

UFM INDUSTRIES LIMITED

MEHERPUR, SILCHAR – 788 015
ASSAM



28th ANNUAL REPORT

2013-2014

BOARD OF DIRECTORS	(1) Sri Mahabir Prasad Jain, (Managing Director) (2) Sri Deepak Ladia (3) Sri Avishek jain (4) Sri Poonam Chand Deewani
COMPANY SECRETARY	Smt. Jyoti Jain
AUDITORS	M/S. Anil Hitesh & Associates. Chartered Accountants Barak Market, 1 st 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)

Contents	Page
AGM notice	1
Directors' Report	16
Corporate governance	21
Audit Report	30
Balance sheet	36
Profit & Loss Account	37
Cash Flow statement	38
Notes of Accounts	39
General Information	52
Attendance/Proxy Form	56

NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of the Members of UFM Industries Limited shall be held on Tuesday, the 30th day of September, 2014 at the Registered office of the Company at Meherpur, Silchar – 788 015 (Assam) at 2:00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint M/s Anil Hitesh & Associates, Chartered Accountant, (ICAI Firm Registration No. 325406E) as Statutory Auditors of the Company to hold office from the conclusion of this 28th Annual General Meeting till the conclusion of 31st Annual General Meeting subject to ratification by members at every Annual general Meeting on a remuneration to be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS

3. To appoint Mr. Poonam Chand Deewani, Independent Director who retires by rotation and, being eligible, offers himself for reappointment.

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 149, 152 read with schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement Mr. Poonam Chand Deewani (DIN: 03626213), who retires by rotation at the ensuing Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years from the conclusion of Company’s 28th Annual General Meeting to the conclusion of Company’s 33rd Annual General Meeting.

4. 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 149, 152 read with schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement Mr. Deepak Ladia (DIN: 00257209), who was appointed as a Director of the Company liable to retire by rotation be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five years from the conclusion of Company’s 28th Annual General Meeting to the conclusion of Company’s 33rd Annual General Meeting.

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Special Resolution:**

“Resolved That pursuant to Section 14 of the Companies Act, 2013 and other applicable provisions of the Act, if any, the consent of the Board be and is hereby accorded to adopt Table F of Schedule I of the Companies Act, 2013 and the Article No. 1 to 185 contained in the Articles of Association of the Company be and are hereby deleted and are substituted by the Articles No. 1 to 93 contained in the new Articles of Association of the company as mentioned below:

1. The regulations in Table F in the First Schedule to the Companies Act, 2013, shall not apply to the Company, except so far as the same are repeated or contained in or are in conformity with these Articles.

Interpretation

2. (1) In these regulations—

- (a) “the Act” means the Companies Act, 2013,
- (b) “the seal” means the common seal of the company.
- “These Article” means the Articles of Association as originally framed or as altered by Special Resolution, from time to time.
- “The Board” means the Directors of the Company.
- “The Company” means UFM Industries Limited.
- “The Directors” means the Board of Directors of the Company for the time being.
- “The Office” means the Registered Office of the Company for the time being.
- “The Register” means the Register of Members to be kept pursuant to Section 88 of the Act.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

Share capital and variation of rights

3. The Share Capital of the Company shall be as per clause V of Memorandum of Association of the Company.

4. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

5. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be

provided,—

- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

6. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.

7. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

8 (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

9. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith.

11. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Lien

12. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.

13. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

14. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

15. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

16. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board

17. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

20. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

21. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

22. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

23. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

24. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

25. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

26. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

27. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

28. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

29. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

Forfeiture of shares

30. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

31. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

32. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect

33. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

34. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

35 (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

36. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

37. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

38. Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

39. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

40. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

Capitalisation of profits

41. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

42. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

43. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

44. All general meetings other than annual general meeting shall be called extraordinary general meeting.

45. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

46 (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

47 . The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

48. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

49. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

50 . (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

51. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

52. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

53. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

54. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

55. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

56. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

57. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

58. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

59. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

60. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

61. The first Directors shall be Mr. Nirmal Kumar Jain, Mrs Taramani Devi Jain, Smt. Sohani Devi Jain & Sri Mahabir Prasad Jain.

62. Subject to the provisions of Section 149, the Board can appoint maximum of fifteen directors on its board. Provided that the Company may appoint more than fifteen directors after passing a special resolution.

63. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

64. The Board may pay all expenses incurred in getting up and registering the company.

65. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section) make and vary such regulations as it may think fit respecting the keeping of any such register.

66. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

67. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

68. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

69. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

70. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

71. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

72. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

73. The Chairman of the Board of the company may also be appointed, and act as, the Managing Director or Chief Executive Officer of the Company at the same time.

74. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

75 . (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

76. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

77. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

78. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

79. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

80. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

81. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

82. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

83. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

84. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

85. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

86. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

87. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

88. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

89. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

90. No dividend shall bear interest against the company.

Accounts

91. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

92. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

93 . Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

Resolved Further that the Board of Directors of the Company be and is hereby authorized to take all such steps and actions for the purposes of making all such filings and registrations as may be required and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.

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

REGISTERED OFFICE :

Meherpur, Silchar- 788015.

Assam.

(CIN: L153111AS1986PLC002539)

Date: The 5th Day of September, 2014.

**Jyoti Jain
Company Secretary
Membership No.A23270**

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 24th September, 2014 to 30th September, 2014 (both days inclusive) in terms of Section 91 of the Companies Act, 2013 and Clause 16 of the Listing Agreement with the Stock Exchanges.
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.
8. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under Item no. 3, 4 and 5 set out in the Notice is annexed hereto.
9. Details of Directors, pursuant to Clause 49 of the Listing Agreement, seeking appointment/re - appointment in the forthcoming Annual General Meeting, is as follows:

Name of Directors	Poonam Chand Deewani	Deepak Ladia
Date of Birth	22.05.1951	24.11.1965
Date of Appointment	20.09.2011	22.08.2011
Qualification	Higher Secondary	B.Com, F.C.A.
List of Companies in which outside Directorship held as on 31st March' 2014	-	Prachi Digital Systems Pvt. Ltd.
Chairman/Members of the Committees of the Board of Companies on which he is a Director as on 31st March' 2014	-	-
Shareholding in UFM Industries Ltd.	-	-
Relationship with existing Directors of the Company	Not Related	Not Related

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

ITEM No. 3 and 4

Mr. Poonam Chand Deewani, Director retire by rotation and being eligible for reappointment at this Annual General Meeting is being appointed as Independent Director not liable to retire by rotation pursuant to Section 149 and 152 of the Companies Act, 2013 .

Mr. Deepak Ladia and Mr.Poonam Chand Deewani were appointed as Independent Directors of the Company on 22.08.2011 and 20.09.2011 respectively. They are liable to retire by rotation as per their terms of appointment.

In terms of provisions of Section 149 and 152 of the Companies Act, 2013 which became effective from 1st April as Independent Director of a Company can be appointed for a term of five consecutive years and shall not be liable to retire by rotation. The Securities and Exchange Board of India (SEBI) has also amended clause 49 of the Listing Agreement inter alia stipulating the conditions of appointment of Independent Directors by a listed company.

It is proposed to appoint Mr. Deepak Ladia and Mr.Poonam Chand Deewani as Independent Directors under Section 149 and 152 of the Act and Clause 49 of the Listing Agreement for a period of five years from the conclusion of Company's 28th Annual General Meeting to the conclusion of Company's 33rd Annual General Meeting .

Mr. Deepak Ladia and Mr.Poonam Chand Deewani are not disqualified from being appointed as Directors in terms of Section 164 and 184 of the Act and have given their consent to act as Directors.

The Company has also received declarations from Mr. Deepak Ladia and Mr.Poonam Chand Deewani that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 and Schedule IV of the Act and under clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Deepak Ladia and Mr.Poonam Chand Deewani fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Mr. Deepak Ladia and Mr.Poonam Chand Deewani are independent of the management of the Company.

Brief resume/profile of Mr. Deepak Ladia and Mr.Poonam Chand Deewani and names of companies in which they hold directorship and membership/chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are annexed to this Notice.

Copy of the draft letters for respective appointments of Mr. Deepak Ladia and Mr.Poonam Chand Deewani as Independent Directors setting out the terms and conditions are available for inspection by Members at the Registered Office of the Company.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr.Poonam Chand Deewani and Mr. Deepak Ladia are interested in the passing of the resolutions set out at Item no. 3 and 4 of the Notice with regard to their respective appointments. The relatives of Mr.Poonam Chand Deewani and Mr. Deepak Ladia may be deemed to be interested in the resolutions set out in Item No. 3 and 4 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except, as above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested financially or otherwise, in passing of these resolutions.

The Board recommends the Ordinary Resolutions set out in Item no. 3 and 4 of the Notice for approval by the Shareholders.

Item No.5

The Company proposes to adopt Table F of Schedule I of Companies Act, 2013 relating to Articles of Association of the Company in pursuance to resemble with the new Companies Act, 2013. Any change or adoption in whole or part of the Article of Association of the Company requires the approval of shareholders under provision of Section 14 of the Companies Act, 2013. Hence, the resolution is placed before the shareholders for their approval.

The Board of Directors is of the opinion that the aforesaid resolution is in its interest and hence recommends the Resolution for your approval.

None of the Directors/ Key Managerial Personnel of the Company / their relatives are interested or concerned in the passing of this Resolution.

BY ORDER OF THE BOARD

For UFM Industries Ltd.

REGISTERED OFFICE :

Meherpur, Silchar-788015.

Assam.

Date : The 5th Day of September, 2014.

Jyoti Jain
Company secretary
Membership No.A23270

DIRECTORS' REPORT

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

Your Directors have the pleasure in presenting before you the 28th Annual Report and Audited Accounts of the Company for the year ended on 31st March, 2014.

1. FINANCIAL RESULTS

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

	Rs. In lacs	Rs. in lacs
	31-03-2014	31-03-2013
Operations Incomes	3379.24	3460.39
Exceptional & Extraordinary item	10.01	0.58
Expenses	3292.49	3138.32
Operating Profit	96.76	322.65
Interest	32.69	21.08
Depreciation	20.52	35.74
Profit before tax	43.55	265.83
Less: Taxation		
Tax	8.98	90.71
Tax of Earlier year	2.18	
Deferred	0.74	(2.77)
Profit after tax	31.65	177.89

2. OPERATIONS

The total Income for the year was Rs. 3379.24 lacs as compared to the income for the previous year of Rs. 3460.39 lacs. The Company has recorded a profit of Rs.31.65 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 AND AUDITORS REPORT

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 139 of the Companies Act, 2013 and that they are not disqualified for reappointment within the meaning of section 141 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.

The qualification by the company statutory auditors regarding compensated absences the company has initiated necessary action to account for compensated expenses on accrual basis. However the board considers the amount has not material.

4. DIRECTORS

Mr. Poonam Chand Deewani, Director, retire by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

In terms of provisions of Section 149 and 152 of the Companies Act, 2013 which became effective from 1st April as Independent Director of a Company can be appointed for a term of five consecutive years and shall not be liable to retire by rotation.

To comply with the above provisions it is proposed to appoint Mr. Poonam Chand Deewani and Mr. Deepak Ladia as Independent Directors of the Company for a period of five years from the conclusion of Company's 28th Annual General Meeting to the conclusion of Company's 33rd Annual General Meeting.

5.CHANGE IN ARTICLES OF ASSOCIATION

The Board is proposing to incorporate changes in the Articles of Association of the Company according to Companies Act, 2013 in the ensuing annual General Meeting of the Company.

6. 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.

7. PERSONNEL

In accordance with the requirement of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees' Rules) 1975, as amended from time to time, 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.

8. 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'.

9. 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".

10. FOREIGN EXCHANGE EARNING AND OUT GO

There was no earning of Foreign Exchange during the year under review. The Company purchased fixed assets worth Rs.1,499,023 and stores and spares worth Rs.272,728 in Foreign currency during the year under review.

11. OUTLOOK FOR THE FUTURE AND EXPANSION

Your Directors would like to inform you that the work on the setting up of new flour mill in Agartala, M/s Lalit Flour Mills, is being held in abeyance and the order of new machineries have been cancelled as the company is awaiting the completion of Broad Gauge in Agartala.

12. DIRECTORS' RESPONSIBILITY STATEMENT

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

i) That the Annual Accounts for the year ended 31st March, 2014 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.

13.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.

14. 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.

15. 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: 5th September, 2014.

(Mahabir Prasad Jain)
MANAGING DIRECTOR
DIN. 00498001

(Avishek Jain)
DIRECTOR
DIN. 01383018

**ANNEXURE `A`
FORM "A"
(See Rule 2)**

**FORM FOR DISCLOSURE OF PARTICULARS IN RESPECT OF
CONSERVATION OF ENERGY**

A. POWER AND FUEL CONSUMPTION :

	Current Year 31.03.2014	Previous Year 31.03.2013
1. Electricity		
(a) Purchases		
Unit K.W.H	28,07,012	23,07,247
Total Amount	1,64,86,976	1,36,83,753
*Rate/Unit	5.87	5.93
(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.)	29784	32883
Electricity (in K.W.H. per MT)	94.25	70.16
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 2013-14

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

The Board of Directors has been vested with requisite powers, authorities and duty. The Board plays an imperative role in the management, strategic directions and performance of the Company.

- (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 165 of the Companies Act, 2013) committee / memberships/chairmanships, held by directors in public companies as on 31/03/2014 :

Sl. No.	Name of the Director	Category	Board Meetings	Last AGM	Directorship	No. of Committee Membership	Committee Chairmanships
1	Sri M.P.Jain	Executive	8	Yes	4	-	-
2	Sri Deepak Ladia	Independent Non-executive	8	Yes	-	2	2
3	Sri Avishek Jain	Promoter Executive	8	Yes	2	2	-
4	Sri Poonam Chand Deewani	Independent Non-executive	8	Yes	-	2	-

Notes:

1. The information provided above pertains to the following committees inclusive of UFM Industries Ltd. in accordance with the provisions of Clause 49 of listing agreement:
 - i. Audit Committee
 - ii. Stakeholders' Relationship Committee
2. Membership of committees includes chairmanship, if any.

- (b) During the financial year ended 31st March 2014, the Board held 8 meetings on 24.04.13, 09.07.13, 20.08.13, 05.09.13, 07.10.13, 08.11.13, 27.01.14 and 14.02.2014.

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 (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, 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 31st March, 2014 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 in its meeting held on 12th May, 2014 formed Nomination and Remuneration Committee with its terms of reference in line with Companies Act, 2013.

Terms of Reference

1. To formulate the criteria for determining positive attributes and independence of a director.
2. To recommend a policy relating to the remuneration of directors, key managerial personnel and other employees.
3. To identify persons who may be appointed in senior management with the criteria laid down, and recommend to the Board their appointment and removal.
4. To formulate the criteria for evaluation of Independent Directors and the Board.
5. Carrying out any other function as required by the provisions of the Companies Act, 2013 and Listing Agreement with the Stock Exchanges.

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 2013-14 & Sitting fees paid to Independent Directors during the year 2013-2014: Sri Deepak Ladia Rs.9000.00 & Sri Poonam Chand Deewani Rs.9000.00

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

The Board in its meeting held on 12th May, 2014 changed the nomenclature of Shareholders' / Investors' Grievance Committee to "Stakeholders' Relationship Committee" and altered its term of reference in line with the Companies Act, 2013.

Terms of Reference

1. The Stakeholders' Relationship Committee shall consider and resolve the grievances of the security holders of the Company including complaints relating to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.
2. Carrying out any functions as required by the provisions of the Companies Act, 2013 and Listing Agreement with the Stock Exchanges.

The composition of Committee and attendance of its Member as on 31st March 2014 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 2013-14 and there were no pending shareholder/investor complaints as on 31 March, 2014.

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
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
2012-13	Meherpur, Silchar-788 015, Assam	30-Sep-13	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, 2014. The register of contracts containing transactions, in which directors are interested, is placed before the board regularly.

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.

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

Date and Time : 30th September, 2014 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, 2014
Half Yearly results – Fourth week of October, 2014
Third Quarter results – Fourth week of January, 2015
Fourth Quarter results – Fourth week of April, 2015

iii) Dates of book closure: Wednesday 24th September, 2014 to Tuesday 30th September, 2014 (Both days inclusive)

iv) Dividend:

The Board of Directors have not recommended any dividend for the year 2013-2014.

v) Listing of Stock Exchanges :

- i) The Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Kolkata- 700001.
- ii) Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Tower,
Dalal Street, Mumbai-400001

Note: The Company delisted its shares from Gauhati Stock Exchange w.e.f 19th February, 2014.

vi) Stock Code :

- I. The Calcutta Stock Exchange Association Ltd.- 31176
- II. Bombay Stock Exchange Ltd. – 531610.

vii) Market Price Data / Stock Market Date : There were no trading of Company's shares at 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

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

x) Website:

www.ufmindl.weebly.com

xi) Compliance Officer:

Jyoti Jain – Company Secretary

xi) Distribution of share holding as on 31st March, 2014.

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
TOTAL		1,587	100.0000	59,32,600	100.0000

xiii) Categories of share holdings as on 31st March, 2014.

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

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 at Meherpur, Silchar-788015, Ph. (03842) 224822 / 224996 Fax : (03842) 241539. Correspondence may also be addressed to the Company's Registrar and share Transfer Agent at the address given here in above.

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.

FOR AND ON BEHALF OF THE BOARD**REGISTERED OFFICE:**

Meherpur, Silchar-788015
Assam.

Date: 05/09/2014

Mahabir Prasad Jain
Managing Director
DIN.00498001

Avishek Jain
Director
DIN.01383018

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: 05/09/2014

Mahabir Prasad Jain
Managing Director
DIN.00498001

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management of UFM Industries Ltd is pleased to present Management Discussion and Analysis report for the year ended 31st March, 2014.

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, 2014 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 2013-2014 your company has made a profit of Rs.33.54 Lacs on a turnover of Rs.3379.24 Lacs as compared to Profit before Tax of Rs.265.25 Lacs and on a turnover of Rs.3460.39 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.

FOR AND ON BEHALF OF THE BOARD**REGISTERED OFFICE:**

Meherpur, Silchar-788015
Assam.

Mahabir Prasad Jain
Managing Director
DIN.00498001

Date: 05/09/2014

Avishek Jain
Director
DIN.01383018

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 31.03.2014 , 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, 2014

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/S.UFM Industries Limited** ("the Company") which comprise the Balance Sheet as at 31 March 2014, 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.

Basis for Qualified Opinion

The Company's recognized Post employment and other long term employee benefit i.e. Compensated Absences as an expenses in the Statement of Profit and Loss for the year in which the payment for the same has been made , which constitutes a departure from the Accounting Standard 15 – "Employee Benefits" referred to in Section 211(3C) of the Act. Compensated Absences are accounted for on cash basis, the impact of the same in the financial statement is unascertainable by us.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph above*, the aforesaid 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 2014;
- 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. *Except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, 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. *Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above,* 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 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, 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
Chartered Accountants

Dated at Silchar
The 12th of August, 2014

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

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' 2014**.

- 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	1,00,44,207.00	1,00,44,207.00
6 parties	8,31,09,213.00	2,94,36,320.00

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 not taken unsecured loans from any Concerns/ 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.

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 **31.03.2014** 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 raised new term loans from North Eastern Development Finance Corp. Ltd. during the year of ₹ 48 lakhs. The term loan raised during the year have been applied for the purpose for which they were raised.
- 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 12th of August, 2014

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

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

BALANCE SHEET AS AT 31.03.2014

PARTICULARS	Note No.	Amount (₹)	Amount (₹)
		As at 31st March, 2014	As at 31st March, 2013
EQUITY AND LIABILITIES		Amount (₹)	
Shareholder's Funds			
Share Capital	1	59,326,000	56,419,800
Reserves & Surplus	2	69,795,919	65,127,756
Non Current Liabilities			
Long Term Borrowings	3	4,733,000	-
Deferred Tax Liability (Net)	4	3,326,333	3,251,821
Long Term Provisions	5	1,359	1,337
Current Liabilities			
Short Term Borrowings	6	12,955,503	34,684,430
Other Current Liabilities	7	1,766,479	1,572,516
TOTAL (₹)		151,904,592	161,057,661
ASSETS			
Non Current Assets			
Fixed Assets			
Tangible Assets	8	29,810,159	21,952,439
Work-In-Progress		5,416,763	2,835,586
Non Current Investments	9	18,879,852	5,090,358
Long Term Loans & Advances	10	4,593,235	3,655,137
Current Assets			
Inventories	11	22,591,428	43,766,217
Trade Receivables	12	21,594,317	13,732,691
Cash and Bank Balances	13	4,115,191	34,113,312
Short Term Loans & Advances	14	44,903,647	35,911,921
TOTAL (₹)		151,904,592	161,057,661

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)
DIN.00498001

Avishek Jain
(Director)
DIN.01383018

Jyoti Jain
(Company Secretary)
(Mem.No.A23270)

Silchar :The 12th August,2014

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

PARTICULARS	Note	Amount (₹)	Amount (₹)
		As at 31st March, 2014	As at 31st March, 2013
INCOME			
Revenue From Operations	15	337,099,909	340,751,131
Other Income	16	823,944	5,288,320
TOTAL REVENUE		337,923,853	346,039,452
EXPENDITURE			
Cost of Materials Consumed	17	288,119,726	286,424,763
Changes in Inventories of Finished Goods	18	1,534,116	(1,286,026)
Employee Benefit Expenses	19	7,749,333	6,635,673
Finance Costs	20	3,268,994	2,107,599
Depreciation and Amortisation Expenses	21	2,052,352	3,574,442
Other Expenses	22	31,845,318	22,057,541
TOTAL EXPENSES		334,569,839	319,513,992
Profit before exceptional and extraordinary item and tax		3,354,014	26,525,460
Exceptional & Extraordinary Item	23	1,001,000	58,000
Profit before Tax		4,355,014	26,583,460
TAX EXPENSES			
Current Tax		898,251	9,071,281
Tax of Earlier Years		217,734	-
Defferred Tax		74,512	(276,733)
NET PROFIT FOR THE YEAR FROM CONTINUING & TOTAL OPERATION		3,164,518	17,788,912
Earnings per Equity Share of the Face Value of Rs. 10	24		
Basic & Diluted from Continuing & Total Operation (in ₹)	24	0.53	3.15

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)
DIN.00498001

Avishek Jain
(Director)
DIN.01383018

Jyoti Jain
(Company Secretary)
(Mem.No.A23270)

Silchar :The 12th August,2014

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

PARTICULARS	Note	Amount (₹)	Amount (₹)
		As at 31st March, 2014	As at 31st March, 2013
A) CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax as per Statement of Profit & Loss		4,355,014	26,583,460
Adjusted for:			
Depreciation & Ammortisation Expenses		2,052,352	3,574,442
Interest Expense on Working Capital		3,268,994	2,107,599
Net Gain on sale of Fixed Assets		(1,289)	(22,967)
Dividend Income		(13,602)	(9,197)
Interest Income		(1,980,200)	(2,045,490)
Operating Profit before Working Capital Changes		7,681,269	30,187,847
Adjusted for:			
Trade & Other Receivables		(16,853,352)	(1,024,953)
Short Term Borrowings		(21,728,927)	23,068,154
Inventories		21,174,789	(7,810,648)
Trade & Other Payables		193,985	153,097
Adjustments for Other Deposits as Increased		-	-
Cash generated from Operations		(9,532,236)	44,573,498
Taxes Paid Current Year's		(895,210)	(10,719,263)
Taxes Paid Previous Year's		(1,144,273)	-
Net Cash from Operating Activities (Total A)		(11,571,719)	33,854,235
B) CASH FLOW FROM INVESTING ACTIVITIES			
Fixed Assets in WIP		(2,581,177)	(2,835,586)
Purchase of Fixed Assets		(9,933,783)	(5,806,477)
Investment in shares		(1,299,690)	-
Sale of Fixed Assets		25,000	1,060,000
Investment in Partnership Firm		(12,489,805)	(169,662)
Interest Income		1,980,200	2,045,490
Disposal of Security		(14,600)	79,600
Dividend Income		13,602	9,197
Net Cash (used in) Investing Activities (Total B)		(24,300,253)	(5,617,438)
C) CASH FLOW FROM FINANCING ACTIVITIES			
Interest Paid		(3,268,994)	(2,107,599)
Proceeds from Long Term Borrowings		4,733,000	-
Increase in Share Capital		2,906,200	-
Increase in Share Premium		1,503,645	-
Net Cash (used in)/ from Financing Activities (Total C)		5,873,851	(2,107,599)
Net Increase in Cash & Cash Equivalents (A+B+C)		(29,998,120)	26,129,198
Opening Balance of Cash & Cash Equivalents		34,113,312	7,984,114
Closing Balance of Cash & Cash Equivalents		4,115,192	34,113,312

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 12th August,2014

Mahabir Prasad Jain
(Managing Director)
DIN.00498001

Avishek Jain
(Director)
DIN.01383018

Jyoti Jain
(Company Secretary)
(Mem.No.A23270)

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2013-2014

Amount (₹) Amount (₹)

1 SHARE CAPITAL

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Authorised		
70,00,000 Equity Share of ₹10 each	70,000,000	70,000,000
Issued		
59,32,600 Equity Shares of ₹ 10 each in the following way:		
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
Subscribed & Fully Paid Up		
26,82,600 Equity Shares of ₹10 each Subscribed & Fully Paid up	26,826,000	26,826,000
32,50,000 Equity Shares Subscribed & fully paid up including premium money	32,500,000	27,748,000
Sub Total (1)	59,326,000	54,574,000
Subscribed but not Fully Paid Up		
4,75,200 Shares Subscribed but not fully paid up	-	1,845,800
(Call in arrear ₹29,06,200/- & Securities Premium in arrear ₹15,03,645/- upto previous year, due amount received in the current year)		
Sub Total (2)	-	1,845,800
TOTAL (1+2) ₹	59,326,000	56,419,800

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

1.2 The details of shareholders holding more than 5 % shares

Name of the Shareholder	As at 31st March, 2014		As at 31st March, 2013	
	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, 2014		As at 31st March, 2013	
	No. of Shares	₹	No. of Shares	₹
Equity Shares at the beginning of the year	5932600	-	5,932,600	1,845,800
Equity Shares at the end of the year	5932600	-	5,932,600	1,845,800

1.4 Details of Calls Unpaid

PARTICULARS	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares	₹	No. of Shares	₹
Equity Shares of ₹10 each issued at a premium of ₹5 each				
Calls unpaid by Others(Unpaid Amount Only)	-	-	475,200	2,906,200
Equity Shares at the end of the year	-	-	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 does not have a holding company.

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2013-2014

Amount (₹) Amount (₹)

2 RESERVES & SURPLUS

PARTICULARS			As at 31.03.14	As at 31.03.13
Capital Reserve (Capital Subsidy)	31.03.2014	31.03.2013		
As per last Balance Sheet	120,578	120,578		
Add/(Less) Changes during the year	-	-	120,578	120,578
Securities Premium Reserve	31.03.2014	31.03.2013		
As per last Balance Sheet	14,746,355	14,746,355		
Add/(Less) Changes during the year	1,503,645	-	16,250,000	14,746,355
General Reserve	31.03.2014	31.03.2013		
As per last Balance Sheet	7,891,684	7,891,684		
Add/(Less) Changes during the year	-	-	7,891,684	7,891,684
Surplus from Statement of Profit & Loss	31.03.2014	31.03.2013		
As per last Balance Sheet	42,369,139	24,580,227		
Add: profit for the year	3,164,518	17,788,912		
TOTAL (₹)			69,795,919	65,127,756

3 Long Term Borrowings

Particulars			As at 31.03.14	31.03.13
Term Loans from NEDFI			4,733,000	-
Rupee Term Loan shall be repaid in 72 monthly installments consisting of 71 installments of RS. 67000/- and last installment of RS. 43000/- starting from 01/03/2015 with 8% interest.			4,733,000	-

(i) Secured by Equitable mortgage of the ownership rights of the plot of land in Dhubri and personal guarantee of Mr. Mahabir Prasad Jain and Mr. Avishek Jain.

4 DEFERRED TAX LIABILITY (NET)

PARTICULARS		As at 31.03.14	As at 31.03.13
Deferred Tax Liability on Fixed Assets	(See Note-4.1)	3,326,333	3,251,821
TOTAL (₹)		3,326,333	3,251,821

4.1 CALCULATION OF DEFERRED TAX LIABILITY (DTL) (AS-22)

	As at 31.03.14	As at 31.03.13
WDV as per IT Act as on First day of previous year	11,405,779	9,049,013
WDV as per Companies Act as on First day of Previous Year	21,952,440	20,717,438
Opening Timing Difference	10,546,661	11,668,425
Deferred Tax Liability on Opening Timing Difference @ 30.9% Total (1)	3,258,918	3,605,543
Opening deferred tax Liability(DTL)	3,251,821	3,528,554
Current Year Depreciation as per IT Act	2,270,523	2,429,711
Current Year Depreciation as per Companies Act	2,052,352	3,574,442
Current Year Timing Difference	218,171	(1,144,731)
Deferred Tax liability on Current Year Timing Difference @30.9% Total (2)	67,415	(353,722)
Net Amount of DTL(1+2)	3,326,333	3,251,821
As per books DTL	3,251,821	3,528,554
To be Adjusted in Statement of Profit and Loss (Reversed)/created	74,512	(276,733)

5 LONG TERM PROVISIONS

PARTICULARS	31.03.2014	31.03.2013
Ganesh Ji Maharaj	1,359	1,337
TOTAL (₹)	1,359	1,337

6 SHORT TERM BORROWINGS

PARTICULARS	As at 31.03.14	As at 31.03.13
Secured Loans Repayable on Demand		
From Banks		
Rupee Loans (₹) from United Bank of India	12,955,503	34,684,430
TOTAL (₹)	12,955,503	34,684,430

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2013-2014

- 6.1 (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).

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

	Amount (₹)	Amount (₹)
7 OTHER CURRENT LIABILITIES		
PARTICULARS	As at 31.03.14	As at 31.03.13
Current Maturities of Long term debt	67,000	-
Other Payables (See 7.1)	1,699,479	1,572,516
TOTAL (₹)	1,766,479	1,572,516

7.1 OTHER PAYABLES		
PARTICULARS	31.03.2014	31.03.2013
In respect of Taxes		
Professional Tax Payable	1,962	2,020
TDS Payable	49,943	57,016
Entry Tax Payable	2,864	5,208
In respect of Employee benefits	83,854	71,929
Advance received from Supplier	-	100,000
In respect of Liability for Other Expenses	1,560,856	1,336,343
TOTAL (₹)	1,699,479	1,572,516

UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)

NOTES TO ACCOUNTS

For FY 2013-2014
Amount in(₹) Amount in(₹)

8 FIXED ASSETS

PARTICULARS	Cost					Depreciation					Net Block	
	As at 01.04.13	Additions	Disposals	Revaluati ons/ (Impairm ents)	As at 31.03.14	As at 01.04.13	Depreciation Charged for the Year	Adjustm ents due to revaluat ions	on Disposals	As at 31.03.14	As at 31.03.14	As at 31.03.13
1. Tangible Assets												
a. Own Assets												
Land	520,169	-	-	-	520,169	-	-	-	-	-	520,169	520,169
Buildings												
- Office /Godown Building	4,970,513	7,153,969	-	-	12,124,482	1,674,813	197,629			1,872,442	10,252,040	3,295,700
- Factory Building	3,135,181	-		-	3,135,181	2,554,509	104,715			2,659,224	475,957	580,672
Plant & Equipment	80,570,202	2,646,744	3,300,000	-	79,916,946	65,661,500	1,291,779		3,300,000	63,653,279	16,263,667	14,908,702
Furniture & Fixtures	883,975	118,870	-	-	1,002,845	531,939	49,119			581,058	421,787	352,036
Vehicles												
- Trucks	1,944,835	-	-	-	1,944,835	917,785	155,899		-	1,073,684	871,151	1,027,050
- Motor Vehicles												
- Cars	1,946,458	-	52,261	-	1,894,197	843,220	189,563		28,550	1,004,233	889,964	1,103,238
Office Equipments												
- Computers	931,875	14,200	-	-	946,075	803,702	63,648			867,350	78,725	128,173
Others												
- Plantations	36,700	-	-	-	36,700	-	-	-	-	-	36,700	36,700
Total ₹	94,939,909	9,933,783	3,352,261	-	101,521,431	72,987,468	2,052,352	-	3,328,550	71,711,270	29,810,160	21,952,440
Figures of the Previous Yr	90,756,302	5,846,477	1,662,871		94,939,908	70,038,864	3,574,442		625,838	72,987,468	21,952,439	

8 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

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2013-2014

Amount (₹) Amount (₹)

9 NON CURRENT INVESTMENTS

PARTICULARS	As at 31.03.2014	As at 31.03.2013
Trade Investments		
Investment in Partnership Firm (See 9.1)	13,540,663	1,050,858
Other Investments (Valued at Cost)		
In Equity Shares - Quoted & fully paidup (See 9.2)	1,114,500	1,114,500
In Equity Shares - Unquoted & fully paidup (See 9.3)	4,224,690	2,925,000
TOTAL (₹)	18,879,853	5,090,358

9.1 Investments In Partnership Firm

Name of Firm	As at 31.03.2014		As at 31.03.2013	
	Name of Partners	Respective Share in Profits of the Firm	Name of Partners	Respective Share in Profits of the Firm
1. M/s Lalit Flour Mills, Agartala				
Total Investment in the Firm by UFM Industries Ltd. ₹ 13540663	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%
Total Capital of the Firm		13,540,663		1,050,858

9.2 Other Investments In Equity Shares- Quoted & Fully Paid up

NAME OF SECURITIES	As at 31.03.2014		As at 31.03.2013	
	Qty	₹	Qty	₹
Listed Shares				
- 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
- Future Life Style Fashion Ltd.	1	-	-	-
- Future Retails 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 Industrial Enterprise 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
TOTAL (₹)		1,114,500		1,114,500

** 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.

9.3 Other Investments In Equity Shares- Unquoted & Fully Paid up

NAME OF SECURITIES	% of holding	As at 31.03.2014		As at 31.03.2013	
		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.		170630	2,799,690	150,000	1,500,000
TOTAL (₹)			4,224,690		2,925,000

9.4 Aggregate Amount of Quoted Investments as at 31.03.2014 is ₹11,14,500/- (Previous Yr ₹11,14,500/-)

9.5 Market Value of Quoted Investments as at 31.03.2014 is ₹5,89,398/- (Previous Yr ₹5,05,237/-)

9.6 Aggregate Amount of Un-quoted Investments as at 31.03.2014 is ₹42,24,690/- (Previous Yr ₹29,25,000/-)

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

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2013-2014

Amount (₹) Amount (₹)

10 LONG TERM LOANS AND ADVANCES

PARTICULARS	As at 31.03.2014	As at 31.03.2013
<u>(Unsecured and Considered Good)</u>		
Security Deposits	1,909,590	1,894,990
Balances with Revenue Authorities		
I.Tax Refundable of FY 2011-12 & 2012-13	2,686,686	112,165
I Tax Refundable FY-2013-14 (Net of Provision) <u>31.03.2014</u> <u>31.03.2013</u>		
Taxes Paid during the year 895,210 10,719,263		
Less: Current Yr Income Tax Provision 898,251 9,071,281	(3,041)	1,647,982
TOTAL (₹)	4,593,235	3,655,137

11 INVENTORIES

PARTICULARS	As at 31.03.2014		As at 31.03.2013	
	Qty (Quintal)	₹	Qty (Quintal)	₹
Raw Materials				
- Wheat	13,045.70	13,217,931	29,093.45	29,473,528
- Biotech Flour Improver	600 Kgs.	139,340	350Kg	104,700
Finished Goods				
- Atta	1,598.75	1,426,878	776.80	1,209,121
- Maida	1,501.10	2,653,953	1,397.35	2,141,210
- Suji	45.10	82,156	105.00	172,733
- Bran	1,739.10	2,182,050	3,506.55	4,356,089
Stores, Spares & Consumables		1,142,990		3,693,086
Packing Materials		1,746,130		2,615,750
TOTAL (₹)		22,591,428		43,766,217

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

* No Inventories are in Transit.

12 TRADE RECEIVABLES

PARTICULARS	As at 31.03.2014	As at 31.03.2013
<u>Unsecured and Considered Good from Others</u>		
Over Six Months from due date	1,082,214	1,565,846
Others	20,512,103	12,166,845
TOTAL (₹)	21,594,317	13,732,691

13 CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31.03.2014	As at 31.03.2013
<u>Cash and Cash Equivalents</u>		
Balance with Banks in Current Account	919,537	23,924,414
Cash in Hand	3,195,655	10,188,898
TOTAL (₹)	4,115,191	34,113,312

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2013-2014

Amount (₹) Amount (₹)

14 SHORT TERM LOANS AND ADVANCES

PARTICULARS	As at 31.03.2014	As at 31.03.2013
<u>(Unsecured and Considered Good)</u>		
Loans & Advances to Related Parties (See 14.1)	39,859,787	29,333,534
Other Advances (See 14.2)	5,043,860	6,578,387
TOTAL (₹)	44,903,647	35,911,921

14.1 Short Loans and Advances include amount due from:

PARTICULARS	As at 31.03.2014	As at 31.03.2013
<u>1. Other Officers of the Company</u>		
a. Lalit Enterprise (Prop: Vishal Jain)	412,619	-
b. Navin Food Industries	20,684	-
<u>2. Firms in which any Director is a Partner</u>		
a. Dharmendra Industrial Stores	7,180,949	-
b. Sethi Flour Mills	420,490	2,447,920
c. Lalit Poly Weave LLP	15,067,636	15,057,261
d. United Commercial Co.	6,713,202	6,726,293
<u>3. Private Company in which any director is a director or Member</u>		
a. Gold Stone Cement limited	-	1,300,000
b. Shri Lalit Cold Storage (P) Ltd.	10,044,207	3,802,060
TOTAL (₹)	39,859,787	29,333,534

14.2 Other Advance

	As at 31.03.2014	As at 31.03.2013
<u>In respect of Purchase for Goods</u>	3,760,630	5,902,147
<u>in respect of Purchase of Capital Assets</u>	50,000	
<u>In respect of Expenses</u>	543,517	612,534
<u>Rent Receivable</u>	689,713	63,706
TOTAL (₹)	5,043,860	6,578,387

15 REVENUE FROM OPERATIONS

PARTICULARS	For FY 2013-2014	For FY 2012-2013
Sale of Products (See 15.1)	333,673,307	337,064,213
Sale of Services (See 15.2)	1,358,720	1,641,428
Other Operating Revenues (See 15.3)	2,067,882	2,045,490
TOTAL (₹)	337,099,909	340,751,131

* Non Exciseable Items.

15.1 SALE OF PRODUCTS

PARTICULARS	For FY 2013-2014		For FY 2012-2013	
NAME OF PRODUCTS	Qty (Quintal)	₹	Qty (Quintal)	₹
Atta	175,241.94	147,312,086	164,699.40	151,632,133
Maida	71,258.65	146,848,486	78,349.00	139,379,149
Suji	985.00	2,153,389	1,452.25	2,715,496
Bran	29,154.90	37,359,345	35,405.15	43,233,909
Refraction	-	-	242.85	103,526
TOTAL (₹)		333,673,307		337,064,213

15.2 SALE OF SERVICES

PARTICULARS	For FY 2013-2014	For FY 2012-2013
Milling Charges	869,400	1,331,748
Income from Weighing Scale	489,320	309,680
TOTAL (₹)	1,358,720	1,641,428

UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)

NOTES TO ACCOUNTS

For FY 2013-2014

Amount (₹) Amount (₹)

15.3 OTHER OPERATING REVENUES

PARTICULARS	For FY 2013-2014	For FY 2012-2013
Interest Income	1,980,200	2,045,490
Railway Claim	87,682	-
TOTAL (₹)	2,067,882	2,045,490

16 OTHER INCOME(Non Operating Income)

PARTICULARS	For FY 2013-2014	For FY 2012-2013
Dividend Income		
From Long Term Investments	13,602	9,197
Other Non Operating Income		
Agriculture Income	-	2,154
Rent from Letting of Godown	809,053	254,002
Other Income	-	5,000,000
Income from Sale of Fixed Assets	1,289	22,967
TOTAL (₹)	823,944	5,288,320

17 COST OF MATERIALS CONSUMED

PARTICULARS	For FY 2013-2014	For FY 2012-2013
Opening Stock	29,578,228	23,823,162
Add: Purchases	271,898,769	292,179,829
	301,476,997	316,002,991
Less: Closing Stock	13,357,271	29,578,228
TOTAL (₹)	288,119,726	286,424,763
Material Consumed Comprises:		
1.- Wheat	287,629,908	29,473,528
2.- Flour Improver	489,818	104,700
TOTAL (₹)	288,119,726	29,578,228

18 CHANGES IN INVENTORIES OF FINISHED GOODS

PARTICULARS	For FY 2013-2014	For FY 2012-2013
Inventories(At Commencement)		
Finished Goods	7,879,153	6,593,127
Inventories(At Close)		
Finished Goods	6,345,037	7,879,153
Net (Increase)/ Decrease	1,534,116	(1,286,026)

19 EMPLOYEE BENEFIT EXPENSES

PARTICULARS	For FY 2013-2014	For FY 2012-2013
Salary & Wages	6,668,288	5,782,724
Contribution to Provident Funds & Other Funds	605,287	473,055
Staff Welfare Expenses	475,758	379,894
TOTAL (₹)	7,749,333	6,635,673

20 FINANCE COSTS

PARTICULARS	For FY 2013-2014	For FY 2012-2013
(i) Interest Expenses		
on Borrowings		
Bank Interest Expenses	3,107,590	1,891,359
on Others		
Interest on TDS	29,243	2,938
(ii) Other Borrowing Costs	132,161	213,302
TOTAL (₹)	3,268,994	2,107,599

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2013-2014

		Amount (₹)	Amount (₹)
21	DEPRECIATION & AMMORTISATION EXPENSES		
	PARTICULARS	For FY 2013-2014	For FY 2012-2013
	Depreciation & Ammortisation (Ref.Note 8)	2,052,352	3,574,442
	TOTAL (₹)	2,052,352	3,574,442
22	OTHER EXPENSES		
	PARTICULARS	For FY 2013-2014	For FY 2012-2013
	Consumption of Stores, Spares & Consumables etc.	5,343,445	2,223,075
	Consumption of Packing Materials	2,563,554	1,269,435
	Electric Power, Fuel & Water	16,473,020	13,683,753
	Office Rent	217,650	249,000
	Repairs & Maintainance - Building	588,895	351,149
	Repairs & Maintainance -Machinery	554,909	240,961
	Repairs & Maintainance -Other	658,376	455,982
	Insurance	595,121	647,608
	Rates & Taxes	100,706	122,149
	Telephone & Internet Expenses	119,139	103,212
	Travelling Expenses	50,958	147,606
	Printing & Stationery	59,922	70,384
	Share Listing & Registrar Fees	122,009	43,322
	Payment to Auditors (See 22.1)	22,472	15,730
	Addvertisement Expenses	184,355	140,801
	Labour Charges	742,971	839,651
	Bank Charges	29,030	78,381
	Motor Car Upkeep	218,871	382,930
	Truck Running Expenses	2,926,666	232,377
	Miscellaneous Expenses	273,250	760,035
	TOTAL (₹)	31,845,318	22,057,541
22.1	PAYMENT TO AUDITORS AS		
	PARTICULARS	For FY 2013-2014	For FY 2012-2013
	Statutory Audit Fees	17,978	11,236
	Tax Audit Fees	4,494	4,494
	TOTAL (₹)	22,472	15,730
23	Exceptional and Extraordinary Item		
	PARTICULARS	For FY 2013-2014	For FY 2012-2013
	Insurance claim received	1,001,000	58,000
	TOTAL (₹)	1,001,000	58,000
24	EARNING PER SHARE (EPS) (AS-20)		
	PARTICULARS	For FY 2013-2014	For FY 2012-2013
	Net Profit after Tax as per Statement of P/L attributable to Equity Shareholder	3,164,518	17,788,912
	Weighted Average No. of Equity Shares used as denominator for calculating EPS	5,932,600	5,641,980
	Basic & Diluted EPS	0.53	3.15
	FV per Equity Share	10	10
	TOTAL (₹)		
24.1	Computation of Weighted Average No. Of Equity Shares as per para 19 of AS 20	For FY 2013-2014	For FY 2012-2013
		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	5932600	54,574,000
	(C)Paid for partly paidup Shares ₹3.884 paid up	-	475,200
	(D)Proportionate fully paid up shares of (C) above [18,45,800/10]	-	1,845,800
	(E)Weighted Average No. Of Shares of ₹10 each fully paid up	5932600	56,419,800

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2013-2014

ADDITIONAL DISCLOSURES / INFORMATION TO THE FINANCIAL STATEMENTS**Amount (₹)****Amount (₹)**

25	Contingent liabilities and commitments (to the extent not provided for)	As at 31.03.2014	As at 31.03.2013
	(i) Contingent Liabilities		
	(a) Guarantees	40,000,000	40,000,000
		40,000,000	40,000,000
	TOTAL (₹)	40,000,000	40,000,000

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

26 EMPLOYEE BENEFITS

- 26.1** The Company maintains 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, contribution are also made by the employee. An amount of ₹5,60,046 (Previous Yr ₹4,70,972) 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 ₹45,241 (Previous Yr ₹2,083) 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 encashment are accounted for on cash basis.

27 RELATED PARTY TRANSACTIONS (AS-18)

- 27.1** 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**ADDITIONAL DISCLOSURES / INFORMATION TO THE FINANCIAL STATEMENTS (Continued)****For FY 2013-2014**

27.2 Details of related party transactions during the year ended 31.03.2014 and outstanding balance as on 31.03.2014

TYPE OF TRANSACTION	ASSOCIATE	KMP	Relatives of KMP	Entities in which KMP/Relative of KMP has significant influence	TOTAL ₹
Net Loans & Advances Given/(Return)	10,000,000			27,711,293	37,711,293
	(3,700,000)			(22,492,592)	(26,192,592)
<u>Revenue from Operation</u>					
- Sales				1,178,200	1,178,200
				(1,146,195)	(1,146,195)
- Milling Income				869,400	869,400
				(918,000)	(918,000)
<u>Other Income</u>					
Interest Income				1,965,816	1,965,816
				(2,045,490)	(2,045,490)
Purchase/Material Consumed				2,040,905	2,040,905
(Stores , Spares & Consumables)				(446,178)	(446,178)
Remmuneration to KMP		1,440,000			1,440,000
		(1,440,000)			(1,440,000)
Printing & Stationery				101,848	101,848
				(101,508)	(101,508)
Lease Rent				240,000	240,000
				(240,000)	(240,000)
Hiring Charges		91,600	62,900		154,500
		(91,000)	(58,120)	-	(149,120)
Salary			360,000		360,000
			(360,000)	-	(360,000)

27.3 **Balance As at 31st March, 2014**

Investments	1,000,000				1,000,000
	(1,000,000)				(1,000,000)
Loans & Advances given	10,044,207			29,436,320	39,480,527
	(3,802,060)			(24,231,474)	(28,033,534)
Financial Guarantees				40,000,000	40,000,000
				(40,000,000)	(40,000,000)

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2013-2014

28 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.

29 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, 2014. 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 2013-2014

Amount (₹) Amount (₹)

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

Name of the Party	Relationship	Amount Outstanding as at 31st March 2014	Maximum Balance outstanding during the year
United Commercial Co.	Firm in which director is interested	6,713,202 (6,726,293)	11,226,293 (14,000,000)
Sethi Flour Mills	Firm in which director is interested	420,490 (2,447,920)	24,147,920 (18,216,539)
Navin Food Industries	Firm in which director is interested	20,684 -	3,975,000 (7,663,009)
Lalit Enterprise	Firm in which relative of director is interested	33,359 -	2,775,000 (4,276,991)
Shri Lalit Cold Storage (P) Ltd	Associate	10,044,207 (3,802,060)	10,044,207 (6,150,000)
Dharmendra Industrial Stores	Firm in which director is interested	7,180,949 -	8,450,000 (929,174)
Lalit Poly Weave LLP	Firm in which director is interested	15,067,636 (15,057,261)	32,535,000 (15,057,261)

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

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

ADDITIONAL DISCLOSURES / INFORMATION TO THE FINANCIAL STATEMENTS (Continued)

31 EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	For FY 2013-2014	For FY 2012-2013
Purchase of Fixed Asset	1,499,023	NIL
Purchase of Stores and Spares	272,728	NIL

32 EARNING IN FOREIGN EXCHANGE

PARTICULARS	For FY 2013-2014	For FY 2012-2013
	NIL	NIL

33 VALUE OF IMPORTS (CALCULATED ON CIF BASIS)

PARTICULARS	For FY 2013-2014	For FY 2012-2013
Purchase of Fixed Asset	1,503,108	NIL
Purchase of Stores and Spares	272,728	NIL

34 VALUE OF RAWMATERIALS CONSUMED

PARTICULARS	For FY 2013-2014		For FY 2012-2013	
	₹	%	₹	%
Indegeneous	288,119,726	100%	286,424,763	100%
Imported	-	0%	-	0%

35 VALUE OF STORES/ SPARES & COMPONENTS CONSUMED

PARTICULARS	For FY 2013-2014		For FY 2012-2013	
	₹	%	₹	%
Indegeneous	7,634,271	97%	3,492,510	100%
Imported	272,728	3%	-	0%

1. GENERAL INFORMATION:

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 Foreign Currency Transactions:

Foreign currency transactions are recorded on initial recognition in the reporting currency i.e. Indian rupees, using the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in currencies other than the reporting currency and foreign exchange contracts remaining unsettled are remeasured at the rates of exchange prevailing at the balance sheet date. Exchange difference arising on the settlement of monetary items, and on the remeasurement of monetary items, other than long-term foreign currency monetary items are included in the statement of profit and loss.

The Company has opted for accounting the exchange difference arising on long-term foreign currency monetary items in line with the Companies (Accounting Standards) Amendment Rules, 2009 relating to Accounting Standards 11 (AS 11) - The effects of

changes in foreign exchange rates notified by the Government of India on 31 March 2009. Accordingly exchange difference arising on the settlement and remeasurement of long-term foreign currency monetary items relating to the acquisition of depreciable capital asset are accounted by addition or deduction to the cost of the depreciable assets.

Foreign Currency forward contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly as per Accounting Standard (AS) 11 - Effects of Changes in Foreign Exchange Rates. The difference between the contract rate and spot rate on the date of transaction is recognised as premium/discount and recognised over the life of the contract. Exchange differences arising on account of remeasurement and gains and losses arising on account of roll over/cancellation of foreign currency forward contracts are recognised in the statement of profit and loss.

2.5 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.

2.6 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.

2.7 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.

2.8 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.

2.9 Segment Reporting:

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

2.10 Earning Per Share:

Basic Earning Per Share: Basic EPS 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.

2.11 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.

2.12 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.

2.13 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.

2.14 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.

2.15 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.

2.16 Borrowing cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss in the period in which they are incurred.

UFM Industries Limited

CIN: L15311AS1986PLC002539

Registered Office: Meherpur, Silchar – 788015

Folio No / Client ID & DP Id:

ATTENDANCE SLIP
TWENTY EIGHTH ANNUAL
GENERAL MEETING
 on Tuesday,
30th September, 2014
 at 2:00 p.m
 at **Meherpur,**
 Silchar - 788015

- A member/proxy wishing to attend the meeting must complete this Attendance Slip before coming to the Meeting and hand it over at the entrance.
- If you intend to appoint a proxy, please complete the Proxy Form and deposit it at the Company's Registered Office, at least 48 hours before the Meeting.
- Please bring your copy of the Annual Report to the Meeting.

I record my presence at the
Twenty Eighth Annual General Meeting

 Name of Proxy in BLOCK LETTERS
 (If the proxy attends instead of the Member)

 Signature of Member / Proxy

Form No.MGT-11**Proxy Form**

[Pursuant to Section 150(6) of the Companies Act, 2013 and Rule 19(3)
 Of the Companies (Management and Administration) Rules, 2014]

CIN: L15311AS1986PLC002539

Name of the Company: **UFM Industries Limited**

Registered Office: Meherpur, Silchar, Assam - 788015

Name of the Member(s):

Registered address:

E-mail Id:

Folio No./Client Id & DP Id:

I/We, being the Member(s) of shares of the above named Company, hereby appoint

1. Name:.....
 Address:.....
 E-mail Id:.....
 Signature:, or failing him
2. Name:.....
 Address:.....
 E-mail Id:.....
 Signature:, or failing him
3. Name:.....
 Address:.....
 E-mail Id:.....
 Signature:, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on Tuesday, the 30th September 2014 at 2:00 p.m. at Meherpur, Silchar, Assam – 788015 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution Nos.

1. Adoption of Audited Financial Statements of the Company for the Financial Year ended 31st March 2014 together with the Report of the Board of Directors and Auditors thereon.
2. Appointment of M/s Anil Hitesh & Associates as the Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration.
3. Appointment of Mr. Poonam Chand Deewani as an Independent Director of the Company.
4. Appointment of Mr. Deepak Ladia as an Independent Director of the Company.
5. Adoption of Table F of Schedule I of companies Act, 2013

Signed this day of 2014.

Affix
Revenue
Stamp

Signature of shareholder(s)

Signature of Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and notes, please refer to the Notice of the Twenty Eighth Annual General Meeting.

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 st March, 2014
3.	Type of Audit observation	Accounting of leave encashment on cash basis
4.	Frequency of observation	First time
5.	Signed by- <ul style="list-style-type: none"> Mahabir Prasad Jain <ul style="list-style-type: none"> • Managing Director Anil Jain <ul style="list-style-type: none"> • Auditor of the company Deepak Ladia <ul style="list-style-type: none"> • Audit Committee Chairman 	<p>For UFM INDUSTRIES LTD.</p> <p><i>Mahabir Prasad Jain</i> Managing Director</p> <p><i>Anil Jain</i> 16/4/2014</p> <p><i>Deepak Ladia</i></p>

