies Act, 2013 since then.

Appreciations and Acknowledgments

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

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

**For and on Behalf of the Board of
Directors**

**Place: Motihari
Date: 10.09.2021**

Chairman & Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BAPUDHAM MILK PRODUCER COMPANY LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **BAPUDHAM MAHILA MILK PRODUCER COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2021, Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Material uncertainty related to Going Concern

We draw attention to Note 34 to the financial statements, wherein it is stated that the Company has accumulated losses of Rs. 3,08,31,167 as at 31 March, 2021 and as at that date, the Company's current liabilities exceed its current assets. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with the 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 the 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 the fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer

to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order/CARO 2016”) issued by the Central Government in terms of Section 143(11) of the Act, we give in the “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by Section 378ZG of Part IV of Chapter XXIA of the Companies Act, 2013, we give in the “Annexure C” a statement on the matters specified in that Section.

For S. B. BILLIMORIA & CO.
Chartered Accountants
(Registration No. 101496W)

Place: New Delhi
Date : 10 September, 2021

Jitendra Agarwal
Partner
(Membership No. 87104)
(UDIN: **21087104AAAAFP3762**)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirement’s section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Bapudham Milk Producer Company Limited (“the Company”) as of 31 March, 2021 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 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. 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 its 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's 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 was 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 of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, based criteria for internal control over financial reporting 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.

For S. B. BILLIMORIA & CO.
Chartered Accountants
(Registration No. 101496W)

Place: New Delhi
Date : 10 September, 2021

Jitendra Agarwal
Partner
(Membership No. 87104)
(UDIN: **21087104AAAAFP3762**)

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date’)

- (i) In respect of its property, plant and equipment:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant and equipment.
 - b. The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c. The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public, and hence reporting under clause (v) of the CARO 2016 is not applicable.
- (vi) **Having regard to the nature of the Company’s business / activities**, reporting under clause (vi) of CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has generally been regular in depositing undisputed statutory dues including **Provident Fund, Employee’s State Insurance, Income Tax, Goods and Services Tax** and other material statutory dues applicable to it with the appropriate authorities. The operations of the Company during the year did not give rise to any liability for Customs Duty.
 - b. There are no undisputed amounts payable in respect of **Provident Fund, Employee’s State Insurance, Income Tax, Goods and Services Tax, Cess** and other material statutory dues in arrears as at 31 March, 2021 for a period of more than six months from the date they became payable.
 - c. There are no dues of **Income Tax and Goods and Services Tax** as on 31 March, 2021 on account of disputes. The operations of the Company during the year did not give rise to any liability for Customs Duty.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loan from government or financial institutions and it has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S. B. BILLIMORIA & CO.
Chartered Accountants
(Registration No. 101496W)

Place: New Delhi
Date : 10 September, 2021

Jitendra Agarwal
Partner
(Membership No. 87104)
(UDIN: **21087104AAAAFP3762**)

ANNEXURE “C” TO THE INDEPENDENT AUDITORS' REPORT

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

- i. The amount of debts due from sale of goods and services are as disclosed in Note 16 to the financial statements. According to the information and explanations given to us, no debts other than those disclosed in note 17 to the financial statements are considered as doubtful of recovery.
- ii. According to the information and explanations given to us, cash on hand as at year-end has been physically verified by the management and no discrepancies were noticed 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 31 March, 2021 are as per the financial statements of the Company as at and for the year ended 31 March, 2021.
- 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.

For S. B. BILLIMORIA & CO.
Chartered Accountants
(Registration No. 101496W)

Place: New Delhi
Date : 10 September, 2021

Jitendra Agarwal
Partner
(Membership No. 87104)
(UDIN: 21087104AAAAFP3762)

BAPUDHAM MILK PRODUCER COMPANY LIMITED
BALANCE SHEET AS AT 31 MARCH, 2021

	Note No.	As at 31 March, 2021	As at 31 March, 2020
		Rupees	Rupees
A. EQUITY AND LIABILITIES			
1. Shareholders' fund			
(a) Share capital	3	3,75,00,700	2,59,90,500
(b) Reserves and surplus	4	(3,08,31,169)	(1,56,72,943)
		<u>66,69,531</u>	<u>1,03,17,557</u>
2. Share application money pending allotment	37	6,69,700	1,05,90,200
3. Deferred grant	5	8,55,84,247	10,46,88,787
4. Non - current liabilities			
(a) Long - term borrowings	6	6,54,75,000	7,86,75,000
(b) Long - term provisions	8	40,21,103	34,29,528
(c) Other long-term liabilities	9	2,45,70,624	2,56,10,275
		<u>9,40,66,727</u>	<u>10,77,14,803</u>
5. Current liabilities			
(a) Short term borrowings	10	19,60,43,178	23,32,94,268
(b) Trade payables	11		
(i) Total outstanding dues of micro and small enterprises		33,88,157	53,30,533
(ii) Total outstanding dues of creditors other than micro and small enterprises		4,76,23,404	5,26,76,168
(c) Other current liabilities	12	6,40,78,536	7,65,18,830
(d) Short - term provisions	13	9,72,905	5,94,377
		<u>31,21,06,180</u>	<u>36,84,14,176</u>
Total		<u>49,90,96,385</u>	<u>60,17,25,523</u>
B. ASSETS			
1. Non - current assets			
(a) Property, plant and equipment			
(i) Tangible assets	14A	19,35,82,700	22,83,52,896
(ii) Intangible assets	14B	21,11,547	62,10,948
(iii) Capital work-in-progress	14C	61,37,540	61,37,540
		<u>20,18,31,787</u>	<u>24,07,01,384</u>
(b) Long - term loans and advances	15	12,71,614	14,75,207
(c) Deferred tax assets (net)	7	1,09,27,631	67,68,706
		<u>21,40,31,032</u>	<u>24,89,45,296</u>
2. Current assets			
(a) Inventories	16	1,28,47,053	1,81,41,398
(b) Trade receivables	17	24,72,78,064	27,13,19,673
(c) Cash and bank balances	18	1,78,01,530	5,46,79,068
(d) Short - term loans and advances	19	32,99,307	40,19,071
(e) Other current assets	20	38,39,399	46,21,016
		<u>28,50,65,353</u>	<u>35,27,80,226</u>
Total		<u>49,90,96,385</u>	<u>60,17,25,523</u>

See accompanying notes forming part of the financial statements

In term of our report attached

For and on behalf of the Board of Directors

For S.B. BILLIMORIA & CO.

Chartered Accountants

Kumkum Kumari
Director

DIN: 07773889

Pratibha Devi
Director

DIN: 08312463

Sandeep Kumar
Director & Chief
Executive

DIN: 08036384

JITENDRA AGARWAL

Partner

**Shriman Narayan
Pandey**
Company Secretary

Prakash Chandra
Manager Finance
and Accounts

Place: New Delhi
Date: 10.09.2021

Place: Motihari
Date: 10.09.2021

BAPUDHAM MILK PRODUCER COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2021

	Note No.	For the year ended 31 March, 2021	For the year ended 31 March, 2020
		Rupees	Rupees
1. Revenue from operations	21	96,73,58,763	98,05,21,313
2. Other income	22	52,08,982	47,76,445
3. Total revenue (1+2)		97,25,67,745	98,52,97,758
4. EXPENSES			
(a) Purchases of stock in trade	23	83,11,97,351	87,33,25,138
(b) Changes in inventories of stock-in-trade	24	43,57,591	(77,71,185)
(c) Employee benefits expense	25	4,00,38,992	4,18,54,270
(d) Finance costs	26	1,82,02,937	2,12,40,138
(e) Depreciation and amortisation expense	14	1,97,65,057	1,81,89,724
(f) Other expenses	27	7,83,22,969	6,84,69,574
Total expenses		99,18,84,897	1,01,53,07,659
5. Profit / (Loss) before tax (3-4)		(1,93,17,152)	(3,00,09,901)
6. Tax expense:			
(a) Current tax		-	-
(b) MAT Credit Reversal / (Entitlement)		-	3,88,238
(c) Short provision for tax related to earlier year		-	41,852
(d) Deferred tax credit / (charge)		(41,58,925)	(79,52,733)
Net tax expense		(41,58,925)	(75,22,643)
7. Profit / (Loss) for the year (5-6)		(1,51,58,227)	(2,24,87,257)
8. Earnings per equity share:	32		
(Nominal value Rs. 100 per share)			
(a) Basic		(42.57)	(97.44)
(b) Diluted		(42.55)	(86.68)

See accompanying notes forming part of the financial statements

In term of our report attached

**For and on behalf of the Board of
Directors**

For S.B. BILLIMORIA & CO.
Chartered Accountants

Kumkum Kumari
Director

Pratibha Devi
Director

Sandeep Kumar
Director & Chief
Executive

DIN: 07773889

DIN: 08312463

DIN: 08036384

JITENDRA AGARWAL
Partner

**Shriman Narayan
Pandey**
Company Secretary

Prakash Chandra
Manager Finance
and Accounts

Place: New Delhi
Date: 10.09.2021

Place: Motihari
Date: 10.09.2021

BAPUDHAM MILK PRODUCER COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2021

	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) before tax	(1,93,17,152)	(3,00,09,901)
Adjustments For :		
Finance costs	1,82,02,037	2,11,57,598
Interest income	(19,18,737)	(22,14,430)
Interest on delayed payment of statutory dues	900	82,540
Provision for employee benefits	9,70,103	20,34,407
Depreciation and amortisation expense	1,97,65,058	1,81,89,724
Operating Profit before working capital changes	1,77,02,209	92,39,938
Adjustments for movement in working capital:		
Increase in inventories	52,94,345	(88,42,499)
Increase in trade receivables	2,40,41,609	(69,00,886)
(Increase) / Decrease in other current assets	11,70,159	(36,03,468)
Increase in short term loans and advances	7,19,765	(4,23,277)
Increase in other long term liabilities	(10,39,651)	61,82,873
Increase in trade payables	(69,95,141)	68,48,321
(Decrease) / Increase in other current liabilities	(48,49,511)	(3,75,83,455)
Cash used in operations	3,60,43,784	(3,50,82,453)
Net income taxes (paid)/refund	2,02,692	(9,26,818)
Net cash flow used in operating activities (A)	3,62,46,476	(3,60,09,271)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Net proceeds from bank balances not considered as cash and cash equivalents	2,55,00,000	(85,05,313)
Payment for property, plant and equipments (net of capital grant received)	(70,89,900)	(4,92,99,563)
Interest received	15,30,195	21,46,683
Net cash flow used in investing activities (B)	1,99,40,295	(5,56,58,193)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of share capital	1,15,10,200	37,51,800
Share application money received/(paid)	(99,20,500)	1,05,90,200
Proceeds from long term borrowings	-	3,00,00,000
Repayment of long term borrowings	(1,32,00,000)	(1,32,00,000)
Interest paid	(1,87,02,920)	(2,36,49,346)
Net increase /(decrease) short term borrowings	(3,72,51,090)	2,45,14,451
Dividend paid including dividend tax	-	(15,97,065)
Net cash flow from financing activities (C)	(6,75,64,310)	3,04,10,040
Net (decrease) / increase in Cash and cash equivalents (A+B+C)	(1,13,77,539)	(6,12,57,425)
Cash and cash equivalents at beginning of the year	1,81,72,315	7,94,29,740
Cash and cash equivalents at the end of the year	67,94,777	1,81,72,315
Components of Cash and cash equivalents as at:		
Balances with banks:		
in current accounts	67,94,777	1,81,72,315
Cash and cash equivalents as per Cash Flow Statement	67,94,777	1,81,72,315
Add: Bank balances not considered as Cash and cash equivalent	1,10,06,753	3,65,06,753
Cash and bank balances as per Balance Sheet (Note 18)	1,78,01,530	5,46,79,068

See accompanying notes forming part of the financial statements

In term of our report attached

For and on behalf of the Board of Directors

For S.B. BILLIMORIA & CO.
Chartered Accountants

Kumkum Kumari
Director
DIN: 07773889

Pratibha Devi
Director
DIN: 08312463

Sandeep Kumar
Director & Chief
Executive
DIN: 08036384

JITENDRA AGARWAL
Partner

**Shriman Narayan
Pandey**
Company Secretary

Prakash Chandra
Manager Finance and
Accounts

Place: New Delhi
Date: 10.09.2021

Place: Motihari
Date: 10.09.2021

BAPUDHAM MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

1. Corporate information

Bapudham Milk Producer Company Limited (“the Company”) was incorporated on 12 April, 2017 under Part IXA of the Companies Act, 1956.

The Company procures milk directly from milk producers through ‘Milk Pooling Points’ (MPP) in villages of Bihar and sells to various dairies. The Company also trades in cattle feed.

2. Significant accounting policies

The significant accounting policies are as follows:

a. Basis of accounting

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) as applicable. MCA during the year has notified the sections applicable to Producer Companies under Chapter XXIA of the Companies Act, 2013 vide The Companies (Amendment) Act, 2020 and also the rules applicable to the producer companies known as “The Producer Company Rules, 2021. The financial statements are 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 in conformity with Indian GAAP requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the period in which results are known/materialize.

c. Cash and cash equivalents (for the purposes of Cash Flow Statement)

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

d. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e. Revenue recognition

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

f. Other income

Interest income on deposits is recognized on accrual basis.

g. Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment

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

Intangible assets

Intangible assets are stated at their cost of acquisition, less accumulated amortization and impairment losses. An intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The depreciable amount of intangible assets is allocated over the best estimate of its useful life on a straight-line basis.

The company capitalizes software costs where it is reasonably estimated that the software has an enduring useful life.

h. Capital work-in-progress

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

i. Depreciation and amortisation

Depreciation on property, plant and equipments & intangible assets has been provided on straight line method as per the useful life of the assets assessed as under based on technical advice, taking into account the nature of asset, the estimated usage of assets, the operating condition of the asset, past history of replacements, anticipated technological changes, manufactured warranties and maintenance support etc.

The useful life considered for charging depreciation is as follows:

<u>Description</u>	<u>Useful life (in years)</u>
Plant and equipment	4 - 10
Office Equipment	5
Furniture and fixtures	5 -10
Computer (including software)	3-6

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

Leasehold improvements are depreciated over the lower of the lease period and the management estimate of the useful life of the asset.

All assets costing Rs. 5,000 or less individually are fully depreciated in the year of capitalisation.

j. Inventories

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

k. Grants

Government 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. Government grants related to depreciable fixed assets are treated as deferred grants which is recognised in the statement of profit and loss on a systematic and rational basis over the useful life of the asset, i.e., depreciation charge on assets procured from such grants is appropriated from Deferred Grant and recognized in the Statement of Profit and Loss by way of reduced depreciation charge.

Revenue government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis and are deducted in reporting the related expense.

l. Employee benefits

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

a. Defined contribution plans

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

b. Defined benefit plans

Gratuity is considered as defined benefit plan. Gratuity is provided based on actuarial valuation carried out at the balance sheet date. The incremental liability based on an actuarial valuation as per the 'Projected Unit Credit' method, as at the reporting date, is charged to the Statement of Profit and Loss Account. Actuarial gains and losses are recognized in the Statement of Profit and Loss.

c. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the services. These benefit includes performance incentives and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

d. Long-term employee benefits

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

m. Earnings per share

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

n. Taxes on income

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

Deferred tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences.

Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legal enforceable right for such set off.

o. Borrowing cost

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

profit and loss in the year in which they are incurred.

p. Impairment of assets

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

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

q. Provisions and contingencies

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

r. Leases

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

s. Material events

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

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.

BAPUDHAM MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

Note 3: Share Capital

	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Amount Rupees	Number of shares	Amount Rupees
(a) Authorised share capital				
Equity Shares of Rs.100 each	5,00,000	5,00,00,000	5,00,000	5,00,00,000
(b) Issued, subscribed and fully Paid up share capital				
Equity Shares of Rs.100 each	3,75,007	3,75,00,700	2,59,905	2,59,90,500

See notes (i) to (iv) below

Notes:

(i) Rights, preferences and restrictions attached to shares

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

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

	As at and for the year ended 31 March, 2021		As at and for the year ended 31 March, 2020	
	Number of shares	Amount Rupees	Number of shares	Amount Rupees
Shares outstanding at the beginning of the year	2,59,905	2,59,90,500	1,89,251	1,89,25,100
Shares issued during the year	1,99,899	1,99,89,900	86,194	86,19,400
Shares cancelled / surrendered during the year	84,797	84,79,700	15,540	15,54,000
Shares outstanding at the end of the year	3,75,007	3,75,00,700	2,59,905	2,59,90,500

(iii) The Company is registered under Part IXA of the Companies Act, 1956 as 'Producer Company' and none of the member holds 5% or more of the share capital of the Company.

(iv) No share has been issued for a consideration other than cash or by way of bonus shares during the year or 5 years immediately preceding the financial year.

BAPUDHAM MILK PRODUCER COMPANY LIMITED
Notes forming part of the financial statements

	As at 31 March, 2021	As at 31 March, 2020
	Rupees	Rupees
Note 4: Reserves and surplus		
(a) General reserve		
Opening balance	82,87,478	82,87,478
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	82,87,478	82,87,478
(b) Surplus/(Deficit) in Statement of Profit and Loss		
Opening balance	(2,39,60,421)	1,23,901
Profit / (Loss) for the year	(1,51,58,227)	(2,24,87,257)
Less:		
Final limited return (dividend) to members for the year ended 31 March 2019 (Rs. 7/- per share)	-	13,24,757
Tax on above limited return (dividend)	-	2,72,308
Transferred to General reserve	-	-
Closing balance	(3,91,18,648)	(2,39,60,421)
	(3,08,31,169)	(1,56,72,943)
Note 5: Deferred grant		
Opening balance	10,46,88,787	10,46,49,219
Add: Capital Grant utilised during the year (see note 32)	-	2,39,93,038
Less: Depreciation pertaining to assets acquired from capital grant (see note 14)	1,91,04,540	2,39,53,470
Closing balance (see note 14 (iii))	8,55,84,247	10,46,88,787
Note 6: Long-term borrowings		
Unsecured		
(a) Term loan		
(i) from others	7,86,00,000	9,18,00,000
Less: Current maturity of long term borrowings (see note 12(f))	1,31,25,000	1,31,25,000
	6,54,75,000	7,86,75,000
	6,54,75,000	7,86,75,000
<p>The term loan of Rs.10,50,00,000 was sanctioned by Mother Dairy Fruit & Vegetable Private Limited in financial year 2017-18 which was received in entirety upto 31 March, 2020. Rs.10,50,00,000 had been received till previous year. The loan carries interest @7.50% per annum and is repayable in 8 annual instalments within a period of 10 years with a moratorium period of 2 years on principal repayment from deemed date of release of loan i.e. the date of first disbursement. The total balance of Rs.7,86,00,000 is net off repayments made by the Company.</p>		
Note 7: Deferred tax (asset) / liabilities (net)		
(a) Tax effect of items constituting deferred tax liabilities:		
(i) On difference between book balance and tax balance of property, plant and equipment	20,83,576	24,12,986
(b) Tax effect of items constituting deferred tax assets:		
(i) Provision for compensated absences and gratuity	12,56,892	10,12,736
(ii) Provision for doubtful debts	1,26,906	1,26,906
(iii) Disallowances under section 35D of the Income Tax Act	32,820	65,640
(iv) Unabsorbed depreciation carried forward (See note below)	93,00,682	50,79,836
(iv) Brought forward and carry forward losses (See note below)	22,93,907	28,96,574
	1,30,11,207	91,81,692
Net deferred tax (Asset) / Liability	(1,09,27,631)	(67,68,706)

Note: The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering increase in its business operations.

BAPUDHAM MILK PRODUCER COMPANY LIMITED
Notes forming part of the financial statements

Note 8: Long-term provisions

(a) Provision for employee benefits		
(i) For gratuity	16,67,184	14,12,594
(ii) For compensated balances	23,53,919	20,16,934
	40,21,103	34,29,528

Note 9: Other long-term liabilities

(a) Trade/security deposits received	2,45,70,624	2,56,10,275
	2,45,70,624	2,56,10,275

Note 10: Short-term borrowings

(a) Unsecured loan		
(i) Bill discounting facility from bank*	19,60,43,178	23,32,94,268
	19,60,43,178	23,32,94,268

The Company has availed the bill discounting facility from the bank for the period upto 90 days from the date of invoice. This interest rate is Repo Rate+3.35% p.a (average rate 7.35% (previous year 8.44%)).

Note 11: Trade payables

(a) Total outstanding dues of micro and small enterprises (see note 34)	33,88,157	53,30,533
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	4,76,23,404	5,26,76,168
	5,10,11,561	5,80,06,701

Note 12: Other current liabilities

(a) Application money received for allotment of share and due for refund	60,987	54,246
(b) Interest accrued but not due on borrowings	17,72,816	22,73,699
(c) Grant received (net of utilisation) (see note 32)	6,38,644	59,75,178
(d) Statutory dues	15,13,822	17,64,998
(e) Payable for purchase of property, plant and equipment	4,60,19,425	5,31,09,325
(f) Current maturity of long term borrowings (See Note 6)	1,31,25,000	1,31,25,000
(g) Unclaimed/ Unpaid Dividend	6,753	6,753
(h) Advance from customer	9,41,089	2,09,631
	6,40,78,536	7,65,18,830

Note 13: Short term provisions

(a) Provision for employee benefits		
(i) For gratuity	5,35,432	26,459
(ii) For compensated balances	4,37,473	5,67,918
	9,72,905	5,94,377

Notes forming part of the financial statements

Note 14: Property, Plant and Equipment

(Amount in Rupees)

	Particulars	Gross Block			Accumulated Depreciation/amortisation			Net Block	
		As at 1 April, 2020	Additions	As at 31 March, 2021	As at 1 April, 2020	For the year	As at 31 March, 2021	As at 31 March, 2021	As at 31 March, 2020
(a)	Tangible assets (owned)								
	Leasehold Improvements (Previous Year)	43,79,620 (43,79,620)	-	43,79,620 (43,79,620)	7,06,738 (2,68,777)	3,03,574 (4,37,962)	10,10,312 (7,06,738)	33,69,308 (36,72,882)	36,72,882
	Plant and equipment (Previous Year)	26,15,30,635 (19,09,12,023)	- (7,06,18,612)	26,15,30,635 (26,15,30,635)	4,34,72,761 (1,62,85,215)	3,19,10,144 (2,71,87,547)	7,53,82,905 (4,34,72,761)	18,61,47,730 (21,80,57,874)	21,80,57,874
	Office equipment (Previous Year)	43,30,229 (30,51,183)	- (12,79,046)	43,30,229 (43,30,229)	11,74,620 (3,43,847)	8,33,421 (8,30,773)	20,08,041 (11,74,620)	23,22,188 (31,55,609)	31,55,609
	Furniture and fixtures (Previous Year)	67,01,495 (54,56,085)	- (12,45,410)	67,01,495 (67,01,495)	62,21,378 (48,97,334)	73,609 (13,24,044)	62,94,987 (62,21,378)	4,06,508 (4,80,117)	4,80,117
	Computers (Previous Year)	63,25,201 (61,93,951)	- (1,31,250)	63,25,201 (63,25,201)	33,38,786 (14,52,967)	16,49,449 (18,85,819)	49,88,235 (33,38,786)	13,36,966 (29,86,415)	29,86,415
	Total	28,32,67,181	-	28,32,67,181	5,49,14,284	3,47,70,196	8,96,84,480	19,35,82,700	22,83,52,897
	(Previous Year)	(20,99,92,863)	(7,32,74,318)	(28,32,67,181)	(2,32,48,140)	(3,16,66,144)	(5,49,14,284)	(22,83,52,897)	
(b)	Intangible assets								
	Computer software (Previous Year)	2,16,41,471 (2,16,41,471)	-	2,16,41,471 (2,16,41,471)	1,54,30,523 (49,53,474)	40,99,401 (1,04,77,049)	1,95,29,924 (1,54,30,523)	21,11,547 (62,10,948)	62,10,948
	Total	2,16,41,471	-	2,16,41,471	1,54,30,523	40,99,401	1,95,29,924	21,11,547	62,10,948
	(Previous Year)	(2,16,41,471)	-	(2,16,41,471)	(49,53,474)	(1,04,77,049)	(1,54,30,523)	(62,10,948)	
(c)	Capital Work in Progress							61,37,540	61,37,540
	Total (a+b+c)	30,49,08,652	-	30,49,08,652	7,03,44,807	3,88,69,597	10,92,14,404	20,18,31,787	24,07,01,384

As per FAR

Notes:

(i) Depreciation and amortisation expense	Year ended 31 March, 2021 Rupees	Year ended 31 March, 2020 Rupees
Tangible assets	3,47,70,196	3,16,66,144
Intangible assets	40,99,401	1,04,77,049
Less: Depreciation pertaining to assets acquired on grant	(1,91,04,540)	(2,39,53,470)
	1,97,65,057	1,81,89,724

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

	Assets	Gross Block			Accumulated Depreciation/amortisation			Net Block	
		As at 1 April, 2020	Additions	As at 31 March, 2021	As at 1 April, 2020	For the year	As at 31 March, 2021	As at 31 March, 2021	As at 31 March, 2020
(a)	Tangible assets :								
	Leasehold Improvements (Previous Year)	37,10,521 (37,10,521)	- -	37,10,521 (37,10,521)	5,98,766 (2,27,714)	2,57,195 (3,71,052)	8,55,961 (5,98,766)	28,54,560 (31,11,754)	31,11,754
	Plant and equipment (Previous Year)	10,46,41,379 (7,05,84,335)	- (3,40,57,044)	10,46,41,379 (10,46,41,379)	1,55,88,695 (48,18,342)	1,31,88,175 (1,07,70,354)	2,87,76,870 (1,55,88,695)	7,58,64,509 (8,90,52,684)	8,90,52,684
	Office equipment (Previous Year)	22,56,394 (14,69,874)	- (7,86,520)	22,56,394 (22,56,394)	7,69,917 (1,19,865)	4,62,252 (6,50,053)	12,32,169 (7,69,917)	10,24,225 (14,86,477)	14,86,477
	Furniture and fixtures (Previous Year)	39,09,079 (31,51,340)	- (7,57,739)	39,09,079 (39,09,079)	38,81,245 (31,16,485)	22,158 (7,64,760)	39,03,403 (38,81,245)	5,676 (27,834)	27,834
	Computers (Previous Year)	37,59,796 (36,28,546)	- (1,31,250)	37,59,796 (37,59,796)	14,28,802 (3,99,046)	10,26,385 (10,29,755)	24,55,187 (14,28,802)	13,04,609 (23,30,994)	23,30,994
(b)	Intangible assets :								
	Computer Software (Previous Year)	2,14,83,368 (2,14,83,368)	- -	2,14,83,368 (2,14,83,368)	1,52,37,300 (48,69,804)	41,48,375 (1,03,67,496)	1,93,85,675 (1,52,37,300)	20,97,693 (62,46,068)	62,46,068
	Total (a+b)	13,97,60,537	-	13,97,60,537	3,75,04,726	1,91,04,540	5,66,09,265	8,31,51,272	10,22,55,811
(c)	(Previous Year)	(10,40,27,984)	(3,57,32,553)	(13,97,60,537)	(1,35,51,256)	(2,39,53,470)	(3,75,04,726)	(10,22,55,811)	
	Capital Work in Progress						24,32,976	1,41,72,491	
	Total (a+b+c)	13,97,60,537	-	13,97,60,537	3,75,04,726	1,91,04,540	5,66,09,265	8,55,84,248	11,64,28,303

(iii) The net block (including capital work in progress) pertaining to assets purchased out of capital grant amount to Rs.8,55,84,247 (see note 5).

BAPUDHAM MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

	As at 31 March, 2021	As at 31 March, 2020
	Rupees	Rupees
Note 15: Long - term loans and advances		
(Unsecured, considered good)		
(a) Security deposits	1,30,200	1,30,200
(b) Advance Income Tax (Net of provisions of Rs. 430,090 (Previous year Rs. 388,238))	11,41,414	13,45,007
	12,71,614	14,75,207
Note 16: Inventories		
(At lower of cost and net realisable value)		
(a) Stock in trade (in transit) - Raw milk	35,44,436	51,32,056
(b) Stock-in-trade- Cattle Feed	56,51,423	84,21,393
(c) Stores and spares	36,51,194	45,87,949
	1,28,47,053	1,81,41,398
Note 17: Trade receivables		
(Unsecured, considered good)		
(a) Outstanding for a period exceeding six months from the date they were due for payment		
(i) Considered good	-	-
(ii) Considered doubtful	5,04,234	5,04,234
	5,04,234	5,04,234
Less: Provision for doubtful debts	5,04,234	5,04,234
	-	-
(b) Others	24,72,78,064	27,13,19,673
	24,72,78,064	27,13,19,673
Note 18: Cash and cash equivalents		
(a) Balance with banks:		
(i) In current accounts	67,94,777	1,81,72,315
Cash and cash equivalents as per AS 3 - Cash flow statement	67,94,777	1,81,72,315
(b) Other bank balances		
(i) In deposit accounts (original maturity more than 3 months but upto 12 months)	1,10,00,000	3,65,00,000
(ii) In earmarked accounts		
-Unpaid Dividend Account	6,753	6,753
	1,78,01,530	5,46,79,068
Note 19: Short - term loans and advances		
(Unsecured, considered good)		
(a) Prepaid expenses	21,17,598	23,84,618
(b) Advance to vendors	11,81,709	16,34,453
	32,99,307	40,19,071
Note 20: Other current assets		
(Unsecured, considered good)		
(a) Interest accrued but not due on bank deposits	8,03,306	4,14,764
(b) Other receivables	30,36,093	42,06,252
	38,39,399	46,21,016

BAPUDHAM MILK PRODUCER COMPANY LIMITED
Notes forming part of the financial statements

	Year ended 31 March, 2021	Year ended 31 March, 2020
	Rupees	Rupees
Note 21: Revenue from operations		
(a) Sale of products (see note below)	96,73,58,763	98,05,21,313
	96,73,58,763	98,05,21,313
Note:		
Sale of products comprises:		
Traded goods		
a. Raw milk	91,75,20,486	94,93,36,818
b. Cattle feed	4,97,34,957	3,10,31,143
c. Others	1,03,320	1,53,352
Total	96,73,58,763	98,05,21,313
Note 22: Other income		
(a) Interest income:		
(i) On deposits with bank	19,18,737	22,14,430
(b) Other non-operating income		
(i) Membership fees	8,54,915	12,45,045
(ii) Miscellaneous income	24,35,330	13,16,970
	52,08,982	47,76,445

BAPUDHAM MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

	Year ended 31 March, 2021 Rupees	Year ended 31 March, 2020 Rupees
Note 23: Purchases of traded goods		
(a) Raw Milk	78,75,68,922	83,73,30,782
(b) Cattle feed and Mineral Mixture	4,36,28,429	3,59,94,356
	83,11,97,351	87,33,25,138
Note 24: Changes in inventories of stock-in-trade		
Decrease/(increase) in inventories of stock-in-trade		
Inventories at the beginning of the year		
Stock-in-transit- Raw Milk	51,32,056	39,01,194
Stock-in-trade- Others	84,21,393	18,81,070
	1,35,53,449	57,82,264
Inventories at the end of the year		
Stock-in-transit- Raw Milk	35,44,436	51,32,056
Stock-in-trade- Others	56,51,423	84,21,393
	91,95,859	1,35,53,449
Net decrease/(increase) in inventories	43,57,591	(77,71,185)
Note 25: Employee benefits expense		
(a) Salaries and wages	3,63,55,343	3,81,87,475
(b) Contribution to provident and other funds	24,17,880	25,49,527
(c) Gratuity expenses (See note 29)	12,15,219	9,33,519
(d) Staff welfare expenses	50,550	1,83,749
	4,00,38,992	4,18,54,270

BAPUDHAM MILK PRODUCER COMPANY LIMITED
Notes forming part of the financial statements

	Year ended 31 March, 2021	Year ended 31 March, 2020
	Rupees	Rupees
Note 26: Finance costs		
(a) Interest expense:		
(i) On term loan	67,10,055	71,61,863
(ii) On bill discounting	1,14,91,982	1,39,95,735
(b) Interest on delayed payment of statutory dues	900	82,540
	1,82,02,937	2,12,40,138

Note 27: Other expenses

(a) Consumption of stores and spares	71,76,415	65,83,935
(b) Power and fuel	26,04,400	20,57,016
(c) Rent	56,18,734	55,80,182
(d) Contractual expenses	2,68,06,353	2,52,58,521
(e) Repair and maintenance - machinery	8,71,248	6,60,437
(f) Repair and maintenance - others	43,96,531	5,11,146
(g) Freight, forwarding and distribution expenses	1,77,88,654	1,29,47,090
(h) Insurance charges	5,62,862	4,98,750
(i) Legal and professional fees	28,59,138	35,84,479
(j) Rates & taxes	15,74,919	11,79,678
(k) Auditor's remuneration (see note (i) below)	11,71,955	9,66,373
(l) Travelling and conveyance	36,44,610	47,67,938
(m) Communication expenses	15,00,414	15,65,455
(n) Provision for doubtful debts	-	5,04,234
(o) Miscellaneous expenses	17,46,736	18,04,340
	7,83,22,969	6,84,69,574

Note:

(i) Auditors' remuneration comprises:

a. Statutory audit fee	7,65,050	6,95,500
b. Tax audit fee	1,17,700	1,07,000
c. Reimbursement of expenses	-	16,460
d. GST on above	1,58,895	1,47,413
	10,41,645	9,66,373

BAPUDHAM MILK PRODUCER COMPANY LIMITED
Notes forming part of the financial statements

	As at 31 March, 2021	As at 31 March, 2020
	Rupees	Rupees
Note 28: Contingent liabilities and commitments (to the extent not provided for)		
A. Contingent Liabilities		
(a) Claims against the Company not acknowledged as debt :	-	-
There are no claims against the Company acknowledged as debt as on 31 March, 2021		
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	-	-

Note 29: Employee benefit plans:

Defined contribution plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The Company has recognised Rs.2,549,527/- (previous year Rs.2,087,045) for Provident Fund and other funds contribution in the statement of profit and loss.

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 employee's compensation immediately before retirement/separation. Commitments are actuarially determined at year-end. Actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses due to change in actuarial assumptions are charged to the Statement of Profit and Loss.

The following tables sets out the funded status of the defined benefit plan in respect of Gratuity and amount recognised in the financial statements.

	31 March, 2021	31 March, 2020
	Rupees	Rupees
(i) Change in defined benefit obligation		
Present value of obligations at the beginning of the year	14,39,053	8,14,403
Interest cost	79,345	53,262
Current service cost	8,16,304	6,52,934
Benefit Paid	(4,51,657)	(3,08,869)
Actuarial (gains)/losses on obligation	3,19,570	2,27,323
Present value of obligations at the end of the year	22,02,615	14,39,053
(ii) Amount recognised in the Balance Sheet		
	31 March, 2021	31 March, 2020
	Rupees	Rupees
Present value of defined benefit obligations	22,02,615	14,39,053
Fair value of plan assets	-	-
Net liability/(asset) recognised in the balance sheet	22,02,615	14,39,053

(iii) Expenses recognised in the Statement of Profit and Loss

	31 March, 2021	31 March, 2020
	Rupees	Rupees
Current service costs	8,16,304	6,52,934
Interest cost	79,345	53,262
Net actuarial (gain)/loss recognized during the year	3,19,570	2,27,323
Expenses recognized in Statement of Profit and Loss	12,15,219	9,33,519

(iv) Balance Sheet reconciliation

	31 March, 2021	31 March, 2020
	Rupees	Rupees
Net liability/(asset) at the beginning of the year	14,39,053	8,14,403
Expenses as above	12,15,219	9,33,519
Benefit Paid	(4,51,657)	(3,08,869)
Net liability/(asset) at the end of the year	22,02,615	14,39,053

The actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions, which if changed, would affect the defined benefit commitment's size, funding requirements and expense.

(v) Principal actuarial assumptions

	31 March, 2021	31 March, 2020
Discount rate	6.54% p.a.	6.54% p.a.
Expected salary escalations	10.00% p.a.	10.00% p.a.
Attrition rate:		
Below 30 Years	20%	15%
Ages 31-44 Years	20%	15%
Ages 44 and Above	20%	15%
Mortality table used	IALM (2012-14) ultimate	IALM (2012-14) ultimate

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

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

(vi) Experience adjustments as on	31 March, 2021	31 March, 2020	31 March, 2019	31 March, 2018
Present value of DBO*	22,02,615	14,39,053	8,14,403	1,78,672
Gain/(loss) on obligations	(3,19,570)	(2,27,323)	(70,340)	-

* The amount of present value of defined benefit obligation is unfunded.

(vii) Actuarial assumptions for compensated absences

Actuarial assumptions used for valuation of liability for compensated absences is same as (v) above.

Note 30: Impact of code on social Security, 2020

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

BAPUDHAM MILK PRODUCER COMPANY LIMITED

Notes forming part of the financial statements

Note 31: Leasing arrangements

The Company has entered into lease arrangements for office premises. The lease is for a period of 5 years commencing from 1 January, 2018 to 31 December, 2022. The lease has lock-in period of 3 years. The lease agreement provides for increase in lease payments by 15% after three years. The other rent agreements are for the period of 11 months which can be cancelled by either of the parties. The Company has recognised lease rental expenses of Rs. 5,580,182 in the Statement of Profit and Loss.

Note 32: Earnings Per Equity Share

Particulars	Unit	Year ended 31 March, 2021	Year ended 31 March, 2020
		Rupees	Rupees
Net profit after tax	Rupees	(1,51,58,227)	(2,24,87,257)
Weighted average number of equity shares outstanding during the year	Numbers	3,56,100	2,30,781
Nominal value per Equity Shares	Rupees	100	100
Basic earnings per share	Rupees	(42.57)	(97.44)
Equity shares used to compute diluted earnings per share	Numbers	3,56,210	2,59,427
Diluted earnings per share	Rupees	(42.55)	(86.68)

Note 33: Details of Government grants

	As at 31 March, 2021	As at 31 March, 2020
	Rupees	Rupees
Details of grants received from NDDB and its utilisation is as under:		
Opening balance	59,75,178	4,32,91,392
(a) Received during the year	-	1,12,92,745
	59,75,178	5,45,84,137
(b) Utilised during the year		
(i) For capital assets (See note below)	-	2,39,93,038
(ii) For revenue expenses	-	2,46,15,921
(iii) Fund returned to NDDB	53,36,534	-
Total utilised	53,36,534	4,86,08,959
(c) Balance carried forward (a-b)	6,38,644	59,75,178

Note:

Utilisation of grant towards purchases of capital asset comprises of the following:

Additions to property, plant and equipment (See Note 14)	-	3,57,32,553
Less: Additions to property, plant and equipment from opening capital work-in-progress	-	(1,41,72,491)
	-	2,15,60,062
	-	-
Add: Additions to assets under installation (CWIP) during the year	-	24,32,976
Total	-	2,39,93,038

Grant utilised for purchase of capital assets has been recorded as deferred grant and revenue grant utilised has been netted off with respective expense (see note 2k).

Note 34: Going Concern

The Company has accumulated losses of Rs. 3,08,31,167 as at 31 March, 2021 including losses incurred during the current year amounting to (Rs 1,51,58,277) net of tax and the Company's current liabilities exceed its current assets. The ability of the Company to continue as a going concern is dependent on the improvement of the Company's future operations.

The Company's major customer has agreed for a substantial increase in the upliftment of raw milk. As a result, the Company expects increase in its business operations which will generate profits in the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

BAPUDHAM MILK PRODUCER COMPANY LIMITED
Notes forming part of the financial statements

Note 35: Disclosures as required by the Accounting Standard (AS) 18 – “Related Party Disclosures” are as below:

A. Name of the related parties and nature of relationship

Nature of Relationship	Name of Entity
Key Management Personnel (KMP):	Sandeep Kumar - Chief Executive

B. The nature and volume of transactions during the year with the above related parties are as follows:

Particulars	KMP
	(Rupees)
Managerial remuneration:	
Sandeep Kumar	26,31,138 (23,63,969)

Figures in bracket represent previous year figures

Note 36: Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

	As at March 31, 2021 Rupees	As at March 31, 2020 Rupees
Amount remaining unpaid to small and suppliers under MSMED as at the end of the accounting year		
- Principal Amount	33,88,157	53,30,533
- Interest thereon	-	-
Amount of payments made to suppliers beyond the appointed day during the accounting year		
- Principal amount	-	-
- Interest actually paid under section 16 of MSMED	-	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED	-	-
Interest accrued and remaining unpaid at the end of the accounting year		
- Interest accrued during the year	-	-
- Interest remaining unpaid as at the end of the year	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Management. This has been relied upon by the auditors.

Note 37

As at 31 March, 2021, the Company has received Rs. 6,69,700 as share application money pending allotment towards equity shares, against which allotment has been made for Rs. 6,69,700 at the Board meeting held on 24 April, 2021. The shares were allotted within the period specified in the share application form.

Note 38

The Company is engaged in trading of milk and cattle feed, which is considered as a single business segment. The Company operates in single geographical segment in India. The disclosures as required under Accounting Standard AS-17 on Segment reporting are not required as the Company deals in one business and geographical segment.

Note 39

On September 20, 2019, the Government of India vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay Income tax at reduced rate of 22% effective April 1, 2019 subject to certain conditions. The Company has availed the option in the financial year 2019-2020. Accordingly, the tax expenses for the year ended March 31, 2021 and March 31, 2020 have been provided at reduced tax rate.

Note 40

The Ministry of home affairs vide order No.40-3/2020 dated 24 March, 2020 imposed country wide lockdown and declared the Company's business of trading of milk and other dairy products as an essential service. Hence, dairy industry in which the Company operates is among the businesses that are least impacted due to COVID-19. The Company believes that thus far, there is no significant impact of COVID-19 pandemic on the financial position and performance of the Company. Further, the company is not expecting any significant change in estimates as of now as the company is running its business and operations as usual without any major disruptions.

Note 41

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

For and on behalf of the Board of Directors

Kumkum Kumari
Director
DIN: 07773889

Pratibha Devi
Director
DIN: 08312463

Sandeep Kumar
Director & Chief Executive
DIN: 08036384

Shriman Narayan Pandey **Prakash Chandra**
Company Secretary Manager Finance and
Accounts

Place: Motihari
Date: 10.09.2021

BAPUDHAM MILK PRODUCER COMPANY LIMITED

CIN NO. U01110BR2017PTC034288

Regd Office: "Ujjawal Complex", Chandmari Chowk, (in front of Indian Oil Petrol Pump)
Motihari Balua Tal, Ps.- Motihari, Dist.- East Champaran,
Bihar-845401
Tel +91 9065526302
Email: info@bapudhammilk.com

PROXY FORM

Folio No

Member
Code:

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I.....
residing at.....being member of Bapudham Milk Producer Company
Limited, hereby appoint Mr./Mrs.....having Folio no.....residing at
.....or failing him/her
Mr./Mrs.having Folio
no..... residing atas my proxy
to vote for me and on or my behalf at the 5th Annual General Meeting of the Company to
be held on 30.09.2021 at Hotel Ramsan Plaza, Bariyarpur, NH-28, Motihari- 845401 at
03:00 PM, or at any adjournment thereof.

Signed thisday of2021



Signature

(A) To attend : _____
(B) To attend and Vote : _____

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

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Email: info@bapudhammilk.com

ATTENDANCE SLIP

Folio No:

Member
Code:

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

I hereby record my presence at the 5th Annual General Meeting of Bapudham Milk
Producer Company Limited held on 30th September, 2021.

Name of the Shareholders.....

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

- (A) To attend : _____
- (B) To attend and Vote : _____

Signature of the Shareholder/Proxy*

*strike out whichever is not applicable

BAPUDHAM MILK PRODUCER COMPANY LIMITED

CIN: U01110BR2017PTC034288

Regd Office: "Ujjawal Complex", Chandmari Chowk, (in front of Indian Oil Petrol Pump)
Motihari Balua Tal, Ps.- Motihari, Dist.- East Champaran,
Bihar-845401
Tel +91 9065526302
Email: info@bapudhammilk.com

ACKNOWLEDGEMENT

Folio Number

--	--	--	--	--

I.....residing at.....
member of Bapudham Milk Producer Company Limited. I have received the notice of the
5th Annual General Meeting sent by the Company along with all enclosures.

Signature / Thumb Impression of the Member

Date:

Place:

Conditions for continuation and cancellation of Membership

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