

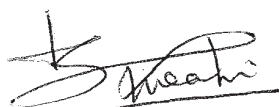
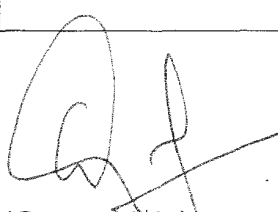
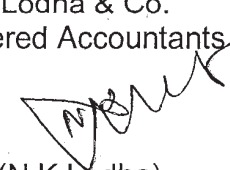

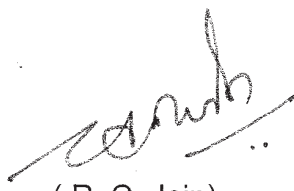
# UMANG DAIRIES LIMITED

Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002



## FORM A

Annual Audit Report to be filed with the Stock Exchanges along with Audited Annual Accounts pursuant to Clause 31 (a) of the Listing Agreement

1.	Name of the Company:	Umang Dairies Limited
2.	Annual financial statements for the year ended	31st March 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	<div><div> (Milan Wahi) Chief Executive Officer</div><div> (Gaurav Jain) Chief Financial Officer</div></div> <div><div>For Lodha &amp; Co. Chartered Accountants</div><div> (N.K. Lodha) Partner</div><div></div><div> ( R. C. Jain) Audit Committee Chairman</div></div> <div>Firm's Registration No. 301051E Membership No. 85155</div>	



Admin. Office : Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi - 110 002, Ph. : (011) 33001162, 33001112, Fax : 23739475

E-mail : umang@jkmall.com

Regd. Office : Gajraula Hasanpur Road, Gajraula - 244 235 Dist. Amroha (U.P.) Ph. : (05924) 252491- 92, Fax : (05924) 252495

E-mail : udl@umangdairy.com, Website : www.umangdairies.com, C I N : L15111UP1992PLC014942

AN ISO 9001 : 2008, HACCP, ISO 14001 : 2004 & OHSAS 18001 : 2007 Certified Company



# Annual Report 2014-15

## W I D E N I N G HORIZONS



**UMANG DAIRIES LIMITED**

▼ Control Panel of Processing Plant



▼ Quality Control



◀ Processing Plant



▲ Liquid Milk Packing



# UMANG DAIRIES LIMITED

## **BOARD OF DIRECTORS**

Desh Bandhu Doda  
Ratan Chand Jain  
Ram Chandra Periwal  
Radhey Lal Saha  
Sharda Devi Singhania

## **CORPORATE OFFICE**

Gulab Bhawan, 3rd Floor  
6A, Bahadur Shah Zafar Marg  
New Delhi - 110 002  
Phone : (011) 30179100  
e-mail : [umang@jkmil.com](mailto:umang@jkmil.com)  
website : [www.umangdairies.com](http://www.umangdairies.com)

## **REGISTERED OFFICE**

Gajraula-Hasanpur Road  
Gajraula - 244 235  
Dist. Amroha  
Uttar Pradesh  
Phone : (05924) 252491 - 2  
E-mail : [udl@umangdairies.com](mailto:udl@umangdairies.com)

## **AUDITORS**

Lodha & Co.  
Chartered Accountants

## **COMPANY SECRETARY**

Gaurav Kumar Kanodia

## **BANKERS**

Axis Bank

## **SHARE TRANSFER AGENT**

MAS Services Ltd.  
T-34, 2nd Floor, Phase - II  
Okhla Industrial Area  
New Delhi – 110 020  
Phone : (011) 26387281/82/83  
e-mail : [info@masserv.com](mailto:info@masserv.com)



# UMANG DAIRIES LIMITED

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

### To the Members

The Directors have pleasure in presenting the 22nd Annual Report and Audited Accounts of the Company for the year ended 31st March, 2015.

### FINANCIAL RESULTS

(Rs. in Lac)

	2014-15	2013-14
Revenue from Operations	25,114	21,638
Profit before Finance Cost and Depreciation (PBIDT)	1,661	1,068
Profit before Depreciation and Tax (PBDT)	1,561	1,014
Profit before Tax (PBT)	1,298	865
Profit after Tax (PAT)	851	596
Surplus brought forward	926	632
Total amount available for appropriation	1,777	1,228
<b>APPROPRIATIONS:</b>		
General Reserve	65	45
Dividend (Incl. Tax)	264	257
Surplus carried forward	1,448	926

### DIVIDEND

The Directors are pleased to recommend a dividend of 20% on equity shares.

### OPERATIONS

The Revenue from operations increased to Rs. 25,114 Lac (up 16%) during the year as compared to Rs. 21,638 Lac in the previous year. The Operating Profit (PBIDT) increased to Rs.1,661 Lac (up 56%) from Rs.1,068 Lac in the previous year due to better product mix, benign raw material prices & cost compression activities. Capacity utilization of Drying Plant increased to 46.31% against 38.23% in 2013-14 & Capacity utilization in Liquid Milk Plant (Your Company is operating & managing a facility to process & pack liquid milk in poly pouches under a long term agreement) increased to 89.60% against 86.60% in 2013-14.

Company's popular brands of Dairy Creamers - WHITE MAGIK, DAIRY TOP and MILK STAR made better penetration in existing markets, besides entering into some new geographies. Company is shipping, on and average, 8 mn plus sachets of consumer pack Dairy Creamers every month opposite about 7 mn sachets in the previous year. Some institutional buyers like Jet Airways, Indian Railways and Defence Deptt are regular buyers of single serve sachets of White Magik Dairy Creamer. Doodz Flavoured Milk was launched in NCR last to last year. It has captured good retail space in NCR. During the year test supplies have been made to upcountry markets also and the response is encouraging.

Company is investing regularly in updating its plant. This exercise has resulted in better product quality as well as cost compression. Due to erratic and poor power supply from UP Electricity Board, Company has started work on putting up its own power generation plant which will be able to take care of 100% need of both the Plants. Work is progressing well and the plant is likely to be commissioned in early part of 2016-17. This will not only assure uninterrupted power supply but will also result into lower power cost.

### INDUSTRY SCENARIO

#### DAIRY INDUSTRY IN INDIA

India continues its leadership position in global milk production. During last decade, milk production in India has grown by 4.2% CAGR against world average of 1.4%. With income levels going up, demand for milk products during last 3-4 years has grown by over 8%. Government of India is adequately concerned over this mis-match in demand and supply and is working seriously on UN supported National Dairy Plan (NDP) for last 2-3 years. NDP aims to increase productivity of milch animals and to give



# UMANG DAIRIES LIMITED

farmers greater access to organized milk processing sector. It is hoped that results of this exercise would be visible on ground from 2016-17 onwards.

Animal protein is the most preferred source of protein by Indian populace. Organized dairy sector is growing at about 15% and is expected to continue this growth rate during next 5-7 years. Investor interest in dairy industry is also quite high. Some divestments in recent past and entry of unrelated Business Houses into dairy sector validate the fancy dairy industry carries with the investors.

## SOME KEY FACTS ABOUT INDIAN DAIRY INDUSTRY

◆ Milk production (in million tons) – 2014-15	139
◆ India's share in global milk production	17%
◆ Contribution of Dairy Industry to India's Agricultural GDP is highest amongst all agricultural products and is currently	22%
◆ Of total milk produced percentage of milk retained at village level for self consumption	50%
◆ Percentage of milk processed by organized sector	15%
◆ Per capita consumption of milk in India	290gms/day
◆ Global per capita consumption of milk	
✓ USA	685gms/day
✓ EU	638gms/day
✓ PAKISTAN	466gms/day

## OPPORTUNITIES AND THREATS

### Opportunities

- (i) With increased income levels, demand of milk products has gone up during last 3-4 years from about 4% to about 8%. This pace seems to be sustainable. This would mean higher consumption of conventional milk products as also introduction of new milk based products.
- (ii) Milk is a preferred source of protein by Indian populace. Milk and milk products are therefore likely to get preference from consumers who look for protein rich food.
- (iii) Subsidy and grants by US and EU to dairy farmers and dairy factories has significantly come down. This has improved competitive edge of Indian Dairy Industry.
- (iv) India is the largest producer of buffalo milk which is a preferred variety of milk for making certain type of cheese. It offers a good export opportunity for Indian cheese made of buffalo milk.

### Threats

- (i) Due to fragmented dairy farming in India, traceability is an issue with importers from USA and EU.
- (ii) Present embargo by Govt. of India on import of high milk yielding cows acts as a deterrent to improve productivity of milch cows.
- (iii) With increase in education level of young farmers, there is a tendency among the young folk to prefer white collar jobs over conventional dairy farming profession.
- (iv) With pressure on available land from food crops, there is hardly any scope of increasing cultivation of cattle feed.

## GROWTH OUTLOOK

Milk production as well as production of milk products by organized sector is expected to grow at a robust pace. Higher rate of growth is expected in value added dairy products. Western dairy products, which currently occupy a small space, are likely to grow on a faster clip. Packaged milk and products are likely to progressively replace loose milk and products.

Although growth rate in Dairy Industry is high, most dairy companies have weak profitability on account of extremely low value addition. Fresh milk and commoditized derivatives (Ghee, Skimmed Milk Powder) account for nearly 85% of the revenue. But only 60% of industry profits are drawn from low operating margin units (5% or less). The margin picture changes dramatically as



# UMANG DAIRIES LIMITED

we move up the value chain, expanding 3 – 4x without a commensurate increase in capital cost. Clearly, a superior product-mix holds the key to profitability. A pre-requisite to building an attractive product portfolio is to have a strong supply backbone, based on direct procurement of milk from farmers.

## EXPANSION PLANS

Company holds on to its long term vision of becoming a significant player in Dairy space. Geographical reach of existing products has been expanded. Company hoped to launch two new products in the year 2014-15 but due to some strategic reasons it did not do so. The matter is still on the active radar of the Company.

During the year Company examined several acquisition proposals but somehow did not find a right fit. Efforts are on!

## RISKS & CONCERNS

With rise in education level of rural population, young generation of farmers is showing apathy for their ancestral profession. There is a tendency in them to prefer white collar jobs over dairy farming in its present form. The possible answer to this lies in developing mechanized dairy farms with cattle population in hundreds and thousands. This concept is gradually catching up but there is a question-mark on financial viability of quite a many farms which have come into operation so far.

Due to fragmented dairy farming in India, traceability is an issue with most European and US importers of milk products. This can be addressed only if large scale farm houses are developed.

Government - both Central and State - have increased their focus on ensuring safe food products, including milk products, to the consumer. Rightly so! However, due to high handedness of food inspectors as also lack of adequate testing equipments in Government labs, lot of fear and confusion has been created in the minds of industry as well as consumers. This has to be addressed by Government by taking a pragmatic approach. Government should act in close liaison with Industry rather than enforcing an Inspector Raj.

## RAW MATERIAL SECURITY

Company is sanguine about the fact that to sustain a value added product portfolio, it is highly imperative to have captive milk bank where milk is collected direct from the farmers. As it is, Company is one of the few ones who have more than a decade old village level collection system under which milk is collected from nearly 300 villages comprising of about 12000 farmers. To augment this effort, Company opened, during the year, two more chilling centres in Uttarakhand. Milk from both the Centres is collected and brought to the mother plant.

## HUMAN RESOURCE MANAGEMENT/ INDUSTRIAL RELATIONS

The Company recognizes the contribution and importance of its employees in today's highly competitive environment and has been systematically developing their skills and empowering its employees. People are encouraged to take on new roles and expand their horizons. Training needs at different levels are identified through Performance Appraisal System and need based training programmes are regularly organized for all level of employees. In order to encourage leadership and problem solving qualities among workmen, the Company has helped establish Quality Circles. A number of job rotations are done to enhance employees' skills as well as to enrich their work experience.

Industrial Relations remained cordial throughout the year under review.

## INTERNAL CONTROL SYSTEM

The internal corporate audit team consisting of Chartered Accountants and external firm of Chartered Accountants to review the internal control system on a regular basis to improve its effectiveness besides verifying statutory compliances. Findings/audit reports along with the action taken reports are reviewed by the Audit Committee. The Audit Committee also reviews the effectiveness of Company's internal controls and regularly monitors implementation of audit recommendations.

The Company has in place adequate internal controls commensurate with the size and nature of its operations.

## EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as on 31st March 2015 in the prescribed form MGT-9 is attached as Annexure-1 to this Report and forms part of it.





# UMANG DAIRIES LIMITED

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or securities and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the financial statements.

## RELATED PARTY TRANSACTIONS

During the financial year ended 31st March 2015, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Agreement.

Further, the Company has not entered into any contract or arrangement or transaction with the Related Parties which could be considered material in accordance with the Policy of the Company on materiality of Related Party Transactions. In view of the above, disclosure in FORM AOC-2 is not applicable.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

With enactment of the Companies Act, 2013, all the three Independent Directors of the Company, namely – Shri R. L. Saha, Shri R. C. Jain and Shri R. C. Periwal, were appointed by the members at the Annual General Meeting (AGM) held on 22nd September 2014 under Section 149 of the Act for a term of one year, two consecutive years and five consecutive years respectively commencing from the date of the AGM. All Independent Directors of the Company have given declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and also Clause 49 of the Listing Agreement with the Stock Exchange.

Shri D. B. Doda retires by rotation and being eligible offers himself for re-appointment at the ensuing AGM.

The Board of Director appointed Smt. Sharda Devi Singhania as an Additional Director of the Company with effect from 27th March 2015, who shall hold office up to the date of the ensuing AGM. The Company has received requisite Notice from a member of the Company proposing the name of Smt. Sharda Devi Singhania for appointment as a Director, liable to retire by rotation at the ensuing AGM. The Board of Directors recommends appointment as aforesaid.

Further, in terms of Section 203 of the Companies Act, 2013, Shri Milan Wahi, Chief Executive Officer, Shri N. C. Baheti, Chief Executive (works), Shri Gaurav Jain, DGM (F&A) and Shri Gaurav Kumar Kanodia, Company Secretary were appointed as "Key Managerial Personnel" (KMP) of the Company on their existing terms and conditions.

Shri Milan Wahi, ceased to be Chief Executive Officer of the Company, on the close of work on 7th August 2015, consequent upon his resignation.

## CORPORATE SOCIAL RESPONSIBILITY

Though it was not mandatory for the Company to undertake Corporate Social Responsibility activities during the year, Company, at its own, continued to do such activities in the neighbourhood of its plant. Objective of such activities is to improve socio-economic conditions of the farmers and to assist them to improve productivity of their animals so that their income levels go up.

The Company has framed Corporate Social Responsibility (CSR) Policy in accordance with the provisions of the Companies Act 2013 and rules made thereunder.

A detailed report on Company's CSR activities along with the annual report on the CSR activities undertaken by the Company during the financial year under review, in the prescribed format is annexed to this Report as Annexure-2.

## AUDITORS

### (a) Statutory Auditors and their Report

M/s Lodha & Co., Chartered Accountants, have been appointed as Auditors of the Company to hold the office from the conclusion of the 21st Annual General Meeting held on 22nd September 2014 until the conclusion of the 24th Annual General Meeting to be held in year 2017, subject to ratification of the appointment by the members at the respective AGMs to be held in the years 2015 and 2016. Accordingly, matter relating to the appointment of the Auditors will be placed for ratification by members at the forthcoming Annual General Meeting. The observations of the Auditors in their report on Accounts and the Financial Statements, read with the relevant notes are self explanatory.





# UMANG DAIRIES LIMITED

## **(b) Secretarial Auditor and Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors appointed Shri Namo Narain Agarwal, Company Secretary in Practice as Secretarial Auditor to carry out Secretarial Audit of the Company for the financial year 2014-15. The Report given by him for the said financial year in the prescribed format is annexed to this Report as Annexure-3. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## **(c) Cost Auditor and Cost Audit Report**

Pursuant to order of the Central Government dated 30th June 2014, your Company did not fall within the ambit of Cost Audit for the year 2014-15. However, pursuant to the revised order of the Central Government dated 31st December 2014, Cost Audit of the Cost Records of the Company is mandatory from the financial year starting 1st April 2015 and M/s Sanjay Kumar Garg & Associates, Cost Accountants have been appointed as Cost Auditors of the Company to conduct cost audit of cost records for the financial year 2015-16 subject to ratification of their appointment and remuneration at the forthcoming Annual General Meeting of the Company.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

During the financial year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

## **CONSERVATION OF ENERGY ETC.**

The details as required under Section 134(3)(m) read with the Companies (Accounts) Rules, 2014 is annexed to this Report as Annexure-4 and forms part of it.

## **PARTICULARS OF REMUNERATION**

Information in accordance with the provisions of Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration and other details is annexed to this Report. However, as per the provisions of Section 136 of the said Act, the Report and Accounts are being sent to all the members of the Company and others entitled thereto, excluding the aforesaid information. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company. The said information is available for inspection at the Registered Office of the Company during working hours.

## **CORPORATE GOVERNANCE**

Corporate Governance - including details pertaining to Board Meetings, Nomination and Remuneration Policy, Performance Evaluation, Risk Management, Audit Committee and Vigil Mechanism.

Your Company reaffirms its commitment to the highest standards of corporate governance practices. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion and Analysis, Corporate Governance Report and Auditors Certificate regarding compliance of conditions of Corporate Governance are made a part of this Report.

The Corporate Governance Report which forms part of this Report, also covers the following:

- a) Particulars of the Six Board Meetings held during the financial year under review.
- b) Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, inter alia, the criteria for performance evaluation of Directors.
- c) The manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.
- d) The details with respect to composition of Audit Committee and establishment of Vigil Mechanism.
- e) Details regarding Risk Management.

## **DEPOSITS**

The Company has not taken any deposits from the public.



# UMANG DAIRIES LIMITED

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and
- (f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

## CAUTIONARY STATEMENT

Management Discussion and Analysis Report contains forward looking statements which may be identified by the use of words in that direction or connoting the same. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results are forward looking statements.

These are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievement could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise such forward looking statements, on the basis of any subsequent development information or events.

## ACKNOWLEDGEMENT

The Directors wish to thank the Customers, Shareholders, Banks, Government Authorities, Financial Institutions, Dealers and Suppliers for their continued support.

The Board also place on record its sincere appreciation of the hard work, put in by the employees at all levels during the period under report.

On behalf of the Board of Directors

Place : New Delhi  
Date : 10th August 2015

D.B. DODA  
(Director)

R.C. Periwal  
(Director)



# UMANG DAIRIES LIMITED

## **ANNEXURES TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31st MARCH 2015**

**ANNEXURE-1**

### **FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31st March 2015**

**[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]**

#### **I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L15111UP1992PLC014942
2.	Registration Date	02.12.1992
3.	Name of the Company	Umang Dairies Limited
4.	Category/Sub-category of the Company	Public Company Limited by Shares
5.	Address of the Registered office & contact details	<b>Registered office :-</b> Gajraula, Hasanpur Road Gajraula -244235 Dist. Amroha, Uttar Pradesh Ph. No. : (05924) 252491 - 2 Fax No. : (05924) 252495 Email ID:-sharesumang@jkmil.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of Registrar and Transfer Agent, if any.	MAS Services Limited T-34, 2nd Floor, Phase- II Okhla Industrial Area New Delhi – 110 020 Ph. No. : (011) 26387281/82/83 Fax No. : (011) 26387384 Email ID : info@masserv.com

#### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Ghee	15203	33.66
2	Milk powder	15201	54.58

#### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Bengal & Assam Company Ltd. Link House, 3 Bahadur Shah Zafar Marg New Delhi – 110002	L67120DL1947PLC116830	Associate	45.10	2(6)



# UMANG DAIRIES LIMITED

## IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	6500	0	6500	0.03	0	0	0	0	-0.03
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	16442930	0	16442930	74.73	16442930	0	16442930	74.73	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>16449430</b>	<b>0</b>	<b>16449430</b>	<b>74.76</b>	<b>16442930</b>	<b>0</b>	<b>16442930</b>	<b>74.73</b>	<b>-0.03</b>
<b>(2) Foreign</b>									
a) NRI -Individuals	0	0	0	0	0	0	0	0	0
b) Other -Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>16449430</b>	<b>0</b>	<b>16449430</b>	<b>74.76</b>	<b>16442930</b>	<b>0</b>	<b>16442930</b>	<b>74.73</b>	<b>-0.03</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	12000	12000	0.05	0	12000	12000	0.05	0
b) Banks / FI	800	3300	4100	0.02	800	3300	4100	0.02	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>800</b>	<b>15300</b>	<b>16100</b>	<b>0.07</b>	<b>800</b>	<b>15300</b>	<b>16100</b>	<b>0.07</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	205529	32500	238029	1.08	245049	32500	277549	1.26	0.18
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2424401	1440202	3864603	17.56	2509473	1406304	3915777	17.80	0.24
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1276953	0	1276953	5.80	1145804	0	1145804	5.21	-0.59
c) Others (specify)									



# UMANG DAIRIES LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(i) Non Resident Indians/OCB	90623	0	90623	0.41	150793	0	150793	0.69	0.28
(ii) Clearing Member	67462	0	67462	0.31	54247	0	54247	0.25	-0.06
<b>Sub-total (B)(2):-</b>	<b>4064968</b>	<b>1472702</b>	<b>5537670</b>	<b>25.17</b>	<b>4105366</b>	<b>1438804</b>	<b>5544170</b>	<b>25.20</b>	<b>0.03</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	<b>4065768</b>	<b>1488002</b>	<b>5553770</b>	<b>25.24</b>	<b>4106166</b>	<b>1454104</b>	<b>5560270</b>	<b>25.27</b>	<b>0.03</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>20515198</b>	<b>1488002</b>	<b>22003200</b>	<b>100</b>	<b>20549096</b>	<b>1454104</b>	<b>22003200</b>	<b>100</b>	<b>0</b>

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 1st April 2014)			Shareholding at the end of the year (as on 31st March 2015)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Bengal & Assam Company Ltd.	99,22,965	45.10	-	99,22,965	45.10	-	-
	<b>Total</b>	<b>99,22,965</b>	<b>45.10</b>	<b>-</b>	<b>99,22,965</b>	<b>45.10</b>	<b>-</b>	<b>-</b>

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year (as on 1st April 2014)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Bengal &amp; Assam Company Ltd.</b>				
	At the beginning of the year	99,22,965	45.10	99,22,965	45.10
	Date wise Increase / Decrease in Promoters Shareholding during the year	NO CHANGE			
	At the end of the year i.e., 31.03.2015			99,22,965	45.10

## (iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Top Ten Shareholders*	Shareholding at the beginning of the year (1st April 2014)		Cumulative Shareholding at the end of the year (31st March 2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Juggilal Kamlapat Udyog Limited	2700000	12.27	2700000	12.27
2.	Accurate Finman Services Limited	2625000	11.93	2625000	11.93
3.	Florence Investech Limited	1194965	5.43	1194965	5.43



# UMANG DAIRIES LIMITED

Sl. No.	Top Ten Shareholders*	Shareholding at the beginning of the year (1st April 2014)		Cumulative Shareholding at the end of the year (31st March 2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	Mukul Mahavir Prasad Agrawal	-	-	350765	1.59
5.	Rahul Dhruv	169000	0.77	172000	0.78
6.	Dolly Khanna	79520	0.36	83920	0.38
7.	Rahul Khanna	-	-	75000	0.34
8.	Vijay Kumar Singh	72500	0.33	74100	0.34
9.	Rajesh Kumar Rameshbhai Prajapati	65458	0.30	65500	0.30
10.	Meghana Mehul Mehta	60823	0.28	50961	0.23

\* The shares of the company are traded on a daily basis and hence the datewise increase/decrease in shareholding is not indicated.

## (v) Shareholding of Directors and Key Managerial Personnel:

1. Shri Ratan Chand Jain, Director

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (as on 1st April 2014)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Ratan Chand Jain, Director				
	At the beginning of the year	100	0.0	100	0.0
	Date wise Increase/Decrease in Shareholding during the year	-			
	At the end of the year i.e. 31.03.2015			100	0.0

2. Shri Desh Bandhu Doda, Director

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (as on 1st April 2014)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Desh Bandhu Doda, Director				
	At the beginning of the year	50	0.0	50	0.0
	Date wise Increase/Decrease in Shareholding during the year	-			
	At the end of the year i.e. 31.03.2015			50	0.0

**NOTE:** Smt. Sharda Devi Singhania, Shri Ram Chandra Periwal, Shri Radhey Lal Saha, Directors of the company and Shri Milan Wahi, Chief Executive Officer (ceased w.e.f. 7th August 2015) and Shri Nemi Chand Baheti, Manager and Shri Gaurav Jain, Chief Financial Officer and Shri Gaurav Kumar Kanodia, Company Secretary of the company were not holding any shares in the company at the beginning of the year, i.e. as on 1st April 2014 and at the end of the year i.e., as on 31st March 2015 and hence there was no increase/decrease in their shareholding during the year 2014-15.



# UMANG DAIRIES LIMITED

## (V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs in lac)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	1755.48	-	-	1755.48
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3.10	-	-	3.10
<b>Total (i+ii+iii)</b>	1758.58	-	-	1758.58
<b>Change in Indebtedness during the financial year</b>				
• Addition	451.15	-	-	451.15
• Reduction	352.49	-	-	352.49
<b>Net Change</b>	<b>98.66</b>	-	-	<b>98.66</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1854.14	-	-	1854.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5.93	-	-	5.93
<b>Total (i+ii+iii)</b>	1860.07	-	-	1860.07

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(Rs. in lac)

<b>A. Remuneration to Managing Director, Whole-time Directors and/or Manager:</b>			
Sl. No.	Particulars of Remuneration	Name of MD/WT/Manager	Total Amount
		<b>Shri Nemi Chand Baheti - Manager</b>	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21.46	21.46
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.56	0.56
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option/Sweat Equity/Commission	-	-
3	Others: Contribution to Provident Fund and Insurance	1.26	1.26
	<b>Total(A)</b>	<b>23.28</b>	<b>23.28</b>
	Ceiling as per Act	Rs.65.60 Lacs (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	





# UMANG DAIRIES LIMITED

(Rs. In lac)

<b>B. Remuneration to other directors :</b>					
Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Shri Ratan Chand Jain	Shri Ram Chandra Periwal	Shri Radhey Lal Saha	
	• Fee for attending Board/ Committee Meetings	2.80	4.54	2.90	10.24
	• Commission	-	-	-	-
	<b>Total (1)</b>	<b>2.80</b>	<b>4.54</b>	<b>2.90</b>	<b>10.24</b>
Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
2	Other Non-executive Directors	Smt.Sharda Devi Singhania (appointed w.e.f. 27.03.2015)	Shri Desh Bandhu Doda		
	• Fee for attending Board /Committee Meetings	0.30	3.51		3.81
	• Commission	-	-		-
	<b>Total (2)</b>	<b>0.30</b>	<b>3.51</b>		<b>3.81</b>
	<b>Total(B)= (1+2)</b>				<b>14.05</b>
	<b>Total Managerial Remuneration (A+B)</b>				<b>37.33*</b>
	Overall Ceiling as per the Act	Rs.144.32 Lacs (being 11% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013)			

\*Total Remuneration to Non-Executive Directors, Independent Directors & Managers (being the total of A and B), includes sitting fees of Rs.14.05 lacs.

(Rs. In lac)

<b>C Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD</b>					
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Shri Milan Wahi, Chief Executive Officer	Shri Gaurav Jain, Chief Financial Officer	Shri Gaurav Kumar Kanodia, Company Secretary	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21.95	12.18	5.27	39.4
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.18	0.35	0.19	0.72
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option/Sweat Equity/Commission	-	-	-	-
3	Others;				
	Contribution to Provident Fund and Insurance	0.86	0.86	0.52	2.24
	<b>Total</b>	<b>22.99</b>	<b>13.39</b>	<b>5.98</b>	<b>42.36</b>

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2015.



## **CORPORATE SOCIAL RESPONSIBILITY REPORT**

### **1. Company's CSR Philosophy and Belief**

Umang Dairies endeavors to create communities that are economically viable and socially inclusive. Our CSR programs are thus a participatory exercise designed to provide better livelihood opportunities. We also support all National Programs that are aimed at uplifting the status of women, livelihood support through micro enterprises, enabling access to healthcare, sanitation and education.

### **2. CSR Policy**

The Company has been focusing on inclusive growth and it has been undertaking activities aimed at welfare of the society in the areas pertaining to adult literacy among women, free health check-up camps, distribution of clothings to the poor etc.

The Company has framed a CSR Policy as required under Section 135 of the Companies Act 2013. The details of the CSR Policy has been posted on the website of the Company and the web-link for the same is <http://www.umangdairies.com/CSRPoly.pdf>

### **3. ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED 31ST MARCH 2015**

At Umang Dairies Ltd., our CSR activities are focussed on four key areas such as Education, Animal Welfare, Healthcare and Awareness building on critical issues like environment and sanitation.

#### **(i) Education :**

- (a) Adult Literacy Centers – The Company opened five Adult Education Centers wherein, 170 women were enrolled and out of these 157 successfully completed the training. These women, after the programme, were able to read and write which enabled them to open bank accounts and manage their savings.
- (b) Support to rural girl students – 100 solar lamps were distributed to girl students of Kasturba Gandhi Balika Vidyalya, Amroha as most of them could not read after sunset. This initiative has improved their class performance.

#### **(ii) Animal Welfare :**

- (a) Veterinary Health Camp - Milk farming being the main stay of the local population, the Company periodically organizes veterinary health camps. In these camps, the cattle owners are brought up to date on the latest animal care practices and nutritional supplements are provided for better quality and higher yield milk. De-wormers and antibiotics are also given in these camps. In the year 2014-15, more than 830 animals were given such supplements. These camps were held in five villages.
- (b) Vaccination camps - Vaccination to prevent HS Disease amongst the cattle was arranged in partnership with Govt. Veterinary Hospital, Ujhari, Dist. Amroha. More than 1430 animals of villages Dhakia, Tarara Hazipur and Allipur Khadar and Hasanpur were vaccinated.

#### **(iii) Healthcare :**

The Company, in partnership with public health officials of the Dist., arranges camps to enable the general population to take preventive health measures against seasonal ailments like malaria, dengue, cold, fever etc. These camps also benefit people with chronic diseases like arthritis, blood pressure, diabetes etc. Four such camps were arranged in five villages and close to 300 people received medical care and medicines.

Two awareness camps were held to demonstrate the benefits of provisioning safe drinking water.

Once a year, blood donation camps are organized. During the year more than 32 people donated blood.

#### **(iv) Awareness Building on critical issues like environment and sanitation :**

- (a) Environment : World Environment Day was duly marked where 500 trees were planted. This was preceded by a talk on the importance of restoring environmental balance to mitigate the impact of deforestation, climate change and global warming.



## UMANG DAIRIES LIMITED

- (b) Sanitation : To lend support to the national programme of Swacha Bharat Mission, two awareness camps were organized in the villages where the participants were made aware of the diseases that are caused by the practice of open defecation and the need to adopt safe and hygienic defecation practices.

**4. The Composition of the CSR Committee:**

The CSR Committee comprises of the following Directors:

- Shri R. C. Periwal (Chairman of the Committee), Independent Director
- Shri R. C. Jain, Independent Director
- Shri D. B. Doda, Non-independent Director

**5. Average Net Profit/(loss) of the Company for last three financial years : Rs. (6.52) lacs.**

**6. Prescribed CSR Expenditure (two percent of the amount as in item 5 above) : N.A.**

**7. Details of CSR spent during the financial year**

- a. Total amount to be spent for financial year : N.A.
- b. Amount unspent, if any : Nil
- c. Manner in which the amount spent during the financial year is detailed below : N.A.

**8. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

(Shri D. B. Doda)  
Director

(Shri R. C. Periwal)  
Chairman CSR Committee



# UMANG DAIRIES LIMITED

ANNEXURE-3

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members  
Umang Dairies Limited  
Gajraula-Hasanpur Road  
Gajraula-244235  
District - Amroha (U.P.)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Umang Dairies Ltd.** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999- (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- (Not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- (Not applicable to the Company during the Audit Period);



# UMANG DAIRIES LIMITED

(vi) Other Laws applicable to the Company as per the representations made by the Management.

I have also examined compliance with the applicable clauses of the following-

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India - Not applicable to the Company during the Audit Period;
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, standards, etc. mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, including Occupier under the Factories Act, 1948. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate Notice is given to all directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda are also sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that**, during the audit period, the Company has:

- (a) Obtained Members' approval pursuant to Section 180(1)(c) of the Companies Act, 2013 by means of Special Resolution passed at Annual General Meeting of the Company held on 22nd September 2014 for borrowing upto Rs.50 Crores.
- (b) Obtained Members' approval pursuant to Section 180(1)(a) of the Companies Act, 2013 by means of Special Resolution passed at Annual General Meeting of the Company held on 22nd September 2014 for creating Mortgage/ charging all the movable and immovable properties of the Company for securing borrowings upto an amount not exceeding Rs.50 Crores.

Place: New Delhi  
Date : 13th May 2015

Namo Narain Agarwal  
CP No. 3331, FCS No. 234



# UMANG DAIRIES LIMITED

## Annexure – 4

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo in terms of section 134 (3) (m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and forming part of Directors' Report to the members for the year ended 31st March 2015.

### A) CONSERVATION OF ENERGY:

- (i) The steps taken or impact on conservation / alternate source of energy:-
  - (a) Installation of Vapour Absorption Machine:- Capacity 396 TR to save on Electrical Energy by replacing it with steam energy generated through bio-mass. (Electrical Energy Saved 2372500 KWH annually).
  - (b) CIP Modification of Packaging Machine and VMST:- By commissioning the CIP on both the equipments in one circuit saved 16060 KWH.
  - (c) Replacement of Five Nos. Pumps:- By Replacing Five Nos Pumps 30 HP Each with single Pump of 75 HP with VFD for chilled water circulation (Saved 408435 KWH annually).
  - (d) Water Recycling Project:- Water Recycling Projects in Drying Plant and Liquid Milk Plant of Condensate utilization 573000 Ltrs/Day in peak flush season & utilization of final rinse of Total CIP for Crate Washing (Saving 45168 KWH).
- (ii) The total capital investment for Energy Conservation initiative is Rs.270 Lacs.

### B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:-

Following projects have been initiated and completed during Financial Year 2014-15:-

1. Milk Pasteurizer Regeneration By-pass System:-  
Reduction in start up and break-down time. Installation of 2 CT Valves. This has helped us in regaining the required temperature in Pasteurizer within 05 minutes as compared to earlier 15 Minutes.
2. Caustic Lye Recirculation Project:-  
Cleaning Agents (Caustic Lye) being used for CIP of Pasteurizer are being recycled for crate washing by creating infrastructure of pipeline and tanks.
3. For Better Efficiency of Milk Chillers additional Plates incorporated in Existing Plates, thus helping in better temperature profile.

### C) PARTICULARS OF CONSERVATION OF ENERGY

#### A. Power & Fuel Consumption

	2014-2015	2013-2014
<b>1. Electricity</b>		
a) Purchased Units (Kwh in Lac)	99.64	112.23
Total Amount (Rs./Lac)	711.62	770.63
Rate per Unit (Rs.)	7.14	6.87
b) <u>Own Generation</u>		
Through Diesel Generators		
Units (Kwh in Lac)	16.15	15.11
Total Amount (Rs./Lac)	279.37	254.21
Unit per litre of Diesel Oil	3.30	3.25
Cost / Unit (Rs.)	17.30	16.83
<b>2. Fuel</b>		
a) <u>Paddy Husk</u>		
Quantity (MT)	22493.55	17430.67
Total Amount (Rs./Lac)	655.39	506.46
Rate / Unit (Rs./MT)	2913.68	2905.59



# UMANG DAIRIES LIMITED

	2014-2015	2013-2014
b) <u>Furnace Oil/HSD</u>		
Quantity (MT)	-	156.35
Total Amount (Rs./Lac)	-	91.83
Rate / Unit (Rs./MT)	-	58733.61
c) <u>Other Fuels</u>		
Quantity (MT)	1987.97	927.04
Total Amount (Rs./Lac)	30.93	21.23
Rate / Unit (Rs./MT)	1555.85	2265.65

## B. Consumption per Unit of production

\*(Units per thousand Kg. of milk processed)

	DP#	LMP~	Overall 2014-15	Overall 2013-14
Electricity (Kwh)	94.84	31.50	49.65	59.64
<b>Fuel</b>				
Paddy Husk (Kg.)	223.16	45.55	96.46	81.64
Furnance Oil/HSD (Kg.)	0.00	0.00	0.00	0.73
Others	20.50	3.71	8.53	4.34

\* All Milk Powders and Pure Ghee have common manufacturing process and it is not possible to give separate consumption of Electricity and Steam for these products. Therefore, consumption of Electricity and Fuel has been given per thousand Kg. of Milk processed.

# Drying Plant

~ Liquid Milk Plant

## C. Research & Development

The Company spent Rs. 2.32 Lac on R&D during the year.

In our R & D Wing, we are working on development of new products to improve our Product Basket in the market. During the year the following products have been developed in different categories:-

1. Milk Shake in Butter Scotch, Elaichi, Cappuccino, Keshar, Strawberry, Chocolate, Pistachio, Cold Coffee Flavours.
2. Water Beverages Jaljeera & Aampana.
3. Rabri - Milk based sweet

The team is also working on some new products like Fruit Juices, ready- to- serve fermented food products, baby foods & energy drinks also.

## D. Foreign Exchange Earnings and Outgo

(Rs.in Lac)

Foreign Exchange earned	1010.02
Foreign Exchange used	NIL





# UMANG DAIRIES LIMITED

## CORPORATE GOVERNANCE REPORT

1. **Company's Philosophy on Code of Governance:** Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The core values of the Company are :-

- Commitment to excellence and customer satisfaction
- Maximizing long term shareholders' value
- Socially valued enterprise and
- Caring for people and environment.

In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long-term shareholders' value and remaining committed to high standards of business ethics. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practised by its entire management cadre.

2. **Board of Directors:**

The Board of Directors consists of five Non-Executive Directors of which three are presently Independent Directors. Other details are as given hereunder:

Director	Category	No. of Board Meetings attended during 2014-15	Whether attended last A.G.M. (22.09.2014)	No. of other Directorships and Committee Memberships/ Chairmanships		
				Other Directorships*	Other Committee Memberships **	Other Committee Chairmanships**
Shri R. C. Periwal <sup>Δ</sup>	Non-Executive Independent	6	Yes	1	1	-
Shri R.C. Jain <sup>Δ</sup>	Non-Executive Independent	6	Yes	-	-	-
Shri R.L. Saha <sup>Δ</sup>	Non-Executive Independent	6	Yes	-	-	-
Shri D. B. Doda	Non- Executive Non-Independent	6	Yes	-	-	-
Smt. Sharda Devi Singhania <sup>#</sup>	Non-Executive Non-Independent	1	N.A.	-	-	-

\* excludes Directorships in Private Ltd. Companies, Foreign Companies, memberships of Managing Committees of various Chambers/ bodies /Section 8 Companies.

\*\* only covers Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee.

<sup>Δ</sup> Pursuant to the provisions of the Companies Act, 2013, Shri R. L. Saha, Shri R.C. Jain and Shri R. C. Periwal, Directors of the Company were appointed by the shareholders as an Independent Directors at the Annual General Meeting (AGM) held on 22nd September 2014 for a term of one year, two consecutive years and five consecutive years respectively commencing from the date of AGM and the formal letters of appointment have also been issued to each of them. The terms and conditions of their appointment have been disclosed on the website of the Company.

<sup>#</sup> Appointed as a Director w.e.f. 27.03.2015.

At present the Directors of the Company have not elected any permanent Chairman but the Directors present at each meeting elect one of the non-executive Directors then present to be the Chairman of the meeting. However, the Company complies with requirement of Clause 49(II)(A) of the Listing Agreement, as three out of the five Directors are independent.

Shri N. C. Baheti is the Manager of the Company u/s 203 of the Companies Act, 2013.



# UMANG DAIRIES LIMITED

## Date & Number of Board Meetings held:-

Six Board Meetings were held during the year 2014-15, i.e. on 13th May 2014, 7th August 2014, 5th November 2014, 20th November 2014, 4th February 2015 and 27th March 2015.

The Board periodically reviews Compliance Reports of all laws applicable to the Company and has put in place procedure to review steps to be taken by the Company to rectify instances of non – compliances, if any.

The Company already has a Code of Conduct in position for Management Cadre Staff (including Executive Directors). In terms of the Clause 49 of the Listing Agreement and contemporary practices of good corporate governance, the Board has laid down a code of conduct for all Board Members and Senior Management of the Company and the same is available on the website ([www.umangdairies.com](http://www.umangdairies.com)). All the Board Members and Senior Management Personnel have affirmed compliance with the code. This report contains a declaration to this effect signed by Chief Executive Officer (CEO).

### 3. Separate Meeting of the Independent Directors:

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 4th February 2015. Shri R.L. Saha chaired the said meeting and all the Independent Directors of the Company were present at the said Meeting.

### 4. Familiarisation Programme For Independent Directors:

In accordance with the provisions of Clause 49 of the Listing Agreement, the Company has been conducting various familiarisation programmes for Independent Directors. The details of such familiarisation programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is: <http://www.umangdairies.com/Familiarisation%20Programme%20of%20INDs.pdf>

### 5. Performance Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause 49 of the Listing Agreement ("Clause 49").

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the active participation, informed and balanced decision making, independence of judgement etc. In addition, the Chairman of the meetings of the Board of the Company was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman of the meetings of the Board of the Company was evaluated. The Chairman of the Meeting of the Independent Directors apprised the Board about the evaluation carried by it and that the Independent Directors were satisfied in this regard.

### 6. Audit Committee: Terms of Reference of the Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement with the Stock Exchange and Section 177 of the Companies Act, 2013.

The Committee presently consists of three Directors, all Non – Executive Independent Directors. The Composition of the Committee is in conformity with the provisions of Section 177 of the Companies Act, 2013 and also Clause 49 of the Listing Agreement.

Four meetings of the Audit Committee were held during the year 2014 -15 as detailed hereunder:

Dates of the meetings and the number of the Members attended are:

Dates of meetings	No. of members attended
13th May 2014	3
7th August 2014	3
5th November 2014	3
4th February 2015	3

The names of the Members of the Committee and their attendance at the Meetings are as follows:

Name	Status	No. of Meetings attended
Shri R. C. Jain	Member	4
Shri R. C. Periwal	Member	4
Shri R. L. Saha	Member	4

Members of the Committee present at each meeting elect one of the Independent Director to be the Chairman of the meeting.



# UMANG DAIRIES LIMITED

The Manager regularly attends the said Committee meetings and Company Secretary acts as Secretary of the Committee. All the Committee meetings were attended by the Statutory Auditor.

## 7.1 Nomination and Remuneration Committee:

The Nomination and Remuneration Committee presently consists of Shri R.C. Periwal, Independent Director, Shri R.L. Saha, Independent Director and Shri D.B. Doda, Non-Independent Director. The Composition and the role of the committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Four meetings of the Nomination and Remuneration Committee were held during the year 2014-15 as detailed hereunder :

Dates of the meetings and the number of the Members attended are:

Dates of meetings	No. of members attended
13th May 2014	3
7th August 2014	3
20th November 2014	3
27th March 2015	3

The names of the Members of the Committee and their attendance at the Meetings are as follows:

Name	Status	No. of Meetings attended
Shri R.C. Periwal	Chairman	4
Shri D.B. Doda	Member	4
Shri R.L. Saha	Member	4

## 7.2 Nomination and Remuneration Policy:

In accordance with the provisions of the Companies Act 2013 and Clause 49 of the Listing Agreement, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company including criteria for determining qualifications, positive attributes, independence of a Director as well as a policy on Board Diversity. The policy provides as follows:

- The Nomination and Remuneration Committee of Directors (the Committee) shall take into consideration the following criteria for recommending to the Board for appointment as a Director of the Company: (a) Qualifications & experience. (b) Positive attributes like respect for Company's core values, professional integrity, strategic capability with business vision, etc. (c) In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as Independent Director as per the applicable

laws & regulations. (d) The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.

- The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Act, Listing Agreement with Stock Exchange and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.
- The Board will review the performance of a Director as per the structure of performance evaluation adopted by the Board for Directors including Executive Directors.
- The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and board diversity in mind in recommending any new name of Director for appointment to the Board.
- The eligibility criteria for appointment of Key Managerial Personnel (KMPs) and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled by senior personnel having relevant qualifications and experience. The Compensation structure for KMPs and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks. The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

## 7.3 Remuneration Paid to the Directors:

The Company has paid sitting fees aggregating to Rs.14.05 lac to all Non-Executive Directors for attending the meetings of the Board and/or Committees of Directors (including sitting fee for a separate meeting of Independent Directors), during the financial year 2014-15. Number of Equity Shares held by Non-Executive Directors: Shri D.B. Doda (50 Equity Shares) and Shri R.C. Jain (100 Equity Shares)

Non-Executive Directors did not have any other material pecuniary relationship or transaction vis-a-vis the Company during the year.



# UMANG DAIRIES LIMITED

- 8. Stakeholders' Relationship Committee:** The Committee presently consists of three directors, namely Shri R.C. Periwal (Chairman), Shri R.C. Jain and Shri R.L. Saha. The Composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Four meetings of the said Committee were held during the year 2014-15 as detailed hereunder:

Dates of the meetings and the number of the Members attended are:

Dates of meetings	No. of members attended
13th May 2014	3
7th August 2014	3
5th November 2014	3
4th February 2015	3

The names of the Members of the Committee and their attendance at the Meetings are as follows:

Name	Status	No. of Meetings attended
Shri R. C. Periwal	Chairman	4
Shri R. C. Jain	Member	4
Shri R. L. Saha	Member	4

Shri Gaurav Kumar Kanodia, Company Secretary, is the Compliance Officer.

Five investor complaints were received during the financial year ended 31st March 2015, which were promptly resolved to the satisfaction of the investor concerned. The Board had already delegated the power of share transfer to the Committee of Directors. Now w.e.f. 5th November 2014, Board has delegated the said power of share transfer to Share Transfer Committee of Directors, which approves registration of transfer and transmission of shares in Physical Mode as and when required. All valid requests for transfer of shares were processed in time and there were no pending transfers of shares. For registration of transfer and transmission of shares, 20 meetings of the committee of Directors were held upto 4th November 2014 and 17 meetings of the Share Transfer Committee were held from 5th November 2014 to 31st March 2015.

- 9. Corporate Social Responsibility Committee:** The Board of Directors constituted the Corporate Social Responsibility Committee (CSR) of the Board at its meeting held on 13th May 2014. This Committee meets the criteria laid down under Section 135 of the Companies Act, 2013 and Rules made therein.

Two meetings of the said Committee were held during the year 2014-15 as detailed hereunder:

Dates of the Meeting and the number of Members attended are :-

Dates of meetings	No. of members attended
7th August 2014	3
4th February 2015	3

The names of the Members of the Committee and their attendance at the Meetings are as follows:

Name	Status	No. of Meetings attended
Shri R.C. Periwal	Chairman	2
Shri R.C. Jain	Member	2
Shri D. B. Doda	Member	2

## 10. General Body Meetings:

- (i) Location and time for last three Annual General Meetings were:

Year	Location	Date	Time
2011-2012	Gajraula, Hasanpur Road Gajraula - 244235 Distt. Amroha (U.P.)	27.08.2012	12.30 P.M.
2012-2013	Same as above	03.08.2013	12.30 P.M.
2013-2014	Same as above	22.09.2014	11.30 A.M.

- (ii) No Special Resolutions were required to be put through postal ballot last year.
- (iii) Special Resolutions passed in previous 3 Annual General Meetings:
- (a) At the last Annual General Meeting of the Company held on 22nd September 2014, Special Resolutions were passed:
- to approve the appointment of Shri. N.C. Baheti as a Manager of the Company for a period of five years w.e.f. 13th May 2014.
  - to authorize the Board of Directors to borrow money upto an amount not exceeding Rs.50 Crores.
  - to authorize the Board of Directors to create mortgage/charges on the properties of the Company in favour of the lenders upto an amount not exceeding Rs.50 Crores.
- (b) No Special Resolutions were passed at the Annual General Meetings of the Company held on 3rd August 2013 and 27th August 2012.

- 11. Disclosures:** Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.

**None**

All the Related Party Transactions are dealt with in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.



# UMANG DAIRIES LIMITED

The Company has also formulated a policy on dealing with Related Party Transactions and also on the materiality of Related Party Transactions. This Policy is available on the website of the Company and the weblink for the same is: <http://www.umangdairies.com/RelatedPartyTransactionPolicy.pdf>.

Suitable disclosure as required on Related Party transactions has been made in the Annual Report.

Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

**None**

**Vigil Mechanism/Whistle Blower Policy:** The Board of Directors of the Company at its meeting held on 7th August 2014 has formulated a Vigil Mechanism/ the Whistle Blower Policy for the Directors and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behaviour, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the interests of the business of the Company.

The details of establishment of such mechanism has been also disclosed on the website of the Company. It is affirmed that no personnel has been denied access to the Audit Committee.

**Risk Management:** The Company has a risk management system and has laid down procedures to inform Board Members about risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

- 12. Means of Communication:** Quarterly and annual financial results are normally published in English Newspaper "Business Standard" or "Financial Express" and "Business Standard" or "Jansatta", Lucknow Edition in Hindi and are promptly furnished to the Stock Exchange for display on its website. The results are also displayed on the website of the company "www.umangdairies.com". 'Management Discussion & Analysis' forms part of the Annual Report.

**13. General Shareholders' Information:**

**(i) Annual General Meeting:**

- (a) Date and Time : Tuesday, 29th September 2015  
At 11.30 A.M.

Venue : Gajraula Hasanpur Road  
Gajraula – 244 235  
Distt. Amroha, Uttar Pradesh.

- (b) As required under Clause 49 VIII (E) (1), a brief resume and other particulars of the Directors seeking appointment or retiring by rotation and seeking re-appointment at the aforesaid AGM are given in the notes to the Notice convening the said Meeting.

- (ii) Book Closure:** 21st September 2015 to 29th September 2015 (both days inclusive)

- (iii) Dividend Payment Date:** 5th October 2015 to 10th October 2015

**(iv) Financial Calendar (Tentative):**

Year ending March 31  
Annual General Meeting Between June and  
for the year ending September, 2016  
March 31, 2016

**(v) Listing of Equity Shares (Including Security Code):**

The Equity Shares of the Company are listed on BSE Limited (Stock Code - 500231). Listing Fee for the year 2015-2016 has been paid to BSE Limited.

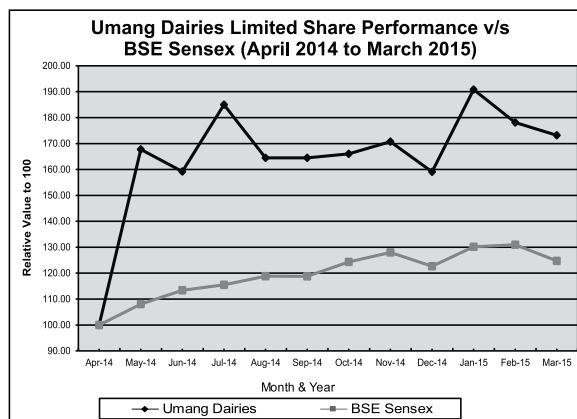
**(vi) Stock Market Price Data and Share Performance:**

Monthly high and low quotations at BSE during 2014-2015 are given in the table below:

Month	BSE Limited (Rs.)		BSE Sensex
	High	Low	
<b>2014</b>			
April	39.70	29.60	22417.80
May	60.00	32.00	24217.34
June	59.90	47.40	25413.78
July	66.60	50.80	25894.97
August	72.65	52.20	26638.11
September	62.55	49.30	26630.51
October	59.85	48.70	27865.83
November	61.50	51.00	28693.99
December	62.00	46.00	27499.42
<b>2015</b>			
January	69.30	50.60	29182.95
February	67.50	54.65	29361.50
March	65.00	51.95	27957.49

(Source: www.bseindia.com)

**(vii) Umang Dairies Ltd.'s Share Performance vs. BSE Sensex (April 2014 to March 2015)**



(Source: www.bseindia.com)



# UMANG DAIRIES LIMITED

## (viii) Dematerialisation of shares and liquidity:

The Equity Shares of the Company are presently tradeable in compulsory demat segment. The ISIN No. for Equity Shares of the Company for both the depositories is INE864B01027. As on 31st March 2015, 93.39% of the Company's Equity Share Capital was in dematerialised form.

In respect of Shares held in electronic form, all the requests for nomination, change of address and rematerialisation etc. are to be made only to the Depository Participant with whom the Shareholders have opened their Demat Account. The Company will not be in a position to process such requests.

## (ix) Share Transfer System:

The transfer / transmission of shares in physical form is normally processed and completed within a period of 10 days from the date of receipt thereof. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through the respective Depository Participants.

## (x) (a) Distribution of shareholding (both in physical and electronic form) as on March 31, 2015:

Number of Equity Shares held	Shareholders		Shares Held	
	Number	%	Number	%
1 to 1000	17,409	96.98	24,48,695	11.13
1001 to 10000	493	2.75	14,58,601	6.63
Over 10000	48	0.27	1,80,95,904	82.24
Total	17,950	100.00	2,20,03,200	100.00

## (b) Pattern of Equity Shareholding (both in physical and electronic form) as on 31st March 2015:

Category	No. of Equity Shares held	Percentage of Shareholding
Domestic Companies	1,67,20,479	75.99
Resident Individuals	51,15,828	23.25
FIs, Mutual Funds & Banks	16,100	0.07
Foreign Investors/ FIIs / NRIs	1,50,793	0.69
Total	2,20,03,200	100

## (xi) Outstanding GDRs / ADRs / Warrants or any other Convertible Instrument, conversion date and likely impact on equity:

There are no outstanding GDRs/ ADRs/ Warrants or any other Convertible Instruments. As such there will be no impact on the equity.

## (xii) Plant Location:

### Umang Dairies Limited

Gajraula Hasanpur Road, Gajraula – 244 235  
Distt. Amroha, Uttar Pradesh.

## (xiii) Address for Correspondence for Share Transfer and related matters:

### 1. Registrar & Share Transfer Agents:

MAS Services Ltd.  
T-34, IInd Floor  
Okhla Industrial Area  
Phase – II  
New Delhi – 110 020  
Ph. 011-26387281/82  
E-mail: info@masserv.com

### 2. Company Secretary

Umang Dairies Limited  
Gulab Bhawan (Rear Block – 3rd Floor)  
6A, Bahadur Shah Zafar Marg  
New Delhi – 110 002  
Ph. 011- 30179776  
Fax No. 011- 23739475  
E-mail: csudl@jkm.com

## (xiv) Exclusive e-mail ID for redressal of investors complaints:

In compliance of Clause 47(f) of the Listing Agreement, "sharesumang@jkm.com" is the e-mail ID exclusively for the purpose of registering complaints by investors.

## 14. Declaration:

It is hereby declared that all the members of the Board and Senior Management personnel have affirmed compliance with the "Code of Conduct for Members of the Board and Senior Management of Umang Dairies Limited" during the Financial Year ended 31st March 2015.

Milan Wahi  
Chief Executive Officer

## 15. Code for Prevention of Insider Trading:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has adopted (i) the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and (ii) the Code of Conduct to Regulate, Monitor and Report Trading by Insiders, in terms of the said Regulations.





# UMANG DAIRIES LIMITED

## AUDITORS' COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of Umang Dairies Limited

We have examined the compliance of conditions of Corporate Governance by Umang Dairies Limited for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For LODHA & CO.,  
Chartered Accountants  
Firm Registration No. 301051E

N. K. Lodha  
Partner  
(Membership No. 85155)

Place : New Delhi  
Date : 10th August 2015





**UMANG DAIRIES LIMITED**

# **FINANCIAL SECTION**



# UMANG DAIRIES LIMITED

## INDEPENDENT AUDITOR'S REPORT

### To the Members of UMANG DAIRIES LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of UMANG DAIRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 in place an adequate internal financial controls system over financial reporting 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 Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained 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, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



## UMANG DAIRIES LIMITED

- (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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer Note no. 2.25 to the financial statements.
  - ii. The Company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For LODHA & CO.  
Chartered Accountants  
Firm Registration No. 301051E

N. K. Lodha  
Partner  
(Membership No. 85155)

Place : New Delhi  
Date : 13<sup>th</sup> May 2015



# UMANG DAIRIES LIMITED

## ANNEXURE TO THE AUDITOR'S REPORT

**Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date for the year ended 31st March 2015.**

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets except in case of certain assets where the same is in process of updation.  
(b) As explained to us, the fixed assets have been physically verified by the management according to a phased programme designed to cover all the items over a period of three years (except assets lying with third parties read with Note no 2.33) which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.
2. (a) The inventories of the Company (except stock lying with third parties and in transit) has been physically verified by the management at reasonable intervals.  
(b) In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.  
(c) In our opinion and according to information and explanations given to us, the Company is maintaining proper records of inventory (in respect of stock in process, records are updated on physical verification of stock on periodical basis). The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
3. The Company has not granted any loan secured or unsecured to any companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii) (a) & (b) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, having regards to the explanations, that some of the items purchased/sold/services rendered are of special nature and suitable alternative sources do not exist for obtaining comparable quotations or where user department has shown specific preference, where, as explained, rates were determined considering the quality, volume, nature of the items and market conditions prevailing at that time, there are internal control systems commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory, fixed assets, services and for the sale of goods/fixed assets and services where steps have been initiated to strengthen system further(read with note no.2.33). Based on the audit procedure performed and on the basis of information and explanations provided by the management, during the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system nor being identified by the management.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and rules framed thereunder and the directives issued by Reserve bank of India or any other relevant provisions of the Act. We have been informed that no order has been passed by the Company Law Board or National Company law Tribunal or Reserve Bank of India or any Court or other tribunal in this regard.
6. We have broadly reviewed the books of accounts required to be maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act in respect of the Company's product to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
7. (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess and other material statutory dues with the appropriate authorities to the extent applicable and there were no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2015 except Sales Tax of Rs. 2,33,677/- and Mandi Tax of Rs. 6,23,000/-.  
(b) According to the records and information & explanations given to us, there are no dues in respect of Wealth Tax, Service Tax, Duty of Customs, Duty of Excise or Value Added Tax that have not been deposited with the appropriate authorities to the extent applicable on account of any dispute and the dues in respect of Income tax, Sales tax and Cess that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending are given below:-



# UMANG DAIRIES LIMITED

Name of Statute	Nature of the dues	Amount (Rs. in Lacs)	Period	Forum where dispute is pending
Sales Tax Act	Sales Tax Demand/ Penalty/ Interest	1.78	1994-95/ 1998-2000	Sales Tax Tribunal
		40.65	1995-2007	Appellate Authorities
		3.00	1995-96	High Court
		32.57	2010-2015	Appellate Authorities
UP Krishi Utpadan Mandi Samiti Adhiniyam' 1964	Market Fees including Development Cess	162.89	1998-99/ 2005-06	Tribunal
UP Milk Act	Cess on Milk	69.25	1994-96	High Court
Income Tax Act	Income Tax	495.28	2011-12	CIT(Appeal)

(c) According to the records of the Company and information and explanations given to us, there were no amount due to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act and Rules made there under.

8. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year & in the immediately preceding financial year.
9. In our opinion, on the basis of audit procedure and

according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The company does not have any dues to financial institutions or debenture holders. – Read with foot note (b) of Note No. 2.3.

10. According to the information and explanations given to us, corporate guarantee has been issued by the company for loan taken by others {Refer Note No 2.25 (c)} from banks, the terms and conditions whereof are not, prima facie, prejudicial to the interest of the company.
11. In our opinion, on the basis of information and explanations given to us, term loans were applied for the purpose for which these loans were obtained.
12. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud on or by the Company has been noticed or reported during the course of our audit nor we have been informed about any such instance.

For LODHA & CO.  
Chartered Accountants  
Firm Registration No. - 301051E

N. K. Lodha  
Partner  
(Membership No. 85155)

Place : New Delhi  
Date : 13<sup>th</sup> May 2015



# UMANG DAIRIES LIMITED

## BALANCE SHEET

As at 31st March, 2015

(Rs. in Lac)

Particulars	Note No.	Figures as at the end of current reporting period (31.03.2015)	Figures as at the end of previous reporting period (31.03.2014)
1	2	3	4
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2.1	1,459.16	1,459.16
(b) Reserves and surplus	2.2	1,603.51	1,032.45
		<b>3,062.67</b>	<b>2,491.61</b>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	2.3	363.60	273.85
(b) Deferred tax liabilities (Net)		317.38	204.63
(c) Other Long term liabilities	2.4	1,158.16	1,158.73
(d) Long-term provisions	2.5	131.15	95.92
		<b>1,970.29</b>	<b>1,733.13</b>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	2.6	1,090.41	1,176.27
(b) Trade payables		768.98	904.45
(c) Other current liabilities	2.7	1,441.55	1,347.34
(d) Short-term provisions	2.5	734.58	863.39
		<b>4,035.52</b>	<b>4,291.45</b>
<b>TOTAL</b>		<b>9,068.48</b>	<b>8,516.19</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Fixed assets</b>	2.8		
(i) Tangible assets		3,344.28	2,855.74
(ii) Intangible assets		1.70	2.94
(iii) Capital work-in-progress		118.75	98.77
(b) Long-term loans and advances	2.9	222.40	196.08
(c) Other non current assets	2.10	1.00	1.00
		<b>3,688.13</b>	<b>3,154.53</b>
<b>2 Current assets</b>			
(a) Inventories	2.11	4,302.43	3,891.35
(b) Trade receivables	2.12	430.77	600.80
(c) Cash and cash equivalents	2.13	69.21	92.97
(d) Short-term loans and advances	2.14	577.94	776.54
		<b>5,380.35</b>	<b>5,361.66</b>
<b>TOTAL</b>		<b>9,068.48</b>	<b>8,516.19</b>

Significant Accounting Policies & Notes on Accounts 1&2 attached to the Balance Sheet are an integral part thereof.

As per our report of even date.

for LODHA & CO.  
Chartered Accountants

N.C.Baheti  
(Manager)

N.K. Lodha  
Partner  
(Membership No. 85155)  
Firm Registration No. – 301051E  
New Delhi : 13<sup>th</sup> May 2015

Gaurav Jain  
(Chief Financial Officer)  
Gaurav Kumar Kanodia  
(Company Secretary)

Desh Bandhu Doda  
Ratan Chand Jain  
Ram Chandra Periwal  
Radhey Lal Saha  
Sharda Devi Singhania

Directors



# UMANG DAIRIES LIMITED

## Profit and loss statement for the Year ended 31.03.2015

(Rs. in Lac)

Particulars		Note No.	Figures for the current reporting period ending 31.03.2015	Figures for the previous reporting period ending 31.03.2014
I.	<b>Revenue from operations</b>	2.15	<b>25,119.91</b>	21,640.31
	Less: Excise Duty		<b>5.46</b>	2.13
	Revenue from operations (net)		<b>25,114.45</b>	21,638.18
II.	<b>Other income</b>	2.16	<b>21.36</b>	26.85
III.	<b>Total Revenue</b>		<b>25,135.81</b>	21,665.03
IV.	<b>Expenses:</b>			
	Cost of materials consumed	2.17	<b>19,293.07</b>	17,835.42
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.18	<b>(413.39)</b>	(1,228.20)
	Employee benefits expense	2.19	<b>1,067.93</b>	822.31
	Finance costs	2.20	<b>99.91</b>	53.74
	Depreciation and amortization expense	2.8	<b>262.86</b>	149.21
	Other expenses	2.21	<b>3,527.02</b>	3,167.29
	<b>Total expenses</b>		<b>23,837.40</b>	20,799.77
V	<b>Profit before tax</b>		<b>1,298.41</b>	865.26
VI	<b>Tax expense:</b>			
	(1) Current Tax		<b>380.46</b>	266.96
	Less: MAT credit entitlements		-	-
	Net Current Tax		<b>380.46</b>	266.96
	(2) Deferred Tax		<b>121.51</b>	2.29
	(3) Tax adjustments for Earlier Years		<b>(55.19)</b>	-
VII	<b>Profit for the period</b>		<b>851.63</b>	596.01
VIII	<b>Earnings per equity share:</b>	2.22		
	(1) Basic		<b>3.87</b>	2.71
	(2) Diluted		<b>3.87</b>	2.71

Significant Accounting Policies & Notes on Accounts 1&2 attached to the Profit and Loss Statement are an integral part thereof.

As per our report of even date.

for LODHA & CO.  
Chartered Accountants

N.C.Baheti  
(Manager)

N.K. Lodha  
Partner  
(Membership No. 85155)  
Firm Registration No. – 301051E  
New Delhi : 13<sup>th</sup> May 2015

Gaurav Jain  
(Chief Financial Officer)  
  
Gaurav Kumar Kanodia  
(Company Secretary)

Desh Bandhu Doda  
Ratan Chand Jain  
Ram Chandra Periwal  
Radhey Lal Saha  
Sharda Devi Singhania

Directors





# UMANG DAIRIES LIMITED

## Significant Accounting Policies and Notes to Accounts for the year ended 31st March'2015

### 1. Significant Accounting Policies

- 1.1 The financial statements have been prepared under historical cost convention on accrual basis in compliance with applicable 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.
- 1.2 Fixed Assets are stated at cost of acquisition/purchase.
- 1.3 Expenditure during construction/erection period is included under Capital Work-in-Progress and allocated to the respective fixed assets on completion of construction/erection.
- 1.4 Depreciation on fixed assets has been provided using Straight Line Method over their useful life as prescribed under Schedule II of the Companies Act, 2013. Continuous process plants as defined in Schedule II have been considered on technical evaluation. However in respect of plant & machinery, depreciation is provided as per their useful life as assessed, ranging from 3 to 18 years.
- 1.5 Foreign Currency transactions are recorded at the rate of exchange prevailing on the date of transactions. Assets and Liabilities related to foreign currency transactions are translated at exchange rate prevailing at the end of the year. Increase / decrease arising in respect thereof are adjusted in the Profit and Loss Statement. Premium/discount in respect of forward contracts is recognized over the life of the Contracts.
- 1.6 Inventories are valued at lower of cost and net realisable value. The cost is computed on weighted average basis. Cost for the purpose of Finished Goods and Process Stock is determined considering material, labour and related overheads.
- 1.7 Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/ construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use and other borrowing costs are charged to Profit & Loss Statement.
- 1.8 Revenue Expenditure on Research and Development is charged to Profit & Loss Statement and Capital Expenditure is added to cost of Fixed Assets.
- 1.9 Employee benefits:
  - (i) Defined Contribution Plan:

Employee benefits in the form of Provident Fund, ESI are considered as defined contribution plan and the contributions are recognized in the Profit and Loss Statement of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective authorities.
  - (ii) Defined Benefit Plan:

Retirement benefits in the form of Gratuity, Leave Encashment and PF (funded) are considered as defined benefit obligations and are provided for on the basis of actuarial valuation determined using the projected unit credit method, as at the date of the balance sheet. Actuarial gains/losses are immediately recognized in the Profit and Loss Statement.
  - (iii) Short-term compensated absences are provided based on past experience of leave availed.
- 1.10 An asset is treated as impaired when the carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to the profit and loss Statement when an asset is identified as impaired. Reversal of impairment loss recognised in prior periods is recorded when there is an indication that the impairment losses recognised for the assets no longer exists or has decreased. Post impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life.
- 1.11 Provision in respect of present obligation arising out of past events is made in Accounts when reliable estimates can be made of the amount of the obligation. Contingent Liabilities (if material) are disclosed by way of Notes to Accounts.
- 1.12 Current Tax is the amount of Tax payable on the estimated taxable income for the current year as per the Provision of Income Tax Act, 1961. Deferred Tax Assets and liabilities are recognised for timing differences in respect of current year and prospective years. Deferred Tax Asset is recognised on the basis of reasonable/virtual certainty that sufficient future taxable income will be available against which the same can be realised.
- 1.13 Use of Estimates and Assumptions:

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and the estimates are recognized in the period in which the results are known /materialized.



# UMANG DAIRIES LIMITED

## 2.1 SHARE CAPITAL

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs. in lac	Rs. in lac
<b>Authorised</b>		
3,00,00,000 (P.Y.- 3,00,00,000) Equity Shares of Rs. 5 each	1,500.00	1,500.00
6,00,000 (P.Y.- 6,00,000) Redeemable Preference shares of Rs. 100 each	600.00	600.00
	2,100.00	2,100.00
<b>Issued, Subscribed and Paid-up</b>		
2,20,03,200 (P.Y.- 2,20,03,200) Equity Shares of Rs. 5 each	1,100.16	1,100.16
3,59,000 (P.Y.- 3,59,000) Zero coupon Redeemable Preference shares of Rs. 100 each	359.00	359.00
<b>Total</b>	1,459.16	1,459.16

### Notes:-

#### (i) Rights and preferences attached to Equity Shares:

- The Company has only one class of Equity Shares having face value of Rs. 5/- each and each shareholder is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

#### (ii) Preference Shares :-

Pursuant to BIFR Order, 2,08,000 no. Preference Shares are redeemable on 20.10.2016 and balance 1,51,000 no. Preference Shares are redeemable on 30.06.2018. Each shareholder of preference shares is entitled to have a right to vote only on resolutions placed before the company which directly affect the rights attached to his/her preference shares and in proportion as paid up preference share capital bears to the total paid up capital. On liquidation the preference shares have preferential right to receive the preference share capital, but not in the distribution of surplus.

#### (iii) Bonus share issued during last five year Nil

#### Reconciliation of the number of shares outstanding

Particulars	31.03.2015		31.03.2014	
	No. of Equity Shares	No. of Preference Shares	No. of Equity Shares	No. of Preference Shares
Shares outstanding at the beginning of the year	2,20,03,200	3,59,000	2,20,03,200	3,59,000
Shares issued during the year	-	-	-	-
Shares bought back/redeemed during the year	-	-	-	-
Shares outstanding at the end of the year	2,20,03,200	3,59,000	2,20,03,200	3,59,000

#### Details of Equity Shareholders holding more than 5% of equity shares

Name of Shareholder	No. of Shares held	
	As at 31 March 2015	As at 31 March 2014
Accurate finman Services Ltd.	26,25,000	26,25,000
Bengal & Assam Company Ltd.	99,22,965	99,22,965
Juggilal Kamlapat Udyog Ltd.	27,00,000	27,00,000
Florence Investech Ltd.	11,94,965	11,94,965



# UMANG DAIRIES LIMITED

## Details of Preference Shareholders holding more than 5% of preference shares

Name of Shareholder	No. of Shares held	
	As at 31 March 2015	As at 31 March 2014
T.K.Ruby & Co.	40,000	40,000
Hero Paper Stores	50,000	50,000
Usha Fertiliser Co.Ltd.	-	23,000
Accurate Finman Services Ltd.	23,000	-
Vijay Narain Bhargava	45,000	45,000
Hero Multi-Pap Pvt.Ltd.	40,000	40,000
Samji Raishi Karia	76,000	76,000
Hemlata Dhiraj Karia/Dhiraj D.Karia	80,000	80,000

## 2.2 RESERVES AND SURPLUS

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
<b>General Reserve</b>		
Opening Balance	107.00	62.00
Less: Opening balance of Fixed assets whose life as on 31.03.2014 has expired adjusted against opening reserve (net of deferred tax Rs.8.76 lac)	(16.55)	-
Add: Transferred from Surplus	65.00	45.00
Closing Balance	155.45	107.00
<b>Surplus/(Deficit)</b>		
Opening balance	925.45	631.86
Net Profit/(Net Loss) as per the profit & Loss Statement	851.63	596.01
<b>Amount available for appropriation</b>	1,777.08	1,227.87
<b>Appropriations:-</b>		
Transferred to General Reserve	65.00	45.00
Proposed Dividend	220.03	220.03
Corporate Dividend tax	43.99	37.39
Closing Balance	1,448.06	925.45
	1,603.51	1,032.45

Note: Dividend proposed @ Rs.1.00 (Rs.1.00/-P.Y.) per Equity Share

## 2.3 LONG TERM BORROWINGS

Particulars	NON CURRENT		CURRENT MATURITIES	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
	Rs. in lac	Rs. in lac	Rs. in lac	Rs. in lac
<b>Secured</b>				
<b>Term loans</b>				
-Term Loans from Bank	345.94	173.85	256.36	165.36
-from other parties	-	100.00	140.00	140.00
<b>Vehicle Loan</b>	17.66	-	3.76	-
Less: Amount disclosed under the head Current Liabilities [Note No. 2.7 ]			400.12	305.36
<b>Total</b>	363.60	273.85	-	-



# UMANG DAIRIES LIMITED

- (a) Loan of Rs.100 Lac (Previous year Rs.200 lac) from a body corporate (a related party) is Secured by a first pari passu charge over the moveable fixed assets of the Company both present and future and also, by a second charge on current assets of the Company both present & future. Rs.100 lac is payable on 1st Oct, 2015
- (b) Loan of Rs. 40 lac (Previous year Rs.40 lac) from a body corporate is secured by a first pari passu charge over the entire moveable properties of the Company is payable on demand. Refer note no. 2.23
- (c) Term Loan of Rs.207.20 Lac (Previous year Rs.339.21 Lacs) from Bank is Secured by a first pari passu charge over the entire moveable properties of the Company situated at Gajraula both present and future and equitable mortgage over the factory land and building in the name of the Company situated at Gajraula, is payable in equal monthly installments of Rs.13.78 lac each commencing from December, 2013.
- (d) Term Loan of Rs.248.84 Lac (Previous year Rs.Nil ) from Bank is Secured by a first pari passu charge over the entire moveable properties of the Company situated at Gajraula both present and future and equitable mortgage over the factory land and building in the name of the Company situated at Gajraula, is repayable in sixteen quarterly installments of Rs.22.75 lac each commencing from April, 2015.
- (e) Term Loan of Rs.146.26 Lac (Previous year Rs.Nil ) from Bank is Secured by a first pari passu charge over the entire moveable properties of the Company situated at Gajraula both present and future and equitable mortgage over the factory land and building in the name of the Company situated at Gajraula, is repayable in equal quarterly installments commencing from June, 2016.
- (f) Vehicle Loan of Rs.21.42 Lac (Previous year Rs.Nil ) from NBFC is secured by way of hypothecation of vehicle purchased thereunder. Loan is repayable in different equal monthly installments including interest, for different loan taken on different rates.

## 2.4 OTHER LONG TERM LIABILITIES

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
Security Deposits	194.24	194.81
Others { Note no.-2.31 (i) }	963.92	963.92
<b>Total</b>	<b>1,158.16</b>	<b>1,158.73</b>

## 2.5 PROVISIONS

Particulars	LONG-TERM		SHORT-TERM	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
	Rs. in lac	Rs. in lac	Rs. in lac	Rs. in lac
<b><u>PROVISION FOR EMPLOYEE BENEFITS</u></b>				
Gratuity (unfunded)	78.90	58.29	5.34	4.03
Leave Encashment (unfunded)	49.95	36.16	5.73	4.45
Sick Leave	2.30	1.47	0.15	0.09
<b><u>PROVISION FOR DIVIDEND</u></b>				
Provision for Proposed Dividend	-	-	220.03	220.03
Provision for Dividend Tax	-	-	43.99	37.39
<b><u>PROVISION FOR TAX</u></b>	-	-	453.11	591.17
<b><u>OTHERS</u></b>				
Other Provision	-	-	6.23	6.23
<b>Total</b>	<b>131.15</b>	<b>95.92</b>	<b>734.58</b>	<b>863.39</b>



# UMANG DAIRIES LIMITED

## 2.6 SHORT-TERM BORROWINGS

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
<b>Secured</b>		
Working Capital Borrowing from Bank *	1,090.41	996.94
Bill discounting from Bank*	-	179.33
<b>Total</b>	<b>1,090.41</b>	<b>1,176.27</b>

\*Working Capital Borrowing and Bill discounting from Bank are secured by first pari passu charge over the entire moveable properties of the Company situated at Gajraula both present and future and the equitable mortgage over the factory land and building in the name of the Company situated at Gajraula.

## 2.7 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
(a) Current maturities of long-term debt	400.12	305.36
(b) Interest accrued but not due	5.93	3.10
(c) Advance from customers	519.20	595.17
(d) Statutory Dues	28.92	31.39
(e) Salary & wages payable	57.46	54.08
(f) Unclaimed dividends *	15.43	6.60
(g) Capital Creditors	36.15	76.15
(h) Security deposits	114.48	93.45
(i) Others Payables	263.86	182.04
<b>Total</b>	<b>1,441.55</b>	<b>1,347.34</b>

\* Investor Education & Protection fund will be credited as and when due

## 2.8 FIXED ASSETS

(Rs. in Lac)

Particulars	Gross Carrying Amount				Depreciation and amortization				Net Carrying Amount	
	As at April 1, 2014	Additions/ Adjustments during the period	Sales/ Adjustments during the period	As at March 31, 2015	As at April 1, 2014	For the period*	Sales/ Adjustment during the period	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
<b>a. Tangible Assets</b>										
Land	35.83	-	-	35.83	-	-	-	-	35.83	35.83
Buildings	1,837.07	10.94	-	1,848.01	532.69	57.54	-	590.23	1,257.79	1,304.38
Roads	25.36	-	-	25.36	7.85	16.25	-	24.10	1.26	17.51
Plant & Machinery	3,042.73	502.92	8.95	3,536.70	1,784.51	98.63	1.03	1,882.12	1,654.58	1,258.22
Laboratory Equipment	137.09	219.72	20.52	336.29	24.30	86.45	19.36	91.39	244.90	112.79
Electric Installation & Equipments	173.76	-	-	173.76	114.88	6.86	-	121.74	52.02	58.88
Pipeline & Fittings	3.76	-	-	3.76	1.48	0.19	-	1.67	2.09	2.28
Furniture & Fittings	36.09	1.90	-	37.99	32.13	0.55	-	32.68	5.31	3.96
Motor Vehicles	41.06	40.16	7.19	74.04	10.51	6.70	3.58	13.63	60.41	30.55
Computers	66.38	6.22	-	72.60	46.00	7.15	-	53.15	19.45	20.38
Office Equipments	28.87	6.30	0.25	34.93	17.91	6.61	0.23	24.29	10.64	10.96
<b>Total (a)</b>	<b>5,428.00</b>	<b>788.16</b>	<b>36.91</b>	<b>6,179.27</b>	<b>2,572.26</b>	<b>286.93</b>	<b>24.20</b>	<b>2,835.00</b>	<b>3,344.28</b>	<b>2,855.74</b>
<b>Previous Year</b>	<b>4,751.72</b>	<b>690.55</b>	<b>14.27</b>	<b>5,428.00</b>	<b>2,424.99</b>	<b>148.33</b>	<b>1.06</b>	<b>2,572.26</b>	<b>2,855.74</b>	<b>2,326.73</b>
<b>b. Intangible Assets</b>										
Computer Softwares	5.41	-	-	5.41	2.47	1.24	-	3.71	1.70	2.94
<b>Previous Year</b>	<b>5.41</b>	<b>-</b>	<b>-</b>	<b>5.41</b>	<b>1.59</b>	<b>0.88</b>	<b>-</b>	<b>2.47</b>	<b>2.94</b>	<b>3.82</b>
<b>c. Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118.75</b>	<b>98.77</b>

\*The Carrying value of the Fixed Assets which have completed their useful life as on 1st April, 2014 of Rs. 25.31 lac Gross excluding deferred tax asset of Rs. 8.76 lac have been charged off against the General Reserve.



# UMANG DAIRIES LIMITED

## 2.9 LONG-TERM LOANS AND ADVANCES

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
<b>Unsecured, considered good</b>		
a. Capital Advances	157.65	133.43
b. Security Deposits with Govt.authorities and others	64.75	62.65
<b>Total</b>	<b>222.40</b>	<b>196.08</b>

## 2.10 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
<b>Other</b>		
Fixed Deposit (Pledged with sales tax department)	1.00	1.00
<b>Total</b>	<b>1.00</b>	<b>1.00</b>

## 2.11 INVENTORIES (As certified by the Management) (Lower of cost and net realisable value)

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
a. Raw Materials and components	17.96	17.24
b. Work-in-progress		
- Semi Processed Milk	61.36	85.41
c. Finished goods	3,838.17	3,400.66
d. Stores and spares	384.94	388.04
<b>Total</b>	<b>4,302.43</b>	<b>3,891.35</b>

## 2.12 TRADE RECEIVABLES

(Unsecured considered good, unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
<u>Trade receivables outstanding for a period exceeding six months from the due date of payment</u>		
Considered good	21.93	8.07
Considered doubtful	3.97	3.97
Less: Provision for doubtful debts	(3.97)	(3.97)
	21.93	8.07
<u>Other Trade receivables</u>		
Considered good	408.84	592.73
<b>Total</b>	<b>430.77</b>	<b>600.80</b>



# UMANG DAIRIES LIMITED

## 2.13 CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
<b>CASH AND CASH EQUIVALENTS</b>		
a. Balances with banks	46.39	73.39
b. Unclaimed dividend account	15.43	6.60
c. Cash on hand	5.64	3.34
	67.46	83.33
<b>OTHER BANK BALANCES</b>		
- Deposits with original maturity of more than 3 months but less than 12 months (Held as margin money)	1.75	9.64
- Deposits with original maturity of more than 12 months	1.00	1.00
Less :- Amount disclosed under the head other non-current assets.	(1.00)	(1.00)
<b>Total</b>	<b>69.21</b>	<b>92.97</b>

## 2.14 SHORT-TERM LOANS AND ADVANCES

(unsecured considered good, unless otherwise stated)

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
<b>Considered good</b>		
Income Tax Advances payment/TDS	498.17	515.88
Mat Credit Entitlement	-	139.12
Sales Tax/Vat Recoverable	28.61	28.40
Interest receivable	5.20	4.92
Export Incentive receivable	13.64	52.50
Others	32.32	35.72
<b>Considered doubtful</b>		
Others	3.49	0.80
Less: Provision for doubtful advances	(3.49)	(0.80)
<b>Total</b>	<b>577.94</b>	<b>776.54</b>

## 2.15 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	(Rs. in lac)	(Rs. in lac)
<b>Sale of products</b>		
Ghee	7,515.50	6,195.83
Powder	12,187.07	12,757.18
Others	2,624.11	264.49
<b>Other operating revenues</b>		
Conversion Charges	2,661.08	2,309.00
Export Incentive	13.59	56.71
Excess provision no longer required written back	3.71	0.13
Others	114.85	56.97
<b>Revenue from Operations (Gross)</b>	<b>25,119.91</b>	<b>21,640.31</b>
Less: Excise duty	5.46	2.13
<b>Revenue from Operations(Net)</b>	<b>25,114.45</b>	<b>21,638.18</b>



# UMANG DAIRIES LIMITED

## 2.16 OTHER INCOME

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	(Rs. in lac)	(Rs. in lac)
Interest Income	8.26	7.56
Profit on sale of fixed assets (net)	10.08	1.02
Dividend Income on current investments	3.02	8.52
Foreign Exchange Fluctuation	-	-
Others	-	9.75
<b>Total</b>	<b>21.36</b>	<b>26.85</b>

## 2.17 RAW MATERIAL CONSUMED (Indigenous 100%)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	(Rs. in lac)	(Rs. in lac)
Raw Milk	17,894.05	16,587.48
Sugar	261.75	290.82
Packing Material	1,082.33	907.07
Others	54.94	50.05
<b>Total</b>	<b>19,293.07</b>	<b>17,835.42</b>

## 2.18 CHANGE IN INVENTORIES

Particulars	As at 31 March 2015	As at 31 March 2014
	(Rs. in lac)	(Rs. in lac)
<b>Opening Stocks</b>		
Work- in- progress-Milk	85.41	32.66
Finished Goods	3,400.66	2,225.12
	<b>3,486.07</b>	<b>2,257.78</b>
<b>Closing Stocks</b>		
Work- in- progress-Milk	61.36	85.41
Finished Goods	3,838.17	3,400.66
	<b>3,899.53</b>	<b>3,486.07</b>
Add/(Less): Excise Duty Variance on Stock	(0.07)	(0.09)
(Increase)/Decrease in Stocks	<b>(413.39)</b>	<b>(1,228.20)</b>

## 2.19 EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	(Rs. in lac)	(Rs. in lac)
(a) Salaries/Wages & Bonus	977.17	747.75
(b) Contributions to - Provident fund & Other Fund	73.90	53.86
(c) Staff welfare and other benefits	16.86	20.70
<b>Total</b>	<b>1,067.93</b>	<b>822.31</b>





# UMANG DAIRIES LIMITED

## 2.20 FINANCE COST

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	(Rs. in lac)	(Rs. in lac)
Interest expense	83.68	44.45
Other borrowing costs	16.23	9.29
<b>Total</b>	<b>99.91</b>	<b>53.74</b>

## 2.21 OTHER EXPENSES

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	(Rs. in lac)	(Rs. in lac)
Power & Fuel	1,679.72	1,645.75
Consumption of stores & spares(100%Indigenous)	325.96	282.30
Insurance	30.49	22.10
Rent	23.14	10.40
Freight and Forwarding charges	435.29	350.32
Rates and Taxes	17.24	30.37
Repair to Machinery	65.60	62.25
Repair to Building	1.66	1.69
Director fees	14.05	1.35
Foreign exchange fluctuation (net)	14.56	6.96
Loss on sale of current investments	-	1.47
Balances written off	29.45	-
Advertisement, Bank Charges, Travelling,Consultancy, Sales Promotion etc.	889.86	752.33
<b>Total</b>	<b>3,527.02</b>	<b>3,167.29</b>

## 2.22 BASIC AND DILUTED EARNING PER SHARE (PURSUANT TO ACCOUNTING STANDARD-20)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Surplus/(Deficit) for the year (Rs. In lac)		
-Before Extra Ordinary Items	851.63	596.01
-After Extra Ordinary Items	851.63	596.01
Weighted average number of equity share (Nos.)	2,20,03,200	2,20,03,200
Nominal value of equity shares (Rs.)	5	5
Basic Earning per share (Rs.)	3.87	2.71
Diluted Earning per share (Rs.)	3.87	2.71

2.23 Liability of a Term loan from a body corporate has been recognized to the extent and in terms of BIFR order.

2.24 During the current year, the Company has implemented Schedule II of the Companies Act 2013, and has accordingly computed the depreciation based on the revised useful life of the Fixed Assets (as prescribed under Schedule II of the Act). The Carrying value of the Fixed Assets which have completed their useful life as on 1st April, 2014 of Rs. 25.31 lac (Gross) excluding deferred tax asset of Rs. 8.76 lac have been charged off against the General Reserve. Had there not been any change in the useful life of the Fixed Assets the Depreciation would have been lower by Rs. 80.49 lac for the year ended March 2015.



## UMANG DAIRIES LIMITED

- 2.25 (a) Contingent liabilities in respect of claims disputed/not accepted and not provided for is Rs.896.92 Lac as certified by the management (previous year Rs.304.70 Lac).Details thereof are, Sales tax Rs.100.73 Lac (previous year Rs. 53.79 Lac), Mandi fee (U.P.) Rs.181.66 Lac (previous year 181.66 Lac), Milk Cess (U.P.) Rs.69.25 Lac (previous year Rs. 69.25 Lac).Income Tax Rs. 545.28 Lac (previous year Rs. Nil). Interest impact on above, if any, will be considered as and when arise.
- (b) In respect of certain disallowances and additions made by the Income Tax Authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally settled.
- (c) Company acted as a facilitator and has extended a guarantee to Yes Bank Limited of Rs 104.35 Lac (Previous Year –Nil) for loans provided to the farmers.
- 2.26 Based on information available with the Company in respect of MSME (The Micro Small & Medium Enterprises Development Act, 2006) the details are as under:
- (i) Principal amount due and remaining unpaid as at 31.03.2015 - Rs.28.10 Lac (P.Y. - Rs. 70.55 Lac).
- (ii) Interest amount due and remaining unpaid as at 31.03.2015 – Rs. Nil (P.Y. - Rs. NIL).
- (iii) Interest paid in terms of section 16 of the MSME Act during the year - Rs. NIL (P.Y. - Rs. NIL).
- (iv) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the year but without adding the interest specified - Rs. NIL (P.Y. Rs. NIL ).
- (v) Payment made beyond the appointed day during the year - Rs. NIL (P.Y. - Rs. NIL ).
- (vi) Interest accrued and unpaid as at 31.03.2015 - Rs. NIL (P.Y. -Rs. NIL).
- 2.27 Research and Development expenditure amounting to Rs.2.32 Lac (previous year Rs. 1.17 Lac) has been charged to Profit and Loss statement.
- 2.28 The Company has only one business segment, i.e. Dairy Products, hence segment reporting as defined in Accounting Standard-17 is not applicable.
- 2.29 Conversion charges under Other Operating revenue represent income on account of contract manufacturing activities undertaken by the Company in terms of the agreements with Principal (Contractees) in which either party have right to release other by mutual consent.



# UMANG DAIRIES LIMITED

## 2.30 EMPLOYEE BENEFITS:

(a) The status of the gratuity and leave encashment as per actuarial valuation on March 31, 2015 is as follows:

		For the year ended 31st March 2015		For the year ended 31st March 2014	
		Gratuity (Non-Funded)	Leave Encashment (Non-Funded)	Gratuity (Non-Funded)	Leave Encashment (Non-Funded)
<b>I</b>	<b>Expense recognized in the statement of profit and loss</b>				
a)	Current service cost	13.02	13.59	9.27	10.11
b)	Interest cost	4.99	3.25	4.53	2.86
c)	Net actuarial (gain)/ loss recognized in the period	7.72	6.87	3.26	4.26
d)	Expenses recognized in the statement of profit & losses	25.72	23.70	17.05	17.22
<b>II</b>	<b>Net Assets/(liability) recognized in the Balance sheet as at March 31, 2015.</b>				
a)	Present value of obligation as at the end of the period	84.24	55.69	62.32	40.60
b)	Net assets/(liability) recognized in Balance Sheet	(84.24)	(55.69)	(62.32)	(40.60)
<b>III</b>	<b>Change in present value of obligation</b>				
a)	Present value of obligation as at the beginning of the period (01/04/2014)	62.32	40.60	50.28	31.80
b)	Interest Cost	4.99	3.25	4.53	2.86
c)	Current service cost	13.02	13.59	9.27	10.11
d)	Benefits paid	(3.81)	(8.61)	(5.02)	(8.43)
e)	Actuarial (gain)/loss on obligation	7.72	6.87	3.26	4.26
f)	Present value of obligation as at the end of period (31.03.2015)	84.24	55.69	62.32	40.60
<b>IV</b>	<b>Changes in the fair value of plan assets</b>	-	-	-	-
<b>V</b>	<b>The Major Category of Plan assets as a percentage to total plan</b>	N.A.	N.A.	N.A.	N.A.
<b>VI</b>	<b>Actuarial Assumptions</b>				
	<b>Economic Assumptions:</b>				
	Discounting Rate	8.00%		9.00%	
	Future salary Increase	7.00%		7.00%	
	Expected Rate of return on plan assets	-		-	
	<b>Demographic Assumptions:</b>				
	Retirement Age	60 Years		60 Years	
	Mortality Table	IALM (2006-2008)		IALM (2006-2008)	
	<b>Withdrawal Rates</b>				
	<b>Age</b>	<b>Withdrawal Rate (%)</b>		<b>Withdrawal Rate (%)</b>	
	<b>Up to 30 Years</b>	3.00		3.00	
	<b>From 30 to 45 Years</b>	2.00		2.00	
	<b>Above 45 Years</b>	1.00		1.00	



# UMANG DAIRIES LIMITED

(b) (i) Defined Benefits Plans:

Amounts recognised as an expense and included in Note 2.19 item "Salaries, Wages, Bonus" included Rs.23.70 Lac (previous year Rs. 17.22 Lac) for Leave encashment and Rs.25.72 Lac (previous year Rs. 17.05 Lac) for Gratuity.

(ii) Defined Contribution Plans:

Amounts recognised as an expense and included in Note 2.19 item Contribution to PF & other funds of profit & loss statement.

(c) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(d) Experience Adjustments

(Rs./Lac)

Particulars	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Gratuity Funded</b>					
Defined Benefit Obligation	32.90	38.20	50.28	62.32	<b>84.23</b>
Fair Value of plan Assets	-	-	-	-	-
Surplus/Deficit (Actuarial (Gain)/Loss)	0.22	(0.34)	2.40	3.26	<b>7.72</b>
Expected Adjustment on plan liability	-	-	-	-	-
Expected Adjustment on plan Assets	-	-	-	-	-
<b>Leave Encashment</b>					
Defined Benefit Obligation	20.44	26.81	31.80	40.60	<b>55.68</b>
Fair Value of plan Assets	-	-	-	-	-
Surplus/Deficit (Actuarial (Gain)/Loss)	0.60	3.14	3.87	4.26	<b>6.86</b>
Expected Adjustment on plan liability	-	-	-	-	-

2.31 (i) Building includes Rs 959.03 Lac (Previous year 959.03 Lac) Gross funded by a body corporate and to the extent Rs. 963.92 Lac (Previous Year 963.92 Lac) have been included in other long term liabilities, pending for transfer under an agreement.

(ii) Capital work in progress includes pre-operative expenses: legal & professional fee Rs.26.05 Lac (Previous Year Rs. 7.00 Lac), Processing Fee & Interest on Term Loan Rs.14.02 Lac (Previous Year Nil).

2.32 Loans and Advances include advances to employees of Rs. 2.91 Lac (previous year Rs. 2.13 Lac) in the ordinary course of business and as per service rules of the Company. Maximum amount outstanding during the year is Rs. 4.33 Lac (previous year Rs. 8.28 Lac).

2.33 Balances of certain Trade Receivables, advances, Cans & Milk Analyzers (fixed assets) lying with the third parties are in the process of confirmation/reconciliation.

2.34 Estimated amount of contracts remaining to be executed on capital account (net of advance) is Rs.986.81 Lac (previous year Rs. 16.58 Lac).

2.35 The Management has carried out review of the remaining useful lives of its Fixed assets and its value in use. As the recoverable amount as per projections exceeds the carrying amount, no impairment has been provided for in these accounts.



# UMANG DAIRIES LIMITED

2.36 Prior period expenses included in respective heads of accounts includes Repair & Maintenance - P&M Rs.0.18 Lac (Previous Year Nil), Subscription & Membership Fee Rs.0.04 Lac (Previous Year Nil), Packing Expenses Rs. 0.35 Lac (Previous year Nil ) and Rates & Taxes Rs. Nil (Previous year Rs. 1.29 Lac).

2.37 Expenditure/Earnings in Foreign Currency	2014-15	2013-14
(a) Earnings in Foreign Currency :-		
F.O.B. Value of exports (Rs. In Lac)	1010.02	1012.27

2.38 Pursuant to the Accounting Standard for 'Taxes on Income' (AS 22), deferred tax liability/assets are as under:

Particulars	31st March,2015 Amount (Rs. In Lac)	31st March,2014 Amount (Rs. In Lac)
Deferred Tax Liabilities		
Related to Fixed Assets	374.71	246.35
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961	57.33	41.72
<b>Deferred Tax liability(Net)</b>	<b>317.38</b>	<b>204.63</b>

## 2.39 Related Party Disclosure

### List of Related Parties:-

#### (a) Associates

Bengal & Assam Company Limited (BACL)^

#### (b) Key Management Personnel (KMP)

Shri Milan Wahi (w.e.f-26th Nov, 2014) Chief Executive Officer

Shri N.C. Baheti (w.e.f-13th May, 2014) Manager

Shri Gaurav Jain ^ Chief Financial Officer

Shri Gaurav Kanodia^ Company Secretary

^ In view of Companies Act, 2013

The following transactions were carried out with related parties in the ordinary course of business:

Nature of Transaction	Amount (Rs.In Lac)
Loan Repaid to BACL	100
Loan payable to BACL	100

Details of Remuneration to KMP: Chief Executive Officer Rs 22.99 Lac for the period 26.11.2014 to 31.03.2015, Manager Rs. 23.28 Lac for the period 13.05.2014 to 31.03.2015, Chief Financial Officer Rs.13.39 Lac and Company Secretary Rs.5.98 Lac.



# UMANG DAIRIES LIMITED

## 2.40 Amount paid to Auditors (Including Service Tax) : -

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
	Rs. in lac	Rs. in lac
a. Audit Fees	2.25	2.25
b. Tax Audit Fees	0.34	0.34
c. For Other Services	0.74	0.74
d. For Reimbursement of Expenses	0.22	0.16
<b>Total</b>	<b>3.55</b>	<b>3.49</b>

2.41 Previous year figures have been regrouped/rearranged/recasted wherever considered necessary.

As per our report of even date.

for LODHA & CO.

Chartered Accountants

N.K. Lodha

Partner

(Membership No. 85155)

Firm Registration No. – 301051E

New Delhi : 13<sup>th</sup> May 2015

N.C.Baheti

(Manager)

Gaurav Jain

(Chief Financial Officer)

Gaurav Kumar Kanodia

(Company Secretary)

Desh Bandhu Doda

Ratan Chand Jain

Ram Chandra Periwal

Radhey Lal Saha

Sharda Devi Singhania

Directors



# UMANG DAIRIES LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31st March, 2015

(Rs. in lac)

	2014-15	2013-14
<b>A. Cash Flow from Operating Activities</b>		
Net Profit (+)/Loss(-) before taxation and extraordinary items	1298.41	865.26
Adjustments for :		
Depreciation	262.86	149.21
Interest income	(8.26)	(7.56)
Dividend received	(3.02)	(8.52)
Excess Provision of earlier years no longer required (net)	(3.71)	(0.13)
Balances Written back/Written off (Net)	29.45	(9.75)
Interest & Finance Charges	99.91	53.74
(Profit)/loss on sale of Fixed Assets (net)	(10.08)	(1.02)
Operating Profit before working capital changes	1665.56	1041.23
(Increase)/ Decrease in Inventories	(411.08)	(1,353.81)
(Increase) / Decrease in Trade and other Receivables	673.31	(181.49)
Increase/ (Decrease) in Trade and Other Payables	(599.45)	674.47
Cash Generated from Operations	1,328.34	180.40
Direct Tax paid	(306.51)	(199.39)
Net Cash from operating activities	1,021.83	(18.99)
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets including CWIP	(807.04)	(591.75)
Capital Advances	(24.22)	(120.84)
Proceeds from sale of Fixed Assets	22.79	14.23
Dividend received	3.02	8.52
Interest Received	7.98	6.60
Net Cash from Investing activities	(797.47)	(683.24)
<b>C. Cash Flow from Financing Activities</b>		
Dividend Paid (Including Dividend Tax)	(248.59)	(186.47)
Repayment of Borrowings	(352.49)	(155.12)
Short term borrowings	-	731.84
Long term borrowings	451.14	394.33
Interest paid	(98.18)	(50.64)
Net Cash used in financing activities	(248.12)	733.94
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(23.76)	31.71
Cash and Cash equivalents being Cash and Bank balances as at the beginning of the year	92.97	61.26
Cash and Cash equivalents being Cash and Bank balances as at the end of the year	69.21	92.97

Note:

Previous year's figures have been regrouped / rearranged / recasted wherever necessary.

for LODHA & CO.  
Chartered Accountants

N.C.Baheti  
(Manager)

N.K. Lodha  
Partner  
(Membership No. 85155)  
Firm Registration No. – 301051E  
New Delhi : 13<sup>th</sup> May 2015

Gaurav Jain  
(Chief Financial Officer)  
  
Gaurav Kumar Kanodia  
(Company Secretary)

Desh Bandhu Doda  
Ratan Chand Jain  
Ram Chandra Periwal  
Radhey Lal Saha  
Sharda Devi Singhania

Directors



***HEALTHIER WAY TO  
A TASTIER LIFE !***

Enjoy the great taste of purity,  
in a large variety of milk products from Umang Dairies.  
Delicious, fresh and loaded with  
the promise of good health.





## BOOK - POST



▲ Drying Plant



▲ Liquid Milk Packing Plant

IF UNDELIVERED PLEASE RETURN TO:  
**UMANG DAIRIES LIMITED**  
GULAB BHAWAN, 3RD FLOOR, 6A, BAHADUR SHAH ZAFAR MARG,  
NEW DELHI - 110 002.

# UMANG DAIRIES LIMITED

## Annexure to the Directors' Report for the Financial Year ended 31<sup>st</sup> March 2015

### PARTICULARS OF REMUNERATION

Pursuant to the provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the details regarding the ratio of remuneration of each Director to the median employee's remuneration and such other details as required therein are as under:

**(A)** 1. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2014-15:

<b>Sl. No.</b>	<b>Directors</b>	<b>Ratio to median Remuneration *</b>
1.	Shri R.C. Periwal	2.27
2	Shri D.B.Doda	1.75
3	Shri R.C.Jain	1.40
4.	Shri R.L.Saha	1.45
5.	Smt. Sharda Devi Singhania**	0.15

\* Only sitting fee paid to Directors.

\*\* Smt. Sharda Devi Singhania has been appointed on the Board w.e.f. 27<sup>th</sup> March, 2015.

2. The percentage increase in Remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and Manager in the Financial Year 2014-15: The increase in the Financial Year 2014-15 in remuneration of Sh. R. C. Periwal - 1035%, Sh. D. B. Doda – 2237%, Sh. R. C. Jain - 600%, Sh. R. L. Saha - 625% and Smt. Sharda Devi Singhania – Not Applicable (Appointed w.e.f. 27<sup>th</sup> March, 2015), Sh. Milan Wahi, Chief Executive Officer – Not Applicable (Appointed w.e.f. 26<sup>th</sup> November 2014), Sh. N.C. Baheti, Manager- Not Applicable (Appointed w.e.f. 13<sup>th</sup> May 2014), Sh. Gaurav Jain, Chief Financial Officer - Not Applicable (Appointed as Chief Financial Officer w.e.f. 1<sup>st</sup> April 2014) and Sh. Gaurav Kumar Kanodia, Company Secretary - 9.50%. The Remuneration paid to Directors and KMP is available at para VI of Form MGT-9 annexed to this report.

3. Percentage increase in the median remuneration of employees in the financial year: 10%

4. The number of permanent employees on the rolls of company as on 31<sup>st</sup> March 2015: 258

5. The explanation on the relationship between average increase in remuneration and company performance: On an average, employees received an annual increase of 10% based on individual performance. The increase in remuneration is in line with the market trends. During the year, the PBT increased from Rs. 865 lac to Rs. 1298 Lac (Up 50%).

6. Comparison of the Remuneration of the Key Managerial Personnel against the performance of the Company for the Financial Year 2014-15:

The Key Managerial Personnel of the Company, namely, Sh. Milan Wahi, Chief Executive Officer, Sh. N. C. Baheti, Manager, Sh. Gaurav Jain, Chief Financial Officer and Sh. Gaurav Kumar Kanodia, Company Secretary, received remuneration of Rs.22.99 lac for the period 26.11.2014 to 31.03.2015, Rs.23.28 lac for the period 13.05.2014 to 31.03.2015, Rs.13.39 lac and Rs.5.98 lac respectively aggregating to Rs.65.64 lac for the Financial Year 2014-15. During the year, the PBT increased from Rs. 865 lac to Rs. 1298 Lac (Up 50%).

7. Average percentile increase already made in the salaries of employees (other than the managerial personnel) in the last financial year – During the financial year 2014-15 average increase in the salaries of employees other than Managerial Personnel was 10% and increase for Managerial Personnel was not applicable as Sh. N. C. Baheti was appointed as Manager of the Company on 13<sup>th</sup> May 2014.

8. (a) Variations in the market capitalization of the Company: The Market capitalization as on 31<sup>st</sup> March 2015 was Rs.12288 lac (Rs.6755 lac as on 31<sup>st</sup> March 2014).

(b) Price earnings ratio of the Company was 14.43 as at 31<sup>st</sup> March 2015 and was 11.33 as at 31<sup>st</sup> March 2014.

(c) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer - The Company had come out with initial public offer (IPO) in 1994. An amount of Rs.10 invested in the said IPO would be worth Rs.55 as on 31<sup>st</sup> March 2015 indicating a growth of over 450% over the period. This is excluding the dividend and other benefits accrued thereon.

9. No variable component of remuneration was availed by the directors during the financial year ended 31<sup>st</sup> March 2015, hence key parameters for the same are not applicable.

10. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and

11. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management of the Company.

12. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.



## UMANG DAIRIES LIMITED

**Registered Office :** Gajraula- Hasanpur Road, Gajraula – 244 235, Dist. Amroha (U.P.)  
**Admn. Office :** Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi -110 002  
**CIN :** L15111UP1992PLC014942, **Phone:** 011-30179776, **Fax:** 011-23739475  
**Email :** sharesumang@jkmil.com, **Website :** www.umangdairies.com

### NOTICE

NOTICE is hereby given that the **22nd Annual General Meeting** of the Members of **UMANG DAIRIES LIMITED** will be held at the **Registered Office** of the Company at Gajraula Hasanpur Road, Gajraula – 244 235, Dist. Amroha, Uttar Pradesh, on **Tuesday**, the **29th September 2015 at 11.30 A.M.** to transact the following business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri D. B. Doda (DIN: 00165518), who retires by rotation and being eligible, offers himself for re-appointment.
4. To ratify the appointment of Auditors of the Company and to fix their remuneration and in connection therewith to pass, with or without modification(s), the following as Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, the Rules made thereunder as amended from time to time and pursuant to the resolution of the members passed at the 21st Annual General Meeting (AGM), the appointment of M/s Lodha & Co., Chartered Accountants, New Delhi, (Registration No. 301051E) as auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the AGM to be held in the year 2016, be and is hereby ratified on a remuneration of Rs. 2,70,000/- p.a. (Rupees Two Lac Seventy Thousand Only) excluding Service Tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit."

#### As Special Business

5. To consider and if thought fit to pass, with or without modification(s), the following as Ordinary Resolution:  
"RESOLVED that Smt. Sharda Devi Singhania whose appointment on the Board as Additional Director determines on the date of the present Annual General Meeting, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
6. To consider and if thought fit to pass, with or without modification(s), the following as Ordinary Resolution:  
"RESOLVED that pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 remuneration of M/s Sanjay Kumar Garg & Associates, the Cost Auditors, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2015-16 ending 31st March, 2016, of Rs. 35,000/- p.a. excluding Service Tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the cost audit be and is hereby ratified.  
RESOLVED further that the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things as may be deemed necessary or expedient in connection therewith and incidental thereto."

REGISTERED OFFICE:  
Gajraula Hasanpur Road  
Gajraula - 244235  
Dist. Amroha, (U.P.)

By order of the Board

Date: 10th August 2015

Gaurav Kumar Kanodia  
Company Secretary

#### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed.
3. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days during business hours up to the date of the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September 2015 to 29th September 2015 (both days inclusive).
5. The Dividend of Rs. 1/- (one) per Equity Share of Rs. 5/- each (20%) as recommended by the Board of Directors, if declared at the Annual General Meeting (AGM) will be paid to the Members whose names are borne on the Company's Register of Members on 29th September 2015 or to their mandatees. In respect of shares held in dematerialised form, the dividend will be paid on the basis of details of beneficial ownership to be received from the Depositories for this purpose.
6. In furtherance of the Go Green Initiative of the Government, electronic copy of the Annual Report for 2014-15, Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Admission Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company/Depository Participants. Physical copy of the said Annual Report for 2014-15 and Notice may be sent on request by any such Member.
7. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
8. Appointment of Director

Brief resume of the Directors proposed to be appointed / re-appointed (item No. 3 & 5 of the Notice) is given hereunder:

- i. Shri D.B Doda (DIN:00165518), aged 70 years, a Science Graduate and has expertise in Dairy Technology. He has been appointed on the Board of the Company on 25th July 2004. He does not hold any directorships or membership/ chairmanship of committees of other public Companies. He holds 50 Equity Shares of the Company.
- ii. Smt. Sharda Devi Singhania (DIN: 01685496), aged 72 years has been appointed on the Board of the Company as an Additional Director w.e.f. 27th March 2015. She has been involved in various Social & Philanthropic activities. She does not hold any directorships or membership/chairmanship of committees of other public Companies nor hold any Equity Shares of the company.

#### 9. Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Clause 35B of the Listing Agreement with the Stock Exchange, the Company is pleased to provide its members, facility to exercise their right to vote at the 22nd Annual General Meeting by electronic voting system from a place other than the venue of the Meeting ("remote e-voting") and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). E-voting is optional.

#### The instructions for members for voting electronically are as under:-

- (i) The voting period begins on 25th September 2015 from 10.00 A.M. and ends on 28th September 2015 at 5.00 P.M. During this period shareholders' of the Company, holding Equity shares either in physical form or in dematerialised form, as on the cut-off date of 22nd September 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted by remote e-voting prior to the meeting date may also attend the meeting but shall not be entitled to vote again at the meeting venue. However, in case members cast their vote both via physical ballot and e-voting, then e-voting shall prevail and voting done through physical ballot shall be treated as invalid.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) and Click on "Shareholders" tab.
- (iv) Shareholders maintaining their holding in Demat form should enter their user ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 digits Client ID). Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Enter the Characters as displayed on image verification and Click on Login.
- (vi) Members holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

(vii) For the first time user, follow the steps given below :-

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name in capital letters followed by number of Equity Share(s) of the Company, held by them as on cut-off date in the PAN field.</p> <p>In case the number of Equity Share(s) held are less than 8 digits, enter the applicable number of 0's after the first two letters of the name and before the number of Equity Shares held as on the cut-off date. For example: If your name is Rajesh Kumar and number of Equity Shares held as on cut-off date are 350, then enter RA00000350 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Umang Dairies Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 22nd September, 2015 may follow the same instructions as mentioned above for remote e-Voting.



- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section. The Contact details of official responsible to address grievances connected with remote e-voting are Shri Wenceslaus Furtado, Deputy Manager, Central Depository Services (India) Ltd. 16th floor, P.J. Towers, Dalal Street, Fort, Mumbai-400001, Phone No. 18002005533
- (xxi) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company.
- (xxii) In case of members who are entitled to vote but have not exercised their right to vote by remote e-voting, the facility of ballot paper or polling paper shall be made available at the Meeting.
- (xxiii) A copy of this Notice has been placed on the website of the Company [www.umangdairies.com](http://www.umangdairies.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com).
- (xxiv) The Company has appointed Mr. Namo Narain Agarwal, Practising Company Secretary (Membership No. FCS-234) as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (xxv) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first count the votes casted at the Meeting and thereafter unblock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 3 days of conclusion of AGM, a consolidated Scrutinizer's Report of the total votes casted in favour or against, if any, forthwith to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of voting forthwith.
- (xxvi) The Results declared alongwith the report of the Scrutinizer's shall be placed on the website of the Company [www.umangdairies.com](http://www.umangdairies.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com), immediately after the declaration of results by the chairman or a person authorised by him in writing. The Results shall also be simultaneously forwarded to the concerned Stock Exchange.

## FOR ATTENTION OF THE SHAREHOLDERS

1. For prompt attention, requests for transfer of Equity Shares and related correspondence should be addressed to the Company's Registrar and Share Transfer Agents (RTA): MAS SERVICES LIMITED, T-34, Second Floor, Okhla Industrial Area, Phase-II, New Delhi-110020. The Shareholders may approach their Depository Participant for getting their shares dematerialised and in respect of shares already held in dematerialised mode for registration of change in their addresses, bank mandates, nominations, etc.
2. Please Check the address including the Pin Code in the address slip pasted on the envelope and advise correction, if any, therein. Also please do indicate the Pin Code Number of your delivery post office while notifying change in your address to RTA where shares are held in physical form.
3. Unclaimed Dividends / Dividend Warrants : Shareholders who have not claimed their dividend for the financial years 2012-13 and 2013-14 may send their unclaimed dividend warrants to the Company Secretary for revalidation at Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi- 110 002.  
  
Members are requested to furnish to the Company their Bank particulars to enable the Company to directly credit the dividend amount in their Bank Account through Electronic Clearing Services.
4. Nomination: Pursuant to Section 72 of the Companies Act, 2013, individual Shareholders holding Equity Shares of the Company either singly or jointly may nominate an individual to whom all the rights in the Shares in the Company shall vest in the event of death of the sole/all joint Shareholders.
5. Dematerialisation of Shares and Liquidity: Members may in their own interest consider dematerialisation of their shareholding in the Company held in physical form. Dematerialisation facility is available both on NSDL and CDSL. Company's ISIN is INE864B01027.
6. Pursuant to Section 101 of the Companies Act 2013 and the Rules made thereunder, the Company is permitted to send various notices/ documents under the Companies Act 2013, to its shareholders, through electronic mode. We request the Members to support this initiative and register their E-mail addresses in respect of shares held in: (i) dematerialised mode, with their Depository Participants; and (ii) physical mode with MAS Services Ltd. (RTA). Please quote the following particulars in the E-mail Registration Request: Folio No./ DP ID - Client ID, PAN, Name(s) of Registered Holder(s), Address, Telephone and E-mail Address (to be registered for sending future communications through E-mail) and send the same under your signature(s).
7. Shareholders may also refer to the "General Shareholders' Information" contained in the "Corporate Governance Report" forming part of Annual Report 2014-2015.



## STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No. 5

Smt. Sharda Devi Singhania (DIN: 01685496) was appointed as an Additional Director of the Company w.e.f. 27th March 2015. In terms of Section 161 of the Companies Act, 2013, Smt. Singhania shall hold office of Director only upto the date of the ensuing Annual General Meeting (AGM) of the Company.

The Company has received a notice pursuant to Section 160 of the said Act from a member together with requisite deposit proposing the name of Smt. Sharda Devi Singhania as a candidate for the office of Director of the Company at the ensuing AGM of the Company.

Smt. Sharda Singhania, aged 72 years, is currently working in managerial capacity with M/s Param Shubham Vanijya Ltd. for more than 25 years. She is actively involved in the field of Education and was instrumental in establishing the well-known Lakshmipat Singhania Academy (LSA) in Kolkata, West Bengal. She continues to be the driving force of this institution and functions as the President of its Executive Committee. She also established Lakshmipat Singhania Academy in Bissau, Rajasthan and overseas the operations of the Academy as the Vice Chairperson of its Managing Committee.

Smt. Singhania has been the Past-President of 'Ladies Study Group' which is the prestigious ladies wing of the well-known Indian Chamber of Commerce, Kolkata. She is actively involved in various social, philanthropic and CSR activities undertaken by the various Companies of the J.K. Organisation and has widely travelled overseas.

The Board recommends the aforesaid resolution for approval by the Members.

Except, Smt. Sharda Devi Singhania being the appointee, none of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the proposed resolution. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

### Item No. 6

Section 148 inter alia provides that the Central Government may direct audit of cost records of class of Companies as may be prescribed. In pursuance of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor, on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board and ratified by the shareholders. On recommendation of the Audit Committee at its meeting held on 10th August, 2015, the Board has considered and approved appointment of M/s Sanjay Kumar Garg & Associates, Cost Auditors, for the conduct of the audit of the cost accounting records of the Company, at a remuneration of Rs. 35,000/- (Rupees Thirty Five Thousand only) excluding service tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit for the financial year ending 31st March, 2016.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

Your Directors recommend the resolution at Item No. 6 for your approval and ratification in terms of Section 148 of the Companies Act, 2013.

REGISTERED OFFICE:  
Gajraula Hasanpur Road  
Gajraula - 244235  
Dist. Amroha, (U.P.)

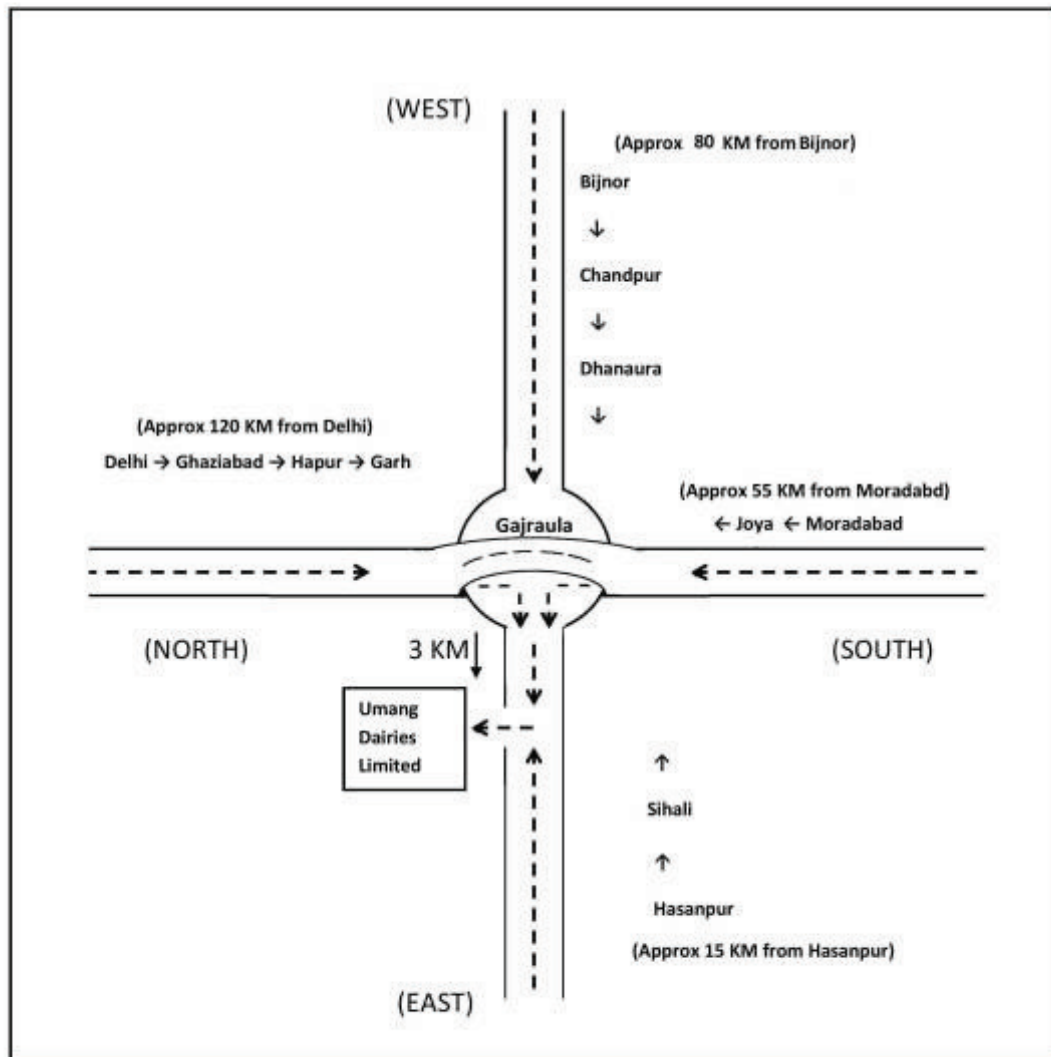
By order of the Board

Date: 10th August 2015

Gaurav Kumar Kanodia  
Company Secretary

# UMANG DAIRIES LIMITED

## Route Map to the venue of the 22nd Annual General Meeting





## UMANG DAIRIES LIMITED

**Registered Office :** Gajraula- Hasanpur Road, Gajraula – 244 235, Dist. Amroha (U.P.)

**Website :** www.umangdairies.com, **Email :** sharesumang@jkmil.com

**CIN :** L15111UP1992PLC014942, **Phone :** 05924 – 252491, 252492

### ADMISSION SLIP

<b>Folio No. / DP ID / Client ID #</b>	
<b>No. of Equity Shares held</b>	

I hereby record my presence at the 22nd Annual General Meeting of the Company being held at Gajraula-Hasanpur Road, Gajraula - 244 235, Dist. Amroha (U.P.) on **Tuesday, the 29th September 2015 at 11.30 A.M.**

<b>Name of the Member (in block letters)</b>
<b>Name of Proxy Holder /Authorised Representative* (in block letters)</b>

\*Strike out whichever is not applicable

#Applicable for shareholders holding shares in dematerialised form.

Signature of the Member/Proxy/Authorised Representative\*

- Notes: 1. A Member/Proxy/Authorised representative wishing to attend the meeting must complete this Admission Slip before coming to Meeting and hand it over at the entrance.  
2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the Proxy Form given below at the Company's Registered Office at least 48 hours before the time fixed for the Meeting.



## UMANG DAIRIES LIMITED

**Registered Office :** Gajraula- Hasanpur Road, Gajraula – 244 235, Dist. Amroha (U.P.)

**Website :** www.umangdairies.com, **Email :** sharesumang@jkmil.com

**CIN :** L15111UP1992PLC014942, **Phone :** 05924 – 252491, 252492

### PROXY FORM

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

<b>Name of the member(s):</b>	
<b>Registered Address:</b>	
<b>E-Mail ID:</b>	
<b>Folio No./DPID/Client ID:</b>	

I/We .....being the member(s) of Umang Dairies Limited, holding ..... shares hereby appoint :

- (1) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E Mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or falling him;
- (2) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E Mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or falling him;
- (3) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E Mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/ our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 22nd Annual General Meeting of the Company to be held on Tuesday, the 29th September 2015 at 11.30 A.M. at Gajraula-Hasanpur Road, Gajraula - 244 235, Dist. Amroha (U.P.) and at any adjournment thereof in respect of the resolutions as are indicated below:



Resolution Number	Resolution
<b>ORDINARY BUSINESS</b>	
1	Adoption of audited Financial Statements for the financial year ended 31st March 2015 and Reports of the Board of Directors and Auditors thereon.
2	Declaration of Dividend for the financial year ended 31st March 2015.
3	To appoint a Director in place of Shri D. B. Doda (DIN:00165518), who retires by rotation and being eligible, offers himself for re-appointment.
4	Ratification of appointment of M/s Lodha & Co., as the Auditors of the Company till the conclusion of the AGM to be held in the year 2016, on remuneration of Rs. 2.70 Lacs.
<b>SPECIAL BUSINESS</b>	
5	Appointment of Smt. Sharda Devi Singhania, as Director of the Company, liable to retire by rotation.
6	Ratification of remuneration payable to M/s Sanjay Kumar Garg & Associates, as Cost Auditors for the financial year ending 31st March 2016.

Signed this \_\_\_\_\_ Day of \_\_\_\_\_ 2015

Affix  
Revenue  
Stamp here

Signature of Shareholder

Signature of Proxy holder(s)

Notes: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Gajraula-Hasanpur Road, Gajraula - 244 235, Dist. Amroha (U.P.), not less than 48 hours before the commencement of the Meeting. A Proxy need not be a member of the Company.

2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. A member holding more than 10% of the total share capital of the company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.