

# UFM INDUSTRIES LIMITED

MEHERPUR, SILCHAR – 788 015  
ASSAM



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**31<sup>ST</sup> ANNUAL REPORT**

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**2016-2017**

**BOARD OF DIRECTORS** (1) Sri Mahabir Prasad Jain, (Managing Director)  
(2) Sri Deepak Ladia (Independent Director)  
(3) Sri Avishek Jain (Director and CFO)  
(4) Sri Poonam Chand Deewani  
(Independent Director)  
(5) Smt. Tara Jain (Non-Executive Director)

**COMPANY SECRETARY** Smt. Jyoti Jain

**AUDITORS** M/S. Anil Hitesh & Associates.  
Chartered Accountants  
Barak Market, 1<sup>st</sup> Floor  
N.S.Avenue, Rangirkhari  
Silchar -788005( 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 31<sup>st</sup> Annual General Meeting of the Members of UFM Industries Limited shall be held on Tuesday, the 26<sup>th</sup> day of September, 2017 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 31<sup>st</sup> March, 2017 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 a Director in place of Mr. Avishek Jain, (DIN 01383018) who retires by rotation and, being eligible offers himself for reappointment.
3. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. P.A. Agarwal & Co., Chartered Accountants (ICAI Firm Registration No.: 327316E), be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. Anil Hitesh & Associates, Chartered Accountants, (ICAI Firm Registration No. 325406E), the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of thirty sixth Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every Annual General Meeting till the thirty sixth Annual General Meeting, at such remuneration as may be recommended by Audit Committee and mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

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

### **REGISTERED OFFICE :**

Meherpur, Silchar- 788015.  
Assam.

(CIN:L153111AS1986PLC002539)

Date : 25<sup>th</sup> August, 2017 .

Sd/-  
**Jyoti Jain**  
**Company Secretary**  
**ACS: 23270**

### **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 COMMENCEMENT OF THE MEETING.

2. A Member can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act proxy for any other person or shareholder.
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 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 20<sup>th</sup> September, 2017 to 26<sup>th</sup> September, 2017 (both days inclusive) in terms of Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (LODR) Regulations, 2015..
7. Members are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.
8. Members are requested to immediately intimate any change in their address Registered with the Company quoting their respective folio number (s).
9. 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.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number by every participant. Members are therefore requested to submit their PAN details to the Company or the Registrar and Share Transfer Agent of the Company.

11. Details of Directors seeking appointment/re – appointment in the forthcoming Annual General Meeting, is as follows:

<b>Name of Directors</b>	Avishek Jain
<b>Date of Birth</b>	26.05.1982
<b>Date of Appointment</b>	30-09-2015
<b>Qualification</b>	Bachelors in Electronics
<b>List of Companies in which outside Directorship held as on 31<sup>st</sup> March' 2017</b>	Nirvana Enterprises Pvt. Ltd. Lalit Projects Pvt. Ltd. Hari Trafin Pvt. Ltd. Pinnacle Commercial Pvt. Ltd. Arihant Sugar Ltd. Goldstone Cements Ltd. Lalit Cement Pvt. Ltd. Leonine Vanijya Pvt. Ltd. Nidhi Creative Infrastructure Pvt. Ltd. Shantidham Marketing Pvt.Ltd. Purvanchal Suppliers Pvt. Ltd. Jagadguru Vincom Pvt. Ltd. Bonus Dealers Pvt. Ltd. Shri Lalit Realcon Pvt. Ltd.
<b>Chairman/Members of the Committees of the Board of Companies on which he is a Director as on 31<sup>st</sup> March' 2017</b>	-
<b>Shareholding in UFM Industries Ltd.</b>	0.83%
<b>Relationship with Managing Director of the Company</b>	Son

## 12. VOTING THROUGH ELECTRONIC MEANS

- I.** In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India) Limited (CDSL).
- II.** The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- III. The process and manner for remote e-voting are as under:**
- (i) The remote e-voting period commences on 23<sup>rd</sup> September, 2017 (9:00 am) and ends on 25<sup>th</sup> September, 2017 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19<sup>th</sup> September, 2017 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
  - (iii) Click on “Shareholders” tab.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are 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) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number (DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> <li>Please Enter the DOB or Bank Account Number in order to Login.</li> <li>If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction ( iv ).</li> </ul>

- (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 e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. **UFM Industries Limited** on which you choose to vote.
- (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 same 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 Institutional Shareholders & Custodians :
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://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 they have to create a compliance user which 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 favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) 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 or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533
- (xx) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

13. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [amitinvestment\\_ghy@yahoo.co.in](mailto:amitinvestment_ghy@yahoo.co.in) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and [ufmindustries@rediffmail.com](mailto:ufmindustries@rediffmail.com) on or before 25<sup>th</sup> September, 2017 upto 5:00 pm without which the vote shall not be treated as valid.

14. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19<sup>th</sup> September, 2017.  
A person who is not a member as on cut off date should treat this notice for information purpose only.
15. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members // register of beneficial owners maintained by depositories as at closing hours of business, on Friday, 18<sup>th</sup> August, 2017.
16. The shareholders shall have one vote per equity share held by them as on the cut-off date of 19<sup>th</sup> September, 2017. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
17. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19<sup>th</sup> September, 2017 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
18. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
19. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 19<sup>th</sup> September, 2017 are requested to send the written / email communication to the Company at [ufmindustries@rediffmail.com](mailto:ufmindustries@rediffmail.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
20. Manish Jain, Practicing Company Secretary, Certificate of Practice Number: 3966 has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 2 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
21. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ufmindl.weebly.com](http://www.ufmindl.weebly.com) and on the website of CDSL. The same will be communicated to the stock exchanges viz. BSE Limited and The Calcutta Stock Exchange Ltd., where the shares of the company are listed.

BY ORDER OF THE BOARD  
For UFM Industries Ltd.

**REGISTERED OFFICE :**  
Meherpur, Silchar-788015.  
Assam.  
(CIN:L153111AS1986PLC002539  
Date : 25/08/2017

Sd/-  
**Jyoti Jain**  
Company secretary

## **DIRECTORS' REPORT**

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

Your Directors have the pleasure in presenting before you the 31<sup>st</sup> Annual Report and Audited Accounts of the Company for the year ended on 31<sup>st</sup> March, 2017.

### **1. FINANCIAL RESULTS**

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

	<b>Rs. In lacs</b>	<b>Rs. in lacs</b>
	<b>31-03-2017</b>	<b>31-03-2016</b>
Incomes	6722.44	3964.99
Exceptional & Extraordinary item	-	-
Expenses	6586.51	3877.91
Operating Profit	135.93	87.08
Interest	37.45	19.16
Depreciation	25.44	23.95
Profit before tax	73.04	43.97
Less: Taxation		
Current	18.33	13.43
Tax of Earlier year	-	-
Deferred	1.40	(0.88)
Profit after tax	53.31	31.42

### **2. OPERATIONS**

The total Income for the year was Rs. 6722.44 lacs as compared to the income for the previous year of Rs. 3964.99 lacs. The Company has recorded a profit of Rs.53.31 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 Anil Hitesh and Associates, (ICAI Firm Registration No. 325406E), Chartered Accountants, Statutory Auditors were first appointment as Auditors in the 25<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2011. In terms of Section 139(2) of the Companies Act, 2013 (Act) the maximum tenure of an individual auditor is restricted to 5 years but as per the proviso to section 139(2) the Company has to comply with this provision within three years from the date of commencement of this Act. Therefore, the retiring auditors, during the Annual General Meeting held on 30.09.2014, were appointed from the conclusion of 28<sup>th</sup> Annual General Meeting until the conclusion of 31<sup>st</sup> Annual General Meeting, subject to ratification by members at every Annual General Meeting. M/s Anil Hitesh and Associates complete their term at the conclusion of the ensuing 31<sup>st</sup> AGM of the Company and cannot be re-appointment for a fresh term.

Accordingly, as per the said requirements of the Act, M/s P.K.Agarwal, Firm Registration No. 327316E is proposed to be appointed as auditors for a period of 5 years, commencing from the conclusion of 31<sup>st</sup> Annual General Meeting till the conclusion 36<sup>th</sup> Annual General Meeting, subject to ratification by members every year, as may be applicable.



The Auditors have furnished a certificate stating that, their appointment, if made, will be within the limit laid down under section 139 of the Companies Act, 2013 and that they are not disqualified for appointment within the meaning of section 141 of the said Act. The Board of Directors, therefore, recommends appointment for F.Y. 2017-18 of M/S P.K.Agarwal, (ICAI Firm Registration No. 327316E), Chartered Accountants, as Statutory Auditors of the Company for the approval of Shareholders.

The Notes on Accounts referred to in the Auditors Report are self explanatory and do not call for any further comments.

#### **4. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Avishek Jain, Director, retire by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered with Stock Exchanges. In the opinion of the Board they fulfil the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

#### **5. CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR:**

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and SEBI (LODR) Regulations.

**Independence:** In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/ she meets with the criteria for 'Independent Director' as laid down in the Act and SEBI (LODR) Regulations.

**Qualifications:** A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

**Positive Attributes:** In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behaviour, strong interpersonal and communication skills and soundness of judgement. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

#### **6. EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS**

The Directors of your Company are in a fiduciary position, empowered to oversee the management functions with a view to ensure its effectiveness and enhancement of stakeholder's value.

The Board provides and critically evaluates strategic direction, management policies and their effectiveness on your Company. Their objective is also to ensure that the long term interests of the shareholders are being served.

Independent Directors are appointed not merely to fulfil the statutory requirement but to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions. The Board of Directors is at the core of your Company's corporate governance practice and oversees how the management serves and protects the long term interests of the stakeholders. Your Directors believe that an active, well informed and independent Board is necessary to ensure the highest standards of corporate governance.

## **7.EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company is annexed herewith as ANNEXURE “A” to this Report.

## **8. MEETINGS OF THE BOARD.**

Six meetings of the Board of Directors were held during the year. For further details, please refer report on Corporate Governance forming part of the Annual Report.

## **9. RELATED PARTY TRANSACTIONS**

All Related Party Transactions that were entered into during the financial year were on arm’s length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations.

Details of the transactions with Related Parties are provided in the accompanying financial statements.

## **10..DEPOSIT :**

The Company has not accepted any deposits during the year under review.

## **11.PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN AND INVESTMENTS MADE**

The particulars of loans given, investment made or guarantee given or security provided and the purpose For which the loan or guarantee or security is proposed to be utilised by the recipient are provided in the financial statement.

## **12. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The provisions of Corporate Social Responsibility is not applicable to the company.

## **13. 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.

## **14. SECRETARIAL AUDITOR**

The Board has appointed Mr. Manish Jain, Manish Jain & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2017 is annexed herewith marked as ANNEXURE ‘B’ to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board has appointed Mr. Manish Jain, Manish Jain & Associates, Practising Company Secretaries, as Secretarial Auditor of the Company for the financial year 2017-18.

## **15. INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements.