

UFM INDUSTRIES LIMITED

MEHERPUR, SILCHAR – 788 015
ASSAM



25th ANNUAL REPORT

2010-2011

BOARD OF DIRECTORS (1) Sri Mahabir Prasad Jain, (Managing Director)
(2) Sri Dipak Ladia
(3) Sri Avishek Jain

COMPANY SECRETARY Smt. Jyoti 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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NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of UFM Industries Limited shall be held on Friday, the 30th day of September, 2011 at the Registered office of the Company at Meherpur, Silchar – 788 015 (Assam) at 2:00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011 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 M/s Anil Hitesh & Associates, Chartered Accountants, Silchar as auditors of the Company in place of M/s Raj Ratan & Co., Chartered Accountants, Guwahati, who resigns from the conclusion of this meeting and fix their remuneration.

SPECIAL BUSINESS

3. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Avishek Jain who was appointed as an Additional Director at the meeting of the Board of Directors held on 1st January, 2011 and who holds office as such upto the date of this Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Avishek Jain as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of Company, liable to retire by rotation.

4. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Deepak Ladia who was appointed as an Additional Director at the meeting of the Board of Directors held on 22nd August, 2011 and who holds office as such upto the date of this Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Deepak Ladia as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of Company, liable to retire by rotation.

**BY ORDER OF THE BOARD
For UFM Industries Limited**

REGISTERED OFFICE :

Meherpur, Silchar- 788015.
Assam.

Date : The 5th Day of September, 2011.

**Jyoti Jain
Company Secretary**

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. THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMENCEMENT OF THE MEETING.
2. 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.
3. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
4. 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.
5. The Register of Members and Share Transfer book of the company shall remain closed from 23rd September 2011 to 30th September 2011 (both days inclusive).
6. Members are requested to immediately intimate any change in their address Registered with the Company quoting their respective folio number (s).
7. 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.

EXPLANATORY STATEMENTS AS REQUIRED UNDER SECTION 173 (2) OF THE COMPANIES ACT' 1956

Item No. 3

Mr. Avishek Jain has been appointed as an Additional Director of the Company pursuant to section 260 of the Companies Act, 1956 and Article 84 of the Article of Association of the Company on 1st January, 2011 and would hold office till the date of the ensuing Annual General Meeting.

Mr. Avishek Jain has done his Bachelors in Electronics. He has vast knowledge in the field of food processing. He holds Directorship in Arihant Sugar Limited, Goldstone Cements Limited, Nirvana Enterprises Pvt. Ltd., Lalit Projects Pvt. Ltd., Think Box Solutions Pvt. Ltd., Hari Trafin Pvt. Ltd., Pinnacle Commercial Pvt. Ltd., Lalit Cement Pvt. Ltd., Leonine Vanijya Pvt. Ltd., Nidhi Creative Infrastructure Pvt. Ltd.

Pursuant to Section 257 of the Companies Act, 1956 the Company has received a notice from a member signifying his intention to propose the candidature of Mr. Avishek Jain for the office of Director.

Your Director recommends passing of the Resolution set out in Item No. 3 of the accompanying Notice.

None of the Directors expect Mr. Mahabir Prasad Jain is concerned or interested in this Resolution.

Item No. 4

Mr. Deepak Ladia has been appointed as an Additional Director of the Company pursuant to section 260 of the Companies Act, 1956 and Article 84 of the Article of Association of the Company on 22nd August, 2011 and would hold office till the date of the ensuing Annual General Meeting.

Mr. Deepak Ladia is a Commerce Graduate and a Fellow of the Institute of Chartered Accountant of India. He has vast knowledge and experience in the areas of finance, accounts, taxation, legal and audit. He holds Directorship in Prachi Digital Systems Pvt. Ltd.

Pursuant to Section 257 of the Companies Act, 1956 the Company has received notice from a member signifying his intention to propose the candidature of Mr. Deepak Ladia for the office of Director.

Your Director recommends passing of the Resolution set out in Item No. 4 of the accompanying Notice.

None of the Directors of the Company is deemed to be concerned or interested in the Resolution.

BY ORDER OF THE BOARD
For UFM Industries Ltd.

REGISTERED OFFICE :
Meherpur, Silchar-788015.
Assam.

Date : The 5th Day of September, 2011.

Jyoti Jain
Company secretary

DIRECTORS' REPORT

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

Your Directors have the pleasure in presenting before you the 25th Annual Report and Audited Accounts of the Company for the year ended on 31st March 2011.

1. FINANCIAL RESULTS

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

	Rs. In lacs	Rs. in lacs
	31-03-2011	31-03-2010
Incomes	2494.00	3486.35
Expenses	2435.91	3435.82
Operating Profit	58.09	50.53
Interest	14.77	16.46
Depreciation	13.88	29.28
Profit before tax	29.44	4.79
Less: Taxation		
Current	7.73	7.06
Deferred	0.61	(0.59)
Profit after tax	21.10	(1.68)

2. OPERATIONS

The total Income for the year was Rs. 2494.00 lacs as compared to the income for the previous year of Rs. 3486.35 lacs. The Company has recorded a profit of Rs.21.10 lacs during the year under review. To enable the company to augment and conserve money for long term working capital requirement, the Board of Directors do not recommend dividend this year.

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, informs their unwillingness to perform further. Your Directors recommend the appointment of M/s Anil Hitesh and Associates, Chartered Accountants, Silchar at the ensuing Annual General Meeting to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting at remuneration to be decided by the Board of Directors. 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.

The Directors places on record their appreciation on the valuable advise and services rendered to the Company by M/s Rajratan and Co., Chartered Accountants during their association as Statutory Auditors of the Company.

4. DIRECTORS

Sri Avishek Jain and Sri Deepak Ladia were appointed as Additional Directors of the Company by the Board and their appointment as directors to retire by rotation is being sought in the ensuing Annual General Meeting, on being demanded by members for which necessary notices have been received by the Company.

Sri Suresh Beria, Independent, Non-Executive Director of the Company has resigned from the Directorship of the Company w.e.f. 18/02/2011. Sri Yogesh Jain and Sri Vishal Jain, Non-Executive Directors of the Company has resigned from the Directorship of the Company w.e.f. 22/08/2011 and 05/09/2011 respectively. The Board places on record their appreciation for the services rendered by them during their tenure as member of the Board.

5. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under clause 49 of the listing agreement with the Stock Exchanges in India is presented in a separate section forming part of the Annual Report.

6. 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.60,00,000/- or more per annum and Rs.5,00,000/- or more per month, if employed for part of the year.

7. 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'.

8. 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".

9. 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.

10. 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, 2011 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.

11. CORPORATE GOVERNANCE

The Company has taken proactive steps to ensure that the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement with the Stock Exchange are complied with. A separate report on Corporate Governance together with Auditors' Certificate on its compliance are included in the Annual Report.

12. 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 : 5th September, 2011.

(Mahabir Prasad Jain)
MANAGING DIRECTOR

ANNEXURE 'A'
FORM "A"
(See Rule 2)

FORM FOR DISCLOSURE OF PARTICULARS IN RESPECT OF
CONSERVATION OF ENERGY

A. POWER AND FUEL CONSUMPTION :

	Current Year 31.03.2011	Previous Year 31.03.2010
1. Electricity		
(a) Purchases		
Unit K.W.H	2,694,091	2,515,964
Total Amount	12,522,313	11,094,214
*Rate/Unit	4.65	4.41
(b) Own Generation		
(i) Through Diesel Generator Set		
(a) Units generated	NIL	NIL
(b) Units per litre of diesel Oil	NIL	NIL
(c) Average cost per unit	NIL	NIL
(ii) Through Steam	NIL	NIL
Turbine / Generator Set		
Unit per Ltr. of fuel Oil/Gas		
2. Coal (Specify if used)		
Quantity	NIL	NIL
3. Furnace Oil		
Quantity (K. Ltrs)		
Total Amount	NIL	NIL
Average Rate	NIL	NIL
4. Other/internal Generation		
Quantity		
Total Cost	NIL	NIL
Rate/Unit		

B. CONSUMPTION PER UNIT OF PRODUCTION

Wheat Products (in M.T.)	24,365	30,373
Electricity (in K.W.H. per MT)	110.57	82.84
Furnace Oil	NIL	NIL
Coal	NIL	NIL
Other (specify)	NIL	NIL

ANNEXURE “B”**FORM “B”****Form for Disclosure of particulars with respect to Technology Absorption:****RESEARCH AND DEVELOPMENT (R&D)**

1. Specific Areas in which R & D carried out by the Company : NIL
2. Benefits derived as a result of the above R & D : N.A.
3. Future plan of action : -
4. Expenditure on R & D : N.A.
 - a) Capital
 - b) Recurring
 - c) Total
 - d) Total R & D expenditure as a percentage of total turn over.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation : Technology required for better products applications and better quality have been adopted and are being developed / improved indigenously.
2. Benefits derived as a result of the above efforts, e.g. product Improvement, cost reduction and product development, import substitution etc. : Achievement of better capacity utilisation.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished : N.A.
 - (a) Technology imported :
 - (b) Year of import :
 - (c) Has technology been fully absorbed ? :
 - (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action :