MEHERPUR, SILCHAR - 788015 ASSAM



19th ANNUAL REPORT

2004-2005

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BOARD OF DIRECTORS

- (1) Sri Mahabir Prasad Jain, Managing Director
- (2) Smt. Tara Mani Devi Jain
- (3) Sri Suresh Kumar Beria
- (4) Sri Vishal Jain
- (5) Sri Yogesh Jain

AUDITORS

M/s. Raj Ratan & Co. Chartered Accountants Gauri Kishan Towers, A. T. Road, Rail Gate No. 7 Guwahati (Assarn)

BANKERS

United Bank of India

REGISTERED OFFICE

Meherpur, Silchar - 788015,

Assam.

FACTORIES

(a) Meherpur, Silchar - 788015 (Assam)

(b) Balajan, Gauripur - 783331 (Assam)

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Directors' Report

DIRECTORS' REPORT

The Members, UFM Industries Ltd. Meherpur, Silchar.

CUFM

То

Your Directors have the pleasure in presenting before you the19th Annual Report and Audited Accounts of the Company for the year ended on 31st March 2005.

1. FINANCIAL RESULTS

The operating result of the Company for the year under review are as follows:

	Rs. in lacs	,Rs. in lacs
محمد ما الالالا في محمد الله التي زمين المالة التي برين المالة التي بين ما المالية المربوب والمالة التي بين وا	31-03-2005	31-03-2004
Incomes	2234.74	3261.83
Expenses	2189.49	3215.99
Operating Profit	45.25	45.84
Interest	7.81	10.53
Depreciation	36.49	36.21
Profit before tax	0.95	(0.90)
Less: Taxation		
Current	(7.96)	(5.38)
Deferred	8.05	9.31
Profit after tax	1.04	0.87

2. OPERATIONS

The total Income for the year was Rs. 2234.74 lacs as compared to the income for the previous year of Rs. 3261.83 lacs. Since your Company has not made sufficient Profit during the year under review, your directors have not recommended any dividend.

3. AUDITORS

M/S Raj Ratan and Co., Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Auditors have furnished a certificate stating that, their appointment, if made, will be within the limit laid down under section 224(1B) of the Companies Act, 1956.

4. DIRECTORS

Smt. Taramani Devi Jain and Shri Vishal Jain are retiring by rotation at the Annual General Meeting and are eligible for re-appointment.

5. PERSONNEL

In accordance with the requirement of Section 217(2A) of the Companies Act,1956 read with Companies (Particulars of employees' rules) 1975. It is stated that no employee of the Company was in receipt of remuneration aggregating to Rs. 24,00,000/- or more per annum and Rs. 2,00,000/- or more per month, if employed for part of the year.

6. CONSERVATION OF ENERGY

The information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies

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OUFN Directors' Report

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(Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 is enclosed with this report marked as Annexure 'A'.

7. TECHNOLOGY ABSORPTION

The information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 is enclosed with this report marked as Annexure "B".

8. FOREIGN EXCHANGE EARNING AND OUT GO

There was no earning of Foreign Exchange during the year under review. There was no out go in Foreign Exchange during the year under review.

9. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956 your Directors state :

i) That the Annual Accounts for the year ended 31st March, 2005 have been prepared following applicable accounting standards and there is no material departure in this regard.

ii) That the accounting policies are applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the financial year and of the loss of the Company for the year ended on that date.

iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) That the annual accounts have been prepared on a going concern basis.

10. CORPORATE GOVERNANCE

A report on Corporate Governance is annexed herewith. Auditors Report on the same is also annexed.

11. ACKNOWLEDGEMENT

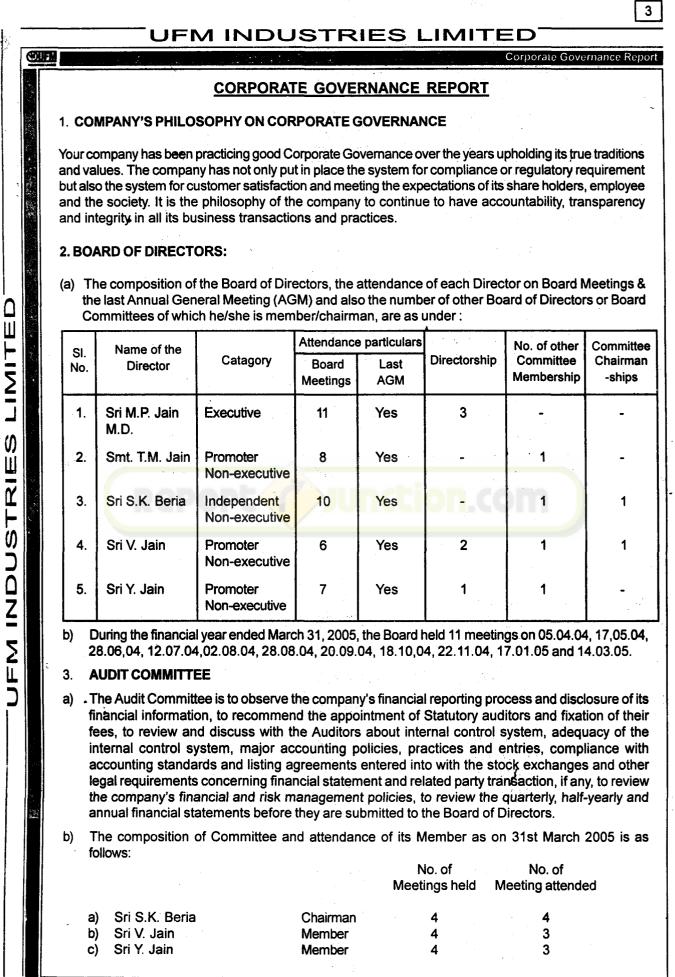
Your Company is grateful for the co-operation and continued support extended by the Department of Food & Civil Supplies, Food Corporation of India and other departments in Central Governments, Government of Assam, Banks, Insurance Companies, Customers & Suppliers. The Board of Directors greatly appreciates the dedicated service rendered by the all employees of your Company. The future prospects of the Company are bright and it would be the Company's endeavour to merit the confidence of all share holders.

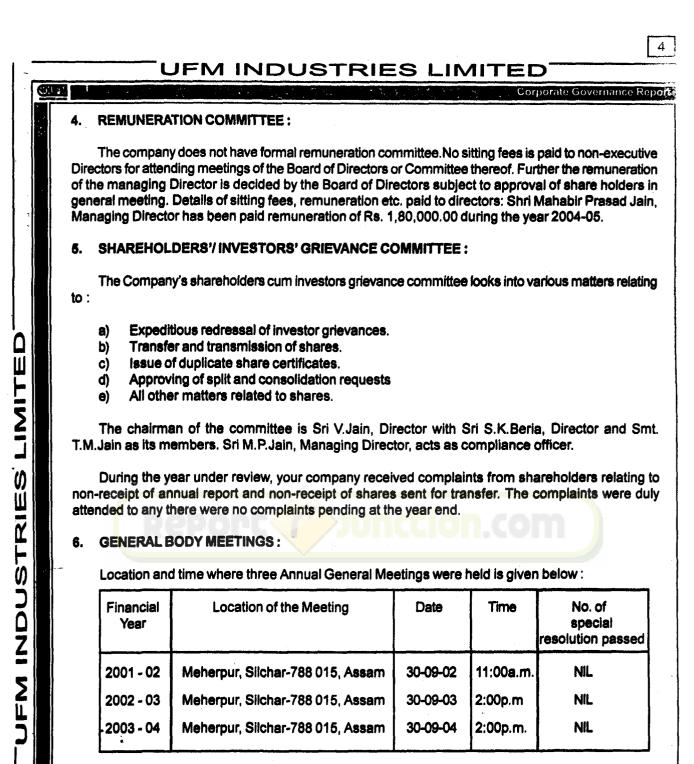
FOR AND ON BEHALF OF THE BOARD

REGISTERED OFFICE : Meherpur, Silchar-788015 Assam.

Date : 1st September, 2005.

(Mahabir Prasad Jain) Managing Director





The members passed all the resolutions set out in the respective notices.

There were no resolution put through postal ballot last year. There is no business at the ensuing Annual General Meeting requiring implementation of the postal ballot under the applicable rules.

7. DISCLOUSERS :

The Company has not entered into any transaction of a material nature with the promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company. The register of contracts containing transactions, in which directors are interested, is placed before the board regularly.

The Company has complied with the requirements of the ties on capital market and no penalties / strictures have been imposed against it during the last 3 years.

	•	UFM INDUSTRIES LIMITED Corporate Governance F
8.	MEAN	S OF COMMUNICATION :
		bard of Directors takes the quarterly results of the company on record. Half Yearly report to each household of the shareholders.
9.	GENE i)	RAL SHAREHOLDERS' INFORMATION : Annual General Meeting
		Date and Time : 30th September, 2005 at 2.00 pm
		Venue : Meherpur, Silchar - 788015
	ii)	Financial Calendar
		Financial Year - April to March
		Financial reporting (Tentative)
		First Quarter results - Fourth week of July, 2005
		Half Yearly results - Fourth week of October, 2005
		Third Quarter results - Fourth week of January, 2006
		Fourth Quarter results - Fourth week of April, 2006
•	iii)	Dates of book closure: Monday 19 th September, 2005 to Monday 26 th September, 20
		(Both days inclusive)
	iv)	Dividend :
		The Board of Directors have not recommended dividend for the year 2004-2005.
	(V)	Listing of Stock exchanges :
		i) Gauhati Stock Exchanges Ltd. Saraf Building Annexe, A.T.Road, Guwahati-1.
		ii) The Calcutta Stock Exchange Association Ltd.
		7, Lyons Road, Kolkata- 700001.
	•	iii) The Stock Exchange, Mumbai
		Phiroze Jeejeebhoy Tower,
		Dalal Street, Mumbai-400001
	vi)	Stock Code : Physical
	*1)	Slock Odde , Filysical
		I. Gauhati Stock Exchange Ltd.
		II. The Calcutta Stock Exchange Association Ltd.
		III. The Stock Exchange, Mumbai-831610
	•	
	vii)	MARKET PRICE DATA / STOCK MARKET DATE : There were no trading of Compar
		shares at Gauhati Stock Exchange and Calcutta Stock Exchange during the year un consideration and Stock Exchange, Mumbai
		consideration and Stock Excitatinge, Multibal
	viii)	Register & Share Transfer Agent :
		Niche Technologies Pvt. Ltd.
		D-511, Bagree Market,
		71, B.R.B. Basu Road,
		Kolkata - 700001
		Ph. : 22357270 / 7271 / 3070
		Fax: 91-033-22156823
		Email : <u>nicheteehpl@nicheteehpl.com</u>

Corporate Governance Report

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ix) SHARE TRANSFER SYSTEM :

Transfer of shares held in physical mode is processed by Niche Technologies Pvt.Ltd. and approved by the share transfer committee. Transfer of the share is effected and share certificates are despatched within a period of 30days from the date of receipt, if the relevant documents are complete in all respects.

x) Distribution of share holding as on 31st March, 2005.

SI. No.	Number	of	Shares	No.of Holders	% to Total	No.of Shares	% to Total
1.	UPTO	-	500	1022	64.97	250,900	4.23
2.	501	-	1,000	213	13.54	209,400	3.53
3.	1,001	-	5,000	249	15.83	634,500	10.70
4.	5,001	-	10,000	41	2.61	321,600	5.42
5.	10,001	-	50,000	30	1.91	652,400	11.00
6.	50,001	-	100,000	7 *	0.45	527,691	8.90
7.	100,001		AND ABOVE	11	0.70	3,336,109	56.23
	-	TO	TALS	1,573	100,00	5,932,600	100.00

Xi) Categories of share holdings as on 31st March, 2005.

No.of Equity Shares Held	No. of Share Holders	% of Share Holders	No.of Shares Held S	% of thare Holding
	1549	98.47	2,189,300	36.90
CORPORATES	8	0.51	1,894,280	31.93
PROMOTERS	16	1.02	1,849,020	31.17
TOTAL	1,573	100.00	5,932,600	100.00

xii) Dematerialization of Shares and liquidity

The Company's equity share capital has not been dematerialized till date.

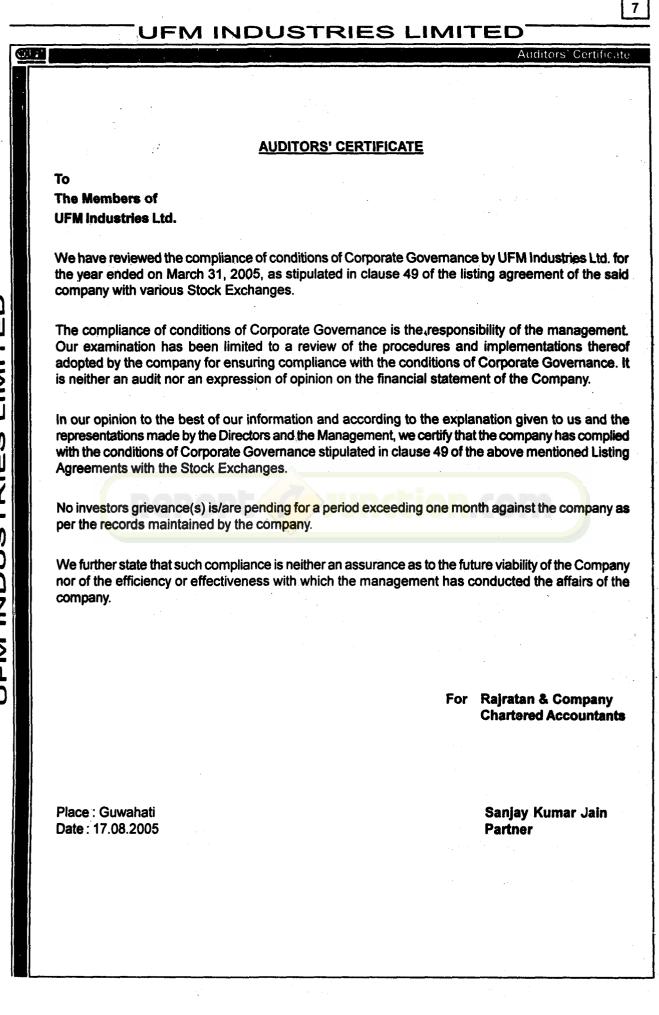
xiii) Outstanding GDR / Warrants or convertible bonds conversion dates and likely impact on equity : Not applicable.

xiv) PLANT LOCATIONS :

- Unit I : Meherpur, Silchar 788015, Assam Ph. : (03842) 234322/241538
 - Fax: (03842) 241539
- Unit II : Balajan, Gauripur 783331, Dhubri, Assam
 - Ph. (03662) 287568/230460
 - Fax.. (03662) 230460

XV) ADDRESS FOR CORRESPONDENCE :

Shareholders correspondence should be addressed to the company' Registrar and share Transfer Agent at the address given here in above correspondence may also be addressed to the company at Meherpur, Silchar-788015, Ph. (03842) 234322 / 241538 Fax : (03842) 241539.



			Director				
	ANNEXURE 'A' FORM "A" (See Rule 2)						
	FORM FOR DISCLOSURE OF PARTICULA	ARS IN RESPECT OF CONSE	RVATION OF ENER				
A.	POWER AND FUEL CONSUMPTION :						
1.	Electricity	Previous Year	Current Yea				
	(a) Purchases						
	Unit K.W.H	28,97,776	25,76,78 1				
	Total Amount	1,18,50,563	1,09,52,605				
	*Rate/Unit	4.09	4.25				
	(b) Own Generation						
	(i) Through Diesel Generator Set						
	(a) Units generated	96,212	NiL				
	(b) Units per litre of diesel Oil	4.11	NIL				
	(c) Average cost per unit	5.10	NIL				
	(ii) Through Steam						
	Turbine / Generator Set Unit per Ltr. of fuel Oil/Gas						
2.	Coal(Specify and were used)						
	Quantity	NIL	NIL				
3.	Furnace Oil						
	Quantity (K. Ltrs)						
	Total Amount	NIL	Nil				
	Average Rate	NIL	NI				
4.	• Other/internal Generation						
	Quantity						
	Total Cost	NIL	NI				
	Rate/Unit						
B . 0	CONSUMPTION PER UNIT OF PRODUCT	ION					
	Wheat Products (in M.T.)	38,507	33,439				
	Electricity (in K.W.H. per MT)	77.75	77.04				
	Furnace Oil	NIL					
	Coal	NIL	NIL				
		NIL	Nil				