

UFM INDUSTRIES LIMITED

MEHERPUR, SILCHAR – 788 015
ASSAM



25th ANNUAL REPORT

2010-2011

| | |
|---------------------------|--|
| BOARD OF DIRECTORS | (1) Sri Mahabir Prasad Jain, (Managing Director) (2) Sri Dipak Ladia (3) Sri Avishek jain |
| COMPANY SECRETARY | Smt. Jyoti Jain |
| AUDITORS | M/S. Raj Ratan & Co. Chartered Accountants Gauri Kishan Towers, A.T.Road, Rail Gate No.7 Guwahati (Assam) |
| BANKERS | United Bank Of India |
| REGISTERED OFFICE | Meherpur, Silchar – 788015, Assam. |
| FACTORIES | (a) Meherpur, Silchar-788015 (Assam) (b) Balajan,Gauripur – 783331(Assam) |

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NOTICE

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

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint M/s Anil Hitesh & Associates, Chartered Accountants, Silchar as auditors of the Company in place of M/s Raj Ratan & Co., Chartered Accountants, Guwahati, who resigns from the conclusion of this meeting and fix their remuneration.

SPECIAL BUSINESS

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

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

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

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

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

REGISTERED OFFICE :

Meherpur, Silchar- 788015.
Assam.

Date : The 5th Day of September, 2011.

**Jyoti Jain
Company Secretary**

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMENCEMENT OF THE MEETING.
2. All document referred to in the accompanying Notice are open for inspection at the Registered office of the company during Business hours on all working days except Tuesday between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting.
3. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
4. Shareholders seeking any information with regard to Accounts are requested to write to the company at least 7 days in advance so as to enable the management to keep the information ready.
5. The Register of Members and Share Transfer book of the company shall remain closed from 23rd September 2011 to 30th September 2011 (both days inclusive).
6. Members are requested to immediately intimate any change in their address Registered with the Company quoting their respective folio number (s).
7. As a measure of economy, the practice of distributing copies of the Annual Report at the Meeting has been discontinued. Members / Proxies are requested to bring their copies of the Annual Report to the meeting.

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

Item No. 3

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

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

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

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

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

Item No. 4

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

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

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

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

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

BY ORDER OF THE BOARD
For UFM Industries Ltd.

REGISTERED OFFICE :
Meherpur, Silchar-788015.
Assam.

Date : The 5th Day of September, 2011.

Jyoti Jain
Company secretary

DIRECTORS' REPORT

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

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

1. FINANCIAL RESULTS

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

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

2. OPERATIONS

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

3. AUDITORS

M/S Raj Ratan and Co., Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting, informs their unwillingness to perform further. Your Directors recommend the appointment of M/s Anil Hitesh and Associates, Chartered Accountants, Silchar at the ensuing Annual General Meeting to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting at remuneration to be decided by the Board of Directors. The Auditors have furnished a certificate stating that, their appointment, if made, will be within the limit laid down under section 224 (1B) of the Companies Act, 1956.

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

4. DIRECTORS

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

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

5. MANAGEMENT DISCUSSION AND ANALYSIS

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

6. PERSONNEL

In accordance with the requirement of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees' Rules) 1975. It is stated that no employee of the Company was in receipt of remuneration aggregating to Rs.60,00,000/- or more per annum and Rs.5,00,000/- or more per month, if employed for part of the year.

7. CONSERVATION OF ENERGY

The information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 is enclosed with this report marked as Annexure 'A'.

8. TECHNOLOGY ABSORPTION

The information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 is enclosed with this report marked as Annexure "B".

9. FOREIGN EXCHANGE EARNING AND OUT GO

There was no earning of Foreign Exchange during the year under review. There was no out go in Foreign Exchange during the year under review.

10. DIRECTORS' RESPONSIBILITY STATEMENT

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

i) That the Annual Accounts for the year ended 31st March, 2011 have been prepared following applicable accounting standards and there is no material departure in this regard.

ii) That the accounting policies are applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on that date.

iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) That the annual accounts have been prepared on a going concern basis.

11. CORPORATE GOVERNANCE

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

12. ACKNOWLEDGEMENT

Your Company is grateful for the co-operation and continued support extended by the Department of Food & Civil Supplies, Food Corporation of India and other departments in Central Governments, Government of Assam, Banks, Insurance Companies, Customers & Suppliers. The Board of Directors greatly appreciates the dedicated service rendered by the all employees of your Company. The future prospects of the Company are bright and it would be the Company's endeavour to merit the confidence of all share holders.

FOR AND ON BEHALF OF THE BOARD

REGISTERED OFFICE :
Meherpur, Silchar-788015
Assam.

Date : 5th September, 2011.

(Mahabir Prasad Jain)
MANAGING DIRECTOR

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

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

A. POWER AND FUEL CONSUMPTION :

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

B. CONSUMPTION PER UNIT OF PRODUCTION

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

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

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

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

UFM INDUSTRIES LIMITED
CORPORATE GOVERNANCE REPORT FOR THE YEAR 2010-11

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

2. BOARD OF DIRECTORS

- (a) The composition of the Board of Directors, the attendance of each Director on Board Meetings & the last Annual General Meeting (AGM) and the details of directorship (calculated as per provisions of Section 275 and 278 of the Companies Act, 1956) committee / memberships/chairmanships, held by directors in public companies as on 31/03/2011 :

| Sl. No. | Name of the Director | Category | Board Meetings | Last AGM | Directorship | No. of other Committee Membership | Committee Chairmanships |
|---------|----------------------|---------------------------|----------------|----------|--------------|-----------------------------------|-------------------------|
| 1 | Sri M.P.Jain M.D. | Executive | 12 | Yes | 4 | - | - |
| 2 | Sri S.K. Beria | Independent Non-executive | 9 | Yes | - | 2 | 1 |
| 3 | Sri V.Jain | Promoter Non-executive | 10 | Yes | 2 | 2 | 1 |
| 4 | Sri Y.Jain | Promoter Non-executive | 10 | Yes | 1 | 2 | - |
| 5 | Sri Avishek Jain | Promoter Executive | 2 | No | 2 | | |

Notes:

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

- (b) During the financial year ended March 31, 2011, the Board held 12 meetings on 17.05.10, 01.07.10, 28/07/10, 02.08.10, 20.08.10, 01.09.10, 08.10.10, 30.09.10, 22.11.10, 01.01.11, 14.02.11 and 18.02.11.

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

(c) The composition of Committee and attendance of its Member as on 31st March 2011 is as follows :

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

5. REMUNERATION COMMITTEE :

The company does not have formal remuneration committee. No sitting fees is paid to non-executive Directors for attending meetings of the Board of Directors or Committee thereof. Further the remuneration of the Managing Director is decided by the Board of Directors subject to approval of share holders in general meeting. Details of sitting fees, remuneration etc. paid to directors: Sri Mahabir Prasad Jain, Managing Director has been paid remuneration of Rs.10,50,000.00, Sri Vishal Jain, Director has been paid remuneration of Rs.3,60,000.00 and Sri Avishek Jain, Executive Director has been paid remuneration of Rs.60,000 during the year 2010-11.

6. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE :

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

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

The composition of Committee and attendance of its Member as on 31st March 2011 is as follows :

| | | | No. of Meetings held | No. of Meetings attended |
|----|-----------------|----------|-------------------------|-----------------------------|
| a) | Sri V. Jain | Chairman | 1 | 1 |
| b) | Sri S. K. Beria | Member | 1 | 1 |
| c) | Sri Y.Jain | Member | 1 | 1 |

There were no complaints received from shareholders/investors during the financial year 2010-11 and there were no pending shareholder/investor complaints as on March,31 2011. Sri Mahabir Prasad Jain was the Compliance Officer of the Company.

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 |
|----------------|----------------------------------|-----------|----------|----------------------------------|
| 2007-08 | Meherpur, Silchar-788 015, Assam | 30-Sep-08 | 2:00p.m. | NIL |
| 2008-09 | Meherpur, Silchar-788 015, Assam | 30-Sep-09 | 2:00p.m. | NIL |
| 2009-10 | Meherpur, Silchar-788 015, Assam | 30-Sep-10 | 2:00p.m. | 1 |

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, 2011. The register of contracts containing transactions, in which directors are interested, is placed before the board regularly.

The Company has complied with the requirements of the regulatory authorities on capital market and no penalties / strictures have been imposed against it during the last 3 years.

9. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

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

10. CEO/CFO CERTIFICATION

As required under Clause 49(V) of the Listing Agreement, the Managing Director and the person heading the finance function of the Company give certification on financial reporting and internal controls to the Board.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

12. MEANS OF COMMUNICATION:

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

13. GENERAL SHAREHOLDERS' INFORMATION :

i) Annual General Meeting

| | | |
|---------------|---|---|
| Date and Time | : | 30 th September, 2011 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, 2011
 Half Yearly results – Fourth week of October, 2011
 Third Quarter results – Fourth week of January, 2012
 Fourth Quarter results – Fourth week of April, 2012

iii) Dates of book closure: Friday, 23rd September, 2011 to Friday 30th September, 2011 (Both days inclusive)

iv) Dividend :

The Board of Directors have not recommended any dividend for the year 2010-2011.

v) Listing of Stock Exchanges :

- i) Gauhati Stock Exchange Ltd., Shine Tower, Sharab Bhati, Rehabari, Guwahati-781 008.
- ii) The Calcutta Stock Exchange Association Ltd. 7, Lyons Range, Kolkata- 700001.
- iii) Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001

vi) Stock Code :

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

vii) Market Price Data / Stock Market Date : There were no trading of Company's shares at Gauhati Stock Exchange, Calcutta Stock Exchange and Bombay Stock Exchange during the year.

viii) Registrar and Share Transfer Agent :

Niche Technologies Pvt.Ltd.
D-511, Bagree Market,
71, B.R.B. Basu Road,
Kolkata – 700001
Ph. : 22357270 / 7271 / 3070
Fax : 91-033-22156823
Email : nichetechpl@nicetechpl.com

ix) Share Transfer System :

Transfer of shares held in physical mode is processed by Niche Technologies Pvt.Ltd. and approved by the share transfer committee. Transfer of the share is effected and share certificates are despatched within a period of 30 days from the date of receipt, if the relevant documents are complete in all respects.

x) Distribution of share holding as on 31st March, 2011.

| 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 | 1587 | 100.0000 | 59,32,600 | 100.0000 |

xi) Categories of share holdings as on 31st March, 2011.

| 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 |

xii) Dematerialization of Shares and liquidity

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

xiii) Outstanding GDR / Warrants or convertible bonds conversion dates and likely impact on equity : Not applicable.

xiv) PLANT LOCATIONS :

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

B : Balajan, Dhubri – 783331, Assam

Ph : (03662) 297180
Fax : (03662) 297180

xv) ADDRESS FOR CORRESPONDENCE :

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

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: 05/09/2011

Mahabir Prasad Jain
Managing Director

COMPLIANCE OFFICER

Ms. Jyoti Jain has been appointed as the Company Secretary and Compliance Officer w.e.f. 5th April, 2011 for complying with the requirements of SEBI Regulations and the Listing Agreements with the Stock exchanges.

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, 2011.

INDUSTRY SCENE AND FUTURE GROWTH:

The economy of the country is rapidly growing and in accordance also 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, 2011 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 2010-2011 your company has made a profit of Rs.29.44 Lacs on a turnover of Rs.2494.00 Lacs as compared to Profit before Tax of Rs.4.79 Lacs and on a turnover of Rs.3486.35 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 2011-2012.

SEGMENT- WISE/PRODUCT-WISE PERFORMANCE:

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

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 THREADS:

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.

AUDITORS' CERTIFICATE

To
The Members of
UFM Industries Ltd.
Meherpur
Silchar-788015

We have reviewed the compliance of conditions of Corporate Governance by UFM Industries Ltd. for the year ended on March 31st 2011, as stipulated in clause 49 of the listing agreement of the said company with various Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to procedures and implementations thereof adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement 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 stipulated in clause 49 of the above mentioned Listing Agreements with the Stock Exchanges.

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 M/S RAJRATAN & CO,
Chartered Accountants
(F R No. 307101E)

Place:: Guwahati
Dated:: 05.09.2011.

(Manas Jain)
Partner
M No. 065150

**AUDITORS' REPORT TO THE MEMBERS OF
M/S. UFM INDUSTRIES LIMITED**

1. We have audited the attached Balance Sheet of **M/S. UFM INDUSTRIES LIMITED**, Meherpur, Silchar as at 31st March, 2011, the Profit & Loss Account for the year ended on that date and Cash flow Statement for the year under review annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principle used and significant estimates made by management as well as evaluating the overall financial statements presentation. We believe that our audit provided a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended, issued by the Central Government of India in terms of Section 227(4A) of The Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
4. Further to our comments in Annexure referred to above, we report as follows:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief are necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by Law have been kept by the company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Profit & Loss Account and Cash flow statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, The Balance Sheet, the Profit & Loss Account and Cash flow statement dealt with by this report are in compliance with the Accounting standard referred to in section 211(3C) of the Companies Act, 1956.
 - e) On the basis of the written representation received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) Subject to our comments in the Annexure referred to in paragraph 3 above, in our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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 Balance Sheet, of the state of Affairs of the Company as at 31st March 2011,
 - ii. In the case of Profit & Loss Account, of the Profit of the Company for the year ended on that date,
 - iii. In the case of Cash Flow Statement, of the Cash Flow for the year ended on the date.

For M/s Rajratan & Co,
Chartered Accountants
(F R No. 307101E)

Place:: Guwahati
Dated:: 16.08.2011

(Manas Jain)
Partner
M No. 065150

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Para 3 of our Report of even date on the Accounts of UFM Industries Ltd as on 31.03.2011

1.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situations of Fixed Assets.
 - b) As explained to us, all the Fixed Assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification as compared with the available book records.
 - c) The Company has not disposed off any substantial part of its fixed assets so as to affect its going concern status.
2. The stock of finished goods, raw materials, stores, spare parts and other goods have been physically verified by the management at reasonable periodic intervals during the year. In our opinion, the frequency of verification is reasonable.
 - a) In our opinion and according to the information and explanations given to us the procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - b) In our opinion and according to the information and explanations given to us the company has maintained proper records of inventory. No material discrepancies were noticed on physical stocks and the book records having regard to the size of the operation of the Company..
3.
 - a) The company has granted unsecured loan to 4 (Four) concern/parties covered in the register maintained under section 301 of the Companies Act,1956. The details are hereunder:

| No. of Parties | Maximum amount outstanding during the Year (Rs. In Lacs) | Year end balance (Rs. In Lacs) |
|----------------|---|-----------------------------------|
| Companies | Rs.Nil | Rs.Nil |
| 4 Parties | Rs.400.70 | Rs.169.33 |

- 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, prima facie, pre-judicial to the interest of the company.
 - c) The Company has not taken any unsecured loan from any party covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provision of sub clause (e), (f) (g) of para (iii) of clause 4 of the order is not applicable.
4. 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 with regard to purchase of Inventory, Fixed Assets and Sale of Goods and services. Further on the basis of our examination of the books and records of the Company and according to information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.

5.
 - a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangement that need to be entered in the register maintained pursuant to section 301 of the Act, have been so entered.
 - b) In our opinion, subject to point 3(b) above, the aforesaid transactions have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time by the Company.
6. The Company has not accepted any deposits from the public during the year within the meaning of section 58A and 58AA of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules 1975.
7. The Company has an internal audit system commensurate with its size and nature of its business.
8. According to the information given to us, the provisions relating to maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 is not applicable to the company
9. According to the records of the company, the company is regular in depositing undisputed statutory dues including Income Tax, Wealth Tax, Sales Tax, Provident Fund, Custom Duty, Excise Duty, Service Tax and other statutory dues applicable to it with the appropriate authorities and no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty, Provident Fund and Service Tax outstanding as at 31.03.2011 for a period of more than six months from the date they become payable.
10. The company does not have accumulated losses as at 31st March 2011. The Company has not incurred cash losses during the financial year covered by our audit.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial Institution, bank or debenture holders.
12. As explained to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares/debentures or any other securities.
13. The Provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
14. In respect of shares, securities or 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 investment are held by the company in its own name.
15. 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.
16. On the basis of the records examined by us, the company has not availed any term loan during the year.
17. In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we have to state that no funds raised on short term basis have been used for long term investment.

18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our report. Accordingly, the question of creation of securities in this regard does not arise.
20. During the period covered by our audit report, the company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, and on the basis of our examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India, we have not come across any such instance of fraud on or by the company, either noticed or reported during the year, nor have we been informed of such case by the management.

Place:: Guwahati
Dated:: 16.08.2011.

For M/s Rajratan & Co,
Chartered Accountants
(F R No. 307101E)

(Manas Jain)
Partner
M No. 065150

UFM INDUSTRIES LIMITED
MEHERPUR, SILCHAR

BALANCE SHEET AS AT 31ST MARCH, 2011

| | SCHEDULE | AS AT 31.03.2011 | AS AT 31.03.2010 |
|--|----------|---------------------------|---------------------------|
| <u>SOURCES OF FUNDS</u> | | | |
| 1 SHARE HOLDERS' FUNDS | | | |
| Share Capital | 1 | 56,419,800 | 56,419,800 |
| Reserves & Surplus | 2 | 44,792,688 | 42,397,052 |
| 2 LOAN FUNDS | | | |
| Secured Loans | 3 | 3,715,214 | 21,854,958 |
| 3 DEFERRED TAX LIABILITY | | <u>4,149,324</u> | <u>4,087,840</u> |
| TOTAL | | <u>109,077,026</u> | <u>124,759,650</u> |
| <u>APPLICATION OF FUNDS</u> | | | |
| 1 FIXED ASSETS | 4 | | |
| (a) Gross Block | | 88,341,582 | 87,297,795 |
| (b) Less: Depreciation | | <u>69,259,459</u> | <u>67,871,446</u> |
| (c) Net Block | | <u>19,082,123</u> | <u>19,426,349</u> |
| 2 INVESTMENTS | 5 | 4,039,500 | 4,039,500 |
| 3 CURRENT ASSETS, LOANS & ADVANCES | | | |
| (a) Inventories | 6 | 41,914,771 | 43,818,400 |
| (b) Sundry debtors | 7 | 9,013,301 | 11,478,267 |
| (c) Cash & Bank balance | 8 | 11,881,981 | 9,764,657 |
| (d) Loans & Advances | 9 | <u>25,499,854</u> | <u>37,931,275</u> |
| | | 88,309,907 | 102,992,599 |
| Less: CURRENT LIABILITIES & PROVISIONS | 10 | <u>2,354,504</u> | <u>1,698,798</u> |
| Net Current Assets | | <u>85,955,403</u> | <u>101,293,801</u> |
| TOTAL | | <u>109,077,026</u> | <u>124,759,650</u> |

Significant Accounting Policies & Notes On
Accounts

18

The Schedule referred to above and the notes thereon form an integral part of the Accounts.

In terms of our Report of even date
For RAJRATAN & CO.
Chartered Accountants
(F.R.No.307101E)

For and on behalf of Board

(Manas Jain)
Partner

M. No. 065150

Place: Guwahati

Date: 16.08.2011

Mahabir Prasad Jain
Managing Director

Vishal Jain
Director

Jyoti Jain
Company Secretary

UFM INDUSTRIES LTD.
MEHERPUR, SILCHAR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH,2011

| | SCHEDULE | AS AT 31.03.2011 | AS AT 31.03.2010 |
|---|----------|---------------------------|---------------------------|
| <u>INCOME</u> | | | |
| Sales | 11 | 247,300,388 | 345,227,816 |
| Other Income | 12 | 2,581,381 | 2,405,017 |
| Increase / (Decrease) In Stock | 13 | (481,490) | 1,002,257 |
| TOTAL | | <u>249,400,279</u> | <u>348,635,090</u> |
| <u>EXPENDITURE</u> | | | |
| Raw Materials Consumed | 14 | 217,026,505 | 316,677,232 |
| Payments To & Provision For Employees | 15 | 4,042,293 | 3,673,367 |
| Manufacturing, Selling And Administrative Expenses | 16 | 22,522,501 | 23,231,072 |
| Interest | 17 | 1,476,904 | 1,646,024 |
| Depreciation | 4 | 1,388,013 | 2,928,323 |
| | | <u>246,456,216</u> | <u>348,156,018</u> |
| PROFIT BEFORE TAX | | 2,944,063 | 479,072 |
| LESS: PROVISION FOR TAXATION | | | |
| DEFERRED TAX | | 61,484 | (60,486) |
| CURRENT TAX | | 772,573 | 707,758 |
| | | <u>834,057</u> | <u>647,272</u> |
| PROFIT AFTER TAX | | 2,110,006 | (168,200) |
| Less: Income Tax for prior year refunded | | (285,630) | |
| BALANCE BROUGHT FORWARD | | <u>19,638,435</u> | <u>19,806,635</u> |
| BALANCE CARRIED TO BALANCE SHEET | | <u>22,034,071</u> | <u>19,638,435</u> |
| Basic Earning per Equity Share (Nominal Value Rs 10/- each) | | 0.36 | -0.03 |
| Diluted Earning per Equity Share (Nominal Value Rs 10/- each) | | 0.36 | -0.03 |

Significant Accounting Polices & Notes On Accounts 18

The Schedule referred to above from an integral part of the Profit & Loss Account.

As per our report annexed

In terms of our Report of even date

For RAJRATAN & CO.

Chartered Accountants

(F.R.No.307101E)

(Manas Jain)

Partner

M. No. 065150

Place: Guwahati

Date: 16.08.2011

For and on behalf of Board

Mahabir Prasad Jain

Managing Director

Vishal Jain

Director

Jyoti Jain

Company Secretary

UFM INDUSTRIES LIMITED
MEHERPUR, SILCHAR

31.03.2011 **31.03.2010**
Rs. **Rs.**

SCHEDULE 1: SHARE CAPITAL

AUTHORISED

| | | |
|--|-------------------|-------------------|
| 70,00,000 Equity Shares Of Rs. 10 Each | 70,000,000 | 70,000,000 |
|--|-------------------|-------------------|

ISSUED

| | | |
|--|------------|------------|
| 59,32,600 Equity Shares Of Rs. 10 Each | 59,326,000 | 59,326,000 |
|--|------------|------------|

SUBSCRIBED & PAID UP

| | | |
|--|------------|------------|
| 59,32,600 Equity Shares Of Rs. 10 Each | 59,326,000 | 59,326,000 |
| Less: Allotment Money In Arrears | 2,906,200 | 2,906,200 |

| | | |
|--------------|-------------------|-------------------|
| TOTAL | 56,419,800 | 56,419,800 |
|--------------|-------------------|-------------------|

OUT OF THE 59,32,600 EQUITY SHARES :

- (A) 60,022 Fully Paid Equity Shares Were issued On 10/12/1986 Pursuant to the take over of Partnership Firm M/S Union Flour Mills for Consideration Other than Cash.
- (B) 5,84,000 Equity Shares Were Issued as Fully Paid Bonus Shares By Utilisation of Rs.58,40,000 From The Credit of Profit and Loss account
- C) 6,38,600 Fully Paid Equity Shares Were Issued Against Conversion Of Unsecured Loans Of Rs 63,86,000/- Into Capital.

SCHEDULE 2: RESERVES & SURPLUS

| | | |
|--------------------------|-------------------|-------------------|
| Share Premium | 14,746,355 | 14,746,355 |
| General Reserves | 7,891,684 | 7,891,684 |
| Profit & Loss Account | 22,034,071 | 19,638,435 |
| Capital Subsidy Reserves | 120,578 | 120,578 |
| | 44,792,688 | 42,397,052 |

SCHEDULE 3: SECURED LOANS

| | | |
|---|------------------|-------------------|
| Cash Credit Loan From United Bank Of India Secured by Hypothecation Of Stock in Trade, Other Movable Assets And First Charge Over Fixed Assets Of The Company And Personal Guarantee Of The Directors] | 3,715,214 | 21,854,958 |
| | 3,715,214 | 21,854,958 |

UFM INDUSTRIES LIMITED
MEHERPUR, SILCHAR, ASSAM

SCHEDULE – 4 : FIXED ASSETS

| Description | GROSS BOLCK | | | DEPRECIATION | | | | NET BOLCK | | |
|------------------------------|---------------------|--------------------------|---------------------------|----------------------|-------------------|------------------|----------------|-------------------|-------------------|-------------------|
| | Cost as at 1.4.2010 | Addition during the year | Deduction during the year | Cost as on 31.3.2011 | As on 1.4.2010 | For the year | On Deductions | As on 31.3.2011 | As at 31.3.2011 | As at 31.3.2010 |
| 1. Land | 520,169 | - | - | 520,169 | - | - | - | - | 520,169 | 520,169 |
| 2. Building | 8,105,693 | - | - | 8,105,693 | 3,675,434 | 184,077 | - | 3,859,511 | 4,246,182 | 4,430,259 |
| 3. Plant & Machinery | 72,236,958 | 1,004,585 | - | 73,241,543 | 61,257,235 | 750,626 | - | 62,007,861 | 11,233,682 | 10,979,723 |
| 4. Furniture & Fixture | 835,773 | 39,202 | - | 874,975 | 432,006 | 40,350 | - | 472,356 | 402,619 | 403,767 |
| 5. Vehicles | 4,708,107 | - | - | 4,708,107 | 1,904,175 | 359,433 | - | 2,263,608 | 2,444,499 | 2,803,932 |
| 6. Computer | 854,395 | - | - | 854,395 | 602,596 | 53,527 | - | 656,123 | 198,272 | 251,799 |
| 7. Plantation | 36,700 | - | - | 36,700 | - | - | - | - | 36,700 | 36,700 |
| Total | 87,297,795 | 1,043,787 | - | 88,341,582 | 67,871,446 | 1,388,013 | - | 69,259,459 | 19,082,123 | 19,426,349 |
| Previous Year's Total | 83,702,795 | 3,936,080 | 341,080 | 87,297,795 | 85,267,149 | 2,928,323 | 324,026 | 67,871,446 | 19,426,349 | |

UFM INDUSTRIES LIMITED
MEHERPUR, SILCHAR

| <u>SCHEDULE 5: INVESTMENTS (AT COST)</u> | | 31.03.2011 | | 31.03.2010 | |
|---|----------------------|-------------------------|-------------|-------------------------|--|
| <u>NAME OF THE COMPANY</u> | | | | | |
| QUOTED | Qty. | Rs. | Qty. | Rs. | |
| Harakchand Investments Limited. | 16,395 | 40,950 | 16,395 | 40,950 | |
| Tata Consultancy Services Ltd. | 52 | 22,100 | 52 | 22,100 | |
| Grabal Alok Impex Ltd. | 1,375 | 183,510 | 1,375 | 183,510 | |
| Pantaloon Retailers (India) Ltd. | 3 | - | 3 | - | |
| Rico Auto Industries Ltd. | 1,000 | 102,959 | 1,000 | 102,959 | |
| Shree Precoated Steel Ltd. | 700 | | 700 | - | |
| Haldyn Glass Gujrat Ltd | 1,000 | 69,285 | 1,000 | 69,285 | |
| Nahar Industrial Ltd. | 3,000 | 247,152 | 3,000 | 247,152 | |
| Ajmera Realty & Infra Ltd. | 300 | 441,944 | 300 | 441,944 | |
| United Bank of India | 100 | 6,600 | 100 | 6,600 | |
| | (A) | <u>1,114,500</u> | | <u>1,114,500</u> | |
| UNQUOTED | | | | | |
| The Laxmiji Sugar Mills Co.Ltd. | 42,500 | 425,000 | 42,500 | 425,000 | |
| Shri Lalit Cold Storage Pvt.Ltd. | 10,000 | 1,000,000 | 10,000 | 1,000,000 | |
| Gold Stone Cement Ltd. | 150,000 | 1,500,000 | 150,000 | 1,500,000 | |
| | (B) | <u>2,925,000</u> | | <u>2,925,000</u> | |
| | TOTAL (A)+(B) | <u>4,039,500</u> | | <u>4,039,500</u> | |
| Aggregate Market Value Of Quoted Investments | | 406,385 | | 494,383 | |

UFM INDUSTRIES LIMITED
MEHERPUR, SILCHAR

| | 31.03.2011 | 31.03.2010 |
|---|-------------------|-------------------|
| <u>SCHEDULE 6: INVENTORIES</u> | Rs. | Rs. |
| (As taken valued and certified by management) | | |
| Raw Materials | 33,219,495 | 34,495,583 |
| Finished Goods | 3,888,084 | 4,369,575 |
| Stores & Spares Parts | 2,243,430 | 2,383,640 |
| Packing Materials | 2,563,762 | 2,569,602 |
| | 41,914,771 | 43,818,400 |

SCHEDULE 7: SUNDRY DEBTORS

| | | |
|--------------------------------------|------------------|-------------------|
| Unsecured, Considered Good | | |
| Due for a Period Exceeding Six Month | 556,232 | 1,233,627 |
| Others | 8,457,069 | 10,244,640 |
| | 9,013,301 | 11,478,267 |

SCHEDULE 8: CASH & BANK BALANCES

| | | |
|---|-------------------|------------------|
| Cash in Hand | 3,522,210 | 4,393,808 |
| Balances With Scheduled Bank in Current Account | 8,359,771 | 5,370,849 |
| | 11,881,981 | 9,764,657 |

SCHEDULE 9: LOANS & ADVANCES

| | | |
|---|-------------------|-------------------|
| Advances to Employees | 299,082 | 153,973 |
| Advances recoverable in cash or in kind or for Value to be received | 22,569,759 | 35,200,661 |
| Security Deposits With Various Departments | 1,869,590 | 1,869,590 |
| Income Tax Advances & TDS | 761,423 | 707,051 |
| | 25,499,854 | 37,931,275 |

SCHEDULE 10: CURRENT LIABILITIES & PROVISIONS

CURRENT LIABILITIES

| | | |
|--------------------------|-----------|---------|
| For Goods, Expenses etc. | 1,580,616 | 989,737 |
| Others | 1,315 | 1,303 |

PROVISIONS

| | | |
|----------------|------------------|------------------|
| For Income Tax | 772,573 | 707,758 |
| | 2,354,504 | 1,698,798 |

UFM INDUSTRIES LIMITED
MEHERPUR, SILCHAR

| <u>SCHEDULE 11: SALES</u> | 31.03.2011 Rs. | 31.03.2010 Rs. |
|----------------------------------|---------------------------|---------------------------|
| Wheat & Wheat Products | 247,300,388 | 345,227,816 |
| | <u>247,300,388</u> | <u>345,227,816</u> |

SCHEDULE 12: OTHER INCOME

| | | |
|--------------------------------|-------------------------|-------------------------|
| Income From Weighing Scale | 105,950 | 167,440 |
| Interest | 697,808 | 574,992 |
| Godown Rent | 193,497 | 188,990 |
| Milling Charges | 1,334,675 | 1,061,738 |
| Insurance Claim | 197,920 | 306451 |
| Railway Claim | 42,168 | 14094 |
| Dividend | 9,363 | 8,366 |
| Profit On Sale Of Fixed Assets | - | 82946 |
| | <u>2,581,381</u> | <u>2,405,017</u> |

SCHEDULE 13: INCREASE/(DECREASE) IN STOCK

| | | |
|---------------------------------------|-------------------------|-------------------------|
| Closing Stock Of Wheat Products | 3,888,084 | 4,369,575 |
| Less: Opening Stock Of Wheat Products | 4,369,574 | 3,367,318 |
| | <u>(481,490)</u> | <u>1,002,257</u> |

SCHEDULE 14: RAW MATERIAL CONSUMED

| | | |
|---------------------|---------------------------|---------------------------|
| Opening Stock | 34,495,583 | 44,403,117 |
| Add: Purchases | 215,750,417 | 306,769,698 |
| | 250,246,000 | 351,172,815 |
| Less: Closing Stock | 33,219,495 | 34,495,583 |
| | <u>217,026,505</u> | <u>316,677,232</u> |

SCHEDULE 15: PAYMENTS TO AND PROVISIONS FOR EMPLOYEES

| | | |
|---|-------------------------|-------------------------|
| Salaries, Wages & Bonus | 3,615,751 | 3,286,808 |
| Contribution to Provident & Other Funds | 426,542 | 386,559 |
| | <u>4,042,293</u> | <u>3,673,367</u> |

UFM INDUSTRIES LIMITED
MEHERPUR, SILCHAR

SCHEDULE 16: MANUFACTURING, SELLING & ADMINISTRATIVE EXPENSES

| | 31.03.2011 | 31.03.2010 |
|---|-------------------|-------------------|
| | Rs. | Rs. |
| Power & Fuel | 12,732,186 | 11,287,616 |
| Stores & Spare Parts Consumed | 1,485,007 | 2,273,894 |
| Packing Materials | 1,933,404 | 1,923,715 |
| Office Rent | 188,700 | 24,000 |
| Rates & Taxes | 96,571 | 150,326 |
| Insurance | 396,706 | 668,772 |
| <u>Repairs:</u> | | |
| Building | 646,126 | 138,659 |
| Machinery | 265,445 | 347,300 |
| Others | 529,423 | 452,766 |
| Travelling Expenses | 61,060 | 30,581 |
| Telephone Expenses | 116,837 | 114,667 |
| Medicine Expenses | 53,613 | 62,570 |
| Vehicle Maintenance | 518,808 | 365,070 |
| Truck Running Expenses | 534,395 | 362,337 |
| Auditors' Remuneration | 15,240 | 15,240 |
| Directors' Remuneration | 1,410,000 | 960,000 |
| Advertisement &, Sales Promotion Expenses | 183,325 | 129,524 |
| Bank Charges | 122,388 | 173,957 |
| Miscellaneous Expenses | 624,920 | 1,024,029 |
| Share Listing And Registrar Fees | 44,410 | 38,706 |
| Labour Charges | 451,529 | 495,788 |
| Long Term Capital Loss On Shares | - | 1,289,206 |
| Short Term Capital Loss On Shares | - | 696,507 |
| Discount | 112,408 | 205,842 |
| | 22,522,501 | 23,231,072 |

SCHEDULE 17: INTEREST

| | | |
|------|---------------------|---------------------|
| Bank | 1,476,904.00 | 1,646,024.00 |
| | 1,476,904.00 | 1,646,024.00 |

SCHEDULE - 18 : NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the generally accepted accounting principles in India (GAAP) under the historical cost convention. GAAP includes mandatory accounting standards prescribed by the Companies Accounting Standard Rules, 2006 (as amended)/issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956 ('the Act').

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in accounting policy hitherto in use. Where a change in accounting policy is necessitated due to changed circumstances, detailed disclosure of that effect along with the impact of change is duly disclosed in the financial statements.

USE OF ESTIMATES

The Preparation of the financial statements in conformity with GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reporting period like useful lives of fixed assets, provision for doubtful debts/advances, provision for diminution in value of investments, provision for employee benefits, future contracts costs expected to be incurred to complete the projects, provision for anticipated losses on contracts, provision for warranties/ discounts, allowances for certain uncertainties, provision for taxation, provision for contingencies, provision for impairment losses in subsidiaries, etc.

INVENTORIES

Inventories are stated at cost (net of CENVAT credit) or net realizable value, whichever is lower. Cost is determined on weighted average basis and comprises of expenditure incurred in the normal course of business in bringing such inventories to their location and includes, where applicable appropriate overheads. Obsolete, slow moving and defective inventories are identified at the time of physical verification and where necessary, provision is made for such inventories

CASH AND CASH EQUIVALENT

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks with an original maturity of three months or less.

CASH FLOW STATEMENTS

Cash flow statements are recorded using indirect method , whereby the prfit/(loss) before 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 available information.

SALES

Sales represent the invoiced value of goods and services supplied, net of value added tax (VAT)/ sales tax but inclusive of excise duty if any.

FIXED ASSETS

Fixed Assets are stated at original cost less depreciation thereon. The cost of fixed assets includes acquisition, attributable expenses, and pre-operational expenses including finance charges, wherever applicable. 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.

FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies if any are recorded in rupees by applying the exchange rate prevailing on the date of transaction. Transactions remaining unsettled are translated at the rate of exchange ruling at the end of the year. Exchange gain or loss arising on settlement/translation is recognized in the Profit and Loss Account. Premium or discount on forward contracts are amortised over the life of the contract. Foreign exchange forward contracts are revalued at the balance sheet date and the exchange difference between the spot rate at the date of the contract and the spot rate on the balance sheet date is recognized as gain/loss in the Profit & Loss Account.

INVESTMENTS

Investments are stated at cost of acquisition and other related expenses. Provision is made for any diminution in such value, which is not temporary in nature.

EMPLOYEES BENIFITS

Post Retirement Benefits :

Provided Fund

The Companies operate defined contribution schemes like Provident Fund. The Company makes regular contribution to provident funds which are fully funded and administered by Government and are independent of Company's finance. Contributions are recognized in Profit & Loss Account on an accrual basis.

Gratuity

Defined Benefit Plans like Gratuity Schemes are also maintained by the Companies. The Companies have taken out a policy with Life Insurance Corporation of India (LICI) for future payment of gratuity liability to its employees. Gratuity liability is determined as at the end of each year by LICI in accordance with the method stated in the According standard 15 (Revised 2005) on "Employees Benefits" and such liability has been provided for in the accounts. Annual Premium determined by LICI is contributed.

Other Employee Benefits :

Leave Encashment

Leave encashment if any are accounted for on cash basis.

Other Employee Benefits accounted for on accrual basis.

DEFERRED TAX

Deferred Tax is recognized using the liability method, at the current rate taxation, on all timing differences to the extent it is probable that a liability or assets will crystallize. Deferred Tax Assets are recognized subject to consideration of prudence and are periodically reviewed to reassess realization thereof. Deferred tax liability has been created on timing difference raised out of difference in rates of depreciation as per Income Tax Act and as per Schedule XIV of the Companies Act, 1956.

BORROWING COST

Borrowing cost attributable to acquisition and/or construction of qualifying assets are capitalized as a part of the cost of such assets upto the date when such assets are ready for its intended use. Other borrowing costs are charged to Profit & Loss Account .

LEASES

Assets acquired as leases where a significant portion of the risk and rewards of ownership are retained by the lesser are classified as operating leases. Lease rentals are charged to the Profit and Loss Account on accrual basis.

EARNING PER SHARE

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax(including the post tax effect of any extra ordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted for share splits/ reverse share splits and bonus shares, as appropriate.

TAXES ON INCOME

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Company. Deferred tax charge or credits are recognized for the future tax consequences attributable to timing differences that result between the profit/(loss) offered for income taxes and the profit as per the financial statements.

Deferred tax in respect of timing difference which originate during the tax holiday period but reverse after the tax holiday period is recognized in the year in which the timing differences originate. For this purpose the timing differences which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain to be realized.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and intends to settle such assets and liabilities on a net basis.

MAT Credit

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an assets, in accordance with the provisions contained in the Guidance Note on Accounting for Credit Available under Minimum Alternative Tax, issued by the ICAI, the said asset is created by way of a credit to the Profit and Loss account and shown as “MAT Credit Entitlement”. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

RESEARCH AND DEVELOPMENT

Revenue Expenditure is charged to the Profit & Loss Account in the year in which it is incurred. Capital expenditure on Research and development is considered as addition to fixed assets in the year of incurrence.

IMPAIRMENT

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the Balance Sheet date there is an indication that the previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent the carrying amount of the asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

PROVISION AND CONTINGENT LIABILITIES

Provision are recognized only when there is a present obligation as a result of past event and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not possible that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of the income that may never be realized.

B. NOTES ON ACCOUNTS

1. **Contingent Liabilities** - Guarantee to bank in respect of third parties for Rs. 4 Crores (Previous Year Rs. 3.60 Crores).

2. **Manegerial Remuneration:**

The total amount of Manager's remuneration charged in these accounts under various head is set out below

| Sl. No | Particulars | 2010-11 | 2009-10 |
|--------|--------------------------------|--------------|------------|
| 1 | Salary | 1,410,000.00 | 960,000.00 |
| 2 | Contribution to Provident Fund | - | - |
| 3 | Other Benifits and allowances | - | - |

3. Disclosure as required under Accounting Standard (AS) 15(Revised)

Employee Benefits

The Company maintained provident fund with Regional Provident Fund Commissioner, contributions are made by the company to the Fund, based on the current salaries. In the provident fund scheme, contribution are also made by the employee. An amount of Rs.319281.00 (2010 : Rs.289160.00) has been charged to the Profit and Loss Account 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 (LICI) for future payment of gratuity liability to its employees. Annual actuarial valuations are carried out by LICI in compliance with Accounting Standard 15 (Revised 2005) on Employees Benefits. Annual contributions are also made by the Company. Employees are not required to make any contribution.

The Company does not provides for leave encashment benefits to the employees. Leave encashment are accounted for on cash basis.

4. Related Party Disclousure (as identified by the management)

| Nature of Relationship | Name of Related Parties |
|---|--|
| Key Manegerial Personnel | Shri Mahabir Prasad Jain |
| | Shri Vishal Jain |
| Relatives of Key Manegerial Personnel | Shri Avishek Jain |
| | |
| Enterprises having significant influence | |
| | |
| Enterprises over which the relatives of Key Manegerial Personnel having significant influence | Dharmendra Industrial Stores, Silchar |
| | Avishek Printers & Publishers, Silchar |

Details of transactions withRelated Parties

| NAME OF THE PERSONS | PURPOSE | AMOUNT PAID (2010-11) | AMOUNT PAID (2009-10) |
|--|---|-----------------------|-----------------------|
| Shri Mahabir Prasad Jain | Directors' Remuneration | 1,050,000/- | 600,000/- |
| Shri Vishal Jain | Directors' Remuneration | 360,000/- | 360,000/- |
| Shri Avishek Jain | Salary | 240,000/- | 180,000/- |
| Shri Mahabir Prasad Jain | Carrying charges of wheat and wheat products | 2,600/- | - |
| Shri Avishek Jain | Carrying charges of wheat and wheat products | 29,843/- | 30,030/- |
| Dharmendra Industrial Stores, Silchar | Stores & Spare parts, Electric Goods, Building Materials, Motor Spare Parts etc | 467,571/- | 616,561/- |
| Avishek Printers & Publishers, Silchar | For Stationery & Printing Charges | 116,008/- | 118,333/- |
| Shri Yogesh Jain | Carrying charges of wheat and wheat products | - | 3,497/- |

5. Segment Reporting : The company is engaged in the business of wheat based products only, which as per Accounting Standard (AS 17) on “Segment Reporting” is the only reportable business segment. The geographical segment is not relevant as the company did not have any overseas operation during the year.
6. Earnings Per Share (EPS) (in accordance with Accounting Standard 20-Earnings Per Share)

Calculation of EPS (Basis and Diluted)

| Particulars ended | For the year ended | For the year |
|--|--------------------|---------------|
| | March 31,2011 | March 31,2010 |
| Net Income/(Loss) for the year | Rs. 2110006 | Rs.(168200) |
| Weighted average number of equity shares | 5932600 | 5932600 |
| Dilutive potential equity shares | - | - |
| Total average equivalent shares | 5932600 | 5932600 |
| Net earning/(loss) per shares | | |
| Basic | Rs. 0.36 | Rs. (0.03) |
| Diluted | Rs. 0.36 | Rs. (0.03) |
| Nominal value per share | Rs. 10/- | Rs. 10/- |

7. Provision for taxation is made on basis of estimated taxable income, as computed under the provisions of Income-tax Act, 1961.
8. Deferred Tax Provision has been made in the accounts in accordance with the requirements of the Accounting Standard on “Taxes on Income” (AS 22) issued by the Institute of Chartered Accountants of India. The major components of the deferred tax Liabilities/(Assets) based on the tax effect of timing difference are as follows:

| Sl No. | Particulars | 31/03/2011 (in Rs.) | 31/03/2011 (in Rs.) |
|--------|-----------------------------------|------------------------|------------------------|
| 1 | Deferred Tax Liabilities/(Assets) | 61484 | (60486) |
| 2 | Depreciation | 1388013 | 2928323 |

9. Auditors Remuneration break-up is as follows :-

| Particulars | 2010-11(Amount in Rs.) | 2009-10(Amount in Rs.) |
|----------------------|------------------------|------------------------|
| As Statutory Auditor | 11000 | 11000 |
| As Tax Auditors | 4240 | 4240 |
| For Other Services | Nil | Nil |

10. The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures relating to amounts unpaid as at year end together with interest paid /payable under this Act have not been given.

11. Additional information pursuant to paragraph 3, 4C and 4D of part II of schedule VI of the Companies Act,1956.

A. CAPACITY, PRODUCTION, TURNOVER AND STOCK

| | 31.03.2011 M.T. | 31.03.2010 M.T. |
|-----------------------|--------------------|--------------------|
| a) Licenced capacity | N.A. | N.A. |
| b) Installed Capacity | 114000 | 114000 |
| *c) Production | | |
| Maida | 5673 | 11258 |
| Atta | 12535 | 11285 |
| Suji | 178 | 461 |
| Bran | 2516 | 4654 |
| Refraction | 264 | 406 |

(The above figures does not include 2198.97 M.T. grinded on account of other parties on job basis. Previous year 2589.44 M.T.)

| | 31-03-2010 | | 31-03-2010 | |
|------------------------------|------------|-----------|------------|-----------|
| <u>d) Turnover and Stock</u> | | | | |
| <u>SALES</u> | M.T. | Rs. | M.T. | Rs. |
| Maida | 5679 | 96460930 | 11170 | 176562714 |
| Atta | 12546 | 120215910 | 11300 | 116679278 |
| Suji | 179 | 3167330 | 456 | 7446116 |
| Bran | 2531 | 26957780 | 4695 | 43643311 |
| Refraction | 70 | 498437 | 162 | 896396 |
| <u>Opening Stock</u> | | | | |
| Wheat | 3217 | 34495583 | 3759 | 44403117 |
| Maida | 146 | 2154065 | 57 | 766366 |
| Atta | 40 | 478350 | 62 | 754135 |
| Suji | 8 | 132030 | 4 | 44897 |
| Bran | 155 | 1605129 | 199 | 1798684 |
| Refraction | 0 | 0 | 4 | 3236 |
| <u>Closing Stock</u> | | | | |
| Wheat | 3250 | 33219495 | 3217 | 34495583 |
| Maida | 140 | 2197563 | 146 | 2154065 |
| Atta | 30 | 451496 | 40 | 478350 |
| Suji | 8 | 131040 | 8 | 132030 |
| Bran | 139 | 1107985 | 155 | 1605129 |
| Refraction | 0 | 0 | 0 | 0 |

| | As at 31.3.2011 | | As at 31.3.2010 | |
|--|--------------------|------------|--------------------|------------|
| | Rs. | | Rs. | |
| A. CIF Value of Imports made | NIL | | 1656374 | |
| B. Expenditure in Foreign Currency | NIL | | 1429065 | |
| C. Earning in Foreign Currency | NIL | | NIL | |
| D. CONSUMPTION | | | | |
| E. OF RAW MATERIAL, SPARES AND COMPONENTS | | | | |
| <u>a) Raw Materials Consumed</u> | | | | |
| Wheat 100% Indigenous | 21166 | 316677232 | 28063 | 316677232 |
| <u>b) Stores, Spare Parts & Packing Materials Consumed</u> | | | | |
| | Rs. | Percentage | Rs. | Percentage |
| Imported | NIL | 0.00 | NIL | 0.00 |
| Indigenous | 3418411 | 100.00 | 4197609 | 100.00 |

12. Figures have been rounded off to the nearest rupee.

13. The previous year's figures are regrouped or reclassified wherever found necessary.

14. Schedule 1 to 18 form integral part of the Statement.

IN TERMS OF OUR ATTACHED AUDIT REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For , RAJRATAN & COMPANY
Chartered Accountants
(F R No. 307101E)

MAHABIR PRASAD JAIN
Managing Director

(MANAS JAIN)
Partner

VISHAL JAIN
Director

PLACE : GUWAHATI
Dated : 16.08.2011

JYOTI JAIN
Company Secretary

UFM INDUSTRIES LIMITED
MEHERPUR, SILCHAR

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2011

| A. Cash Flow from Operating activities : | <u>2010-2011</u> | <u>2009-2010</u> |
|--|-------------------------|-------------------------|
| NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS | 2,944,063 | 479,072 |
| Adjustment for : | | |
| 1. Depreciation | 1,388,013 | 2,928,323 |
| 2. Interest | 1,476,904 | 1,646,024 |
| 3. Lease Rent of Diesel Generator Set & Car | - | - |
| 4. Interest Received on Investments | (697,285) | (574,992) |
| 5. Profit on sale of fixed assets | - | (82,946) |
| 6. Assets Written off | - | - |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 5,111,695 | 4,395,481 |
| Adjustment for : | | |
| 1. Trade and other receivables | 14,950,759 | (6,078,033) |
| 2. Inventories | 1,903,629 | 8,443,085 |
| 3. Trade payable | 590,891 | (3,584,151) |
| 4. Security Deposit | - | - |
| CASH GENERATED FROM OPERATION | 22,556,974 | 3,176,382 |
| Direct taxes paid | (761,423) | (707,051) |
| Fringe Benefit Tax | - | - |
| CASH FLOW BEFORE EXTRA ORDINARY ITEMS | 21,795,551 | 2,469,331 |
| 1. Extraordinary item | 284,923 | (42,088) |
| NET CASH FLOW FROM OPERATING ACTIVITIES | 22,080,474 | 2,427,243 |
| B. Cash flow from investing activities : | | |
| 1. Purchase of/Advance towards Fixed Assets | (1,043,787) | (3,936,080) |
| 2. Investments in shares | - | 3,178,712 |
| 3. Interest received on Investment | 697,285 | 574,992 |
| 4. Sale of Fixed Assets | - | 100,000 |
| NET CASH USED IN INVESTING ACTIVITIES | (346,502) | (82,376) |

| | <u>2010-2011</u> | <u>2009-2010</u> |
|---|---------------------|------------------|
| C.Cash flow from Financing Activities : | | |
| 1.Re-payment of Finance Lease Liabilities | - | - |
| 2.Proceeds from Short Term Borrowings(CashCredit) | (18,139,744) | 4,760,692 |
| 3.Interest paid on cash credit & unsecured loan | (1,476,904) | (1,646,024) |
| 4.Proceeds from Increase in Share Capital | - | 397,500 |
| 5.Proceeds from Increase in Share Premium | - | 132,500 |
| NET CASH USED IN FINANCING ACTIVITIES | (19,616,648) | 3,644,668 |
| Net increase in cash & cash equivalent(A+B+C) | 2,117,324 | 5,989,535 |
| Cash & Cash equivalent as at (opening Balance) | 9,764,657 | 3,775,122 |
| Cash & Cash equivalent as at (Closing Balance) | 11,881,981 | 9,764,657 |

Note: Figures in brackets indicates outflows

In terms of our Report of even date

For and on behalf of Board

For, RAJRATAN & CO.
Chartered Accountants
(F.R.No.307101E)

(Manas Jain)
Partner
M. No. 065150
Place: Guwahati
Date: 16.08.2011

Mahabir Prasad Jain
Managing Director

Vishal Jain
Director

Jyoti Jain
Company Secretary

| |
|---|
| BALANCE SHEET EXTRACT AND COMPANY'S GENERAL BUSINESS PROFILE |
|---|

| | |
|--------------------|-----------------|
| Registration No. | 2539 of 1986-87 |
| State Code | 02 |
| Balance Sheet Date | 31st March 2011 |

CAPITAL RAISED DURING THE PERIOD : Rs.

| | |
|-------------------|-----|
| Public Issue | Nil |
| Right Issue | Nil |
| Bonus Issue | Nil |
| Private Placement | Nil |

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS :

| | |
|-------------------|-----------|
| Total Liabilities | 109077026 |
| Total Assets | 109077026 |

SOURCES OF FUND :

| | |
|------------------------|----------|
| Paid up Capital | 56419800 |
| Reserves & Surplus | 44792688 |
| Secured Loans | 3715214 |
| Deferred Tax Liability | 4149324 |

APPLICATION OF FUND :

| | |
|---------------------------|----------|
| Fixed Assets | 19082123 |
| Investments | 4039500 |
| Net Current Assets | 85955403 |
| Miscellaneous Expenditure | - |

PERFORMANCE OF THE COMPANY :

| | |
|--------------------|-----------|
| Turnover | 249400279 |
| Total Expenditures | 246456216 |
| Profit before Tax | 2944063 |
| Earning Per Share | 0.36 |
| Dividend | Nil |

GENERIC NAMES OF TWO PRODUCTS OF THE COMPANY

| | |
|--------------------------|-----------|
| Item Code No. (ITC Code) | 110100.00 |
| Product Description | ATTA |

| | |
|--------------------------|-----------|
| Item Code No. (ITC Code) | 110311.01 |
| Product Description | SUJI |

IN TERMS OF OUR ATTACHED AUDIT REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For, **RAJRATAN & COMPANY**
Chartered Accountants
(F R No. 307101E)

MAHABIR PRASAD JAIN
Managing Director

(MANAS JAIN)
Partner

VISHAL JAIN
Director

PLACE : GUWAHATI
Dated : 16.08.2011

JYOTI JAIN
Company Secretary

UFM INDUSTRIES LIMITED
MEHERPUR SILCHAR-788015

ATTENDANCE SLIP
25th Annual general Meeting
30th September,2011

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

Full Name of the Member attending _____

Name of the Proxy _____

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

I Certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the 25th Annual General Meeting of the Company held at Meherpur, Silchar-788015, Assam on Saturday, 30th September,2011 at 2.00 p.m.

Ledger Follio No. _____

No. Shares held _____

Member's/Proxy's Signature

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

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

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

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

I/We _____ of _____ in the district of _____ being a member/members of UFM INDUSTRIES LIMITED hereby appoint _____ of _____ in district of _____ of falling him _____ as my /our proxy to attend and vote on my/our behalf at the 25th Annual General Meeting of the Company to be held on 30th September,2011 and at any adjournment thereof.

Signed this _____ day of _____ 2011

Ledger Folio No. _____

No. of Shares held _____

| |
|-----------------------------|
| Re.1.00 Revenue Stamp |
|-----------------------------|

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

NOMINATION

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

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

Form,

Folio No. _____
Distt. No. _____
Certificate No. _____
No. of Shares _____

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

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

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

Signature of two witnesses

| | Name and Address | Signature with date |
|----|------------------|---------------------|
| 1. | | |
| 2. | | |

INSTRUCTIONS:

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

FOR OFFICE USE ONLY

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

