

**Independent Auditor's Report**

To the Members of
Mahila Umang Producers Company Limited
Ranikhet, Almora
Uttarakhand

Report on the Financial Statements

We have audited the accompanying financial statements of **Mahila Umang Producers Company Limited** (hereinafter referred to as "the Company") comprising of the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of these financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the company is responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.





An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

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.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, is not applicable on the company, Therefore we have not made any comments on the matters specified in paragraphs 3 and 4 of the Order
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept 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 relevant books of account maintained for the purpose of preparation of the financial statements.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.





- (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors of the Company none of the directors of the companies, is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There were no pending litigations which would impact the financial position of the Company
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company,

For DMA & Associates
Chartered Accountants
FRN: 010129C



CA. Deepak Kumar Ghanshani
(Partner)
M. No. : 078742

Place: Raniket
Date: 16th July 2018

Mahila Umang Producers Company Limited
 Village Dadgalla, Post Office Ranikhet, District Almora, Uttarakhand - 263645
 CIN: U74900UR2009PTCO32756
 Balance Sheet as at 31-03-2018

(in Rupees)

Particulars	Note No.	31 March 2018	31 March 2017
1	2	3	4
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	215,880.00	215,880.00
(b) Reserves and surplus	2	3,788,216.15	3,773,332.33
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	3	-	-
4 Current liabilities			
(a) Trade payables (as per list attached)	4	1,153,294.15	49,346.50
(b) Other current liabilities	5	2,496,475.00	2,492,575.00
(c) Short-term provisions	6	686,817.52	1,147,577.00
TOTAL		8,340,682.82	7,678,710.83
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	7	327,102.23	411,676.31
(ii) Intangible assets			-
(iii) Capital work-in-progress			-
(iv) Intangible assets under development			-
(b) Non-current investments			201,624.00
(b) Deferred tax assets (net)		40,814.16	41,669.33
(c) Long-term loans and advances	8	57,200.00	27,500.00
(d) Other non-current assets			
(a) Current investments			
(a) Inventories	9	6,080,687.56	5,664,191.00
(b) Trade receivables	10	1,401,435.23	795,790.00
(c) Cash and cash equivalents	11	385,396.64	487,453.19
(d) Short-term loans and advances	12	48,047.00	48,807.00
TOTAL		8,340,682.82	7,678,710.83

In terms of our separate report of even date

For DMA & ASSOCIATES

Chartered Accountants

FRN: 018129C



Deepak Kumar Ghanshani
 Partner
 M.No.078742

Place : Ranikhet
 Dated : 16th July 2018



On Behalf of Board

Mahila Umang Producers Company Limited

गीता मेहता

Geeta Mehta
 Director
 DIN: 7725673

Place : Ranikhet
 Dated : 3rd May 2018

मंजू देवी

Manju Devi
 Director
 DIN: 7726347

Place : Ranikhet
 Dated : 3rd May 2018

Mahila Umang Producers Company Limited
Village Dadgalla, Post Office Ranikhet, District Almora, Uttarakhand - 263645
CIN: U74900UR2009PTC032756

Profit and Loss Statement for the Year Ended 31st March 2018

(In Rupees)

Particulars	Refer Note No.	31 March 2018	31 March 2017
i. Revenue from operations	13	14,334,155.22	14,483,631.00
ii. Other income	14	16,447.00	25,818.00
III. Total Revenue (i + ii)		14,350,602.22	14,509,449.00
IV. Expenses:			
Cost of materials consumed		6,540,118.30	6,852,615.50
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		2,674.98	-84,726.00
Direct Manufacturing Expenses	15	4,251,187.36	4,266,731.00
Employee benefits expense	16	1,116,006.00	933,554.00
Finance costs	17	-	-
Depreciation and amortization expense	7	121,214.08	176,128.69
Other expenses	18	2,283,942.51	2,189,072.65
Total expenses		14,315,143.23	14,333,375.84
Profit before exceptional and extraordinary items and tax (III- IV)		35,458.99	176,073.16
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		35,458.99	176,073.16
VIII. Extraordinary items		-	-
IX. Profit before tax (VII- VIII)		35,458.99	176,073.16
X Tax expense:			
(1) Current tax		19,720.00	82,511.00
(2) Deferred tax		855.17	-19,821.79
Profit (Loss) for the period from continuing operations (VII- XI VIII)		14,883.82	113,383.95
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XI Profit (Loss) for the period (IX - X)		14,883.82	113,383.95
XV Earnings per equity share:			
(1) Basic		0.69	5.25
(2) Diluted		0.69	5.25

In terms of our separate report of even date

For DMS & ASSOCIATES
Chartered Accountants
FRN: 040129C


Deepak Kumar Ghanshani
Partner
M.No.078742
Place : Ranikhet
Dated : 10th June 2017



On Behalf of Board
Mahila Umang Producers Company Limited


Geeta Mehta
Director
DIN: 7725673
Place : Ranikhet
Dated : 3rd May 2018


Manju Devi
Director
DIN: 7726347
Place : Ranikhet
Dated : 3rd May 2018

Notes forming part of Balance Sheet as at 31-03-2018

NOTE 2

	As at 31 March 2018 Amount	As at 31 March 2017 Amount
Reserves & Surplus		
Surplus in Profit & Loss Account		
Opening balance	992,212.3	878,828.4
(+) Net Profit/(Net Loss) For the current year	14,883.8	113,383.9
(-) Impairment Loss on Fixed Assets		
Closing Balance	1,007,096	992,212
Share Premium Account		
Opening balance	2,781,120.0	2,781,120.0
(+) Received during the current year		
Closing Balance	2,781,120.0	2,781,120.0
Total	3,788,216	3,773,332

NOTE 3

	As at 31 March 2018 Amount	As at 31 March 2017 Amount
Long Term Borrowings		
Secured	NIL	NIL
Unsecured		
(a) Term loans from banks from other parties (of the above, 'NIL' is guaranteed by Directors and / or others)	NIL	NIL
Terms of Repayment - (of the above, 'NIL' is guaranteed by Directors and / or others)	NIL	NIL
Terms of Repayment -		
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to above		
1. Period of default	NIL	NIL
2. Amount	NIL	NIL
Total	NIL	NIL



IPK/12/18

NOTE 4: Trade Payables

	As at 31 March 2018	As at 31 March 2017
Trade Payables (including Credit Balances in Debtors)		
DMA & Associates, Dehradun	73,613	52,815
DMA & Associates, Delhi	6,098.15	(3,468.50)
Style Printer	173,925	-
Devi Datt Mainral	244,913	-
Mithunlal Pyarelal	559,745	-
SHG'S Knit Stipend	95,000	-
Mountain High	1,153,294	49,347
Total Rs.		

NOTE 5

	As at 31 March 2018	As at 31 March 2017
Other Current Liabilities		
(a) Current maturities of long-term debt	-	-
(b) Current maturities of finance lease obligations	-	-
(b) Interest accrued but not due on borrowings	1,172,227	1,172,227
(C) Capital Grant from Grassroots	1,314,098	1,314,098
(d) Revolving Fund from Grassroots	10,150	6,250
(e) SHG Training Fee	2,495,475	2,492,575
Total		

NOTE 6

	As at 31 March 2018	As at 31 March 2017
Short Term Provisions		
(a) Provision for employee benefits	122,820	122,820
Salary & Reimbursements		
(b) Others (Specify nature)	111,850	131,250
1 Audit Fees Payable	-	91,009
2 Trade Tax Payable	-	304,044
3 Production Bonus to Producers	10,000	100,000
4 Rent Payable	36,401	37,500
5 TDS Payable	4,720	-
6 Provision for Current Tax	364,287	360,954
7 Expenses Payable		
8 Salary Payable	36,740	-
9 GST Payable		
Total	686,818	1,167,577



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Mahila Umang Producers Company Limited
 Village Dodgalla, Post Office Ranikhet, District Almora, Uttarakhand - 263645
 CIN: U74900UR2009PTC032756
 Notes forming part of Balance Sheet as at 31-03-2018

NOTE 8

	As at 31 March 2018	As at 31 March 2017
Long Term Loans and Advances		
A. Capital Advances:		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful advances	-	-
B. Security Deposits:		
Secured, considered good	27,500	27,500
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful deposits	27,500	27,500
C. Loans and advances to related parties (refer Note 3)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
D. Other loans and advances (specify nature)		
Unsecured, considered good	29,700.00	-
	29,700.00	-
Total	57,200	27,500



(Signature)



Mahila Umang Producers Company Limited
 Village Dadgolia, Post Office Ranikhet, District Almora, Uttarakhand - 263645
 CIN: U74900UR2009PTC032756

Notes forming part of Balance Sheet as at 31-03-2018

	As at 31 March 2018	As at 31 March 2017
Inventories		
a. Raw Materials and components (Valued at lower of cost or market value)	1,413,933.54	994,762
Goods-in transit		
b. Finished goods (Valued at lower of cost or market value)	1,413,933.54	994,762.00
Goods-in transit	4,666,754.02	4,669,429
	4,666,754.02	4,669,429.00
Grand Total	6,080,687.56	5,664,191

NOTE 10

	As at 31 March 2018	As at 31 March 2017
Trade Receivables		
Trade receivables outstanding for a period less than six months from the date they are due for payment	1,096,452.77	
Unsecured, considered good (As per list attached)	1,096,452	795,790
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	304,982.96	
Unsecured, considered good	304,982.96	795,790.00
	1,401,435	795,790



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NOTE 11

	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents		
a. Balances with banks*	309,544.89	457,609.44
b. Cash on hand*	75,851.75	29,843.75
Total	385,396.64	487,453.19

NOTE 12

	As at 31 March 2018	As at 31 March 2017
Short-term loans and advances		
a. Loans and advances to related parties		
b. Others (specify nature)	NIL	NIL
Secured, considered good		
Unsecured, considered good		
1. Prepaid Expenses	28,958	35,118.00
2. Advance Income Tax	13,689.00	13,689.00
3. TDS FY 2017-18	5,400	
Total	48,047	48,807



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Mahila Umang Producers Company Limited
 Village Dadgalla, Post Office Ranikhet, District Almora, Uttarakhand - 263645
 CIN: U74900UR2009PTC032756
 Notes forming part of Profit & Loss Account for the Year Ended 31-03-2018

NOTE 13

Particulars	As at 31 March 2018	As at 31 March 2017
Sales of Products	14,203,967	14,373,490.00
Other operating revenues	130,188	110,141.00
Total	14,334,155	14,483,631.00

NOTE 14

Other Income	As at 31 March 2018	As at 31 March 2017
Interest Income (In case of a company other than a finance company)	16,447	25,818
Profit from Sale of Vehicles		
Total	16,447	25,818

NOTE 15

Direct Manufacturing Expenses	As at 31 March 2018	As at 31 March 2017
Direct Salaries & Wages	920,200.00	1,001,850
Freight & Conveyance	365,260.36	200,214
Stipend & Bonus to Producers	2,246,032.00	2,397,382
Other Direct Expenses	719,695.00	667,285
Total	4,251,187	4,266,731

NOTE 16

Employee Benefits Expense	As at 31 March 2018	As at 31 March 2017
(a) Salaries and incentives	1,107,106.00	924,129
(b) Staff welfare expenses	8,900.00	9,425
Total	1,116,006	933,554



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Notes forming part of Profit & Loss Account for the Year Ended 31-03-2018

NOTE 17

Finance costs	As at 31 March 2018	As at 31 March 2017
Interest expense	-	-
Total	-	-

NOTE 18

SR No	Other expenses	As at 31 March 2018	As at 31 March 2017
1	AGM / Board Meeting Expenses	23,853.00	16,350
2	Audit Expenses	17,848.00	34,408
3	Bad Debts Written Off	17,479.00	11,561
4	Bank Charges	56,822.54	35,820
5	Exhibition Expenses	318,211.00	205,276
6	Filing Fee	2,400.00	9,100
7	Freight Outward	369,147.00	148,975
8	FTF Membership Fee	10,000.00	10,000
9	Gifts & Samples	16,985.00	26,708
10	Income Tax Paid	-	10,692
11	Insurance	26,396.00	33,257
12	Interest paid on TDS / IT / VAT	17,474.00	6,112
13	Legal & Professional Charges	41,631.00	73,290
14	Marketing Expenses	360,447.00	554,525
15	Office Maintenance	97,477.00	101,045
16	Postage & Courier	3,960.00	4,368
17	Printing & Stationary	87,187.00	90,621
18	Rentel	284,127.00	139,100
19	Retailor Commission paid	-2,052.93	24,084
20	Tea & Refreshment	45,464.00	26,788
21	Telephone & Internet	39,021.00	54,574
22	Travelling	23,693.00	12,014
23	Vehicle Running & Maintenance	143,684.00	311,992
24	Water & Electricity	54,152.00	65,768
25	Training Workshop	7,400.00	10,962
26	AIAC Membership fees	-	3,000
27	Penalties	-	10,000
28	Goods Damage in Transit	15,136.83	-
29	Exposure Visit	4,960.00	-
30	Fire Extinguisher refill charges	2,300.00	-
31	FSSAI Renewal	27,006.00	-
32	Medical Expenses	9,877.00	-
33	Zila Panchayat Reniwal	15,000.00	-
34	Carft Mark Membership Fee	6,875.00	-
35	Excess Provision Reversed	-23,500.00	-
36	Misc.	3,685.97	608.48
37	Prior period Expenditure	53,596.00	-
	Total	2,177,693	2,030,949

SR No	Audit fees	As at 31 March 2018	As at 31 March 2017
1	Payments to the auditor as		
	a. statutory auditors	106,250.00	143,750
	b. for direct taxation matters,		1,150
	c. for company law matters,		-
	d. for management services,		-
	e. for indirect taxation services,		13,224
	f. for reimbursement of expenses;		-
	Total	106,250	158,124



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Mahila Uyang Producers Company Limited
 Village Dadgolia, Post Office Ranikhet, District Almora, Uttarakhand - 263645
 CIN: U74900UR2009PTC032756

Schedule of Fixed Assets as per the Companies Act

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	As at 31 March 2017	Additions/ (Disposals)	Acquired through business combinations	As at 31 March 2018	As at 31 March 2017	Depreciation charge for the year	Revaluations/ (Impairments)	On disposals	As at 31 March 2018	As at 31 March 2017
Tangible Assets										
Computers & Printer	94,443	11,000	-	105,443	80,732	17,253	-	97,984	7,459	33,711
Mast & Machinery	969,362	17,690	-	987,052	652,628	71,595	-	724,222	263,030	316,734
Vehicles	341,671	-	-	341,671	287,324	28,329	-	295,553	46,118	74,347
Furniture and Fixtures	24,050	7,790	-	31,840	17,447	4,137	-	21,584	10,216	6,603
Office Equipments	5,000	-	-	5,000	5,320	-	-	5,320	280	280
Total	1,435,126	36,640	-	1,471,766	1,029,430	121,214	-	1,148,664	377,320	411,876

Note 7



Handwritten signature in blue ink.