

# UFM INDUSTRIES LIMITED

MEHERPUR, SILCHAR - 788015  
ASSAM



**22th ANNUAL REPORT**

2007 - 2008

## UFM INDUSTRIES LIMITED

UFM

### NOTICE

NOTICE is hereby given that the 22<sup>nd</sup> Annual General Meeting of the members of UFM Industries Limited shall be held on Tuesday, the 30<sup>th</sup> day of September, 2008 at the Registered office of the Company at Meherpur, Silchar – 788 015 (Assam) at 2 P.M. to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2008 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Shri Yogesh Jain who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Director in place of Shri S. K. Beria who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint auditors and fix their remuneration.

#### REGISTERED OFFICE :

Meherpur, Silchar- 788015.  
Assam.

BY ORDER OF THE BOARD  
For UFM Industries Limited

Report  junction.com

Date : 1st September 2008

( Mahabir Prasad Jain )  
Managing Director

UFM INDUSTRIES LIMITED

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
3. All document referred to in the accompanying Notice are open for inspection at the Registered office of the company during Business hours on all working days except Tuesday between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting.
4. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
5. Shareholders seeking any information with regard to Accounts are requested to write to the company at least 7 days in advance so as to enable the management to keep the information ready.
6. The Register of Members and Share Transfer book of the company shall remain closed from 18<sup>th</sup> September 2008 to 25<sup>th</sup> September 2008 (both days inclusive).
7. Members are requested to immediately intimate any change in their address Registered with the Company quoting their respective folio number(s).
8. As a measure of economy, the practice of distributing copies of the Annual Report at the Meeting has been discontinued. Members / Proxies are requested to bring their copies of the Annual Report to the meeting.

**REGISTERED OFFICE**

Meherpur, Silchar- 788015, ASSAM.

Date : The 1st day of September, 2008.

**BY ORDER OF THE BOARD**  
**For UFM Industries Ltd.**

**( Mahabir Prasad Jain )**  
**Managing Director**

**BOARD OF DIRECTORS**

- (1) Sri Mahabir Prasad Jain, Managing Director
- (2) Sri Suresh Kumar Beria
- (3) Sri Vishal Jain
- (4) Sri Yogesh Jain

**AUDITORS**

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

**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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**UFM INDUSTRIES LIMITED**

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Directors' Report

**DIRECTORS' REPORT**

To  
The Members,  
UFM Industries Ltd.  
Meherpur, Silchar.

Your Directors have the pleasure in presenting before you the 22nd Annual Report and Audited Accounts of the Company for the year ended on 31st March 2008.

**1. FINANCIAL RESULTS**

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

	Rs. in lacs	Rs. in lacs
	31-03-2008	31-03-2007
Incomes	2425.59	1757.28
Expenses	2364.13	1670.17
Operating Profit	61.46	87.11
Interest	16.04	14.97
Depreciation	27.05	34.07
Profit before tax	18.37	38.07
Less: Taxation		
Current	(7.60)	(7.12)
FBT	(0.44)	(0.37)
Deferred	3.66	7.79
Profit after tax	13.99	38.37

**2. OPERATIONS**

The total Income for the year was Rs. 2425.59 lacs as compared to the income for the previous year of Rs. 1757.28 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 re-appointment. 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**

Shri Yogesh Jain is retiring by rotation at the Annual General Meeting and is 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.

UFM INDUSTRIES LIMITED

**UFM INDUSTRIES LIMITED****UFM****Directors' Report****6. CONSERVATION OF ENERGY**

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 '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 31<sup>st</sup> March, 2008 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 profit 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 : 1<sup>st</sup> September, 2008.

**(Mahabir Prasad Jain)**  
Managing Director

**UFM INDUSTRIES LIMITED**

## UFM INDUSTRIES LIMITED



Corporate Governance Report

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2007- 08

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your company has been practicing good Corporate Governance over the years upholding its true traditions and values. The company has not only put in place the system for compliance or regulatory requirement but also the system for customer satisfaction and meeting the expectations of its share holders, employee and the society. It is the philosophy of the company to continue to have accountability, transparency and integrity in all its business transactions and practices.

## 2. BOARD OF DIRECTORS:

- (a) The composition of the Board of Directors, the attendance of each Director on Board Meetings & the last Annual General Meeting (AGM) and also the number of other Board of Directors or Board Committees of which he/she is member/chairman, are as under :

Sl. No.	Name of the Director	Category	Attendance particulars		Directorship	No. of other Committee Membership	Committee Chairman -ships
			Board Meetings	Last AGM			
1.	Sri M.P. Jain M.D.	Executive	11	Yes	3	-	-
2.	Sri S.K. Beria	Independent Non-executive	8	Yes	-	1	1
3.	Sri V. Jain	Promoter Non-executive	10	Yes	2	1	1
4.	Sri Y. Jain	Promoter Non-executive	6	Yes	1	1	-

- b) During the financial year ended March 31, 2008, the Board held 11 meetings on 10.04.07, 18.05.07, 12.06.07, 17.07.07, 20.08.07, 05.09.07, 29.10.07, 02.11.07, 20.12.07, 21.02.08, and 28.03.08.

## 3. AUDIT COMMITTEE

- a) The Audit Committee is to observe the company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory auditors and fixation of their fees, to review and discuss with the Auditors about internal control system, adequacy of the internal control system, major accounting policies, practices and entries, compliance with accounting standards and listing agreements entered into with the stock exchanges and other legal requirements concerning financial statement and related party transaction, if any, to review the company's financial and risk management policies, to review the quarterly, half-yearly and annual financial statements before they are submitted to the Board of Directors.

- b) The composition of Committee and attendance of its Member as on 31st March 2008 is as follows:

			No. of Meetings held	No. of Meeting attended
a)	Sri S.K. Beria	Chairman	4	3
b)	Sri V. Jain	Member	4	4
c)	Sri Y. Jain	Member	4	3



## UFM INDUSTRIES LIMITED



Corporate Governance Report

### 4. REMUNERATION COMMITTEE :

The company does not have formal remuneration committee. No sitting fees is paid to non-executive Directors for attending meetings of the Board of Directors or Committee thereof. Further the remuneration of the Managing Director is decided by the Board of Directors subject to approval of share holders in general meeting. Details of sitting fees, remuneration etc. paid to directors: Shri Mahabir Prasad Jain, Managing Director has been paid remuneration of Rs. 6,00,000.00 and Shri Vishal Jain, Director has been paid remuneration of Rs. 3,60,000.00 during the year 2007-08.

### 5. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE :

The Company's shareholders cum investors grievance committee looks into various matters relating to :

- a) Expeditious redressal of investor grievances.
- b) Transfer and transmission of shares.
- c) Issue of duplicate share certificates.
- d) Approving of split and consolidation requests
- e) All other matters related to shares.

The Chairman of the Committee is Sri V.Jain, Director with Sri S.K.Beria, Director Shri Y. Jain as its members. Sri M.P.Jain, Managing Director, acts as compliance officer.

During the year under review, your company received complaints from shareholders relating to non-receipt of annual report and non-receipt of shares sent for transfer. The complaints were duly attended to and there were no complaints pending at the year end.

### 6. GENERAL BODY MEETINGS :

Location and time where three Annual General Meetings were held is given below :

Financial Year	Location of the Meeting	Date	Time	No. of special resolution passed
2004 - 05	Meherpur, Silchar-788 015, Assam	30-09-05	2:00p.m	NIL
2005 - 06	Meherpur, Silchar-788 015, Assam	30-09-06	2:00p.m.	NIL
2006 - 07	Meherpur, Silchar-788 015, Assam	29-09-07	2:00p.m.	NIL

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 ensuring Annual General Meeting requiring implementation of the postal ballot under the applicable rules.

### 7. DISCLOSURES :

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 regulatory authorities on capital market and no penalties / strictures have been imposed against it during the last 3 years.



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Corporate Governance Report

**8. MEANS OF COMMUNICATION :**

The Board of Directors take the quarterly results of the company on record.

**9. GENERAL SHAREHOLDERS' INFORMATION :****i) Annual General Meeting**

Date and Time : 30th September, 2008 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, 2008

Half Yearly results - Fourth week of October, 2008

Third Quarter results - Fourth week of January, 2009

Fourth Quarter results - Fourth week of April, 2009

**iii) Dates of book closure: Thursday 18<sup>th</sup> September, 2008 to Thursday 25<sup>th</sup> September, 2008. (Both days inclusive)****iv) Dividend :**

The Board of Directors have not recommended any dividend for the year 2007-2008.

**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 Range, Kolkata- 700001.

iii) Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Mumbai-400001

**vi) Stock Code : Physical**

I. Gauhati Stock Exchange Ltd.

II. The Calcutta Stock Exchange Association Ltd.

III. Bombay Stock Exchange Ltd.- 831610

**vii) MARKET PRICE DATA / STOCK MARKET DATE :** There were no trading of Company's shares at Gauhati Stock Exchange, Calcutta Stock Exchange and Bombay Stock Exchange during the year.**viii) Registrar & 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 : [nicheteehpl@nicheteehpl.com](mailto:nicheteehpl@nicheteehpl.com)

UFM INDUSTRIES LIMITED

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Corporate Governance Report

**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 31<sup>st</sup> March, 2008.**

Sl. 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
<b>TOTALS</b>				<b>1,573</b>	<b>100.00</b>	<b>5,932,600</b>	<b>100.00</b>

**xi) Categories of share holdings as on 31<sup>st</sup> March, 2008.**

Category of Share Holders	No. of Share Holders	% of Share Holders	No.of Shares Held	% of Share Holding
INDIVIDUALS	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
<b>TOTAL</b>	<b>1,573</b>	<b>100.00</b>	<b>5,932,600</b>	<b>100.00</b>

**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 :**

- A : Meherpur- Unit I & Unit II, Silchar - 788015, Assam  
Ph. : (03842) 234322/241538  
Fax: (03842) 241539
- B : Balajan, Dhubri - 783331, Assam  
Ph. (03662) 240428/230460  
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.