

# UFM INDUSTRIES LIMITED

MEHERPUR, SILCHAR – 788 015  
ASSAM



---

**27<sup>th</sup> ANNUAL REPORT**

---

**2012-2013**

<b>BOARD OF DIRECTORS</b>	(1) Sri Mahabir Prasad Jain, (Managing Director) (2) Sri Deepak Ladia (3) Sri Avishek jain (4) Sri Poonam Chand Deewani
<b>COMPANY SECRETARY</b>	Smt. Jyoti Jain
<b>AUDITORS</b>	M/S. Anil Hitesh & Associates. Chartered Accountants Barak Market, 1 <sup>st</sup> Floor N.S.Avenue, Rangirkhari Silchar -788005( Assam)
<b>BANKERS</b>	United Bank Of India
<b>REGISTERED OFFICE</b>	Meherpur, Silchar – 788015, Assam.
<b>FACTORIES</b>	(a) Meherpur, Silchar-788015 ( Assam) (b) Balajan, Gauripur – 783331( Assam)

<b>Contents</b>	<b>Page</b>
<b>AGM notice</b>	<b>1</b>
<b>Directors' Report</b>	<b>3</b>
<b>Corporate governance</b>	<b>8</b>
<b>Audit Report</b>	<b>16</b>
<b>Balance sheet</b>	<b>21</b>
<b>Profit &amp; Loss Account</b>	<b>22</b>
<b>Cash Flow statement</b>	<b>23</b>
<b>Notes of Accounts</b>	<b>24</b>
<b>General Information</b>	<b>37</b>
<b>Attendance/Proxy Form</b>	<b>40</b>
<b>Nomination Form</b>	<b>41</b>

## **NOTICE**

**NOTICE** is hereby given that the 27th Annual General Meeting of the Members of UFM Industries Limited shall be held on Monday, the 30<sup>th</sup> day of September, 2013 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, 2013 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 Shri Deepak Ladia who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and fix their remuneration.

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

### **REGISTERED OFFICE :**

Meherpur, Silchar- 788015.  
Assam.

Date : The 5<sup>th</sup> Day of September, 2013.

**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 COMMENCEMENT 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 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 24<sup>th</sup> September, 2013 to 30<sup>th</sup> September, 2013 (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.

Details of Directors, pursuant to Clause 49 of the Listing Agreement, seeking appointment/re - appointment in the forthcoming Annual General Meeting, is as follows:

<b>Name of Directors</b>	Deepak Ladia
<b>Date of Birth</b>	24.11.1965
<b>Date of Appointment</b>	22.08.2011
<b>Qualification</b>	B.Com, F.C.A.
<b>List of Companies in which outside Directorship held as on 31<sup>st</sup> March' 2013</b>	Prachi Digital Systems Pvt. Ltd. Dasoni Infrastructure Supports 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' 2013</b>	-
<b>Shareholding in UFM Industries Ltd.</b>	-

BY ORDER OF THE BOARD

**For UFM Industries Ltd.**

REGISTERED OFFICE :  
Meherpur, Silchar-788015.  
Assam.

Date : The 5<sup>th</sup> Day of September, 2013.

**Jyoti Jain**  
**Company secretary**

## **DIRECTORS' REPORT**

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

Your Directors have the pleasure in presenting before you the 27th Annual Report and Audited Accounts of the Company for the year ended on 31<sup>st</sup> March, 2013.

### **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>31-03-2013</b>	<b>31-03-2012</b>
Incomes	3485.75	2224.29
Expenses	3163.12	2172.33
Operating Profit	322.63	51.96
Interest	21.06	10.54
Depreciation	35.74	15.33
Profit before tax	265.83	26.09
Less: Taxation		
Current	90.71	6.84
Deferred	(2.77)	(6.21)
Profit after tax	177.89	25.46

### **2. OPERATIONS**

The total Income for the year was Rs. 3485.75 lacs as compared to the income for the previous year of Rs. 2224.298 lacs. The Company has recorded a profit of Rs.177.89 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, 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 and that they are not disqualified for reappointment within the meaning of section 226 of the said Act.

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

### **4. DIRECTORS**

Shri Deepak Ladia, Director, retire by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

## **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. OUTLOOK FOR THE FUTURE AND EXPANSION**

Your Directors are pleased to inform you that the work on the setting up of new flour mill in Agartala, M/s Lalit Flour Mills, is going on as planned and new machineries have been ordered and soon will be installed. Your directors hope that the work will get completed in next financial year.

## **11. 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, 2013 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.

**12. 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.

**13. 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 Government, Government of Assam, Banks, Insurance Companies, Customers & Suppliers. The Board of Directors greatly appreciates the dedicated service rendered by all the 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 : 5<sup>th</sup> September, 2013.

**(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 :**

	<b>Current Year 31.03.2013</b>	<b>Previous Year 31.03.2012</b>
1. Electricity		
(a) Purchases		
Unit K.W.H	23,07,247	24,83,160
Total Amount	1,36,83,753	1,30,68,690
*Rate/Unit	5.93	5.26
(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.)	32883	26,238
Electricity (in K.W.H. per MT)	70.16	94.64
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 :

**UFM INDUSTRIES LIMITED**  
**CORPORATE GOVERNANCE REPORT FOR THE YEAR 2012-13**

**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 the details of directorship (calculated as per provisions of Section 275 and 278 of the Companies Act, 1956) committee / memberships/chairmanships, held by directors in public companies as on 31/03/2013 :

Sl. No.	Name of the Director	Category	Board Meetings	Last AGM	Directorship	No. of other Committee Membership	Committee Chairmanships
1	Sri M.P.Jain M.D.	Executive	10	Yes	4	-	-
2	Sri Deepak Ladia	Independent Non-executive	9	Yes	-	2	2
3	Sri Avishek Jain	Promoter Executive	10	Yes	2	2	-
4	Sri Poonam Chand Deewani	Independent Non-executive	9	Yes	-	2	-

Notes:

1. The information provided above pertains to the following committees in accordance with the provisions of Clause 49 of listing agreement:
  - i. Audit Committee
  - ii. Shareholders'/Investors' Grievances Committee
2. Membership of committees includes chairmanship, if any.

- (b) During the financial year ended 31<sup>st</sup> March 2013, the Board held 10 meetings on 30.04.12, 27.07.12, 20.08.12, 05.09.12, 29.09.12, 18.10.12, 30.10.12, 18.12.12, 26.12.2012 and 30.01.2013.

**3. CODE OF CONDUCT**

The Board has laid down a code of conduct for all the Board members and senior management of the Company.

The Company has obtained the confirmation of the Compliances with the Code from all its Board members and senior management personnel. As required by Clause 49 of the Listing Agreement, the declaration on compliance of the Company's code of conduct, signed by the Managing Director forms a part of this Annual Report

#### 4. AUDIT COMMITTEE

(a) The Board has constituted Audit Committee of the Board of Directors. The Audit Committee has the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers it necessary.

(b) The terms of reference of Audit Committee are in accordance with all the items listed in Clause 49(II)(D) and (E) of the listing agreement as follows:

1. Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of the audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
  - b. Charges, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgement by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
6. Reviewing, with the management, performance of the statutory and internal adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors ,any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors , debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
13. Review the following information:
  - i. Management discussion and analysis of financial condition and results of operations;
  - ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - iii. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
  - iv. Internal audit reports relating to internal control weaknesses,
  - v. The appointment, removal and terms of remuneration of the Chief internal auditor.

- (c) The composition of Committee and attendance of its Member as on 31<sup>st</sup> March 2013 is as follows :

			No. of Meetings held	No. of Meetings attended
a)	Sri Deepak Ladia	Chairman	4	4
b)	Sri A.Jain	Member	4	4
c)	Sri P.C.Deewani	Member	4	4

## 5. 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: Sri Mahabir Prasad Jain, Managing Director has been paid remuneration of Rs.12,00,000.00 and Sri Avishek Jain, Executive Director has been paid remuneration of Rs.2,40,000 during the year 2012-13.

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

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

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

The composition of Committee and attendance of its Member as on 31<sup>st</sup> March 2013 is as follows :

			No. of Meetings held	No. of Meetings attended
a)	Sri Deepak Ladia	Chairman	1	1
b)	Sri A. Jain	Member	1	1
c)	Sri P.C.Deewani	Member	1	1

There were no complaints received from shareholders/investors during the financial year 2012-13 and there were no pending shareholder/investor complaints as on 31 March, 2013.

## 7. 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
2009-10	Meherpur, Silchar-788 015, Assam	30-Sep-10	2:00p.m.	1
2010-11	Meherpur, Silchar-788 015, Assam	30-Sep-11	2:00p.m.	NIL
2011-12	Meherpur, Silchar-788 015, Assam	29-Sep-12	2:00p.m.	NIL

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

There were no resolutions 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.

## **8. DISCLOSURES :**

There have been no materially significant related-party transactions, or relationship between your company and the Directors, management, subsidiary or relatives except for those disclosed in the financial statements for the year ended March 31, 2013. 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.

## **9. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

Auditor's certificate with respect to compliance with Clause 49 of the Listing Agreement relating to Corporate Governance forms part of the Annual Report.

## **10. CEO/CFO CERTIFICATION**

As required under Clause 49(V) of the Listing Agreement, the Managing Director and the person heading the finance function of the Company gave certification on financial reporting and internal controls to the Board. The Certification forms part of the Annual Report.

## **11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report forms part of the Annual Report.

## **12. MEANS OF COMMUNICATION:**

Financial Results, Shareholding Pattern, Corporate Governance Report, Annual Report are displayed on the Company's website [www.ufmindl.weebly.com](http://www.ufmindl.weebly.com).

## **13. GENERAL SHAREHOLDERS' INFORMATION :**

### **i) Annual General Meeting**

Date and Time	:	30 <sup>th</sup> September, 2013 at 2:00 P.M.
Venue	:	Meherpur, Silchar – 788015.

### **ii) Financial Calendar**

Financial Year - April to March  
 Financial reporting (Tentative)  
 First Quarter results – Fourth week of July, 2013  
 Half Yearly results – Fourth week of October, 2013  
 Third Quarter results – Fourth week of January, 2014  
 Fourth Quarter results – Fourth week of April, 2014

### **iii) Dates of book closure:** Tuesday, 24<sup>th</sup> September, 2013 to Monday 30<sup>th</sup> September, 2013 (Both days inclusive)

### **iv) Dividend :**

The Board of Directors have not recommended any dividend for the year 2012-2013.

**v) Listing of Stock Exchanges :**

- i) Gauhati Stock Exchange Ltd., Shine Tower, Sharab Bhati, Rehabari, Guwahati-781 008.
- 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 :**

- I. Gauhati Stock Exchange Ltd.
- II. The Calcutta Stock Exchange Association Ltd.
- III. Bombay Stock Exchange Ltd. – 531610.

**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 and 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)

**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 30 days from the date of receipt, if the relevant documents are complete in all respects.

**x) Website:**

[www.ufmindl.weebly.com](http://www.ufmindl.weebly.com)

**xi) Compliance Officer:**

Jyoti Jain – Company Secretary

**xi) Distribution of share holding as on 31<sup>st</sup> March, 2013.**

Sl. No.	-----Number Of Shares-----	No. of Holders	% to Total	Total Shares	% to Total
1	UPTO - 500	1022	64.3982	2,50,900	4.2292
2	501 - 750	2	0.1260	1,400	0.0236
3	751 - 1,000	211	13.2955	2,08,000	3.5061
4	1,001 - 1,250	7	0.4411	8,400	0.1416
5	1,251 - 1,500	3	0.1890	4,100	0.0691
6	1,501 - 2,000	85	5.3560	1,44,000	2.4273
7	2,001 - 2,500	67	4.2218	1,60,900	2.7121
8	2,501 - 2,750	34	2.1424	91,500	1.5423
9	2,751 - 3,000	7	0.4411	20,700	0.3489
10	3,001 - 3,250	0	0.0000	0	0.0000
11	3,251 - 3,500	9	0.5671	29,900	0.5040
12	3,501 - 4,000	7	0.4411	27,100	0.4568
13	4,001 - And Above	133	8.3806	49,85,700	84.0390
	<b>TOTAL</b>	<b>1,587</b>	<b>100.0000</b>	<b>59,32,600</b>	<b>100.0000</b>

**xiii) Categories of share holdings as on 31<sup>st</sup> March, 2013.**

<b>Category of Share Holders</b>	<b>No. of Share Holders</b>	<b>% of Share Holders</b>	<b>No. of Shares Held</b>	<b>% of Share Holding</b>
INDIVIDUALS	1548	98.6	2,186,900	36.86
PROMOTERS	22	1.4	3,745,700	63.14
<b>TOTAL</b>	<b>1,570</b>	<b>100.00</b>	<b>5,932,600</b>	<b>100.00</b>

**xiv) Dematerialization of Shares and liquidity**

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

**xv) Outstanding GDR / Warrants or convertible bonds conversion dates and likely impact on equity : Not applicable.****xvi) PLANT LOCATIONS :**

A : Meherpur-Unit I & Unit II, Silchar – 788015, Assam  
Ph : (03842) 224822 / 224996  
Fax : (03842) 241539

B : Balajan, Dhubri – 783331, Assam  
Ph : (03662) 297180  
Fax : (03662) 297180

**xv) ADDRESS FOR CORRESPONDENCE :**

Shareholders correspondence should be addressed to the company's 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) 224822 / 224996 Fax : (03842) 241539.

**xvi) Dedicated email id for investor:**

For the convenience of our investors, the Company has designated an exclusive email id for investors i.e. [ufm.investorgrievances@gmail.com](mailto:ufm.investorgrievances@gmail.com).

**CODE OF CONDUCT DECLARATION**

Pursuant to Clause 49 I (D) of the Listing Agreement entered into with the Stock Exchange, I hereby declare that the Company has obtained affirmative compliance with the code of conduct from all the Board members and senior management personnel of the company.

Place: Silchar  
Date: 05/09/2013

Mahabir Prasad Jain  
Managing Director

**MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management of UFM Industries Ltd is pleased to present Management Discussion and Analysis report for the year ended 31<sup>st</sup> March, 2013.

**INDUSTRY SCENE AND FUTURE GROWTH:**

The economy of the country is rapidly growing and in accordance with the industrial growth. Food Products being the main activity of the company there will be a corresponding growth.

The company is having proper infrastructure to provide proper and satisfactory services to the cliental and has its offices at the strategic locations. The company is managed and is running by dedicated staff.

With the very good support from its existing cliental and further new potential growth, promises overall progress for the company. Your company is expecting the rate parallel to the Industrial growth of the country.

### **FINANCIAL PERFORMANCE AND OPERATIONS:**

The key indicators of the company's financial performance for the year ended March 31, 2013 are presented in the accompanying financial statements, which have been prepared in accordance with the requirements of the Company's Act, 1956 and the Generally Accepted Accounting Principles (GAAP) and Accounting Standards prevailing in India.

Your directors are pleased to report that during the Financial year 2012-2013 your company has made a profit of Rs.265.83 Lacs on a turnover of Rs.3485.75 Lacs as compared to Profit before Tax of Rs.26.09 Lacs and on a turnover of Rs.2224.29 Lacs in the previous accounting year. Thus the company has registered growth in profits for the year. Looking at the current market conditions and response from the market, Company is envisaging a growth in turnover during the coming financial year 2013-2014.

### **SEGMENT- WISE/PRODUCT-WISE PERFORMANCE:**

Presently the company's operations are related to manufacture of different wheat products such as atta, maida, sooji etc.

### **RISKS AND CONCERNS:**

Risk is intrinsic to Business and it is the de-risking ability of the company which brings success to the company.

### **OPPORTUNITIES AND THREATS:**

Your company continues to enjoy increasing confidence from its valued customers for providing quality service. In the changing economic scenario of the country, your company is adopting a combination of alternative business models to navigate competitions and opportunity to its advantages.

### **HUMAN RESOURCES**

The Company recognizes the need for continuous growth and development of its employees in order to provide greater job satisfaction and also to equip them to meet growing organizational challenges.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

Internal Control Systems are designed to ensure the reliability of financial and other record and accountability of executive action to the management's authorization. The Statutory Auditors have evaluated the system of internal controls of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business.

The internal control systems are reviewed by the top Management and by the Audit Committee of the Board and proper follow up action ensured wherever required.

### **CAUTIONARY STATEMENT**

Statement in the Management Discussion and Analysis describing the company's objectives, expectations, estimates or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in Government regulations, tax laws, economic developments within the country and other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis, of any subsequent developments, events or information.

**CERTIFICATE**

**To**  
**The Members of**  
**UFM INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by UFM Industries Ltd. , for the year ended 31.03.2013 , as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. 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 and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For Anil Hitesh & Associates  
Chartered Accountants

(C.A. Anil Jain)  
Proprietor  
Mem. No. 057336  
Firm Reg. No. 325406E

Dated at Silchar  
The 5th of September, 2013

**Independent Auditor's Report****To the Members of  
UFM Industries Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of **M/ UFM Industries Limited** ("the Company") which comprise the Balance Sheet as at 31 March 2013, the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2013;
- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date.
- iii. in the case of the cash flow statement, of the 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, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
  - e. On the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956

For Anil Hitesh & Associates  
Firm Reg. No. 325406E  
Chartered Accountants

Dated at Silchar  
The 20<sup>th</sup> of August, 2013

C.A. Anil Jain  
Proprietor  
Mem. No. 057336

## ANNEXURE TO THE AUDITOR'S REPORT

Referred to in para (1) of our Report of even date on statements of Accounts of **UFM INDUSTRIES LIMITED**, for the year ended **31st March' 2013**.

- I) a) The Company has maintained proper records to show full particulars, including quantitative details and situation of its Fixed Assets.
- b) As explained to us, the management conducted the physical verification of the major fixed assets during the year in phased periodical manner, which in our opinion, is reasonable having regards to the size of the Company and the nature of its assets, and no material discrepancies were noticed as compared with available book records.
- c) In our opinion, and according to the information and explanations given to us the Company has not disposed of substantial part of fixed assets during the year.
- ii) a) As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories. As explained to us there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

- iii) a) The Company has granted unsecured loans to 7 (Seven) concerns/parties covered in the register maintained under Sec-301 of the Companies Act 1956. The details are hereunder:

No. Of Parties	Maximum Balance Outstanding during the year (₹)	Year end Balance (₹)
1 Company	61,50,000	38,020,60
6 Other Parties	60,142,974	24,231,474

b) In our opinion and to the best of information and explanation given to us, the rate of interest and other terms and conditions on which the Company has granted loans and advances are not pre judicial to the interest of the Company.

c) The Company has taken unsecured loans from 3Concerns/ Parties covered in the register maintained under Section 301 of the Companies Act 1956.However the Loan taken during the year has been repaid during the year itself. The details are hereunder:

No. Of Parties	Maximum Balance Outstanding during the year (₹)	Year end Balance (₹)
3 Parties	20,21,514	NIL

d) In our opinion and to the best of information and explanation given to us, the rate of interest and other terms and conditions on which the Company has taken loans and advances are not pre judicial to the interest of the Company.

- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods & services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanation given to us, we have neither come across nor have we been informed of any continuing failure to correct major weakness in the aforesaid internal control system.

- v)
    - a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to section 301 of the Act have been entered in the register to be maintained under Section 301 of the Companies Act, 1956.
    - b) In our opinion and according to the information and explanations given to us, the transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/-(Rupees Five Lacs Only) or more in respect of any party have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.
- vi) The Company has not accepted any deposits from the public U/S 58 A
- vii) In our opinion, the internal audits system of the company is commensurate with its size and nature of its business.
- viii) The Central Government has not prescribed maintenance of cost records under section 209 (I)(d) of the Companies Act, 1956 in respect of activities of the Company.
- ix)
  - a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, VAT , PF, ESI and other material statutory dues applicable to it.
  - b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, VAT,PF,ESI and other material statutory dues which were in arrears, as at **31.03.2013** for a period of more than six months from the date they became payable.
  - c) According to the information and explanation given to us, there are no dues of VAT, PF, ESI ,Income Tax, and other material statutory dues which have not been deposited on account of any dispute.
- x) There are no accumulated losses of the company at the end of the financial year and it has not incurred any cash losses either during the financial year ended on the date or in the immediately preceding financial year.
- xi) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks.
- xii) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the companies (Auditor's Report) order 2003 is not applicable to the Company.
- xiv) In respect of shares, securities, debentures and other investments dealt or traded by the Company proper records are maintained in respect of transactions and contracts and timely entries have been made therein. All the investments are held by the company in its own name.
- xv) According to the information and explanations given to us, and representations made by the management , the Company has given guarantee for loans taken by M/s Sethi Flour Mills to United Bank of India, the terms and conditions whereof in our opinion are not prima-facie prejudicial to the interest of the Company.

- xvi) The company has not raised new term loans during the year.
- xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us there are no funds raised on short term basis which have been used for long term investment.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix) The Company has not issued any debentures during the year. Accordingly, the question of creation of securities in this regard does not arise.
- xx) The Company has not raised any money by way of public issue during the year.
- xxi) In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

FOR ANIL HITESH & ASSOCIATES  
CHARTERED ACCOUNTANTS

Dated at Silchar  
the 20<sup>th</sup> of August, 2013

(CA. ANIL JAIN)  
PROPRIETOR  
M.No. 057336  
Firm Reg.325406E

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**BALANCE SHEET AS AT 31.03.2013**

PARTICULARS	Note No.	Amount in(₹)	Amount in(₹)
		As at 31st March, 2013	As at 31st March, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	1	56,419,800	56,419,800
Reserves & Surplus	2	65,127,756	47,338,844
<b>Non Current Liabilities</b>			
Deferred Tax Liability (Net)	3	3,251,821	3,528,554
Long Term Provisions	4	1,338	1,326
<b>Current Liabilities</b>			
Short Term Borrowings	5	34,684,430	11,616,276
Other Current Liabilities	6	1,572,516	1,419,430
<b>TOTAL (₹)</b>		<b>161,057,661</b>	<b>120,324,231</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Fixed Assets			
Tangible Assets	7	21,952,439	20,717,438
Work-In-Progress		2,835,586	-
Non Current Investments	8	5,090,358	4,920,696
Long Term Loans & Advances	9	3,655,137	2,126,755
<b>Current Assets</b>			
Inventories	10	43,766,217	35,955,569
Trade Receivables	11	13,732,691	8,084,282
Cash and Bank Balances	12	34,113,312	7,984,114
Short Term Loans & Advances	13	35,911,921	40,535,377
<b>TOTAL (₹)</b>		<b>161,057,661</b>	<b>120,324,231</b>

As per our Report of even date

For Anil Hitesh & Associates  
Chartered Accountants  
FRNo. 325406 E

For & Behalf of the Board

C.A. Anil Jain  
(Mem. No. 057336)  
(Proprietor)

Mahabir Prasad Jain  
(Managing Director)

Avishek Jain  
(Director)

Jyoti Jain  
(Company Secretary)

Silchar :The 20th August,2013

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013**

PARTICULARS	Note	Amount in(₹)	Amount in(₹)
		As at 31st March, 2013	As at 31st March, 2012
<b>INCOME</b>			
Revenue From Operations	14	343,287,184	222,026,687
Other Income	15	5,288,320	401,954
<b>TOTAL REVENUE</b>		<b>348,575,505</b>	<b>222,428,640</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	16	286,424,763	193,475,186
Changes in Inventories of Finished Goods	17	(1,286,026)	(2,705,043)
Employee Benefit Expenses	18	6,635,673	6,592,657
Finance Costs	19	2,107,599	1,054,024
Depreciation and Amortisation Expenses	20	3,574,442	1,533,233
Other Expenses	21	24,535,594	19,869,614
<b>TOTAL EXPENSES</b>		<b>321,992,045</b>	<b>219,819,671</b>
Profit Before Tax		26,583,460	2,608,969
<b>TAX EXPENSES</b>			
Current Tax		9,071,281	683,582
Deferred Tax		(276,733)	(620,770)
<b>NET PROFIT FOR THE YEAR FROM CONTINUING &amp; TOTAL OPERATION</b>		<b>17,788,912</b>	<b>2,546,157</b>
Earnings per Equity Share of the Face Value of Rs. 10	22		
Basic & Diluted from Continuing & Total Operation (in ₹)	22	3.15	0.45

As per our Report of even date

For Anil Hitesh & Associates  
Chartered Accountants  
FRNo. 325406 E

For & Behalf of the Board

C.A. Anil Jain  
(Mem. No. 057336)  
(Proprietor)

Mahabir Prasad Jain  
(Managing Director)

Avishek Jain  
(Director)

Jyoti Jain  
(Company Secretary)

Silchar :The 20th August,2013

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013**

PARTICULARS	Note	Amount in(₹)	Amount in(₹)
		As at 31st March, 2013	As at 31st March, 2012
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax as per Statement of Profit & Loss		26,583,460	2,608,969
Adjusted for:			
Depreciation & Ammortisation Expenses		3,574,442	1,533,233
Interest Expense on Working Capital		2,107,599	1,054,024
Net Gain on sale of Fixed Assets		(22,967)	(249,155)
Dividend Income		(9,197)	(8,799)
Interest Income		(2,045,490)	(1,543,309)
<b>Operating Profit before Working Capital Changes</b>		30,187,847	3,394,964
Adjusted for:			
Trade & Other Receivables		(1,024,953)	(16,837,518)
Short Term Borrowings		23,068,154	7,901,062
Inventories		(7,810,648)	5,959,202
Trade & Other Payables		153,097	(161,175)
Adjustments for Other Deposits as Increased		-	(5,000)
<b>Cash generated from Operations</b>		44,573,498	251,535
Taxes Paid Current Year's		(10,719,263)	(795,747)
Taxes Paid Previous Year's		-	(11,150)
<b>Net Cash from Operating Activities (Total A)</b>		<b>33,854,235</b>	<b>(555,362)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>			
Fixed Assets in WIP		(2,835,586)	-
Purchase of Fixed Assets		(5,806,477)	(3,255,392)
Advance for Purchase of Fixed Assets		-	(40,000)
Sale of Fixed Assets		1,060,000	336,000
Investment in Partnership Firm		(169,662)	(881,196)
Interest Income		2,045,490	1,543,309
Disposal of Security		79,600	-
Dividend Income		9,197	8,799
<b>Net Cash (used in) Investing Activities (Total B)</b>		<b>(5,617,439)</b>	<b>(2,288,481)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>			
Interest Paid		(2,107,599)	(1,054,024)
<b>Net Cash (used in )/ from Financing Activities (Total C)</b>		<b>(2,107,599)</b>	<b>(1,054,024)</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>		26,129,198	(3,897,867)
<b>Opening Balance of Cash &amp; Cash Equivalents</b>		7,984,114	11,881,981
<b>Closing Balance of Cash &amp; Cash Equivalents</b>		34,113,312	7,984,114

As per our Report of even date

For Anil Hitesh & Associates  
Chartered Accountants  
FRNo. 325406 E

For & Behalf of the Board

C.A. Anil Jain  
(Mem. No. 057336)  
(Proprietor)  
Silchar :The 20th August,2013

Mahabir Prasad Jain  
(Managing Director)

Avishek Jain  
(Director)

Jyoti Jain  
(Company Secretary)

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

**For FY 2012-2013**

Amount in(₹)      Amount in(₹)

**1 SHARE CAPITAL**

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
<b><u>Authorised</u></b>		
70,00,000 Equity Share of ₹10 each	70,000,000	70,000,000
<b><u>Issued</u></b>		
<b><u>59,32,600 Equity Shares of ₹ 10 each in the following way:</u></b>		
26,82,600 Equity Shares of ₹10 each issued at par	26826000	
32,50,000 Equity Shares of ₹ 10 each issued at premium of ₹5 each	32500000	59,326,000
<b><u>Subscribed &amp; Fully Paid Up</u></b>		
26,82,600 Equity Shares of ₹10 each Subscribed & Fully Paid up	26,826,000	26,826,000
27,74,800 Equity Shares Subscribed & fully paid up including premium money	27,748,000	27,748,000
<b>Sub Total (1)</b>	54,574,000	54,574,000
<b><u>Subscribed but not Fully Paid Up</u></b>		
4,75,200 Shares Subscribed but not fully paid up	1,845,800	1,845,800
(Call in arrear ₹29,06,200/- & Securities Premium in arrear ₹15,03,645/-)		
<b>Sub Total (2)</b>	1,845,800	1,845,800
<b>TOTAL (1+2) ₹</b>	<b>56,419,800</b>	<b>56,419,800</b>

1.1 No Shares were allotted for consideration other than cash, no bonus shares were issued & no shares were bought back in the last 5Yrs.

1.2 The details of shareholders holding more than 5 % shares

Name of the Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No of Shares	% held	No of Shares	% held
- Tara Mani Devi Jain	315015	5.31%	315015	5.31%
- Tara Rani Jain	334108	5.63%	334108	5.63%
- Harak Chand Investment Ltd.	343580	5.79%	343580	5.79%
- Mahabir Prasad Jain	377415	6.63%	377415	6.63%
- Radio Supply Stores (Cinema) Pvt. Ltd.	399900	6.74%	399900	6.74%
- Sheetal Farms Ltd.	700800	11.81%	700800	11.81%

1.3 The Reconciliation of the number of shares outstanding is set out below:-

PARTICULARS	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	₹	No. of Shares	₹
Equity Shares at the beginning of the year	5932600	1,845,800	5,932,600	1,845,800
Equity Shares at the end of the year	5932600	1,845,800	5,932,600	1,845,800

1.4 Details of Calls Unpaid

PARTICULARS	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	₹	No. of Shares	₹
<b><u>Equity Shares of ₹10 each issued at a premium of ₹5 each</u></b>				
Calls unpaid by Others(Unpaid Amount Only)	475200	2,906,200	475,200	2,906,200
Equity Shares at the end of the year	475200	2,906,200	475,200	2,906,200

1.5 The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

1.6 The Company doesnot have a holding company.

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

**For FY 2012-2013**

Amount in(₹)                      Amount in(₹)

**2 RESERVES & SURPLUS**

PARTICULARS			As at 31st March, 2013	As at 31st March, 2012
<b>Capital Reserve (Capital Subsidy )</b>	<b><u>31.03.2013</u></b>	<b><u>31.03.2012</u></b>		
As per last Balance Sheet	120,578	120,578		
Add/(Less) Changes during the year	-	-	120,578	120,578
<b>Securities Premium Reserve</b>	<b><u>31.03.2013</u></b>	<b><u>31.03.2012</u></b>		
As per last Balance Sheet	14,746,355	14,746,355		
Add/(Less) Changes during the year	-	-	14,746,355	14,746,355
<b>General Reserve</b>	<b><u>31.03.2013</u></b>	<b><u>31.03.2012</u></b>		
As per last Balance Sheet	7,891,684	7,891,684		
Add/(Less) Changes during the year	-	-	7,891,684	7,891,684
<b>Surplus from Statement of Profit &amp; Loss</b>	<b><u>31.03.2013</u></b>	<b><u>31.03.2012</u></b>		
As per last Balance Sheet	24,580,227	22,034,072		
Add: profit for the year	17,788,912	2,546,156		
<b>TOTAL (₹)</b>			<b>65,127,756</b>	<b>47,338,844</b>

**3 DEFERRED TAX LIABILITY (NET)**

PARTICULARS		As at 31.03.13	As at 31.03.12
<b>Deferred Tax Liability on Fixed Assets</b>	(See Note-3.1)	3,251,821	3,528,554
<b>TOTAL (₹)</b>		<b>3,251,821</b>	<b>3,528,554</b>

**3.1 CALCULATION OF DEFERRED TAX LIABILITY (DTL) (AS-22)**

	As at 31.03.13	As at 31.03.12
WDV as per IT Act as on First day of previous year	9,049,013	7,781,385
WDV as per Companies Act as on First day of Previous Year	20,717,438	19,082,124
Opening Timing Difference	11,668,425	11,300,739
Deferred Tax Liability on Opening Timing Difference @ 30.9% Total (1)	3,605,543	3,491,928
Opening deferred tax Liability(DTL)	3,528,554	4,149,324
Current Year Depreciation as per IT Act	2,429,711	1,651,764
Current Year Depreciation as per Companies Act	3,574,442	1,533,233
Current Year Timing Difference	(1,144,731)	118,531
Deferred Tax liability on Current Year Timing Difference @30.9% Total (2)	(353,722)	36,626
Net Amount of DTL(1+2)	3,251,821	3,528,554
As per books DTL	3,528,554	4,149,324
To be Adjusted in Statement of Profit and Loss (Reversed)/created	<b>(276,733)</b>	<b>(620,770)</b>

**4 LONG TERM PROVISIONS**

PARTICULARS	31.03.2013	31.03.2012
Ganesh Ji Maharaj	1,337	1,326
<b>TOTAL (₹)</b>	<b>1,337</b>	<b>1,326</b>

**5 SHORT TERM BORROWINGS**

PARTICULARS	As at 31.03.13	As at 31.03.12
<b>Secured Loans Repayable on Demand</b>		
<b>From Banks</b>		
Rupee Loans (₹) from United Bank of India	34,684,430	11,616,276
<b>TOTAL (₹)</b>	<b>34,684,430</b>	<b>11,616,276</b>

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

**For FY 2012-2013**

**Amount in(₹)      Amount in(₹)**

- 5.1 (A) (i) Secured by hypothecation of present and future stock of raw materials, stock in trade, finished goods, stock in transit & book debts  
(ii) Personal Guarantee of all the Directors .(Except Nominee & Technical Directors).  
(iii) Exclusive 1st Charge on Company's entire Fixed Assets both Silchar & Gauripur units including Moveable & Immovable Assets.  
(iv) Hypothecation of debts and movable assets of the Company. (including the vehicles included in the gross block of the company).

- 5.1(B) The Company doesnot have any continuing default in repayment of loans and interest on the balance sheet date.

**6      OTHER CURRENT LIABILITIES**

PARTICULARS	As at 31.03.13	As at 31.03.12
Other Payables (See 6.1)	1,572,516	1,419,430
<b>TOTAL (₹)</b>	<b>1,572,516</b>	<b>1,419,430</b>

**6.1      OTHER PAYABLES**

PARTICULARS	31.03.2013	31.03.2012
<b><u>In respect of Taxes</u></b>		
Professional Tax Payable	2,020	1,560
TDS Payable	57,016	20,400
CST Payable	-	1,800
Entry Tax Payable	5,208	31,321
<b>In respect of Employee benefits</b>	71,929	42,977
<b>Advance received from Supplier</b>	100,000	-
<b>In respect of Liability for Other Expenses</b>	1,336,343	1,321,372
<b>TOTAL (₹)</b>	<b>1,572,516</b>	<b>1,419,430</b>

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

**For FY 2012-2013**

Amount in(₹)      Amount in(₹)

**8 NON CURRENT INVESTMENTS**

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b>Trade Investments</b>		
Investment in Partnership Firm (See 8.1)	1,050,858	881,196
<b>Other Investments (Valued at Cost)</b>		
In Equity Shares - Quoted & fully paidup (See 8.2)	1,114,500	1,114,500
In Equity Shares - Unquoted & fully paidup (See 8.3)	2,925,000	2,925,000
<b>TOTAL (₹)</b>	<b>5,090,358</b>	<b>4,920,696</b>

**8.1 Investments In Partnership Firm**

Name of Firm	As at 31.03.2013		As at 31.03.2012	
	Name of Partners	Respective Share in Profits of the Firm	Name of Partners	Respective Share in Profits of the Firm
<b>1. M/s Lalit Flour Mills, Agartala</b>				
Total Investment in the Firm by UFM Industries Ltd. ₹1050858	1. UFM Industries Ltd.	33.33%	1. UFM Industries Ltd.	33.33%
	2. Vishal Jain	33.33%	2. Vishal Jain	33.33%
	3. Avhishek Jain	33.33%	3. Avhishek Jain	33.33%
<b>Total Capital of the Firm</b>		<b>1,050,858</b>		<b>881,196</b>

**8.2 Other Investments In Equity Shares- Quoted & Fully Paid up**

NAME OF SECURITIES	As at 31.03.2013		As at 31.03.2012	
	Qty	₹	Qty	₹
<b>Listed Shares</b>				
- Harak Chand Investments Ltd.	16395	40,950	16395	40,950
- Tata Consultancy Services Ltd.	104	22,100	104	22,100
- Alok Industries Ltd.	1375	183,510	1375	183,510
- Pantaloon Retailers (India) Ltd.	3	-	3	-
- Rico Auto Industries Ltd.	1000	102,959	1000	102,959
- Shree Precoated Steel Ltd.**	700	309,361	700	309,361
- Haldyn Glass Gujrat Ltd.	10000	69,285	10000	69,285
- Nahar Industries Ltd.	3000	247,152	3000	247,152
- Ajmera Realty & Infra Ltd.**	300	132,583	300	132,583
- United Bank of India Ltd.	100	6,600	100	6,600
<b>TOTAL (₹)</b>		<b>1,114,500</b>		<b>1,114,500</b>

\*\* That 1000 shares of Ajmera Realty & Infra Ltd. Were splitted into 300 Shares of Ajmera Realty & Infra Ltd And 700 shares of Shree Precoated Steel Ltd during the previous year.

**8.3 Other Investments In Equity Shares- Unquoted & Fully Paid up**

NAME OF SECURITIES		As at 31.03.2013		As at 31.03.2012	
		Qty	₹	Qty	₹
Investment in Shares of related parties					
In Associates:					
- Shri Lalit Cold Storage (P) Ltd.	20.02%	10000	1,000,000	10,000	1,000,000
In Others:					
- Laxmiji Sugar Mills Co. Ltd.		42500	425,000	42,500	425,000
- Gold Stone Cement Ltd.		150000	1,500,000	150,000	1,500,000
TOTAL (₹)			2,925,000		2,925,000

8.4 Aggregate Amount of Quoted Investments as at 31.03.2013 is ₹11,14,500/- (Previous Yr ₹11,14,500/- )

8.5 Market Value of Quoted Investments as at 31.03.2013 is ₹5,05,237/- (Previous Yr ₹808,512/-)

8.6 Aggregate Amount of Un-quoted Investments as at 31.03.2013 is ₹4225000/- (Previous Yr ₹29,25,000/- )

8.7 Aggregate provision for diminution in value of Investments Current Year ₹NIL (Previous Yr ₹NIL)

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

**For FY 2012-2013**

Amount in(₹)      Amount in(₹)

**9 LONG TERM LOANS AND ADVANCES**

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<u>(Unsecured and Considered Good)</u>		
Security Deposits	1,894,990	1,974,590
<b><u>Balances with Revenue Authorities</u></b>		
I.Tax Refundable-FY-2011-12	112,165	
I Tax Refundable FY-2012-13 (Net of Provision)	<u>31.03.2013</u> <u>31.03.2012</u>	
Taxes Paid during the year	10,719,263      795,747	
Less: Current Yr Income Tax Provision	9,071,281      683,582	1,647,982      112,165
<b>Capital Advances</b>	-	40,000
<b>TOTAL (₹)</b>	<b>3,655,137</b>	<b>2,126,755</b>

**10 INVENTORIES**

PARTICULARS	As at 31.03.2013		As at 31.03.2012	
	Qty (Quintal)	₹	Qty (Quintal)	₹
Raw Materials				
- Wheat	29,093.45	29,473,528	23,381.27	23,775,834
- Biotech Flour Improver	350Kg	104,700	120Kg	47,328
Finished Goods				
- Atta	776.80	1,209,121	696.75	749,381
- Maida	1,397.35	2,141,210	2,157.55	2,989,002
- Suji	105.00	172,733	130.00	187,352
- Bran	3,506.55	4,356,089	3,025.79	2,667,392
Stores, Spares & Consumables		3,693,086		2,679,040
Packing Materials		2,615,750		2,860,241
<b>TOTAL (₹)</b>		<b>43,766,217</b>		<b>35,955,569</b>

\* Inventories is valued at Cost or Net Realisable Value Whichever is Less.

\* No Inventories are in Transit.

**11 TRADE RECEIVABLES**

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<b><u>Unsecured and Considered Good from Others</u></b>		
Over Six Months from due date	1,565,846	1,311,828
Others	12,166,845	6,772,454
<b>TOTAL (₹)</b>	<b>13,732,691</b>	<b>8,084,282</b>

**12 CASH AND CASH EQUIVALENTS**

PARTICULARS	As at 31.03.2013	As at 31.03.2012
<u>Cash and Cash Equivalents</u>		
Balance with Banks in Current Account	23,924,414	892,253
Cash in Hand	10,188,898	7,091,861
<b>TOTAL (₹)</b>	<b>34,113,312</b>	<b>7,984,114</b>

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

**For FY 2012-2013**

		Amount in(₹)	Amount in(₹)
<b>13</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	PARTICULARS	As at 31.03.2013	As at 31.03.2012
	(Unsecured and Considered Good)		
	Loans & Advances to Related Parties (See 13.1)	29,333,534	25,265,886
	Other Advances (See 13.2)	6,578,387	15,269,491
	<b>TOTAL (₹)</b>	<b>35,911,921</b>	<b>40,535,377</b>

**13.1 Short Loans and Advances include amount due from:**

	PARTICULARS	As at 31.03.2013	As at 31.03.2012
	<u>1. Other Officers of the Company</u>		
	a. Lalit Enterprise (Prop: Vishal Jain)	-	165,477
	<u>2. Firms in which any Director is a Partner</u>		
	a. Dharmendra Industrial Stores	-	929,174
	b. Sethi Flour Mills	2,447,920	4,883,226
	c. Navin Food Industries	-	738,009
	d. Lalit Poly Weave LLP	15,057,261	-
	e. United Commercial Co.	6,726,293	14,000,000
	<u>3. Private Company in which any director is a director or Member</u>		
	a. Gold Stone Cement limited	1,300,000	-
	a. Shri Lalit Cold Storage (P) Ltd.	3,802,060	4,550,000
	<b>TOTAL (₹)</b>	<b>29,333,534</b>	<b>25,265,886</b>

<b>13.2</b>	<b>Other Advance</b>	As at 31.03.2013	As at 31.03.2012
	<u>In respect of Purchase for Goods</u>	5,902,147	14,633,775
	<u>In respect of Expenses</u>	612,534	635,716
	<u>Rent Receivable</u>	63,706	-
	<b>TOTAL (₹)</b>	<b>6,578,387</b>	<b>15,269,491</b>

**14 REVENUE FROM OPERATIONS**

	PARTICULARS	For FY 2012-2013	For FY 2011-2012
	Sale of Products (See 14.1)	337,064,213	217,818,143
	Sale of Services (See 14.2)	4,119,481	2,559,909
	Other Operating Revenues (See 14.3)	2,103,490	1,648,635
	<b>TOTAL (₹)</b>	<b>343,287,184</b>	<b>222,026,687</b>

\* Non Exciseable Items.

**14.1 SALE OF PRODUCTS**

	PARTICULARS	For FY 2012-2013		For FY 2011-2012	
	NAME OF PRODUCTS	Qty (Quintal)	₹	Qty (Quintal)	₹
	Atta	164,699.40	151,632,133	165,302.95	143,303,955
	Maida	78,349.00	139,379,149	35,629.05	54,370,955
	Suji	1,452.55	2,715,496	864.60	1,381,571
	Bran	35,405.15	43,233,909	17,902.15	18,619,492
	Refraction	242.85	103,526	183.10	142,170
	<b>TOTAL (₹)</b>		<b>337,064,213</b>		<b>217,818,143</b>

**14.2 SALE OF SERVICES**

	PARTICULARS	For FY 2012-2013	For FY 2011-2012
	Milling Charges	1,331,748	1,570,797
	Income from Weighing Scale	309,680	368,530
	Truck Frieght	2,478,053	620,582
	<b>TOTAL (₹)</b>	<b>4,119,481</b>	<b>2,559,909</b>

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

**For FY 2012-2013**

Amount in(₹)      Amount in(₹)

**14.3 OTHER OPERATING REVENUES**

PARTICULARS	For FY 2012-2013	For FY 2011-2012
Interest Income	2,045,490	1,543,309
Insurance Claim	58,000	-
Railway Claim	-	105,326
<b>TOTAL (₹)</b>	<b>2,103,490</b>	<b>1,648,635</b>

**15 OTHER INCOME(Non Operating Income)**

PARTICULARS	For FY 2012-2013	For FY 2011-2012
<b><u>Dividend Income</u></b>		
From Long Term Investments	9,197	8,799
<b><u>Other Non Operating Income</u></b>		
Agriculture Income	2,154	-
Rent from Letting of Godown	254,002	144,000
Other Income	5,000,000	-
Income from Sale of Fixed Assets	22,967	249,155
<b>TOTAL (₹)</b>	<b>5,288,320</b>	<b>401,954</b>

**16 COST OF MATERIALS CONSUMED**

PARTICULARS	For FY 2012-2013	For FY 2011-2012
Opening Stock	23,823,162	33,219,495
Add: Purchases	292,179,829	184,078,853
	316,002,991	217,298,348
Less: Closing Stock	29,578,228	23,823,162
<b>TOTAL (₹)</b>	<b>286,424,763</b>	<b>193,475,186</b>
<b>Material Consumed Comprises:</b>		
1.- Wheat	29,473,528	193,204,862
2.- Flour Improver	104,700	270,324
<b>TOTAL (₹)</b>	<b>29,578,228</b>	<b>193,475,186</b>

**17 CHANGES IN INVENTORIES OF FINISHED GOODS**

PARTICULARS	For FY 2012-2013	For FY 2011-2012
<b>Inventories( At Commencement)</b>		
Finished Goods	6,593,127	3,888,084
<b>Inventories( At Close)</b>		
Finished Goods	7,879,153	6,593,127
<b>Net (Increase)/ Decrease</b>	<b>(1,286,026)</b>	<b>(2,705,043)</b>

**18 EMPLOYEE BENEFIT EXPENSES**

PARTICULARS	For FY 2012-2013	For FY 2011-2012
Salary & Wages	5,782,724	5,681,242
Contribution to Provident Funds & Other Funds	473,055	540,898
Staff Welfare Expenses	379,894	370,517
<b>TOTAL (₹)</b>	<b>6,635,673</b>	<b>6,592,657</b>

**19 FINANCE COSTS**

PARTICULARS	For FY 2012-2013	For FY 2011-2012
<b><u>(i) Interest Expenses</u></b>		
<b><u>on Borrowings</u></b>		
Bank Interest Expenses	1,891,359	1,032,944
<b><u>on Others</u></b>		
Interest on TDS	2,938	830
<b>(ii) Other Borrowing Costs</b>	213,302	20,250
<b>TOTAL (₹)</b>	<b>2,107,599</b>	<b>1,054,024</b>

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

**For FY 2012-2013**

Amount in(₹)      Amount in(₹)

**20 DEPRECIATION & AMMORTISATION EXPENSES**

PARTICULARS	For FY 2012-2013	For FY 2011-2012
Depreciation & Ammortisation (Ref.Note 7)	3,574,442	1,533,233
<b>TOTAL (₹)</b>	<b>3,574,442</b>	<b>1,533,233</b>

**21 OTHER EXPENSES**

PARTICULARS	For FY 2012-2013	For FY 2011-2012
Consumption of Stores, Spares & Consumables etc.	2,223,075	982,438
Consumption of Packing Materials	1,269,435	1,056,588
Electric Power, Fuel & Water	13,683,753	13,068,690
Office Rent	249,000	249,000
Repairs & Maintainance - Building	351,149	236,523
Repairs & Maintainance -Machinery	240,961	301,302
Repairs & Maintainance -Other	455,982	418,844
Insurance	647,608	570,257
Rates & Taxes	122,149	241,854
Telephone & Internet Expenses	103,212	99,080
Travelling Expenses	147,606	82,612
Printing & Stationery	70,384	97,135
Share Listing & Registrar Fees	43,322	45,761
Payment to Auditors (See 21.1)	15,730	15,730
Addvertisement Expenses	140,801	114,550
Generator Maintainance	-	237,890
Labour Charges	839,651	537,511
Bank Charges	78,381	122,122
Motor Car Upkeep	382,930	373,470
Truck Running Expenses	2,710,430	798,172
Miscellaneous Expenses	760,035	220,086
<b>TOTAL (₹)</b>	<b>24,535,594</b>	<b>19,869,614</b>

**21.1 PAYMENT TO AUDITORS AS**

PARTICULARS	For FY 2012-2013	For FY 2011-2012
Statutory Audit Fees	11,236	11,236
Tax Audit Fees	4,494	4,494
<b>TOTAL (₹)</b>	<b>15,730</b>	<b>15,730</b>

**22 EARNING PER SHARE (EPS) (AS-20)**

PARTICULARS	For FY 2012-2013	For FY 2011-2012
Net Profit after Tax as per Statement of P/L attributable to Equity Shareholder	17,788,912	2,546,157
Weighted Average No. of Equity Shares used as denominator for calculating EPS	5641980	5641980
Basic & Diluted EPS	3.15	0.45
FV per Equity Share		
<b>TOTAL (₹)</b>		

**22.1 Computation of Weighted Average No. Of Equity Shares as per para 19 of AS 20**

	For FY 2012-2013	For FY 2011-2012
	No. Shares	₹
(A)Total Number of Shares issued of ₹ 10 each	5932600	59,326,000
(B)Paid for Fully paid up Shares fully paid ₹10 paid up	5457400	54,574,000
(C)Paid for partly paidup Shares ₹3.884 paid up	475200	1,845,800
(D)Proportionate fully paid up shares of (C) above [18,45,800/10]	184580	1,845,800
(E)Weighted Average No. Of Shares of ₹10 each fully paid up	5641980	56,419,800

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

**For FY 2012-2013**

Amount in(₹)      Amount in(₹)

**ADDITIONAL DISCLOSURES / INFORMATION TO THE FINANCIAL STATEMENTS**

<b>23</b>	<b>Contingent liabilities and commitments (to the extent not provided for)</b>	<b>As at 31.03.2013</b>	<b>As at 31.03.2012</b>
	<b>(i) Contingent Liabilities</b>		
	(a) Guarantees	40,000,000	40,000,000
		40,000,000	40,000,000
	<b>TOTAL (₹)</b>	<b>40,000,000</b>	<b>40,000,000</b>

**23.1** Guarantee has been given for M/s Sethi Flour Mills, Malua (Karimganj) for loan from United Bank of India, Silchar Branch.

**24 EMPLOYEE BENEFITS (AS-15)**

**24.1** The Company maintained provident fund with Regional Provident Fund Commissioner, contributions are made by the company to the Fund, based on the current salaries. In the provident fund scheme, contributor are also made by the employee. An amount of ₹4,70,972(Previous Yr ₹4,08,551) has been charged to the Statement of Profit & Loss on account of the above defined contribution schemes.

The Company operates defined benefit schemes like gratuity. The Company has taken out a policy with Life Insurance Corporation of India (LIC) for future payment of gratuity liability to its employees. Annual actuarial valuations are carried out by LIC in compliance with AS-15 (Revised 2005) on Employees Benefits. Annual Contributions are also made by the Company. Employees are not required to make any contribution. An amount of ₹2083 (Previous Yr ₹54,536) has been charged to the statement of Profit & Loss on account of Defined Benefit Schemes.

The Company doesnot provide for leave encashment benefits to the employees. Leave encashmet are accounted for on cash basis.

**25 RELATED PARTY TRANSACTIONS (AS-18)**

**25.1** Details of Related Parties:

Name of Related Parties	Type of Relation
- Dharmendra Industrial Stores, Silchar	Key Managerial Person is Interested
-Shri Lalit Cold Storage (p) Ltd., Silchar	Associate
- Lalit Enterprise, Silchar	Relative of Key Managerial Person has significant Influence
- Navin Food Industries, Silchar	Relative of Key Managerial Person has significant Influence
- Sethi Flour Mills, Malua	Key Managerial Person is Interested
- United Commercial Co., Silchar	Relative of Key Managerial Person has significant Influence
- Lalit Poly Weave LLP	Key Managerial Person is Interested
- Avishek Printers & Publishers	Key Managerial Person is Interested
- Mahabir Prasad Jain	Key Managerial Person
- Avishek Jain	Key Managerial Person
- Vishal Jain	Relative of Key Managerial Person
- Yogesh Jain	Relative of Key Managerial Person

Note: Related parties have been identified by the management.

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

For FY 2012-2013

**ADDITIONAL DISCLOSURES / INFORMATION TO THE FINANCIAL STATEMENTS (Continued)**

## 25.2 Details of related party transactions during the year ended 31.03.2013 and outstanding balance as on 31.03.2013

TYPE OF TRANSACTION	ASSOCIATE	KMP	Relatives of KMP	Entities in which KMP/Relative of KMP has significant influence	TOTAL ₹
Net Loans & Advances Given/(Return)	3,700,000			22,492,592	26,192,592
	(4,550,000)			(2,956,000)	(7,506,000)
<u>Revenue from Operation</u>				0	-
- Sales				1,146,195	1,146,195
				(925,400)	(925,400)
- Milling Income				918,000	918,000
				(868,590)	(868,590)
<u>Other Income</u>				-	-
Interest Income				2,045,490	2,045,490
				(1,543,309)	(1,543,309)
Purchase/Material Consumed				446,178	446,178
(Stores , Spares & Consumables)				(331,871)	(331,871)
Remmuneration to KMP		1,440,000			1,440,000
		(1,620,000)			(1,620,000)
Printing & Stationery				101,508	101,508
				(117,610)	(117,610)
Lease Rent				240,000	240,000
				-	-
Hiring Charges		91,000.00	58,120.00		149,120
		-	-	-	-
Salary			360,000.00		360,000
				-	-

## 25.3 Balance As at 31st March, 2013

Investments	1,000,000				1,000,000
	(1,000,000)				(1,000,000)
Loans & Advances given	3,802,060			24,231,474	28,033,534
	(4,550,000)			(20,715,886)	(25,265,886)
Financial Guarantees				40,000,000	40,000,000
				(40,000,000)	(40,000,000)

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

For FY 2012-2013

**ADDITIONAL DISCLOSURES / INFORMATION TO THE FINANCIAL STATEMENTS (Continued)**

25.4 Party wise details for those related party only which are more than 10% of a particular type of transaction.

Name of Related Party	Type of Transaction	Amount in(₹)
Lalit Enterprise	Milling Charges	918,000
		(868,590)
Dharmendra Industrial Stores	Purchase of Stores	446,178
		(331,871)
Lalit Enterprise	Interest	135,370
		(183,863)
Sethi Flour Mills	Interest	701,523
		(531,873)
Navin Food Industries	Interest	224,582
		(795,157)
United Commercial Co.	Interest	806,992
		-
United Commercial Co.	Loans and Advances	4,300,000
		(14,000,000)
Sethi Flour Mills	Loans and Advances	25,971,001
		(20,900,000)
Navin Food Industries	Loans and Advances	18,710,000
		(43,456,000)
Lalit Enterprise	Loans and Advances	23,261,514
		(26,000,000)
Lalit Cold Storage (P) Ltd	Loans and Advances	12,700,000
		(7,550,000)
Abhishek Printers	Printing Charges	101,508
		(117,610)
Lalit Lime works	Lease Rent	240,000
		-
Mahabir Prasad Jain	Director Remuneration	1,200,000
		(1,200,000)
Avishek Jain	Director Remuneration	240,000
		(240,000)

**26 IMPAIRMENT OF ASSETS (AS-28 )**

The Company is in the process of conducting an exercise of for Identification of impaired assets, if any, as require by As-28 impairment of Assets issued by the ICAI. Accordingly no effect has been considered in the finacial statement for such impairment, if any.

**27 DISCLOSURES UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED)**

There are no Micro and Small Scale Business Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2013. This information as required to be disclosed under the MSMED Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

**For FY 2012-2013**

Amount in(₹)      Amount in(₹)

**28 DISCLOSURE AS PER CLAUSE 32 OF THE LISTING AGREEMENTS WITH THE STOCK EXCHANGE**

Name of the Party	Relationship	Amount Outstanding as at 31st March 2013	Maximum Balance outstanding during the year
United Commercial Co.	Firm in which director is interested	6,726,293 (14,000,000)	14,000,000 (14,000,000)
Sethi Flour Mills	Firm in which director is interested	2,447,920 (4,883,226)	18,216,539 (16,604,540)
Navin Food Industries	Firm in which director is interested	- (738,009)	7,663,009 (19,867,368)
Lalit Enterprise	Firm in which relative of director is interested	- (165,477)	4,276,991 (4,725,000)
Shri Lalit Cold Storage (P) Ltd	Associate	3,802,060 (4,550,000)	6,150,000 (4,550,000)
Dharmendra Industrial Stores	Firm in which director is interested	- (929,174)	929,174 (1,800,000)
Lalit Poly Weave LLP	Firm in which director is interested	15,057,261 -	15,057,261 -

28.1 No loans has been given , wherein there is no repayment schedule or repayment is beyond seven years

**ADDITIONAL DISCLOSURES / INFORMATION TO THE FINANCIAL STATEMENTS (Continued)**

**29 EXPENDITURE IN FOREIGN CURRENCY**

PARTICULARS	31.03.2013	31.03.2012
	NIL	NIL

**30 EARNING IN FOREIGN EXCHANGE**

PARTICULARS	31.03.2013	31.03.2012
	NIL	NIL

**31 VALUE OF IMPORTS (CALCULATED ON CIF BASIS)**

PARTICULARS	31.03.2013	31.03.2012
	NIL	NIL

**32 VALUE OF RAWMATERIALS CONSUMED**

PARTICULARS	FY 2012-2013		FY 2011-2012	
	₹	%	₹	%
Indegeneous	286,424,763	100%	193,475,186	100%
Imported		0%		0%

**33 VALUE OF STORES/ SPARES & COMPONENTS CONSUMED**

PARTICULARS	FY 2012-2013		FY 2011-2012	
	₹	%	₹	%
Indegeneous	3,492,510	100%	2,039,026	100%
Imported		0%		0%


**UFM INDUSTRIES LTD  
MEHERPUR (SILCHAR)**

**NOTES TO ACCOUNTS**

For FY 2012-2013  
Amount in(₹)      Amount in(₹)

**7 FIXED ASSETS**

PARTICULARS	Cost					Depreciation					Net Block	
	As at 31.03.12	Additions	Disposals	Revaluations/ (Impairments)	As at 31.03.13	As at 31.03.12	Depreciation Charge for the Year	Adjustments due to revaluations	on Disposals	As at 31.03.13	As at 31.03.13	As at 31.03.12
<b>1. Tangible Assets</b>												
a. Own Assets												
Land	520,169	-	-	-	520,169	-	-	-	-	-	520,169	520,169
Buildings												
- Office /Godown Building	4,970,513	-	-	-	4,970,513	1,593,794	81,019			1,674,813	3,295,700	3,376,719
- Factory Building	3,135,181	-	-	-	3,135,181	2,449,794	104,715			2,554,509	580,672	685,387
Plant & Equipment	74,801,205	5,768,997	-	-	80,570,202	62,783,460	2,878,040		-	65,661,500	14,908,702	12,017,745
Furniture & Fixtures	883,975	-	-	-	883,975	489,009	42,930			531,939	352,036	394,966
Vehicles												
- Trucks	3,230,570	-	1,285,735	-	1,944,835	958,431	278,868		319,514	917,785	1,027,050	2,272,139
- Motor Vehicles												
- Cars	2,323,594	-	377,136	-	1,946,458	1,054,726	94,818		306,324	843,220	1,103,238	1,268,868
Office Equipments												
- Computers	854,395	77,480	-	-	931,875	709,650	94,052			803,702	128,173	144,745
Others												
- Plantations	36,700	-	-	-	36,700	-	-	-	-	-	36,700	36,700
<b>Total ₹</b>	<b>90,756,302</b>	<b>5,846,477</b>	<b>1,662,871</b>	<b>-</b>	<b>94,939,908</b>	<b>70,038,864</b>	<b>3,574,442</b>	<b>-</b>	<b>625,838</b>	<b>72,987,468</b>	<b>21,952,439</b>	<b>20,717,438</b>
Figures of the Previous Yr	88,341,583	3,255,392	840,673		90,756,302	69,259,459	1,533,233		753,828	70,038,864	20,717,438	

8.1  Note 1) No sums have been written off on a reduction of capital or revaluation of assets neither were sums have been added on revaluation of assets since previous 5 Yr

1. GENERAL INFORMATION: 37

UFM Industries Ltd ("The Company") is primarily engaged in the business of Flour Milling.

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Conventions & Basis of Accounting:

The Financial Statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as Amended) and the relevant provisions of the Companies Act 1956. These Financial Statements have been prepared on accrual basis under the historical cost convention. The Accounting policies adopted in preparation of Financial Statements are consistent with those followed in the previous year.

2.2 Use of Estimates:

The presentation of financial statements requires estimates and assumptions to be made that effect the reported amount of Assets & 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 estimates are recognised in the period in which the results are known/materialized.

2.3 Tangible Assets:

Tangible Assets are stated at acquisition cost, net of accumulated depreciation. Profits arising from the sale of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation:

Depreciation is calculated as per straight line method on single shift basis at rates Specified in Schedule XIV of the Companies Act, 1956 and on full year basis if asset is put to use.

2.4 Investments:

Current Investments are carried at lower of Cost or Realisable Value.

Long Term investments are carried at cost. Only in case there is Permanent diminution in value of Long Term Investments it is provided for.

2.5 Inventories:

Inventories are valued at lower of cost or Net Realisable Value. Cost is determined using Weighted Average Method for Raw Materials & Finished Goods and FIFO method for consumable spares and Packing Materials. The cost of finished goods and Work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net Realisable Value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

2.6 Revenue recognition:

Sale of Goods: Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of sale returns and trade discounts.

Sale of Services: Services are recognised when services are rendered and related costs are incurred.

Other Income:

Interest: Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend Income is recognised when the right to receive dividend is established.

Rent: Rent is recognised on time proportionate basis.

2.7 Employee Benefit:

Employee benefits include Provident Fund , Gratuity Fund and Compensated Expenses.

Provident Fund : Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. They are charged as an expense when they fall due based on amount of contribution required to be made.

Gratuity : The Company provides for gratuity which is in the form of a defined benefit plan on the basis of actuarial valuation done by LIC carried out at each Balance Sheet date.

Compensated Absences : The Company has the policy of non accumulating absences and is accounted for on cash basis.

2.8 Segment Reporting:

There are no 'Geographical Segments' and 'Business Segments' reportable under AS-17.

2.9 Earning Per Share:

Basic Earning Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the period.

Diluted Earning Per Share: Diluted EPS is computed by dividing the profit/(loss) after tax(including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.10 Taxes on Income:

Current Tax: Provision for Current Tax is made taking into consideration the provisions under the Income Tax Act,1961.

Deferred Tax: Deferred Tax resulting from “Timing Difference” between Taxable and Accounting Income is accounted for using the tax rates and laws that are enacted or substantially enacted as on Balance Sheet date. Deferred Tax is recognised and carried forward only to the extent that there is visual certainty that the asset will be recognised in future.

2.11 Impairment of Assets:

Carrying Amount of asset is reviewed at the Balance Sheet date if there is any indication of impairment based on the internal and external factors.

The assets are treated as impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss if any is charged to the Statement of Profit and Loss as and when it arises. Impairment Loss recognised in prior years is reversed when there is an indication that impairment loss recognised for the asset no longer exists or may have decreased.

2.12 Provisions & Contingent Liabilities:

Provisions: A provision is required when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to the Present Value and are determined based on the best estimate required to settle the obligation at the Balance Sheet Date. These are reviewed at each Balance Sheet Date and adjusted to reflect the Current best estimates.

Contingent Liabilities: Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

2.13 Insurance Claims:

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent there is no uncertainty in receiving the claims.

2.14 Cash Flow Statement:

Cash Flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating ,investing and financing activities of the Company are segregated based on the available information.

**UFM INDUSTRIES LIMITED**  
MEHERPUR SILCHAR-788015

**ATTENDENCE SLIP**  
27<sup>th</sup> Annual general Meeting  
30<sup>th</sup> September, 2013

(To be handed over at the entrance of the Meeting Hall)

Full Name of the Member attending \_\_\_\_\_

Name of the Proxy \_\_\_\_\_

(To be filled in if Proxy Form has duly been deposited with the Company)

I Certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the 27<sup>th</sup> Annual General Meeting of the Company held at Meherpur, Silchar-788015, Assam on Monday, 30<sup>th</sup> September, 2013 at 2.00 p.m.

Ledger Folio No. \_\_\_\_\_

No. Shares held \_\_\_\_\_

\_\_\_\_\_  
Member's/Proxy's Signature

(To be signed at the time of handing over this slip)

Note: Share holder/Proxy holder wishing to attend the meeting must bring the Admission slip to the meeting and handover at the entrance duly signed.

.....Tear here.....

**UFM INDUSTRIES LIMITED**  
Meherpur, Silchar-788015, Assam  
**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member/members of UFM INDUSTRIES LIMITED hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in district of \_\_\_\_\_ of falling him \_\_\_\_\_ as my /our proxy to attend and vote on my/our behalf at the 27<sup>th</sup> Annual General Meeting of the Company to be held on 30<sup>th</sup> September, 2013 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013

Ledger Folio No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

Re.1.00 Revenue Stamp
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**Note:** Proxy form must be deposited at the registered office of the Company not later than 48 hours before the Commencement of the Meeting. The Proxy form should be signed according to the signature recorded with the Company.

## NOMINATION

**FORM 2B**  
(See Rules 4CCC & 5D)  
**NOMINATION FORM**

**To**  
**UFM Industries Ltd.**  
**Meherpur,**  
**Silchar – 788 015,**  
**Cachar, Assam**

**Form,**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Folio No. \_\_\_\_\_  
Distt. No. \_\_\_\_\_  
Certificate No. \_\_\_\_\_  
No. of Shares \_\_\_\_\_

I am/we are holders(s) of Shares of the Company as mentioned above wish to make a nomination and do hereby nominate the following person in whom all rights of transfer and /or amount in respect of shares vest in the event of my/our death.

Name and Address of Nominee : \_\_\_\_\_  
Signature of Nominee : \_\_\_\_\_  
Guardian's Name and Address : \_\_\_\_\_  
Date of Birth : \_\_\_\_\_  
(To be filled in case nominee is minor)

	Name of the holders(s) (as appearing on the Certificate(s))	Signature as per specimen recorded with the company alongwith date
Sole/ 1 <sup>st</sup> Holder		
2 <sup>nd</sup> Holder		
3 <sup>rd</sup> Holder		

Signature of two witnesses

	Name and Address	Signature with date
1.		
2.		

### INSTRUCTIONS:

- The Nomination can be made by individuals only applying/holding shares on their own behalf singly or jointly. Non Individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder or power of attorney cannot nominate. If the shares are held jointly, all joint holders will sign the nomination form.
- A minor can be nominated by a holder of shares and in that event, the name and address of the Guardians shall be given by the holder.
- The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or a power of attorney holder.
- Nomination stands rescinded upon transfer of share.
- Transfer of share in favour of a nominee shall be valid discharge by a company against the legal heir.
- Separate Nomination forms should be used for each folio.
- A non resident Indian can be a nominee on repatriable basis.

FOR OFFICE USE ONLY

Nomination is Registered vide Regn. No. ....dated.....

# FORM A

## Covering letter of the Annual Audit Report to be filed with the Stock Exchanges

1.	Name of the Company:	UFM Industries Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	None
5.	Signed by- <ul style="list-style-type: none"> <li>Mahabir Prasad Jain <ul style="list-style-type: none"> <li>• Managing Director</li> </ul> </li> <li>Anil Jain <ul style="list-style-type: none"> <li>• Auditor of the company</li> </ul> </li> <li>Deepak Ladia <ul style="list-style-type: none"> <li>• Audit Committee Chairman</li> </ul> </li> </ul>	<p>For UFM Industries Limited</p> <p><i>Mahabir Jain</i> Managing Director</p> <p>For Anil Hitesh &amp; Associates Chartered Accountants</p> <p><i>Anil Jain</i> (Anil Jain) Proprietor MNO-057336 FRN-325406E</p>

✓ For LADIA & ASSOCIATES  
Chartered Accountants

*Deepak Ladia*  
Proprietor

M.No. 055464

FRN - 320264E