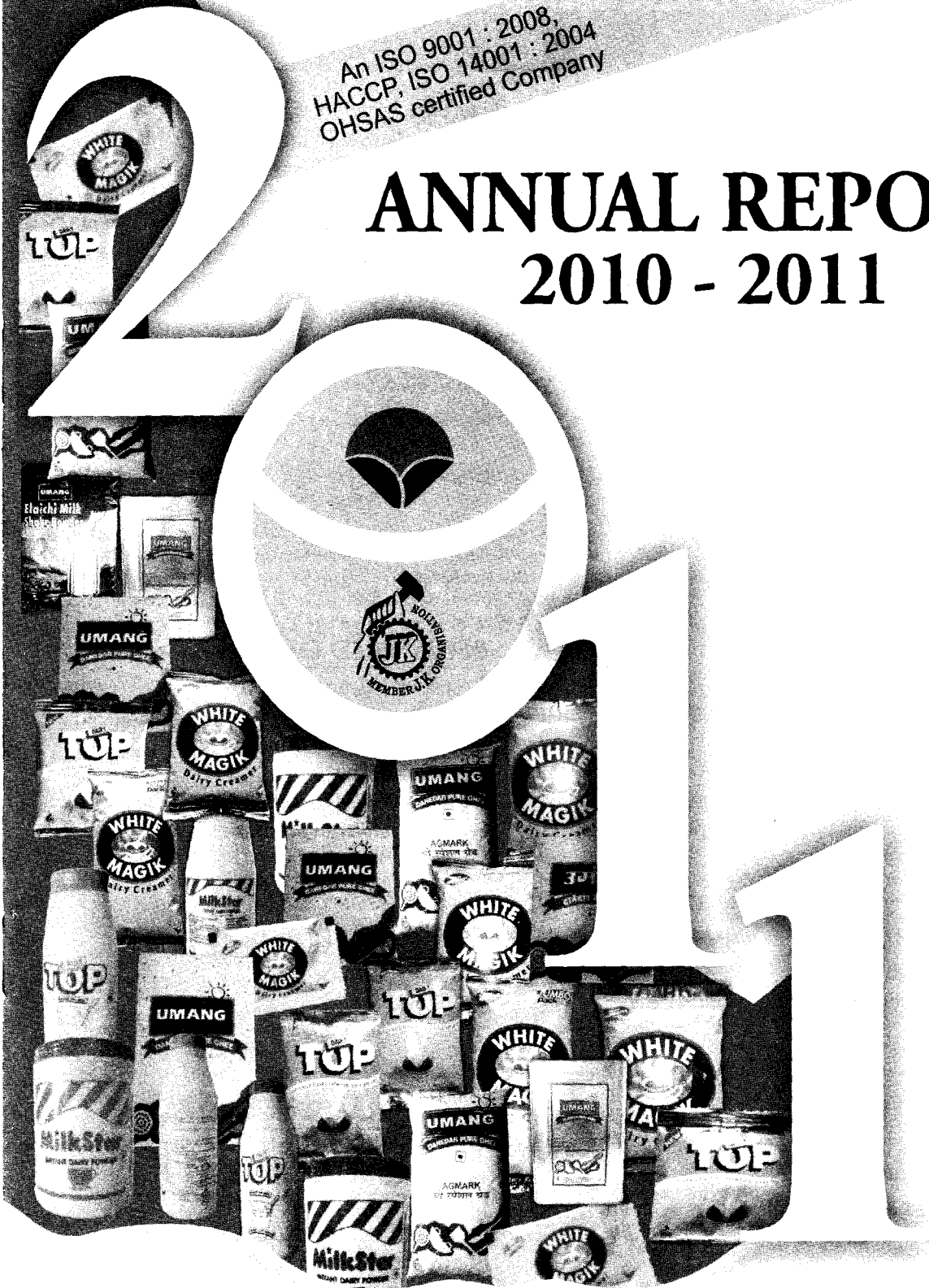


An ISO 9001 : 2008,
HACCP, ISO 14001 : 2004
OHSAS certified Company

ANNUAL REPORT 2010 - 2011



UMANG DAIRIES LIMITED

BOARD OF DIRECTORS

D. B. Doda

R. C. Jain

R. C. Periwai

R. L. Saha

CORPORATE OFFICE

Gulab Bhawan, 3rd Floor
6A, Bahadur Shah Zafar Marg
New Delhi - 110 002
Phone : (011) 30179100
e-mail : umang@jkmil.com
website : www.umangdairies.com

REGISTERED OFFICE

Gajraula-Hasanpur Road
Gajraula - 244 235
Dist. Jyotiba Phule Nagar
Uttar Pradesh
Phone : (05924) 252491 - 4
E-mail : udl@umangdairies.com

AUDITORS

Lodha & Co.
Chartered Accountants

COMPANY SECRETARY

Shuchi Sharma

BANKERS

Canara Bank
State Bank of India
Punjab National Bank

SHARE TRANSFER AGENT

MAS Services Ltd.
T-34, 2nd Floor, Phase - II
Okhla Industrial Area
New Delhi – 110 020
Phone : (011) 26387281/82/83
e-mail : mas_serv@yahoo.com

UMANG DAIRIES LIMITED



UMANG DAIRIES LIMITED

Admn. Office: Gulab Bhawan, 3rd Floor, 6A, Bahadur Shah Zafar Marg,
New Delhi – 110 002

NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of **UMANG DAIRIES LIMITED** will be held at the Registered Office of the Company at Gajraula - Hasanpur Road, Gajraula - 244235, Dist. Jyotiba Phule Nagar, Uttar Pradesh on Monday, the 5th September 2011 at 12.00 Noon to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts for the financial year ended 31st March, 2011 together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri R.L. Saha, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in connection therewith to pass, with or without modification(s), the following as Ordinary Resolution:-

“RESOLVED that pursuant to the provisions of Section 224 and other applicable provisions of the Companies Act 1956, M/s. Lodha & Co., Chartered Accountants (Registration No.301051E), be and are hereby appointed as Auditors of the Company from the conclusion of the 18th Annual General Meeting upto the conclusion of the next Annual General Meeting on a remuneration of Rs. 1,50,000/-, excluding service tax as applicable and reimbursement of travelling and other out-of-pocket expenses actually incurred by the said Auditors in connection with the audit.”

REGISTERED OFFICE:
Gajraula - Hasanpur Road
Gajraula - 244235
Dist. Jyotiba Phule Nagar, (U.P.)

By order of the Board

Shuchi Sharma

Date: 25th May 2011

Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. Annual Book Closure of Register of Members and Share Transfer Book: 22.08.2011 to 05.09.2011(both days inclusive).
3. Resume of Shri R.L. Saha proposed for reappointment as Director liable to retire by rotation (Item No. 2).

Shri R.L. Saha, Bachelor of Law & Chartered Accountant, has varied experience as a Senior Management Executive/ Director in various Public Sector Undertakings. He is past president of the Institute of Internal Auditors, USA, Delhi Chapter. Presently he is a Senior Partner of M/s R.L. Saha & Co., Chartered Accountants and also a member of Arbitration Council of India. Shri Saha does not hold any Directorship in Board and Membership of Committees of the Board in any other Companies. He does not hold any shares in the Company.

REGISTERED OFFICE:
Gajraula - Hasanpur Road
Gajraula - 244235
Dist. Jyotiba Phule Nagar, (U.P.)

By order of the Board

Shuchi Sharma

Date : 25th May 2011

Company Secretary

DIRECTORS' REPORT

To the Members

The Directors present the 18th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2011.

FINANCIAL RESULTS

(Rs. in Lacs)

	2010-11	2009-10
Sales and Other Income	10236.46	5061.04
Operating Profit/(Loss) (PBIDT)	523.16	(27.83)
Profit/(Loss) before Depreciation (PBDT)	491.77	(58.26)
Net Profit/(Loss)	331.37	(202.38)

OPERATIONS

The Company showed significant improvement in its operations by better capacity utilization of the Drying Plant – capacity utilization stood at 39.75% as compared to 21.22% in the previous year.

The operations of Liquid Milk Packaging Plant also improved significantly. Capacity utilization during the year stood at 60% as compared to 39.12% in the previous year.

Notwithstanding the ban on export of Milk powder, the price of milk continued to rise and is expected to further go up over the medium term because of the substantial demand-supply mismatch. Milk production has been growing at a steady rate of 3.5 to 4% per year against which the domestic demand of milk is growing at over 6% per year; hence shortage of milk and higher price. However, the Company was able to pass on the major part of increase in milk cost in the selling price of end-products. According to food inflation numbers, the milk prices have gone up by 22% during the year 2010-11.

The Company continues to maintain its leadership position in Premixes for Tea & Coffee vending machines.

Industrial relations remained cordial. HRD continued to get the desired attention. Training programmes - in-house and outside - at different levels of employees were pursued on projected lines.

AUDITORS

M/s Lodha & Co., Chartered Accountants, the Auditors of the Company, retire and are eligible for re-appointment at the ensuing Annual General Meeting. The observations of the Auditors in their report on Accounts read with the relevant notes are self-explanatory.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the Companies Act, 1956 your Directors state that:

- i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures;
- ii) the Accounting Policies selected and applied are consistent and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company;
- iii) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the Annual Accounts have been prepared on a going concern basis.

UMANG DAIRIES LIMITED



DIRECTORS

Shri R. L. Saha, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussions and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of the conditions of Corporate Governance are made a part of this Annual Report.

PARTICULARS OF EMPLOYEES

During the year under review, there were no employees covered under the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY

Details of energy conservation alongwith the other information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 are annexed.

ACKNOWLEDGEMENTS

The Directors wish to thank the Customers, Dealers, Vendors, Bankers, Financial Institutions, Government Authorities and Shareholders for their continued support. They also place on record their appreciation of the hard work put in by the employees at all levels during the period under report.

On behalf of the Board

Place : New Delhi
Date : 25th May 2011

R.C. Periwal
Director
(Chairman of this meeting)

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2011.

(a) Energy Conservation

Recommendations arising out of the Energy audit of the Plant are being implemented wherever possible.

(b) Research & Development and Technology Absorption

Activities pertaining to product development were continued.

The Company spent Rs. 0.22 Lacs on R&D during the year.

(c) Foreign Exchange Earnings and Outgo

(Rs.in Lacs)

Foreign Exchange earned	427.45
Foreign Exchange used	0.71

(d) Particulars of Conservation of Energy

A. Power & Fuel Consumption	2010-2011	2009-2010
1. Electricity		
a) Purchased Units (Kwh in Lacs)	69.62	36.39
Total Amount (Rs./Lacs)	319.57	156.46
Rate per Unit (Rs.)	4.59	4.30
b) <u>Own Generation</u> Through Diesel Generators		
Units (Kwh in Lacs)	6.67	4.86
Total Amount (Rs./Lacs)	67.08	46.48
Unit per litre of Diesel Oil	3.39	3.34
Cost / Unit (Rs.)	10.05	9.56
2. Fuel		
a) <u>Paddy Husk</u>		
Quantity (MT)	7529.27	4855.38
Total Amount (Rs./Lacs)	261.99	127.76
Rate / Unit (Rs./MT)	3479.67	2631.35
b) <u>Furnace Oil</u>		
Quantity (MT)	273.82	120.61
Total Amount (Rs./Lacs)	89.17	34.09
Rate / Unit (Rs./MT)	32564.28	28266.47

B. Consumption per Unit of production

*(Units per thousand Kg. of milk processed).

	DP#	LMP~	Overall 2010-11	Overall 2009-10
Electricity (Kwh)	106.75	35.51	55.01	72.11
Fuel				
Paddy Husk (Kg.)	133.58	24.42	54.29	84.88
Furnace Oil (Kg.)	7.15	0.03	1.97	2.11

* All Milk Powders and Pure Ghee have common manufacturing process and it is not possible to give separate consumption of Electricity and Steam for these products. Therefore, consumption of Electricity and Fuel has been given per thousand Kg. of Milk processed.

Drying Plant

~ Liquid Milk Plant

UMANG DAIRIES LIMITED



MANAGEMENT DISCUSSIONS AND ANALYSIS INDUSTRY SCENARIO AND OUTLOOK

Outlook for Dairy Industry seems to be bright. There is a distinct consumer preference for milk and milk plus fruit based drinks over carbonated drinks. Milk production continues to increase by 3.5 to 4% YOY but demand is outstripping the production – demand growth is reckoned at about 6% per annum.

Milk price showed a sharp increase of 18 to 20% during the year, pushing up price of milk and milk based products. To curb rising prices, Government of India banned export of milk products from 18.02.2011. Government of India also allowed National Dairy Development Board (NDDB) to import some Milk Powder and Butter oil duty free.

SOME KEY FACTS ABOUT INDIAN DAIRY INDUSTRY

- Per Capita availability of milk in grams:**

1999-2000	:	78
2005-2006	:	93
2009-2010	:	115
2010-2011	:	118

(Source: Global Trade Information Services)
- Milk Production:**

1951	:	17 Mn MT
2009	:	108 Mn MT
2010	:	112 Mn MT
- Structure of Indian Dairy Industry:**



(Source: Technopak Analysis)

• Demand and Supply Gap:

With fast track economic growth and consequently more purchasing power in the hands of consumers, demand supply gap is increasing in favour of demand. According to NDDB estimates, demand for milk will go up to 172 Mn MT by 2021-22. To augment production in a significant manner, Government of India is ready with a National Dairy Plan under which a sum of Rs. 17000 Crores is planned to be spent in next 10 years. NDDB has been assigned the task of executing the Plan. Preliminary work on this has already started.

Many overseas Dairy majors have put up facilities to manufacture a number of Fresh Products in India. Yoghurt, Energy Drinks, Milk based Fruit Drinks etc. are some of the products which are being manufactured in India now. Several more dairy majors are doing necessary market survey and exploring to identify local partners for putting up a shop in India.

Organized retail is growing on a fast track. Large number of Indian conglomerates have independently or in collaboration with large global retail chains have made organized retail a focus area. YOY they are increasing number of retail outlets. Dairy products have found a place in most of these outlets. This augurs well for dairy industry to diversify into products like UHT Milk, Cheese, Dahi, Yoghurt, Lassi, Paneer, Chhena etc. Long term prospects of organized retail and dairy industry seem to be good.

OUTLOOK

Long term outlook for dairy industry remains positive. Per Capita consumption of milk in India is still much lower than Europe, USA, Australia and New Zealand. With economy growing decently, disposable incomes of the families are likely to go up and so will be consumption of milk and milk products.

RISKS AND CONCERNS

Production of milk per animal in India is abysmally low – it is 987 Kg per year against 2200 Kg world average. It is, therefore, very important that farmers are motivated to have more of high yield animals. From the view point of fodder availability also, it is essential to follow a strategy of lesser number of animals giving higher yield.

Another area of concern is availability of fodder for the animals. Total area under fodder crop is about the same as it was in 1947 when the country got independence. Due to increasing pressure on the land resources for cultivation of food crops, the area under fodder cultivation is unlikely to go up. It is, therefore, very essential that high yield fodder crop techniques are used to get larger quantity of fodder grown on per unit of land.

Both these activities, as aforesaid, need Government initiative and support. NDDB in association with Ministry of Animal Husbandry have drawn a plan to spend over Rs. 17,000 Crores in next 5 years to improve the yield potential of the animals and also better availability of fodder. Hopefully, this should do a lot of good to dairy industry.

ADULTERATION & FOOD SAFETY

The most important aspect of milk processing is its purity and wholesomeness. There have been instances of cheap substitution of milk with below standard substances which are hazardous to health. Even though there are certain Food safety Acts but still every other day we get to know about various tankers of spurious milk and stocks of Khoya & Paneer being apprehended.

DOMESTIC MARKET & COMPANY'S PRODUCTS

BRANDED MILK POWDERS IN CONSUMER PACKS



Company's Dairy Creamers displayed in a major retail shop

The Company continued to market its popular brands WHITE MAGIK, DAIRY TOP and MILK STAR dairy creamers in consumer packs in limited geographical areas.



CGM (Sales & Mktg.), Mr. Ameet Francis in a Distributor's Meet at Jaipur

The Company maintained its leadership position in Premixes for Tea & Coffee vending machines. The Company also increased its focus on sale of SMP and Butter to institutional buyers.

CONTRACT MANUFACTURING

Capacity utilization in Liquid Milk Plant increased from 39% to 60%. It is expected that it will further go up during the year 2011-12.

STRENGTHS OF THE COMPANY RAW MATERIAL

The Company's plant is located in the milk surplus area of western Uttar Pradesh. Over the years, the Company has built up a Village Level Collection (VLC) network including Chilling Centres and collects milk from over 300 villages comprising about 12000 farmers – twice a day. The milk so collected is not only of better quality but is also cheaper as compared to the milk purchased from the Contractors. This gives the Company an edge over many other players in the industry. Necessary steps are being taken by the Company to maintain the level of milk procurement through the VLC network despite increasing competition in the milk shed area.

COST COMPETITIVENESS

The thrust on maintaining the operational efficiencies in the Plant continues.

HUMAN RESOURCE DEVELOPMENT

The Company recognizes the contribution and importance of its employees in today's highly competitive environment and has been systematically developing their skills and empowering its employees. People are encouraged to take on new roles and expand their horizons. Training needs at different levels are identified through Performance Appraisal System and need based training programmes are regularly organized for all levels of employees. In order to encourage leadership and problem solving qualities among workmen, the Company has helped establish Quality Circles. A number of job rotations are done to enhance employees' skills as well as to enrich their work experience. To man the operations of liquid milk packaging facility, the Company has employed 62 additional hands out of which 3 are managerial personnel.



Internal Training on ISO 22000

SOCIAL OBLIGATIONS

Various community welfare programmes in villages around its Plant have been undertaken by the Company. This includes seminars for educating the villagers, free vaccination to the animals of farmers, free veterinary services and supply of cattle feed to farmers at subsidised rates.



Women Literacy Campaign organized by the Company

The Company launched a Scheme under which 2 scholarships every year will be given to employee's children. This will enable them to pursue higher studies.

INTERNAL CONTROL SYSTEMS

There is adequate internal control system in place. The Company has appointed an external firm of Chartered Accountants to carry out the internal audits of the Plant. Their audit reports alongwith the action taken reports thereon are reviewed by the Audit Committee of the Directors.

CAUTIONARY STATEMENT

"Management Discussion and Analysis Report" contains forward looking statements which may be identified by the use of words in that direction or connoting the same. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results are forward looking statements.

These are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievement could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events.

UMANG DAIRIES LIMITED



CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance:

Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The core values of the Company are :-

- Commitment to excellence and customer satisfaction
- Maximizing long term shareholders' value
- Socially valued enterprise and
- Caring for people and environment.

In a nutshell, the philosophy can be described as observing of business practices with the ultimate aim of enhancing long-term shareholders' value and remaining committed to high standards of business ethics. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practised by its entire management cadre.

2. Board of Directors:

- (i) The Board of Directors presently consists of four Non-Executive Directors of which two are Independent Directors. Other details are as given hereunder:

At present the Directors of the Company have not elected any permanent Chairman but the Directors present at each meeting elect one of the non- executive Directors then present to be the Chairman of the meeting. However, the Company complies with requirement of Clause 49(I) of the Listing Agreement, as two out of the four Directors are independent.

Shri Pramod Kapoor is the Manager of the Company u/s 269 of the Companies Act, 1956.

- (ii) Date & Number of Board Meetings held:-
During the year 2010-2011, four Board Meetings were held on 28th May 2010, 29th July 2010, 8th November 2010 and 1st February 2011 .

The Board periodically reviews Compliance Reports of all laws applicable to the Company and has put in place procedure to review steps to be taken by the Company to rectify instances of non – compliances, if any.

- (iii) The Company already has a Code of Conduct in position for Management Cadre Staff (including Executive Directors). In terms of the Clause 49 of the Listing Agreement and contemporary practices of good corporate governance, the Board has laid down a code of conduct for all Board Members and Senior Management of the Company and the same is available on the website (www.umangdairies.com). All the Board Members and Senior Management Personnel have affirmed compliance with the code. This report contains a declaration to this effect signed by Director.

3. **Audit Committee:** Terms of Reference of the Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement with the Stock Exchanges and Section 292A of the Companies Act, 1956.

The Committee presently consists of Shri R.C. Jain (Chairman), Shri R.L. Saha and Shri R.C. Periwal, as members. The Composition of the Committee is in conformity with Clause 49 II (A) of the Listing Agreement. Four meetings of the Audit Committee were held during the year 2010-2011 as detailed hereunder:

Director	Category	No. of Board Meetings attended during 2010-11	Whether attended last A.G.M. (31.08.2010)	No. of other Directorships and Committee Memberships/ Chairmanships		
				Other Directorships*	Other Committee Memberships **	Other Committee Chairmanships **
Shri D.B. Doda	Non-Executive Non-Independent	2	No	-	-	-
Shri R.C. Jain	Non-Executive Independent	4	Yes	-	-	-
Shri R.C. Periwal	Non-Executive Non-Independent	4	Yes	-	-	-
Shri R.L. Saha	Non- Executive Independent	4	Yes	-	-	-

* excludes Directorships in Private Ltd. Companies, Foreign Companies, memberships of Managing Committees of various Chambers/bodies /Section 25 Companies.

** only covers Memberships/Chairmanships of Audit Committee and Shareholders/Investors Grievance Committee.

Dates of meetings	No. of members attended
28th May, 2010	3
29th July, 2010	3
8th November, 2010	3
1st February, 2011	3

The Manager regularly attends the Committee meeting and Company Secretary acts as Secretary of the Committee. All the Committee meetings were attended by the Statutory Auditor.

4. Remuneration Paid to the Directors: Details of remuneration paid during the year 2010-2011:

The Non - Executive Directors were paid sitting fees of Rs.2,500/- w.e.f. 29.07.2010 (Earlier Rs.750/-) for each meeting of the Board and Rs.1,000/- w.e.f. 29.07.2010 (Earlier Rs.500/-) for each meeting of Audit Committee and Shareholders/ Investors Grievance Committee of the Directors attended by them and the company has paid Rs.49,000/- towards sitting fees to them during the year 2010-2011 .

Non Executive Directors did not have any other material pecuniary relationship or transaction vis-a-vis the Company during the year.

Number of Equity Shares held by Non-Executive Directors: Shri D.B. Doda (50 Equity Shares) and Shri R.C. Jain (100 Equity Shares)

5. Shareholders/ Investors Grievance Committee: The Committee presently consists of three Directors, namely Shri R.C. Periwal (Chairman), Shri R.C. Jain and Shri R.L. Saha. The Composition of the Committee is in conformity with Clause 49 IV (G) (iii) of the Listing Agreement. Four meetings of the said Committee were held during the year 2010-2011 as detailed hereunder:

Dates of meetings	No. of members attended
28th May, 2010	3
29th July, 2010	3
8th November, 2010	3
1st February, 2011	3

Ms. Shuchi Sharma, Company Secretary, is the Compliance Officer.

During the year ended 31st March 2011, 3 complaints were received, all of which were redressed to the satisfaction of the shareholders. The Board has delegated the power of share transfer to a committee of Directors and the share transfer formalities are attended to as required. All valid requests for transfer of shares in physical form were processed in time and there were no pending transfers of shares.

6. General Body Meetings:

(i) Location and time for last three Annual General Meetings were:

Year	Location	Date	Time
2007-2008	Umang Dairies Limited Gajraula – Hasanpur Road, Gajraula, Dist. Jyotiba Phule Nagar U.P.-244 235	19.09.2008	12.30 P.M.
2008-2009	Same as above	16.09.2009	12.30 P.M.
2009-2010	Same as above	31.08.2010	12.00 Noon

(ii) No Special Resolutions were required to be put through postal ballot last year. No Special Resolution is proposed to be conducted through postal ballot at the ensuing Annual General Meeting.

(iii) No Special Resolutions were passed in previous 3 Annual General Meetings.

7. Disclosures: Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.

None

Suitable disclosure as required by Accounting Standard (AS-18) – Related Party Disclosures, has been made in the Annual Report.

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital market, during the last three years:

None

The Company has a risk management system and has laid down procedures to inform Board Members about risk assessment and minimization procedures. These procedures are being periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

8. Means of Communication: Quarterly and annual financial results are normally published in English Newspaper "Mint" all India editions and Jansatta, Lucknow Edition in Hindi and are promptly furnished to the Stock Exchanges for display on their respective websites. The results are also displayed on the web-site of the company "www.umangdairies.com". "Management Discussion & Analysis" forms part of the Annual Report.

9. General Shareholders' Information:

(i) **Annual General Meeting:**

(a) Date and Time : Monday, 5th September 2011 at 12.00 Noon

UMANG DAIRIES LIMITED



Venue: Gajraula-Hasanpur Road, Gajraula,
Dist. Jyotiba Phule Nagar, U.P.- 244 235

- (b) As required under clause 49IV(G), a brief resume and other particulars of the Directors retiring by rotation at the aforesaid AGM and seeking re-appointment are given in the notes to the Notice convening the said Meeting.
- (ii) **Book Closure:** 22.08.2011 to 05.09.2011 (both days inclusive)
- (iii) **Dividend Payment Date:** Not Applicable
- (iv) **Financial Calendar (Tentative):**
- | | |
|--|----------------------------------|
| Year ending | March 31 |
| Annual General Meeting for the year ending | Between June and September, 2012 |
| | March 31, 2012 |
- (v) **Listing of Equity Shares (Including Security Code):**
- The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd. (BSE).
- The Company had already paid Listing Fees for the year 2011-2012 to the Bombay Stock Exchange Ltd., Mumbai.
- Security Code for Company's Equity shares on Bombay Stock Exchange Ltd. (500231).
- (vi) **Stock Market Price Data and Share Performance:**
- Monthly high and low quotations at BSE during 2010-2011 are given in the table below:

Month	Stock Exchange, Mumbai (BSE)(Rs.)		BSE Sensex
	High	Low	Close
2010			
April	22.15	18.35	17558.71
May	19.65	15.25	16944.63
June	17.75	15.90	17700.90
July	24.90	16.30	17868.29
August	24.85	19.00	17971.12
September	23.85	18.70	20069.12
October	22.35	17.95	20032.34
November	20.20	14.00	19521.25
December	18.00	13.70	20509.09
2011			
January	19.35	13.70	18327.76
February	15.10	11.40	17823.40
March	15.45	11.91	19445.22

(Source: www.bseindia.com)

(vii) **Share Transfer System:**

The transfer / transmission of shares in physical form is

normally processed and completed within a period of 15-20 days from the date of receipt thereof. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through the respective Depository Participants.

(viii) **Distribution of shareholding as on March 31, 2011:**

No. of Equity shares held	Shareholders		Shares Held	
	Number	%	Number	%
1 to 1000	19273	96.95	2956049	13.44
1001 to 10000	555	2.79	1544210	7.02
10001 to 20000	31	0.16	445423	2.02
Over 20000	20	0.10	17057518	77.52
Total	19879	100.00	22003200	100.00

(ix) **Dematerialisation of shares and liquidity:**

The Equity Shares of the Company are presently tradeable in compulsory demat segment. The ISIN No. for Equity Shares of the Company for both the depositories is INE864B01027. As on 31st March 2011, 47.42 % of the Company's Equity Share Capital was in dematerialised form.

In respect of Shares held in electronic form, all the requests for nomination, change of address and rematerialisation etc. are to be made only to the Depository Participant with whom the Shareholders have opened their Demat Account. The Company will not be in a position to process such requests.

(x) **Outstanding GDRs / ADRs / Warrants or any other Convertible Instrument, conversion date and likely impact on equity:**

There are no outstanding GDRs/ ADRs/ Warrants or any other Convertible Instruments. As such there will be no impact on the equity.

(xi) **Plant Location:**
Umang Dairies Limited

Gajraula- Hasanpur Road, Gajraula,
Dist. Jyotiba Phule Nagar, U.P. - 244 235

(xii) **Address for Correspondence:**

1. **Registrar & Share Transfer Agents:**

MAS Services Ltd.
T-34, IInd Floor,
Okhla Industrial Area,
Phase – II, New Delhi – 110 020
Ph. 011-26387281/82, E-mail: mas_serv@yahoo.com

2. **Company Secretary**

Umang Dairies Limited.
3rd Floor, Gulab Bhawan,
6A, Bahadur Shah Zafar Marg, New Delhi – 110 002
Ph. 011-30179100

Fax No. 91-11-23739475, E-mail: umang@jkmail.com
(xiii) **Exclusive e-mail ID for redressal of investors complaints:**

In compliance of Clause 47(f) of the Listing Agreement, "sharesumang@jkmail.com" is the e-mail ID exclusively for the purpose of registering complaints by investors.

10. Code for Prevention of Insider Trading:

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the Board of Directors of the Company has adopted a Code of Conduct for Prevention of Insider Trading in the securities of the

Company by its employees in terms of Schedule I to the said Regulations.

11. Declaration:

It is hereby declared that all the members of the Board and Senior Management personnel have affirmed compliance with the "Code of Conduct for Members of the Board and Senior Management of Umang Dairies Limited" during the Financial Year ended 31st March 2011.

R.C. Periwal
Director

Disclosure of names of persons constituting group in relation to Umang Dairies Limited pursuant to Regulation 3 (1) (e) (i) of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997.

JK Lakshmi Cement Limited, JK Tyre & Industries Ltd., JK Paper Ltd., Fenner (India) Ltd., JK Agri Genetics Ltd., BMF Investments Ltd., Florence Alumina Ltd., JK Sugar Ltd., Bengal & Assam Company Ltd., Nav Bharat Vanijya Ltd., Juggilal Kamlapat Udyog Ltd., Param Shubham Vanijya Ltd., J.K. Credit & Finance Ltd., Pranav Investment (M.P.) Company Ltd., Southern Spinners and Processors Ltd., Modern Cotton Yarn Spinners Ltd., Hansdeep Industries and Trading Company Ltd., Bhopal Udyog Ltd., Accurate Finman Services Ltd., Sago Trading Ltd., Dwarkesh Energy Ltd., Saptrishi Consultancy Services Ltd., JK Enviro-Tech Ltd., Songadh Infrastructure & Housing Ltd., Jaykaypur Infrastructure & Housing Ltd., J.K. Risk Managers & Insurance Brokers Ltd., JK Plant Bio-Sciences Research Ltd., Natext BioSciences Pvt. Ltd., Panchmahal Properties Ltd., Acorn Engineering Ltd., Elate Builders Pvt. Ltd., LVP Foods Pvt. Ltd., CliniRx Research Pvt. Ltd., Rouncy Trading Pvt. Ltd., M/s. Habras International, M/s Juggilal Kamlapat Lakshmiapat and Directors of the promoter group and their relatives.

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

To

The Members of Umang Dairies Limited

We have examined the compliance of conditions of Corporate Governance by Umang Dairies Limited during the year ended 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation 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 statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with, in all material respect with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

For LODHA & CO.,
Chartered Accountants
(N.K. LODHA)
Partner
Membership No. 85155
Firm Registration No. 301051E

Place: New Delhi
Date: 25th May 2011

UMANG DAIRIES LIMITED



AUDITORS' REPORT

To the Members of UMANG DAIRIES LIMITED

We have audited the attached Balance Sheet of UMANG DAIRIES LIMITED, as at 31st March 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date 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.

We conducted our audit in accordance with the 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 misstatements. An audit includes examining, on a test basis, evidence supporting, the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- 1 As required by the Companies (Auditor's Report) Order, 2003 (as amended) ("the order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (the Act) and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us during the course of audit, we enclose in the Annexure, a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
- 2 Further to our comments in the Annexure referred to in Paragraph 1 above, 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 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, Profit and 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, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) As per the information and explanations given to us, none of the Directors of the company is disqualified

as on 31st March 2011 from being appointed as a director of the company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956. *However, all Directors of the Company are disqualified to be appointed as Director in any other public Company;*

- f) Attention is invited to:
 - i. Note No. B7 of Schedule 16 regarding preparation of accounts on the basis of "Going Concern Concept" despite negative networth.
 - ii. Note No. B13 of Schedule 16 regarding management perception about recoverable amount of fixed assets of the company being more than carrying amount as stated in said note.
- g) *Attention is further invited to Note no. B16 of Schedule 16 regarding certain balances of debtors, loans & advances and current liabilities (including advance from customers) and secured loans are in the process of confirmation/reconciliation as stated in said note (impact unascertained).*

We further report that the profit for the year, debit balance of profit & loss account, balances of debtors, loans & advances, current liabilities (including advances from customers) and secured loans are without considering the impact of item mentioned in para 2(g) above, the effect of which could not be determined.

Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes thereon, 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 the Profit and Loss Account, of the profit for the year ended on that date; and
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For LODHA & CO.
Chartered Accountants
(N.K. LODHA)
Partner

Place: New Delhi
Date: 25th May 2011

(Membership No. 85155)
Firm Registration No. - 301051E

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our Report of even date of Umang Dairies Limited for the year ended 31st March 2011)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which in our opinion is reasonable having regard to the size of the Company and the nature of its Fixed Assets. The discrepancies noticed on such physical verification were not material.
- (c) As per the records and information and explanations given to us, Fixed Assets disposed off during the year were not substantial.
- ii. (a) The inventory of the company (except stocks lying with third parties and in transit), has been physically verified by the Management at reasonable intervals.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) On the basis of our examination of the records of the Company, we are of the opinion that the Company is maintaining proper records of inventory. (In respect of stock in process records are updated on physical verification of stock on periodical basis). The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
- iii. The company has neither granted nor taken any loans, secured or unsecured to and from companies, firms or other parties as covered in the register maintained u/s 301 of the Act. Accordingly, the provisions of clause 4(iii) (b) to (d), (f) & (g) of the order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, there is internal control system commensurate with the size of the Company and the nature of its business (read with note No. 5 of Schedule 16B) for purchases of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v. According to the information and explanations provided by the management and based upon audit procedures performed, there are no contracts or arrangements that need to be entered in the register required to be maintained under Section 301 of the Act. Accordingly provisions of clause 4(v)(b) of the order are not applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA and rules framed thereunder and the directives issued by Reserve Bank of India and other relevant provision of the Act. We have been informed that no order has been passed by the Company Law Board or National Company law Tribunal or the Reserve Bank of India or any Court or any other Tribunal in this regard.
- vii. In our opinion, the Company has an internal audit system commensurate with the size of the company and nature of its business.
- viii. We have broadly reviewed the books of accounts required to be maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Act in respect of the Company's product to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- ix. (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty, Cess and other material Statutory dues to the extent applicable with the appropriate authorities and there are no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2011 *except Sales Tax of Rs. 2,33,677/-and Mandi tax Rs.6,23,000.*
- (b) According to the records and information and explanations given to us, there are no dues in respect of Income Tax, Service Tax, Custom Duty, Wealth Tax and Excise Duty that have not been deposited with the appropriate authorities on account of any dispute and the dues in respect of Sales Tax and Cess that have not been deposited with the

UMANG DAIRIES LIMITED



appropriate authorities on account of dispute and the Forum where the dispute is pending are given below:

Name of Statute	Nature of the dues	Amount (Rs. in Lacs)	Period	Forum where dispute is pending
Sales Tax Act	Sales Tax Demand /Penalty Interest	1.78	1994-95 1998-2000	Sales Tax Tribunal
		83.95	1995-2007	Appellate Authorities
		3.00	1995-96	High Court
UP Krishi Utpadan Mandi Samiti Adhinyam'1964	Market Fees including Development Cess	162.89	1998-99 2005-06	Tribunal
UP Milk Act	Cess on Milk	69.25	1994-96	High Court

- x. *The Company's accumulated losses at the end of the financial year are more than 50% of its net worth. The Company has not incurred cash losses in the current financial year and has incurred cash losses in the immediately preceding financial year (without considering impact of rehabilitation scheme refer note no. B1 of schedule 16).*
- xi. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in re-payment of dues to Banks, Financial Institutions and Debenture Holders in view of Rehabilitation Scheme as stated in note no. B1 of Schedule 16.
- xii. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society, therefore, the provision of clause 4 (xiii) of the said order are not applicable to the Company.
- xiv. According to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. On the basis of information and explanations given to us, the Company has not availed any term loans during the year, refer note no. B1 of Schedule 16.
- xvii. On the basis of information and explanations given to us and on an overall examination of financial statements, we are of the opinion that, *prima facie*, no funds raised on short term basis have been used for long term investment other than as stated at note no. B14 of Schedule 16.
- xviii. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under Section 301 of the Act during the year.
- xix. Based on the examination of the documents and records made available and information and explanations given to us, the Company has not issued any debentures during the year, this is to be read with note no. B1 of Schedule 16.
- xx. The Company has not raised money through public issue during the year.
- xxi. Based on the audit procedures performed and on the basis of information and explanations provided by the management, no fraud on or by the Company has been noticed or reported during the course of our audit nor we have been informed about any such instance.

For LODHA & CO.
Chartered Accountants
(N.K. LODHA)
Partner

Place: New Delhi
Date: 25th May 2011
Firm Registration No. - 301051E

BALANCE SHEET
As at 31st March, 2011

(Rs. in Lacs)

	Schedule	31st March 2011	31st March 2010
SOURCES OF FUNDS			
Shareholders' Funds			
Capital	1	1,459.16	1,459.16
Loans			
Secured	2	798.72	898.72
Unsecured	3	193.00	193.00
		<u>991.72</u>	<u>1,091.72</u>
Total		<u>2,450.88</u>	<u>2,550.88</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block		3,878.60	3,804.84
Less : Depreciation		2,086.79	1,927.34
Net Block		<u>1,791.81</u>	<u>1,877.50</u>
Capital Work in Progress (including Advances)		41.51	4.23
	4	<u>1,833.32</u>	<u>1,881.73</u>
Current Assets, Loans and Advances			
Inventories	5	1,244.40	749.58
Sundry Debtors	6	176.04	146.15
Cash and Bank Balances	7	147.22	42.97
Loans and Advances	8	194.36	204.62
		<u>1,762.02</u>	<u>1,143.32</u>
Less : Current Liabilities and Provisions	9	<u>2,870.40</u>	<u>2,531.48</u>
Net Current Assets		<u>(1,108.38)</u>	<u>(1,388.16)</u>
Profit and Loss Account (Balance as per Annexed Profit & Loss Account)		<u>1,725.94</u>	<u>2,057.31</u>
Total		<u>2,450.88</u>	<u>2,550.88</u>

Notes on Accounts

16

Schedules 1 to 9 and 16 attached to the Balance Sheet are an integral part thereof.

As per our report of even date.

for LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
(Membership No. 85155)
Firm Registration No. – 301051E
New Delhi : 25.05.2011

Manager

Company Secretary

D.B. Doda
R.C. Jain
R.C. Periwal
R.L. Saha } Directors

UMANG DAIRIES LIMITED



PROFIT AND LOSS ACCOUNT For the year ended 31st March, 2011

(Rs.in Lacs)

	Schedule	2010-2011	2009-2010
INCOME			
Sales		9,108.95	4,624.58
Other Income	10	1,126.66	436.46
		10,235.61	5,061.04
Increase/(Decrease) in Stocks	11	451.91	356.91
		10,687.52	5,417.95
EXPENDITURE			
Manufacturing Expenses	12	9,454.21	4,953.18
Employees	13	402.42	287.59
Other Expenses	14	307.73	205.01
		10,164.36	5,445.78
PROFIT/(LOSS) BEFORE INTEREST, DEPRECIATION AND AMORTIZATION		523.16	(27.83)
Cost of Borrowings	15	31.39	30.43
PROFIT/(LOSS) BEFORE DEPRECIATION AND AMORTIZATION		491.77	(58.26)
Depreciation		160.40	144.12
PROFIT/(LOSS) BEFORE TAX		331.37	(202.38)
Provision for Tax		-	-
PROFIT/(LOSS) AFTER TAX & BEFORE EXTRA ORDINARY ITEMS		331.37	(202.38)
Extra ordinary items (Refer note no. B.1 of Schedule 16)		-	743.99
PROFIT/(LOSS) AFTER TAX & EXTRA ORDINARY ITEMS		331.37	541.61
(Deficit) from Previous Year		(2,057.31)	(3,199.08)
Reduction in Equity Share Capital (Refer note no. B.1 of Schedule 16)		-	600.16
(Deficit) carried to Balance Sheet		(1,725.94)	(2,057.31)
Basic and Diluted Earning Per Share (EPS) (Rs.) - refer note no. B.17 of Schedule 16			
_Before Extra Ordinary Items		1.51	(0.92)
_After Extra Ordinary items		1.51	2.46

Notes on Accounts

16

Schedules 10 to 15 and 16 attached to the Profit and Loss Account are an integral part thereof.
This is the Profit and Loss Account referred to in our report of even date.

for LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
(Membership No. 85155)
Firm Registration No. - 301051E
New Delhi : 25.05.2011

Manager

D.B. Doda
R.C. Jain
R.C. Periwal
R.L. Saha } Directors

Company Secretary

(Rs. in Lacs)

	31st March 2011	31st March 2010
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**Schedule 1
SHARE CAPITAL**

Authorised :

3,00,00,000 Equity Shares of Rs. 5 each	1,500.00	1,500.00
6,00,000 Redeemable Preference Shares of Rs. 100 each	600.00	600.00
	2,100.00	2,100.00

Issued, Subscribed and Paid-up :

2,20,03,200 Equity Shares of Rs. 5 each	1,100.16	1,100.16
3,59,000 Redeemable Preference Shares of Rs. 100 each	359.00	359.00
Zero Coupon Preference Shares are redeemable on 20.10.2016 (for 2,08,000 Preference Shares) and on 30.06.2018 (for 1,51,000 Preference Shares) and the same will be redeemed out of reserves available to the Company.	1,459.16	1,459.16

Schedule 2

SECURED LOANS @

Term Loan from Bodies Corporate {(a),(b) & (d)}	685.00	785.00
Housing Loan (c)	113.72	113.72
	798.72	898.72

@ Refer note no. B.1 of Schedule 16

Notes:-

- (a) Loan of Rs. 645 lacs (Previous year Rs. 745 lacs) from a Body Corporate (Group Company) is secured by a first Charge on the fixed assets of the factory located at Gajraula.
- (b) Loan of Rs. 40 lacs (Previous year Rs. 40 lacs) from a Body Corporate is secured by pari passu charge by way of Mortgage on all immovable assets of the company (both present and future) except immovable assets mortgaged against Housing Loan and hypothecation of Movables (save and except book debts).
- (c) Housing loan (including interest Rs. 56.95 Lacs(Net of TDS)) is secured by way of Mortgage on specified dwelling units and land.
- (d) Term Loan repayable during one year Rs. 90.00 lacs (Previous year Rs. 140 lacs)

Schedule 3

UNSECURED LOANS

Unsecured from Bodies Corporate	193.00	193.00
(Including Rs. 143 lacs from group company)	193.00	193.00

UMANG DAIRIES LIMITED



Schedule 4 FIXED ASSETS

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2010	Additions	Sales/ Adjustments	As at 31.03.2011	Upto 31.03.2010	For the Year	Sales/ Adjustments	To Date	As at 31.03.2011	As at 31.03.2010
Land	35.83	-	-	35.83	-	-	-	-	35.83	35.83
Buildings	1,701.56	-	8.62	1,692.94	327.05	51.41	-	378.46	1,314.48	1,374.51
Plant and Machinery	1,960.90	80.27	2.15	2,039.02	1,516.87	104.49	0.94	1,620.42	418.60	444.03
Furniture & Fixtures	37.92	1.88	-	39.80	34.37	1.81	-	36.18	3.62	3.55
Office Equipments	56.17	2.45	0.07	58.55	47.06	1.58	0.01	48.63	9.92	9.11
Vehicles	12.46	-	-	12.46	1.99	1.11	-	3.10	9.36	10.47
Total	3,804.84	84.60	10.84	3,878.60	1,927.34	160.40	0.95	2,086.79	1,791.81	1,877.50
Previous Year	2,863.25	947.33	5.74	3,804.84	1,788.44	144.12	5.22	1,927.34	1,877.50	1,074.81
Capital Work In Progress * (including advances)	4.23	41.51	4.23	41.51	-	-	-	-	41.51	4.23

* Includes advances of Rs. NIL (Previous year Rs. 4.23 Lacs) (refer note no. B.14 of Schedule 16)

	(Rs. in Lacs)	
	<u>31st March 2011</u>	<u>31st March 2010</u>

Schedule 5

INVENTORIES

(As certified by the Management)

Raw materials	5.13	10.54
Stores, Spares and Packing material	187.20	138.88
Finished Goods	1,016.58	546.05
Stock-in-Process	35.49	54.11
	<u>1,244.40</u>	<u>749.58</u>

Schedule 6

SUNDRY DEBTORS

(Unsecured, considered good; unless otherwise stated)

Exceeding six months	4.02	3.97
Other Debts	175.99	146.15
	<u>180.01</u>	<u>150.12</u>
Less: Provisions for Doubtful Debts	3.97	3.97
	<u>176.04</u>	<u>146.15</u>

(Rs.in Lacs)

	31st March 2011	31st March 2010
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Schedule 7**CASH AND BANK BALANCES**

Cash on hand	8.87	20.08
Cheques in Hand	33.37	-
Balance in Current Accounts with Scheduled Banks	88.58	16.81
Others (Prathma Bank- Maximum amount outstanding during the year Rs. 25.82 lacs and previous year Rs.12.87 lacs)	15.40	0.39
Fixed Deposits	1.00	5.69
Rs. 1.00 lac (Previous year Rs.1.00 Lac Pledged with Moradabad Development Authority)		
Rs. NIL,(Previous year Rs.4.69 lacs pledge with Banks against Bank Guarantee)	<u>147.22</u>	<u>42.97</u>

Schedule 8**LOANS AND ADVANCES**

(Unsecured, considered good; unless otherwise stated)

Deposits with Government Authorities and others	28.77	42.12
Advances recoverable in cash or in kind or for value to be received	116.97	130.10
Income Tax Advance payment (TDS)	48.62	32.40
	<u>194.36</u>	<u>204.62</u>

Schedule 9**CURRENT LIABILITIES AND PROVISIONS****A. CURRENT LIABILITIES :**

Sundry Creditors *	302.97	438.58
Other liabilities	2,513.36	2,050.26
Total (A)	<u>2,816.33</u>	<u>2,488.84</u>

* Refer note no.B.5 of Schedule 16.

B. PROVISIONS :

For Retirement Benefits	54.07	42.64
Total (B)	<u>54.07</u>	<u>42.64</u>
Total (A+B)	<u>2,870.40</u>	<u>2,531.48</u>

UMANG DAIRIES LIMITED



(Rs.in Lacs)

	2010-2011	2009-2010
Schedule 10		
OTHER INCOME		
Interest on Deposit (TDS Rs 0.55 lacs Previous year Rs.0.42 Lacs)	4.00	3.04
Profit on sale of Fixed Assets	0.40	0.25
Excess Provision of earlier years no longer required(net)	0.23	-
Balances written back (Net)	8.33	0.47
Conversion/Job charges	1,080.15	407.43
Miscellaneous income	33.55	25.27
	<u>1,126.66</u>	<u>436.46</u>
Schedule 11		
INCREASE/(DECREASE) IN STOCKS		
Opening Stocks		
Stock-in-process	54.11	8.49
Finished Goods	546.05	234.76
	<u>600.16</u>	<u>243.25</u>
Closing Stocks		
Stock-in-process	35.49	54.11
Finished Goods	1,016.58	546.05
	<u>1,052.07</u>	<u>600.16</u>
Increase/(Decrease) in Stocks	<u>451.91</u>	<u>356.91</u>
Schedule 12		
MANUFACTURING EXPENSES		
Raw materials consumed	8,178.98	4,380.42
Consumption of Stores and Spares	472.17	189.08
Power, Fuel and Water	768.03	365.91
Repairs to Machinery	30.08	15.05
Repairs to Buildings	4.95	2.72
	<u>9,454.21</u>	<u>4,953.18</u>
Schedule 13		
EMPLOYEES		
Salaries, Wages, Bonus, Gratuity, etc.	368.96	263.83
Contribution to Provident and other Funds	23.40	16.73
Employees' Welfare and other benefits	10.06	7.03
	<u>402.42</u>	<u>287.59</u>

(Rs.in Lacs)

2010-2011 2009-2010

Schedule 14

OTHER EXPENSES

Insurance	9.02	4.18
Rent	5.98	5.53
Freight and Forwarding charges	97.29	51.30
Directors' Fee	0.49	0.25
Rates and Taxes	2.84	12.65
Travelling & Conveyance	20.90	15.81
Advertisement and Sales promotion	2.54	1.74
Brokerage and Commission	55.77	31.39
Loss on sale of Fixed Assets	0.06	0.33
Miscellaneous expenses	112.84	81.83
	<u>307.73</u>	<u>205.01</u>

Schedule 15

COST OF BORROWINGS

Interest on:		
Loans	28.80	27.88
Others	2.59	2.55
	<u>31.39</u>	<u>30.43</u>

Schedule 16

NOTES ON ACCOUNTS

A. Significant Accounting Policies

1. The financial statements have been prepared under historical cost convention on accrual basis in compliance with applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and relevant provisions of the Companies Act, 1956. Accounting Policies are consistent with the Generally Accepted Accounting Principles.
2. Fixed Assets are stated at cost of acquisition/purchase.
3. Expenditure during construction/erection period is included under Capital Work-in-Progress and allocated to the respective fixed assets on completion of construction/erection.
4. Depreciation is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Continuous process plants as defined in Schedule XIV have been considered on the basis of technical evaluation.
5. Foreign Currency transactions are recorded at the rate of exchange prevailing on the date of transactions. Assets and Liabilities related to foreign currency transactions are translated at exchange rate prevailing at the end of the year. Increase / decrease arising in respect there of are adjusted in the Profit and Loss Account. Premium/discount in respect of forward contracts is recognised over the life of the Contracts.

UMANG DAIRIES LIMITED



Schedule 16 (Contd...)

6. Inventories are valued at lower of cost and net realisable value. The cost is computed on weighted average basis. Cost for the purpose of Finished Goods and Process Stock is determined considering material, labour and related overheads.
7. Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use and other borrowing costs are charged to P&L Account.
8. Revenue Expenditure on Research and Development is charged to Profit & Loss Account and Capital Expenditure is added to cost of Fixed Assets.
9. Employee Benefits
 - I. Defined Contribution Plan:

Employee benefits in the form of Provident Fund, ESI are considered as defined contribution plan and the contributions are recognised in the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective authorities.
 - II. Defined Benefit Plan:

Retirement benefits in the form of Gratuity, Leave Encashment and PF (funded) are considered as defined benefit obligations and are provided for on the basis of actuarial valuation determined using the projected unit credit method, as at the date of the balance sheet. Actuarial gains/losses are immediately recognised in the Profit and Loss Account.
 - III. Short-term compensated absences are provided based on past experience of leave availed.
10. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to the profit and loss account when an asset is identified as impaired. Reversal of impairment loss recognised in prior periods is recorded when there is an indication that the impairment losses recognised for the assets no longer exists or has decreased. Post impairment depreciation is provided on the revised carrying value of the asset over its remaining useful life.
11. Provision in respect of present obligation arising out of past events is made in Accounts when reliable estimates can be made of the amount of the obligation. Contingent Liabilities (if material) are disclosed by way of Notes to Accounts. Contingent Assets are neither recognised nor disclosed in Financial Statements but are included, if any, in the Director's Report.
12. Current Tax is the amount of Tax payable on the estimated taxable income for the current year as per the Provision of Income Tax Act, 1961. Deferred Tax Assets and liabilities are recognised for timing differences in respect of current year and prospective years. Deferred Tax Asset is recognised on the basis of reasonable/virtual certainty that sufficient future taxable income will be available against which the same can be realised.

B. Notes on Accounts

1. Pursuant to Rehabilitation Scheme (The Scheme) sanctioned by Hon'ble Board for Industrial and Financial Reconstruction (BIFR) vide its Order dated 03.08.2009 effective from the cut off date i.e. 01.10.2008, in previous year
 - a) (i) Paid up value of equity shares have been reduced from Rs. 10/- to Rs. 5/- resulting in capital reduction aggregating to Rs. 600.16 lacs. Further face value of equity shares (paid up capital) have been reduced from Rs. 10/- to Rs. 5/- (per share). Rs. 600.16 lacs on reduction of equity share capital has been adjusted against debit balance of the Profit & Loss Account. (ii) provision for Preference Share Premium amounting to

Schedule 16 (Contd...)

Rs. 179.50 lacs has been written back and loan liability (net of interest cost up to cut off date amounting to Rs. 217.42 lacs pertaining to previous periods) aggregating to Rs. 564.49 lacs has been subsided (including extinguishment of debentures). The Company is in process of getting NOC from debenture trustee. Accordingly Rs. 743.99 lacs have been shown as 'Extra Ordinary Items' in the Profit & Loss Account.

- b) Liability of Housing loan and Term loan from a body corporate (which is not traceable) has been recognized to the extent and in terms of BIFR order. Housing loan party has not agreed with the order of BIFR and has filed appeal before the Hon'ble AAIFR, which is pending adjudication; impact, if any, on this account will be considered on final resolution.
 - c) Uttar Pradesh State Govt. to extend sales tax exemption period for the balance amount of Rs. 1465.08 lacs (being difference between Rs. 2722.12 lacs and Rs 1257.04 lacs), allow concessions as per UP State Govt. Policy Guidelines for Sick Industrial Units, exempt from the applicability of minimum demand charges of electricity, electricity duty etc; for a period of 7 years from the cut off date. Pending necessary approval from UP State Govt., no impact of the same has been considered in these accounts.
 - d) Out of remaining loan liability (after subsidence as above) of Rs. 1294.63 lacs, 100 lacs new equity shares of Rs.5/- each, fully paid up, aggregating to Rs. 500 lacs has been allotted to the promoter group companies and balance amount was shown as Term Loan.
2. Charges in respect of debentures extinguished in previous year pursuant to rehabilitation scheme (The Scheme) sanctioned by Hon'ble Board for Industrial and Financial Reconstruction (BIFR) are in process of satisfaction.
 3. Contingent liabilities in respect of claims disputed/not accepted and not provided for is Rs.348 lacs as certified by the management (previous year Rs.351.39 lacs). Details thereof are, Sales tax Rs.97.09 lacs (previous year Rs. 97.09 lacs), Mandi fee (U.P.) Rs.181.66 lacs (previous year 181.66 lacs), Milk Cess (U.P.) Rs. 69.25 lacs (previous year Rs. 69.25 lacs) and Income tax Rs. NIL (previous year Rs.3.39 lacs).Interest impact on above, if any, will be considered as and when arise.
 4. (a) In respect of certain disallowances and additions made by the Income Tax Authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally settled.
(b) In the absence of taxable profits no provision for tax has been made.
 5. The company is in the process of compiling the additional information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The management is currently in the process of identifying enterprises which have provided goods and services to the company and which qualify under the definition of micro, small and medium enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such micro, small and medium enterprises as at 31st March 2011 (including interest paid/ payable, if any to them) has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.
 6. Research and Development expenditure amounting to Rs. 0.22 lacs (previous year Rs. 0.21 lacs) has been debited to Profit and Loss account.
 7. The Accounts have been prepared on the basis of 'Going Concern Concept' despite negative net worth as on 31.03.2011 in view of Rehabilitation Scheme sanctioned by the Board for Industrial and Financial Reconstruction and management is confident about positive business results in near future.

UMANG DAIRIES LIMITED



Schedule 16 (Contd...)

8. EMPLOYEE BENEFITS:

(a) The status of the gratuity and leave encashment as per actuarial valuation on March 31, 2011 is as follows:

(Rs. in lacs)

		For the year ended 31st March 2011		For the year ended 31st March 2010	
		Gratuity (Non- Funded)	Leave Encashment (Non- Funded)	Gratuity (Non- Funded)	Leave Encashment (Non- Funded)
I	Expense recognized in the statement of profit and loss				
a)	Current service cost	5.36	6.01	3.89	4.31
b)	Interest cost	1.89	1.10	1.62	0.86
c)	Net actuarial (gain)/ loss recognized in the period	0.22	0.60	0.54	1.71
d)	Expenses recognized in the statement of profit & losses	7.47	7.71	6.04	6.87
II	Net Assets/(liability) recognized in the Balance sheet as at March 31, 2011				
a)	Present value of obligation as at the end of the period	32.9	20.44	26.96	15.68
b)	Net asset/(liability) recognized in balance sheet	(32.9)	(20.44)	(26.96)	(15.68)
III	Change in present value of obligation				
a)	Present value of obligation as at the beginning of the period (01/04/2010)	26.96	15.68	23.16	12.22
b)	Interest cost	1.89	1.10	1.62	0.86
c)	Current service cost	5.36	6.01	3.89	4.31
d)	Benefits paid	(1.53)	(2.96)	(2.23)	(3.42)
e)	Actuarial (gain)/loss on obligation	0.22	0.60	0.54	1.71
f)	Present value of obligation as at the end of Period (31/03/2011)	32.9	20.44	26.96	15.68
IV	Changes in the fair value of plan assets	-	-	-	-
V	The Major Category of Plan assets as a percentage to total plan	N.A.	N.A.	N.A.	N.A.
VI	Actuarial Assumptions				
	Economic Assumptions:				
	Discounting Rate	7.00%		7.00%	
	Future salary Increase	5.00%		5.00%	
	Expected Rate of return on plan assets	-		-	
	Demographic Assumptions:				
	Retirement Age	58 Years		58 Years	
	Mortality Table	LIC (1994-96) duly modified		LIC (1994-96) duly modified	
	Withdrawal Rates				
	Age	Withdrawal Rate (%)		Withdrawal Rate (%)	
	Up to 30 Years	3.00		3.00	
	Up to 44 Years	2.00		2.00	
	Above 44 Years	1.00		1.00	

Schedule 16 (Contd...)

- (b) (i) Defined Benefits Plans
Amounts recognised as an expense and included in Schedule 13: item "Salaries, Wages, Bonus, Gratuity etc." included Rs. 7.47 lacs (previous year Rs. 6.04 lacs) for Gratuity & Rs. 7.71 lacs (previous year Rs. 6.87 lacs) for Leave encashment;
- (ii) Defined Contribution Plans
Amounts recognised as an expense and included in Schedule 13 "Contribution to PF & other funds" of profit & loss account is Rs. 23.40 lacs (previous year Rs. 16.73 lacs) and amount included in pre-operative expenses in note no. 14 herein below "Contribution to PF & other funds" is NIL (Previous year Rs. 0.62 lacs).
- (c) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
9. Since the Company has substantial carried forward business losses and unabsorbed depreciation, it is unlikely to have taxable profits in near future and hence it is not considered necessary to create deferred tax asset (net) in accordance with the Accounting Standard – 22 issued by the Institute of Chartered Accountants of India.
10. The Company has only one business segment, i.e., Dairy Products, hence segment reporting as defined in Accounting Standard – 17 is not applicable.
11. Balances Written Back under other income is net of balances written off amounting to Rs. NIL (Previous year Rs. 0.07 lacs).
12. Conversion charges under Other Income represent income on account of contract manufacturing activities undertaken during the year.
13. As stipulated in Accounting Standard on Impairment of Assets (AS -28), the Management has carried out review of the remaining useful lives of its Fixed Assets and its value in use. As the recoverable amount as per projections exceeds the carrying amount, no impairment has been provided for in the accounts.
14. (i) Building & capital work in progress includes Rs. 928.12 lacs(Previous year 936.74 lacs) & Rs.20.88 lacs (Previous year NIL) respectively being cost which under an agreement to transfer subject to BIFR Approval, pending which the cost to the extent of Rs. 949.00 lacs (Previous year Rs. 887.00 lacs) has been funded by the other party and included in "Other Liabilities".
- (ii) Capital Work-in Progress includes building under construction, advance to suppliers and pre-operative expenses pending capitalisation. Pre-operative expenses pending capitalization are as follows:

	Rs./Lacs	
	2010-11	2009-10
Electricity & Power	-	15.37
Salaries & Wages	-	14.66
Contribution to Provident & Other Funds	-	0.62
Fees for Technical Assistance	-	0.56
Travelling & Conveyance	-	1.33
Fees & Subscription	-	10.00
Miscellaneous Expenses	-	3.44
	-	45.98
Add: Expenditure upto previous year	-	30.53
	-	76.51
Less: Transferred to Fixed Assets	-	76.51
	-	-

15. Loans and Advances include loan to employees of Rs. 1.29 lacs (previous year Rs. 0.82 lacs) in the ordinary course of business and as per service rules of the Company. Maximum amount outstanding during the year Rs. 8.58 lacs (previous year Rs. 1.00 lacs).
16. Balances of certain Debtors, Loans & Advances and Current Liabilities (including Advance from Customers) and Secured Loans are in the process of confirmation/reconciliation.

UMANG DAIRIES LIMITED



17. Basic and Diluted Earnings per Share (Pursuant to Accounting Standard - 20):

	<u>2010-11</u>	<u>2009-10</u>
Surplus/(Deficit) for the year (Rs./Lacs)		
-Before Extra Ordinary Items	331.37	(202.38)
-After Extra Ordinary items	331.37	(541.61)
Weighted average number of equity shares (Nos.)	22003200	22003200
Nominal value of equity shares (Rs.)	5	5
Basic Earning per Share (Rs.)		
-Before Extra Ordinary Items	1.51	(0.92)
-After Extra Ordinary items	1.51	2.46
Diluted Earning per Share (Rs.)		
-Before Extra Ordinary Items	1.51	(0.92)
-After Extra Ordinary items	1.51	2.46

18. Amount paid to Auditors:

(Including Service Tax)

	<u>2010-11</u>	<u>2009-10</u>
Audit Fees	1.33	1.33
Tax Audit Fees	0.17	0.54
Other Services	0.54	0.38
Reimbursement of expenses	0.07	0.07
	2.11	1.95

(Rs. in Lacs)

19. As per Accounting Standard 18 "Related Party Disclosure" there is no related party identified during the year. Hence, there is no related party transaction during the year which needs to be disclosed.

20. Estimated amount of contracts remaining to be executed on capital account Rs. 7.82 Lacs (previous year Rs. 12.67 lacs), {net of advances Rs. NIL (previous year Rs. 4.23 lacs)}.

21. Prior period expenses included in respective heads of accounts are Rates & Taxes exp. Rs. 0.15 lacs (Previous year Rs. 6.23 lacs), interest Rs. NIL (Previous year Rs. 0.57 lacs), legal & professional exp. Rs. NIL (Previous year Rs. 1.31 lacs). Prior period incomes included in respective heads are duty drawback Rs.0.60 lacs (Previous year NIL) & Insurance Rs. 0.42 lacs (Previous year NIL).

22. Particulars of Capacity, Production, Sales and Stock:

Installed Capacity (as certified by the Management)

: 3 Lac Litres of milk processing per day. Capacity for end products will vary depending on the product mix.

Particulars	Unit	Ghee#		Powders		Liquid Milk	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Op. Stock	MT	149.69	17.60	208.64	185.29	--	--
	Rs./Lacs	312.20	30.18	233.85	204.58	--	--
Production@	MT/KL	1895.90	1020.12	3559.96	1672.89	184.03	3191.83*
Sales	MT/KL	1760.52	888.03	3454.46	1649.54	184.03	3191.83
	Rs./Lacs	3732.06	1850.41	5325.80	2156.70	51.09	617.47
Cl. Stock	MT	285.07	149.69	314.14	208.64	--	--
	Rs./Lacs	575.58	312.20	441.00	233.85	--	--

* Purchased during the year.

Ghee includes Butter.

@ Excluding contract manufacturing of Ghee and Butter NIL M.T. (previous year 154.80 M.T.), Powders 35.25 M.T (Previous year NIL M.T.) and Liquid Milk 1089.30 MT (Previous Year 394.30).

23. Particulars of Raw Materials, Stores & Spares consumed:

		<u>2010-11</u>	(Rs. in Lacs) <u>2009-10</u>
Raw material (Indigenous – 100%)			
-Raw Milk	Lacs Litres	376.20	225.46
	Rs./Lacs	8052.33	4326.20
-Others	Rs./Lacs	126.65	54.22
Stores & Spares			
-Indigenous	Rs./Lacs	472.17	189.08
-Imported`	Rs./Lacs	-	-
24. Other Particulars:			
Expenditure/Earnings in Foreign Currency			
(a) Earnings in Foreign Currency			
F.O.B. Value of exports		427.45	61.03
(b) C.I.F. Value of Imports:			
Components and Spare Parts		0.71	-

25. Previous Year figures have been re-grouped / rearranged / recasted wherever necessary.

As per our report of even date.

for LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
(Membership No. 85155)
Firm Registration No. – 301051E
New Delhi : 25.05.2011

Manager

Company Secretary

D.B. Doda
R.C. Jain
R.C. Periwal
R.L. Saha } Directors

UMANG DAIRIES LIMITED



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs.in Lacs)

	2010-2011	2009-2010
A. Cash Flow from Operating Activities		
Net Profit (+)/Loss(-) before taxation and extraordinary items	331.37	(202.38)
Adjustments for :		
Depreciation	160.40	144.12
Interest income	(4.00)	(3.04)
Excess Provision of earlier years no longer required(net)	0.23	-
Balances Written back (Net)	8.33	0.47
Interest & Finance Charges	31.39	30.43
(Profit)/loss on sale of Fixed Assets (net)	(0.34)	0.08
Operating Profit before working capital changes	<u>527.38</u>	<u>(30.32)</u>
(Increase)/ Decrease in Inventories	(494.82)	(389.18)
(Increase) / Decrease in Trade and other Receivables	(5.21)	(66.77)
Increase/ (Decrease) in Trade and Other Payables	335.50	874.57
Cash Generated from Operations	<u>362.85</u>	<u>388.30</u>
Direct Tax paid	(16.22)	(11.43)
Net Cash from operating activities	<u>346.63</u>	<u>376.87</u>
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets including CWIP	(121.88)	(369.53)
Proceeds from sale of Fixed Assets	10.23	0.44
Interest Received	5.80	1.24
Net Cash from Investing activities	<u>(105.85)</u>	<u>(367.85)</u>
C. Cash Flow from Financing Activities		
Repayment of Borrowings	(100.00)	(15.13)
Interest paid	(36.53)	(30.43)
Net Cash used in financing activities	<u>(136.53)</u>	<u>(45.56)</u>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	104.25	(36.54)
Cash and Cash equivalents being Cash and Bank balances as at the beginning of the year	42.97	79.51
Cash and Cash equivalents being Cash and Bank balances as at the end of the year	<u>147.22</u>	<u>42.97</u>

Note:

Previous year's figures have been regrouped / rearranged / recasted wherever necessary.

for LODHA & CO.
Chartered Accountants

N.K. Lodha
Partner
(Membership No. 85155)
Firm Registration No. – 301051E
New Delhi : 25.05.2011

Manager

Company Secretary

D.B. Doda
R.C. Jain
R.C. Periwal
R.L. Saha } Directors

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI, PART (IV) OF THE COMPANIES ACT 1956

I. Registration Details

Registration No.	20-14942
State Code	20

II. Capital Raised during the year/period

	31st March 2011	(Rs.in thousands) 31st March 2010
Public Issue	-	-
Rights Issue	-	-
Private Placement	-	-

III. Position On Mobilisation and Deployment of Funds

Total Liabilities	5,32,128	5,08,236
Total Assets	5,32,128	5,08,236
SOURCE OF FUNDS		
Paid-up Capital	1,45,916	1,45,916
Reserves & Surplus	-	-
Secured Loans	79,872	89,872
Unsecured Loans	19,300	19,300
APPLICATION OF FUNDS		
Net Fixed Assets	1,83,332	1,88,173
Investments	-	-
Net Current Assets	(1,10,838)	(1,38,816)
Miscellaneous Expenditure	-	-
Accumulated Losses	1,72,594	2,05,731

IV. PERFORMANCE OF THE COMPANY

Turnover including Other Incomes	10,23,561	5,06,104
Total Expenditure	9,90,424	5,26,342
Profit/(Loss) before Tax	33,137	(20,238)
Profit/(Loss) after Tax	33,137	54,161
Earning per Share (Rs.)	1.51	2.46
Dividend Rate (%)	-	-

V. GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

	Principal Product	Item Code No.	Item Code No.
	Ghee	40500.03	40500.03
	Powders	040210.01 and 040229.09	040210.01 and 040229.09

Manager	D.B. Doda R.C. Jain R.C. Periwal R.L. Saha
	} Directors

New Delhi : 25.05.2011

Company Secretary

UMANG DAIRIES LIMITED

Registered Office : Gajraula-Hasanpur Road, Gajraula, Dist. Jyotiba Phule Nagar (U.P.)

ADMISSION SLIP

Folio No.	
No. of Shares held	

DP ID #	
Client ID #	

I hereby record my presence at the 18th Annual General Meeting of the Company being held at Gajraula-Hasanpur Road, Gajraula, Distt. Jyotiba Phule Nagar, (U.P.) on Monday, the 5th September, 2011 at 12.00 Noon.

Name of the Member (in block letters)	
Name of the Proxy-holder/ Authorised representative* (in block letters)	

* Strike out whichever is not applicable.

Applicable for investors holding shares in dematerialised form.

Signature of the Member/Proxy/Authorised representative*

- Notes:
1. A Member/Proxy/Authorised representative wishing to attend the meeting must complete this Admission Slip before coming to Meeting and hand it over at the entrance.
 2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the Proxy Form given below at the Company's Registered Office at least 48 hours before the time fixed for the Meeting.

UMANG DAIRIES LIMITED

Registered Office : Gajraula-Hasanpur Road, Gajraula, Dist. Jyotiba Phule Nagar (U.P.)

PROXY FORM

Folio No.	
No. of Shares held	

DP ID #	
Client ID #	

I/We of
 of
 being member/members of Umang Dairies Limited hereby appoint
 Shri/Smt./Km. of
 or failing whom Shri/ Smt./Km. of
 or failing whom Shri/Smt./Km. of
 as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 18th Annual General Meeting of the Company to be held on Monday, the 5th September 2011 at 12.00 Noon. and at any adjournment thereof.

Signed this day of 2011

Applicable for investors holding shares in dematerialised form

Signature (s)

Affix Re.1 Revenue Stamp

Note : The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.

BOOK - POST



IF UNDELIVERED PLEASE RETURN TO :
UMANG DAIRIES LIMITED
GULAB BHAWAN, 3RD FLOOR, 6A, BAHADUR SHAH ZAFAR MARG
NEW DELHI - 110 002