

UFM INDUSTRIES LIMITED

MEHERPUR, SILCHAR – 788 015
ASSAM



29th ANNUAL REPORT

2014-2015

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

COMPANY SECRETARY Smt. Jyoti Jain

AUDITORS M/S. Anil Hitesh & Associates.
Chartered Accountants
Barak Market, 1st Floor
N.S.Avenue, Rangirkhari
Silchar -788005(Assam)

BANKERS United Bank Of India

REGISTERED OFFICE Meherpur,
Silchar – 788015,
Assam.

FACTORIES (a) Meherpur, Silchar-788015 (Assam)
(b) Balajan, Gauripur – 783331(Assam)

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NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of the Members of UFM Industries Limited shall be held on Wednesday, the 30th day of September, 2015 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, 2015 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To consider and if thought fit, to pass with or without modification(s), the following resolution as
an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013(the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014(including any Statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s Anil Hitesh & Associates, Chartered Accountant, (ICAI Firm Registration No. 325406E) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year 2016-17 on a remuneration to be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS

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

“**RESOLVED THAT** Ms.Tara Jain (DIN: 00545789) who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 23rd March, 2015 to hold office upto the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom notice under section 160 of the Companies Act, 2013 has been received by the Company from a member signifying his intention to propose her as candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

“**RESOLVED THAT** Mr. Aviskek Jain (DIN: 01383018) who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 14th April, 2015 to hold office upto the Annual General Meeting and in terms of Section 161 of the Companies Act, 2013 and in respect of whom notice under section 160 of the Companies Act, 2013 has been received by the Company from a member signifying his intention to propose him as candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

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

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014(including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Mahabir Prasad Jain (DIN: 00498001) as Managing Director of the Company, for a period of 5 (five) years with effect from 1st July, 2015 as per the following terms:

- Remuneration of Rs. 1.00 lacs per month with effect from 1st July, 2015.
- Employer Contribution to Provident Fund and Gratuity is s per the Company's policy.
- The Company will provide the Managing Director a Car with Driver and Telephone. Provision of car for use of Company's business and Telephone at Residence shall be provided for Company's work.

With liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Mahabir Prasad Jain, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

REGISTERED OFFICE :

Meherpur, Silchar- 788015.

Assam.

(CIN:L153111AS1986PLC002539)

Date : The 3rd Day of September, 2015.

**Jyoti Jain
Company Secretary**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. A Member can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act proxy for any other person or shareholder.
3. All document referred to in the accompanying Notice are open for inspection at the Registered office of the company during Business hours on all working days between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting.
4. Members / Proxies should bring the attendance slip duly filled in for attending the meeting.
5. Shareholders seeking any information with regard to Accounts are requested to write to the company at least 7 days in advance so as to enable the management to keep the information ready.
6. The Register of Members and Share Transfer Book of the company shall remain closed from 21st September, 2015 to 30th September, 2015 (both days inclusive) in terms of Section 91 of the Companies Act, 2013 and Clause 16 of the Listing Agreement with the Stock Exchanges.
7. Members are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.
8. Members are requested to immediately intimate any change in their address Registered with the Company quoting their respective folio number (s).

9. As a measure of economy, the practice of distributing copies of the Annual Report at the Meeting has been discontinued. Members / Proxies are requested to bring their copies of the Annual Report to the meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number by every participant. Members are therefore requested to submit their PAN details to the Company or the Registrar and Share Transfer Agent of the Company.
9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under Item no. 3 and 4 set out in the Notice is annexed hereto.
10. Details of Directors, pursuant to Clause 49 of the Listing Agreement, seeking appointment/re-appointment in the forthcoming Annual General Meeting, is as follows:

| Name of Directors | Tara Jain | Avishek Jain | Mahabir Prasad Jain |
|---|---|--|--|
| Date of Birth | 16.03.1955 | 26.05.1982 | 10.11.1950 |
| Date of Appointment | 23.03.2015 | 14.04.2015 | 04.06.1986 |
| Qualification | HSLC | B.E | B.Com |
| List of Companies in which outside Directorship held as on 31st March' 2015 | 1. Arihant Sugar Ltd 4. Shri Lalit Cold Storage Pvt.Ltd. 10. Radio Supply Stores (Cinema) Pvt.Ltd | 1.Nirvana Enterprises Pvt. Ltd. 2. Lalit Projects Pvt. Ltd 3.Hari Trafin Pvt.Ltd 4.Pinnacle Commercial Pvt.Ltd. 5. Arihant Sugar Ltd 6. Goldstone Cements Ltd. 7. Lalit Cement Pvt.Ltd 8. Leonine Vanijya Pvt.Ltd. 9. Nidhi Creative Infrastructure Pvt.Ltd 10. Shri Lalit Realcon Pvt.Ltd 11. Bonus Dealers Pvt.Ltd | 1.Namokar Marketing Ltd. 2. Arihant Sugar Ltd 3.Sethi Oil Field & Services Pvt.Ltd 4. Shri Lalit Cold Storage Pvt.Ltd. 5. Prag India Cement Pvt.Ltd 6. Shri Lalit Realcon Pvt.Ltd. 7. Goldstone Cements Ltd. 8. Lalit Cement Pvt.Ltd. 9. Nidhi Creative Infrastructure Pvt.Ltd 10. Radio Supply Stores (Cinema) Pvt.Ltd 11. Harak Chand Investments Ltd 12. Bonus Dealers Pvt.Ltd |
| Chairman/Members of the Committees of the Board of Companies on which he is a Director as on 31st March' 2015 | - | - | - |
| Shareholding in UFM Industries Ltd. | 5.63% | 0.83% | 6.36% |
| Relationship with Managing Director of the Company | Spouse | Son | Self |
| | | | |

ANNEXURE TO THE NOTICE

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

ITEM NO. 3 and 4.

As per the provisions of Section 149 (1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have at least one woman Director.

Keeping in view of the above legal requirements and in deference to Company's Shareholders wishes, the Board of Directors has proposed that Ms. Tara Jain be appointed as Director of the Company.

The Company has received Notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms. Tara Jain and Mr. Avishek Jain for the office of Directors of the Company.

Ms. Tara Jain and Mr. Avishek Jain are not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given their consent to act as Directors of the Company. Ms. Tara Jain holds 334108 equity shares and Mr. Avishek Jain holds 49000 equity shares in the Company.

Mr. Avishek Jain has been looking after the day to day operations and finance department of the company. He has rich experience in the field of finance and general business management.

Ms. Tara Jain and Mr. Avishek Jain may be deemed to be concerned or interested, financially or otherwise, to the extent of their aforesaid shareholding in respect of their appointment as Directors. Mr. Mahabir Prasad Jain who is their relative and the Managing Director of the company and their other relatives to the extent of their shareholding interest in the company, may be deemed to be concerned or interested in the appointment of Ms. Tara Jain and Mr. Avishek Jain.

Save and except as above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in at Item No. 3 and 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 and 4 of the Notice for approval by the Shareholders.

ITEM NO. 5

The Board of Directors of the Company (the 'Board'), at its meeting held on 1st July, 2015 has, subject to the approval of members re-appointed Mr. Mahabir Prasad Jain as Managing Director, for a period of 5 (five) years from the expiry of his present term, which expired on 30th June, 2015, at the remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek the members approval for the re-appointment of and remuneration payable to Mr. Mahabir Prasad Jain as Managing Director in terms of the applicable provisions of the Act.

The particulars of the terms of re-appointment of and remuneration payable to Mr. Mahabir Prasad Jain is as under:

- Remuneration of Rs. 1.00 lacs per month with effect from 1st July, 2015.
- Employer Contribution to Provident Fund and Gratuity is s per the Company's policy.
- The Company will provide the Managing Director a Car with Driver and Telephone. Provision of car for use of Company's business and Telephone at Residence shall be provided for Company's work.

Mr. Mahabir Prasad Jain satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Mr. Mahabir Prasad Jain is having vast experience in Food Processing Industry. It is in the best interest of the company to continue him as the Managing Director.

Mr. Mahabir Prasad Jain is interested in the resolution set out at Item No. 5 of the Notice which pertains to his re-appointment and remuneration payable to him.

The relatives of Mr. Mahabir Prasad Jain may be deemed to be interested in the resolution set out at Item NO. 5 of the Notice to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Shareholders.

BY ORDER OF THE BOARD
For UFM Industries Ltd.

REGISTERED OFFICE :
Meherpur, Silchar-788015.
Assam.

Date : The 3rd Day of September, 2015.

Jyoti Jain
Company secretary

DIRECTORS' REPORT

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

Your Directors have the pleasure in presenting before you the 29th Annual Report and Audited Accounts of the Company for the year ended on 31st March, 2015.

1. FINANCIAL RESULTS

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

| | Rs. In lacs | Rs. in lacs |
|----------------------------------|--------------------|--------------------|
| | 31-03-2015 | 31-03-2014 |
| Incomes | 3753.93 | 3379.24 |
| Exceptional & Extraordinary item | - | 10.01 |
| Expenses | 3654.80 | 3292.49 |
| Operating Profit | 99.13 | 96.76 |
| Interest | 25.97 | 32.69 |
| Depreciation | 39.92 | 20.52 |
| Profit before tax | 33.24 | 43.55 |
| Less: Taxation | | |
| Current | 9.98 | 8.98 |
| Tax of Earlier year | - | 2.18 |
| Deferred | 1.45 | 0.74 |
| Profit after tax | 21.81 | 31.65 |

2. OPERATIONS

The total Income for the year was Rs. 3753.93 lacs as compared to the income for the previous year of Rs. 3379.24 lacs. The Company has recorded a profit of Rs.21.81 lacs during the year under review. To enable the company to augment and conserve money for long term working capital requirement, the Board of Directors do not recommend dividend this year.

3. AUDITORS

M/S Anil Hitesh and Associates, (ICAI Firm Registration No. 325406E), Chartered Accountants, Statutory Auditors the retiring auditors, during the Annual General Meeting held on 30.09.2014, were appointed from the conclusion of 28th Annual General Meeting until the conclusion of 31st Annual General Meeting, subject to ratification by members at every Annual General Meeting in terms of Section 139 of the Companies Act, 2013. The Auditors have furnished a certificate stating that, their appointment, if made, will be within the limit laid down under section 139 of the Companies Act, 2013 and that they are not disqualified for reappointment within the meaning of section 141 of the said Act. The Board of Directors, therefore, recommends ratification of appointment for F.Y. 2015-16 of M/S Anil Hitesh and Associates, (ICAI Firm Registration No. 325406E), Chartered Accountants, as Statutory Auditors of the Company for the approval of Shareholders.

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

4. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Avishek Jain, Director of the company resigned from the Directorship of the Company w.e.f. 23rd March, 2015. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company Ms.Tara Jain and Mr. Avishek Jain were appointed as Additional Directors w.e.f 23rd March, 2015 and 14th April, 2015 respectively and they shall hold office upto the ensuing Annual General Meeting. 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.

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

Pursuant to the provisions of Section 203 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Section 188 read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 Mr. Avishek Jain was appointed as CFO of the Company w.e.f. 23rd March, 2015. He has been looking after the day to day operations and finance department of the company since few years. He has rich experience in the field of finance and general business management.

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

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Clause 49 of the Listing Agreement.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/ she meets with the criteria for 'Independent Director' as laid down in the Act and Clause 49 of the Listing Agreement.

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

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

6. EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS

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

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

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

7.EXTRACT OF ANNUAL RETURN

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

8. MEETINGS OF THE BOARD.

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

9. RELATED PARTY TRANSACTIONS

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

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

10..DEPOSIT :

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

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

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

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

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

13. MANAGEMENT DISCUSSION AND ANALYSIS

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

14. SECRETARIAL AUDITOR

The Board has appointed Mr. Pravin Kr. Chhajer, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31st March, 2015 is annexed herewith marked as ANNEXURE ‘B’ to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

15.INTERNAL FINANCIAL CONTROLS

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

16. PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required under section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as ANNEXURE ‘C’.

In accordance with the requirement of Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 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.

17. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The details of conservation of energy and technology absorption are as follows:

(a) Conservation of energy

| | | |
|-------|---|--|
| (i) | the steps taken or impact on conservation of energy | Company's operation does not consume significant amount of energy. |
| (ii) | the steps taken by the company for utilizing alternate sources of energy. | Not applicable, in view of comments in clause (i) |
| (iii) | the capital investment on energy conservation equipment's | Not applicable, in view of comments in clause (i) |

(b) Technolohg absorption

| | | |
|-------|--|-----|
| (i) | the effort made towards technology absorption | Nil |
| (ii) | the benefits derived like product improvement cost reduction product development or import substitution | Nil |
| (iii) | in case of imported technology (important during the last three years reckoned from the beginning of the financial year) | Nil |
| | (a) the details of technology imported | |
| | (b) the year of import; | |
| | (c) whether the technology been fully absorbed | |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | |
| (iv) | the expenditure incurred on Research and Development | Nil |

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND

18. PROTECTION FUND :

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF)

19. 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.

20. OUTLOOK FOR THE FUTURE AND EXPANSION

Your Directors would like to inform you that the work on the setting up of new flour mill in Agartala, M/s Lalit Flour Mills, is being held in abeyance till the completion of Broad Gauge in Agartala.

21. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013 your Directors state that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2015 the applicable accounting standards have been followed and there is no material departure in this regard;
- b) the Directors have selected such accounting policies and applied them consistently and judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company as at 31st March, 2015 and of the profit of the Company for the year ended on that date;
- c) 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;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

22. 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.

23. ACKNOWLEDGEMENT

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

FOR AND ON BEHALF OF THE BOARD

REGISTERED OFFICE :
Meherpur, Silchar-788015
Assam.

Date : 6th August, 2015.

Mahabir Prasad Jain
Managing Director
DIN: 00498001

Avishek Jain
Director & CFO
DIN: 01383018

ANNEXURE A TO DIRECTORS' REPORT**FormNo.MGT-9**

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]***I. REGISTRATION AND OTHER DETAILS:**

| | | |
|-------------|---|---|
| i. | CIN | L15311AS1986PLC002539 |
| ii. | Registration Date | 04.06.1986 |
| iii. | Name of the Company | UFM Industries Limited |
| iv. | Category/Sub-Category of the Company | Company Limited by Shares / Indian Non-Government Company |
| v. | Address of the Registered office and contact details Tel. Nos & Fax No. Email: | Meherpur, Silchar, Assam-788015 03842-224822/224996, Fax.03842-241539 ufmindustries@rediffmail.com |
| vi. | Whether listed company | Yes/No |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any Tel. Nos & Fax No. Email: | Niche Technologies Pvt. Ltd D-511, Bagree Market, 71, B.R.B. Basu Road Kolkata – 700001 033-22357270/22357271, Fax No: 033-22156823 nichetechpl@nichetechpl.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are stated below:-

| Sr. No. | Name and Description of main products/ services | NIC Code of the Product/ | % to total turnover of the company |
|----------------|--|---------------------------------|---|
| 1 | Wheat | 10611-Flour milling | 99% |

*As per National Industrial Classification 2008(NIC 2008)-Ministry of Statistics and Programme Implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name And Address Of The Company | CIN/GLN | Holding/ Subsidiary /Associate | % of shares held | Applicable Section |
|----------------|--|----------------|---------------------------------------|-------------------------|---------------------------|
| 1. | NIL | | | | |

| | | | | | | | | |
|-----|--------------------------------|---------|-------|---|---------|-------|---|---|
| 1. | Nirmal Kumar Jain | 70331 | 1.19 | 0 | 70331 | 1.19 | 0 | 0 |
| 2. | Taramani Devi Jain | 315015 | 5.31 | 0 | 315015 | 5.31 | 0 | 0 |
| 3. | Mahabir Prasad Jain | 377415 | 6.36 | 0 | 377415 | 6.36 | 0 | 0 |
| 4. | Vishal Jain | 209260 | 3.53 | 0 | 209260 | 3.53 | 0 | 0 |
| 5. | Sohani Devi Jain | 145631 | 2.45 | 0 | 145631 | 2.45 | 0 | 0 |
| 6. | Hulaschand Jain | 70000 | 1.18 | 0 | 70000 | 1.18 | 0 | 0 |
| 7. | Tara Jain | 334108 | 5.63 | 0 | 334108 | 5.63 | 0 | 0 |
| 8. | Santra Kumari Jain | 57260 | 0.97 | 0 | 57260 | 0.97 | 0 | 0 |
| 9. | Yogesh Jain | 82400 | 1.39 | 0 | 82400 | 1.39 | 0 | 0 |
| 10. | Avishek Jain | 49000 | 0.83 | 0 | 49000 | 0.83 | 0 | 0 |
| 11. | Lalit Kumar Jain | 28000 | 0.47 | 0 | 28000 | 0.47 | 0 | 0 |
| 12. | Paras Jain | 28000 | 0.47 | 0 | 28000 | 0.47 | 0 | 0 |
| 13. | Dharmendra Kumar Jain | 66600 | 1.12 | 0 | 66600 | 1.12 | 0 | 0 |
| 14. | Navin Kumar Jain | 16000 | 0.27 | 0 | 16000 | 0.27 | 0 | 0 |
| 15. | Namokar Marketing Limited | 268200 | 4.52 | 0 | 268200 | 4.52 | 0 | 0 |
| 16. | Herald Commerce Limited | 91100 | 1.54 | 0 | 91100 | 1.54 | 0 | 0 |
| 17. | Sethi Flour Mills | 700 | 0.01 | 0 | 700 | 0.01 | 0 | 0 |
| 18. | Harakchand Investments Ltd | 343580 | 5.79 | 0 | 343580 | 5.79 | 0 | 0 |
| 19. | Radio Supply (Cenema) Pvt. Ltd | 399900 | 6.74 | 0 | 399900 | 6.74 | 0 | 0 |
| 20. | Arihant Coal Co.Limited | 90000 | 1.52 | 0 | 90000 | 1.52 | 0 | 0 |
| 21. | Sheetal Farms Limited | 700800 | 11.81 | 0 | 700800 | 11.81 | 0 | 0 |
| 22. | C.S.Mechanical Works (P) Ltd | 2400 | 0.04 | 0 | 2400 | 0.04 | 0 | 0 |
| | Total | 3745700 | 63.14 | 0 | 3745700 | 63.14 | 0 | 0 |

iii. Change in Promoters' Shareholding (please specify, if there is no change)

| Sr. no | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 3745700 | 63.14 | 3745700 | 63.14 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | At the End of the year | 3745700 | 63.14 | 3745700 | 63.14 |

iv. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|--------|-------------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Shri Ratan Lal Jain (Karta of HUF) | 47600 | 0.80% | 47600 | 0.80% |
| 2 | Shri Ben Dang Jamir | 32600 | 0.55% | 32600 | 0.55% |
| 3. | Shri Lalrinmawia Sailo | 32600 | 0.55% | 32600 | 0.55% |
| 4. | Shri Lanu Meri | 32600 | 0.55% | 32600 | 0.55% |
| 5. | Shri Monoj Sharma | 32600 | 0.55% | 32600 | 0.55% |
| 6. | Shri Pankaj Goenka | 32600 | 0.55% | 32600 | 0.55% |
| 7. | Shri Anil Kumar Mohta | 31200 | 0.53% | 31200 | 0.53% |
| 8. | Shri Veemla Khandelwal | 24400 | 0.41% | 24400 | 0.41% |
| 9. | Shri Bhanwarlal Dugar | 22100 | 0.37% | 22100 | 0.37% |
| 10 | Shri Babu Lal Jain | 19700 | 0.33% | 19700 | 0.33% |

v.Shareholding of Directors and Key Managerial Personnel:

| Sr. No | Shareholding of each Directors and Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Shri Mahabir Prasad Jain | 377415 | 6.36% | 377415 | 6.36% |
| 2 | Smti. Tara Jain | 334108 | 5.63% | 334108 | 5.63% |
| 3. | Shri Avishek Jain | 49000 | 0.83% | 49000 | 0.83% |
| 4. | Shri Deepak Ladia | 0 | 0.00% | 0 | 0.00% |
| 5. | Shri Poonam Chand Deewani | 0 | 0.00% | 0 | 0.00% |
| 6. | Smti.Jyoti Jain | 0 | 0.00% | 0 | 0.00% |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | - | - | - |
| i) Principal Amount | 17755503.00 | | | |
| ii) Interest due but not paid | - | | | |
| iii) Interest accrued but not paid | - | | | |
| Total(i+ii+iii) | 17755503.00 | - | - | - |
| Change in Indebtedness during the financial year | 6093024.00 | - | - | - |
| - Addition | | | | |
| - Reduction | | | | |
| Net Change | 6093024.00 | - | - | - |
| Indebtedness at the end of the financial year | 11662479.00 | | | |
| i) Principal Amount | - | | | |
| ii) Interest due but not paid | - | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | 11662479.00 | - | - | - |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

| Sl. No. | ParticularsofRemuneration | Name of the MD/ WTD/ Manager | | Total Amount (in Rs.) |
|---------|--|------------------------------|---------------|-----------------------|
| | | Mahabir Prasad Jain (MD) | Avish ek Jain | |
| 1. | Grosssalary (a)Salaryasperprovisions containedinsection17(1) oftheIncome-taxAct, 1961 (b)Valueofperquisitesu/s 17(2)Income-taxAct, 1961 (c)Profitsinlieuofsalary undersection17(3)Income- taxAct,1961 | 1,200,000.00 | 234,194.00 | 1,434,194.00 |
| 2. | StockOption | - | - | - |
| 3. | SweatEquity | - | - | - |
| 4. | Commission - as%ofprofit - others,specify... | - | - | - |
| 5. | Others,pleasespecify | - | - | - |
| 6. | Total(A) | - | - | 1,434,194.00 |
| | Ceiling as per the Act | | | 8,400,000* |

*As per part A of Section II of ScheduleV of the Companies Act, 2013

B.Remuneration to other directors:

| Sl. No. | ParticularsofRemunerati on | Name of other Directors | | | Total Amount (in Rs.) |
|---------|---|---|--------------------------------------|--|-----------------------|
| | | Poonam Chand Deewani (Independent Director) | Deep ak Ladia (Independent Director) | | |
| | <u>Independent Directors</u> ·Fee for attending board committee meetings | 9,000 | 9,000 | | 18,000.00 |
| | ·Commission | - | - | | - |
| | ·Others,pleasespecify | - | - | | - |
| | Total(1) | 9,000 | 9,000 | | 18,000 |
| | <u>Other Non-Executive Directors</u> ·Fee for attending board committee meetings | Tara Jain* | | | - |
| | ·Commission | - | | | - |
| | ·Others,pleasespecify | - | | | - |
| | Total(2) | | | | 18,000.00 |
| | Total(B)=(1+2) | | | | 18,000.00 |
| | Total Managerial Remuneration | | | | 1,452,194.00 |
| | Overall Ceiling as per the Act | | | | 1,800,000** |

*Ms. Tara Jain was appointed on 23/01/2015 and was not paid any sitting fees during the F.Y.14-15

**Sitting fees (Rs.1,00,00x2x9) as per Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|--|--------------------------|----------------------------|--------------|----------------|
| | | CEO | Company Secretary (in Rs.) | CFO (in Rs.) | Total (in Rs.) |
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | 240,000.00 | 14,516.00 | 254,516.00 |
| 2. | Stock Option | - | - | - | - |
| 3. | Sweat Equity | - | - | - | - |
| 4. | Commission - as % of profit - others, specify... | - | - | - | - |
| 5. | Others, please specify | - | - | - | - |
| 6. | Total | | 240,000.00 | 14,516.00 | 254,516.00 |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OFFENCES:

| Type | Section of the Companies Act | Brief description | Details of Penalty/Punishment/Compounding fees imposed | Authority [RD/NCLT/Court] | Appeal made. If any (give details) |
|-------------------------------------|------------------------------|-------------------|--|---------------------------|------------------------------------|
| A. Company | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| B. Directors | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| C. Other Officers In Default | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

ANNEXURE B TO DIRECTORS' REPORT SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
UFM Industries Ltd.,
Meherpur, Silchar-788015
Assam.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **UFM Industries Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2015 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **the Company** for the financial year ended on 31st March, 2015 according to the provisions of:
 - I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - g. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
 - h. The Memorandum and Articles of Association.

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

- a) maintenance of various statutory registers and documents and making necessary entries therein;
- b) closure of the Register of Members.
- c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

- d) service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) notice of Board meetings and Committee meetings of Directors;
- f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) the 28th Annual General Meeting held on 30th September, 2014;
- h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k) payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l) appointment and remuneration of Auditors and Secretarial Auditors;
- m) transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n) declaration and payment of dividends;
- o) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- p) borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) investment of the Company's funds including investments and loans to others;
- r) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- s) Directors' report;
- t) contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Act and the Rules made under the Act.

3. I further report that:

_ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors,

Non-Executive Directors and Independent Directors. The changes in the composition of the Board of

Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

_ Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

_ Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

_ The Company has obtained all necessary approvals under the various provisions of the Act; and

_ The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Guwahati

Date : 6th August, 2015

Pravin Kr. Chhajer

ACS: 25787 CP No. 9231

ANNEXURE C TO THE DIRECTORS' REPORT

[Pursuant to Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year:

(Explanation: (i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values)

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year:

The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Directors during the financial year 2014-15 are given below:

| Directors and Key Managerial Personnel | Ratio to Median | Percentage Increase in Remuneration |
|---|-----------------|-------------------------------------|
| Mr. Mahabir Prasad Jain (MD) | 17.4:1 | 0 |
| Mr. Avishek Jain | 3.5:1 | 0 |
| Mr. Deepak Ladia (Non-Executive Director) | 0.13:1 | 0 |
| Mr. Poonam Chand Deewani (Non-Executive Director) | 0.13:1 | 0 |
| Ms. Tara Jain* (Non-Executive Director) | - | 0 |

*Ms. Tara Jain was appointed on 23rd March, 2015, she has received nil remuneration during the financial year 2014-15.

The percentage increase in remuneration of the Chief Financial Officer is 0% and of the Company Secretary is 0%.

3. The percentage increase in the median remuneration of employees in the financial year: 8.4%

4. The number of permanent employees on the rolls of Company: 52

5. The explanation on the relationship between average increase in remuneration and Company performance:

Remuneration of employees has a close linkage with the performance of the Company.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

There was no increase in the remuneration of key managerial personnel.

7. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 15.0%, as against an increase of 0% in the salary of the Managing Director (managerial personnel as defined under the Act). The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time.

8. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

There was no increase in the remuneration of the Key Managerial Personnel during the year.

9. The key parameters for any variable components of remuneration availed by the Directors: NIL

.

10. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:

The highest paid Director is the Managing Director. No employee has received remuneration in excess of the Managing Director during the year.

11. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

UFM INDUSTRIES LIMITED
CORPORATE GOVERNANCE REPORT FOR THE YEAR 2014-15

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.

1. BOARD OF DIRECTORS

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

- (a) The composition of the Board of Directors, the attendance of each Director on Board Meetings & the last Annual General Meeting (AGM) and the details of directorship, committee / memberships/chairmanships, held by directors in public companies as on 31/03/2015 :

| Sl. No. | Name of the Director | Category | Board Meetings | Last AGM | Directorship | No. of Committee Membership | Committee Chairmanships |
|---------|--------------------------------|------------------------------|----------------|----------|--------------|-----------------------------|-------------------------|
| 1 | Sri M.P.Jain M.D. | Executive | 6 | Yes | 4 | - | - |
| 2 | Sri Deepak Ladia | Independent Non-executive | 4 | Yes | - | 2 | 2 |
| 3 | Sri Avishek Jain | Promoter Executive | 6 | Yes | 3 | 2 | - |
| 4 | Sri Poonam Chand Deewani | Independent Non-executive | 4 | Yes | - | 2 | - |

Notes:

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

- (b) During the financial year ended 31st March 2015, the Board held 6 meetings on 12.05.14, 12.08.14, 05.09.14, 10.09.14, 12.02.2015 and 23.03.15

3. CODE OF CONDUCT

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

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

4. AUDIT COMMITTEE

- (a) The Board has constituted Audit Committee of the Board of Directors. The Audit Committee has the following powers:
1. To investigate any activity within its terms of reference.
 2. To seek information from any employee.
 3. To obtain outside legal or other professional advice.
 4. To secure attendance of outsiders with relevant expertise, if it considers it necessary.
- (b) The terms of reference of Audit Committee are in accordance with all the items listed in Clause 49(II)(D) and (E) of the listing agreement as follows:
1. Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 2. Recommending the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of the audit fees.
 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
 4. Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgement by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 6. Reviewing, with the management, performance of the statutory and internal adequacy of the internal control systems.
 7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 8. Discussion with internal auditors ,any significant findings and follow up there on.
 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 11. To look into the reasons for substantial defaults in the payment to the depositors , debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 13. Review the following information:
 - i. Management discussion and analysis of financial condition and results of operations;
 - ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - iii. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
 - iv. Internal audit reports relating to internal control weaknesses,
 - v. The appointment, removal and terms of remuneration of the Chief internal auditor.

- (c) The composition of Committee and attendance of its Member as on 31st March, 2015 is as follows :

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

5. REMUNERATION COMMITTEE :

Terms of Reference

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

Details of sitting fees, remuneration etc. paid to directors: Sri Mahabir Prasad Jain, Managing Director has been paid remuneration of Rs.12,00,000.00 and Sri Avishek Jain, Director & CFO has been paid remuneration of Rs.2,48,410.00 during the year 2014-15 & Sitting fees paid to Independent Directors during the year 2014-2015 : Sri Deepal Ladia Rs.9000.00 & Sri Poonam Chand Deewani Rs.9000.00

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

Terms of Reference

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

The composition of Committee and attendance of its Member as on 31st March 2015 is as follows :

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

There were no complaints received from shareholders/investors during the financial year 2013-14 and there were no pending shareholder/investor complaints as on 31 March, 2015.

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 |
|----------------|----------------------------------|-----------|----------|--|
| 2011-12 | Meherpur, Silchar-788 015, Assam | 29-Sep-12 | 2:00p.m. | NIL |
| 2012-13 | Meherpur, Silchar-788 015, Assam | 30-Sep-13 | 2:00p.m. | NIL |
| 2013-14 | Meherpur, Silchar-788 015, Assam | 30-Sep-14 | 2:00p.m. | 1. Adoption of New Articles of Association |

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, 2015. The register of contracts containing transactions, in which directors are interested, is placed before the board regularly.

9. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

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

10. CEO/CFO CERTIFICATION

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

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

12. MEANS OF COMMUNICATION:

Financial Results, Shareholding Pattern, Corporate Governance Report, Annual Report are displayed on the Company's website www.ufmindl.weebly.com.

13. GENERAL SHAREHOLDERS' INFORMATION :

i) Annual General Meeting

| | | |
|---------------|---|---|
| Date and Time | : | 30 th September, 2015 at 2:00 P.M. |
| Venue | : | Meherpur, Silchar – 788015. |

ii) Financial Calendar

Financial Year - April to March
 Financial reporting (Tentative)
 First Quarter results – First week of August, 2015
 Half Yearly results – First week of November, 2015
 Third Quarter results – First week of February, 2016
 Fourth Quarter results – First week of May, 2015

iii) Dates of book closure: Monday 21st September, 2015 to Wednesday 30th September, 2015 (Both days inclusive)

iv) Dividend:

The Board of Directors have not recommended any dividend for the year 2014-2015.

v) Listing of Stock Exchanges:

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

vi) Stock Code:

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

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

viii) **Registrar and Share Transfer Agent** :

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

ix) **Share Transfer System** :

Transfer of shares held in physical mode is processed by Niche Technologies Pvt.Ltd. and approved by the share transfer committee. Transfer of the share is effected and share certificates are despatched within a period of 15 days from the date of receipt, if the relevant documents are complete in all respects.

x) **Website:**

www.ufmindl.weebly.com

xi) **Compliance Officer:**

Jyoti Jain – Company Secretary

xi) **Distribution of share holding as on 31st March, 2015.**

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

xiii) **Categories of share holdings as on 31st March, 2015.**

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

xiv) **Dematerialization of Shares and liquidity**

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

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

xvi) PLANT LOCATIONS:

- A : Meherpur-Unit I & Unit II, Silchar – 788015, Assam
Ph : (03842) 224822 / 224996
Fax : (03842) 241539
- B : Balajan, Dhubri – 783331, Assam
Ph : (03662) 297180
Fax : (03662) 297180

xv) ADDRESS FOR CORRESPONDENCE :

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

xvi) Dedicated email id for investor:

For the convenience of our investors, the Company has designated an exclusive email id for investors i.e. ufm.investorgrievances@gmail.com.

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: 06/08/2015

Mahabir Prasad Jain
Managing Director
DIN.00498001

CEO / CFO CERTIFICATE UNDER CLAUSE 49(IX)

To,
The Board of Directors
UFM Industries Limited

1. We have reviewed financial statements and the cash flow statement of UFM Industries Limited for the year ended 31st March, 2015 and to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee:

(i) that there are no significant changes in internal control over financial reporting during the year;

(ii) that there are no significant changes in accounting policies during the year; and

(iii) that there are no instances of significant fraud of which we have become aware

Place: Silchar
Date: 06/08/2015

Avishek Jain
Director & CFO

Mahabir Prasad Jain
Managing Director
DIN.00498001

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management of UFM Industries Ltd is pleased to present Management Discussion and Analysis report for the year ended 31st March, 2015.

INDUSTRY SCENE AND FUTURE GROWTH:

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

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

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

FINANCIAL PERFORMANCE AND OPERATIONS:

The key indicators of the company's financial performance for the year ended March 31, 2015 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 2014-2015 your company has made a profit of Rs.33.24 Lacs on a turnover of Rs.3753.93 Lacs as compared to Profit before Tax of Rs.43.55 Lacs and on a turnover of Rs.3379.24 Lacs in the previous accounting year. Thus the company has registered decline 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 2015-2016.

SEGMENT- WISE/PRODUCT-WISE PERFORMANCE:

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

RISKS AND CONCERNS:

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

OPPORTUNITIES AND THREATS:

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

HUMAN RESOURCES

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

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

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

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

CAUTIONARY STATEMENT

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

CERTIFICATE

**To
The Members of
UFM INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by UFM Industries Ltd. , for the year ended 31.03.2015 , as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For Anil Hitesh & Associates
Chartered Accountants

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

Dated at Silchar
6th August, 2015

Independent Auditors' Report

To the Members of UFM Industries Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of “**UFM Industries Limited**” (“the Company”), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flows Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015 and its profit and its cash flows for the year ended on that date.

Other Matters

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

Our opinion is not qualified / modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of written representations received from the directors as on 31 March 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015, from being appointed as a director in terms of Section 164(2) of Act; and
 - f. with respect to the other matters to be included in Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Anil Hitesh & Associates
Chartered Accountants
Firm Registration No-325406E

Place: Silchar
Dated: 6th day of August, 2015

Anil Jain
Proprietor
Membership No. 057336

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) As per information and explanation given to us, fixed assets of the Company have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
 - (a) As per information and explanation given to us, the management has conducted physical verification of inventory at reasonable intervals during the year.
 - (b) In our opinion and as per the information and explanations given to us, 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) The Company is maintaining proper records of inventories. In our opinion, discrepancies noticed on physical verification of inventory were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted loans to 1(one) company and 5(five) firms covered in the register maintained under section 189 of the Companies Act, 2013.
 - (a) According to explanation given by the management, the receipt of the principal amount and interest are regular.
 - (b) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate and firms in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us there is generally an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventories and fixed assets. During the course of our audit, no major instance of continuing failure to correct any weakness in the internal controls has been noticed.
- (v) The Company has not accepted any deposit from the public covered under Section 73 to 76 of the Companies Act, 2013. Therefore, the provisions of the clause 4 (v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed maintenance of cost records under subsection (1) of Section 148 of the Companies Act, 2013 for the product of the company.
- (vii)
 - a) The Company has generally been regular in depositing undisputed statutory dues applicable to it. There are no arrears as at 31st March 2015 for a period of more than six months from the date they become payable.
 - b) According to the information and explanation given to us, there were no disputed taxes and duties as at 31st March 2015.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii) There are no accumulated losses of the Company as on March 31, 2015. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

- (ix) According to the information and explanation given to us and on the basis of records examined by us, the company has not default in repayment of dues to financial institutions or banks as at the end of the balance sheet date does not arise.
- (x) According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institutions.
- (xi) According to the information and explanations given to us, the company has applied term loans for the purpose for which they were raised.
- (xii) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Anil Hitesh & Associates
Chartered Accountants
Firm Registration No-325406E

Anil Jain
Proprietor
Membership No. 057336

Place: Silchar
Dated: 6th day of August, 2015

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

BALANCE SHEET AS AT 31.03.2015

| PARTICULARS | Note No. | Amount (₹) | Amount (₹) |
|--------------------------------|----------|------------------------|------------------------|
| | | As at 31st March, 2015 | As at 31st March, 2014 |
| EQUITY AND LIABILITIES | | | |
| Shareholder's Funds | | | |
| Share Capital | 1 | 59,326,000 | 59,326,000 |
| Reserves & Surplus | 2 | 71,977,075 | 69,795,919 |
| Non Current Liabilities | | | |
| Long Term Borrowings | 3 | 2,582,548 | 4,733,000 |
| Deferred Tax Liability (Net) | 4 | 3,470,940 | 3,326,333 |
| Long Term Provisions | 5 | 1,359 | 1,359 |
| Current Liabilities | | | |
| Short Term Borrowings | 6 | 9,079,931 | 12,955,503 |
| Other Current Liabilities | 7 | 2,049,115 | 1,766,479 |
| TOTAL (₹) | | 148,486,968 | 151,904,593 |
| ASSETS | | | |
| Non Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 8 | 29,825,495 | 29,810,158 |
| Work-In-Progress | | - | 5,416,763 |
| Non Current Investments | 9 | 25,659,853 | 18,879,853 |
| Long Term Loans & Advances | 10 | 4,585,359 | 4,593,235 |
| Current Assets | | | |
| Inventories | 11 | 60,594,162 | 22,591,428 |
| Trade Receivables | 12 | 17,221,699 | 21,594,317 |
| Cash and Bank Balances | 13 | 9,528,300 | 4,115,192 |
| Short Term Loans & Advances | 14 | 1,072,099 | 44,903,647 |
| TOTAL (₹) | | 148,486,968 | 151,904,593 |

As per our Report of even date

For Anil Hitesh & Associates
Chartered Accountants
FRNo. 325406 E

For & Behalf of the Board

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

Mahabir Prasad Jain
(Managing Director)

Avishek Jain
(Director & CFO)

Jyoti Jain
(Company Secretary)

Silchar :The 6th day August, 2015

Tara Jain
(Director)

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

| PARTICULARS | Note | Amount (`) | |
|--|------|------------------------|------------------------|
| | | As at 31st March, 2015 | As at 31st March, 2014 |
| INCOME | | | |
| Revenue From Operations | 15 | 373,929,762 | 337,099,909 |
| Other Income | 16 | 1,463,452 | 823,944 |
| TOTAL REVENUE | | 375,393,214 | 337,923,853 |
| EXPENDITURE | | | |
| Cost of Materials Consumed | 17 | 328,757,633 | 288,119,726 |
| Changes in Inventories of Finished Goods | 18 | (112,314) | 1,534,116 |
| Employee Benefit Expenses | 19 | 7,764,716 | 7,749,333 |
| Finance Costs | 20 | 2,597,481 | 3,268,994 |
| Depreciation and Amortisation Expenses | 21 | 3,992,191 | 2,052,352 |
| Other Expenses | 22 | 29,069,972 | 31,845,318 |
| TOTAL EXPENSES | | 372,069,680 | 334,569,839 |
| Profit before exceptional and extraordinary item and tax | | 3,323,534 | 3,354,014 |
| Exceptional & Extraordinary Item | 23 | - | 1,001,000 |
| Profit before Tax | | 3,323,534 | 4,355,014 |
| TAX EXPENSES | | | |
| Current Tax | | 997,771 | 898,251 |
| Tax of Earlier Years | | - | 217,734 |
| Defferred Tax | | 144,607 | 74,512 |
| NET PROFIT FOR THE YEAR FROM CONTINUING & TOTAL OPERATION | | 2,181,156 | 3,164,518 |
| Earnings per Equity Share of the Face Value of Rs. 10 | 24 | | |
| Basic & Diluted from Continuing & Total Operation (in `) | 24 | 0.37 | 0.53 |

As per our Report of even date

For Anil Hitesh & Associates
Chartered Accountants
FRNo. 325406 E

For & Behalf of the Board

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

Mahabir Prasad Jain
(Managing Director)

Avishek Jain
(Director & CFO)

Jyoti Jain
(Company Secretary)

Silchar :The 6th day August, 2015

Tara Jain
(Director)

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

| PARTICULARS | Note | Amount (₹) | Amount (₹) |
|---|------|---------------------------|---------------------------|
| | | As at 31st March, 2015 | As at 31st March, 2014 |
| A) CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Net Profit before tax as per Statement of Profit & Loss | | 3,323,534 | 4,355,014 |
| Adjusted for: | | | |
| Depreciation & Ammortisation Expenses | | 3,992,191 | 2,052,352 |
| Interest Expense on Working Capital | | 2,597,481 | 3,268,994 |
| Net Gain on sale of Fixed Assets | | (84,000) | (1,289) |
| Dividend Income | | (16,816) | (13,602) |
| Interest Income | | - | (1,980,200) |
| Operating Profit before Working Capital Changes | | 9,812,390 | 7,681,269 |
| Adjusted for: | | | |
| Trade & Other Receivables | | 48,204,166 | (16,853,352) |
| Short Term Borrowings | | (3,875,572) | (21,728,927) |
| Inventories | | (38,002,734) | 21,174,789 |
| Trade & Other Payables | | 282,636 | 193,985 |
| Adjustments for Other Deposits as Increased | | - | - |
| Cash generated from Operations | | 16,420,886 | (9,532,236) |
| Taxes Paid Current Year's | | (986,854) | (895,210) |
| Taxes Paid Previous Year's | | (3,041) | (1,144,273) |
| Net Cash from Operating Activities (Total A) | | 15,430,991 | (11,571,719) |
| B) CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Fixed Assets in WIP | | 5,416,763 | (2,581,177) |
| Purchase of Fixed Assets | | (6,157,979) | (9,933,783) |
| Investment in shares | | (6,500,000) | (1,299,690) |
| Sale of Fixed Assets | | 104,000 | 25,000 |
| Investment in Partnership Firm | | (300,000) | (12,489,805) |
| Interest Income | | - | 1,980,200 |
| Disposal of Security | | - | (14,600) |
| Dividend Income | | 16,816 | 13,602 |
| Subsidy of Fixed Asset Received | | 2,150,451 | - |
| Net Cash (used in) Investing Activities (Total B) | | (5,269,949) | (24,300,253) |
| C) CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Interest Paid | | (2,597,481) | (3,268,994) |
| Proceeds from Long Term Borrowings | | (2,150,452) | 4,733,000 |
| Increase in Share Capital | | - | 2,906,200 |
| Increase in Share Premium | | - | 1,503,645 |
| Net Cash (used in)/ from Financing Activities (Total C) | | (4,747,933) | 5,873,851 |
| Net Increase in Cash & Cash Equivalents (A+B+C) | | 5,413,109 | (29,998,121) |
| Opening Balance of Cash & Cash Equivalents | | 4,115,191 | 34,113,312 |
| Closing Balance of Cash & Cash Equivalents | | 9,528,300 | 4,115,191 |

As per our Report of even date

For Anil Hitesh & Associates
Chartered Accountants
FRNo. 325406 E

For & Behalf of the Board

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

Mahabir Prasad Jain
(Managing Director)

Avishek Jain
(Director & CFO)

Jyoti Jain
(Company Secretary)

Silchar :The 6th day August, 2015

Tara Jain
(Director)

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2014-2015
Amount (₹) **Amount (₹)**

1 SHARE CAPITAL

| PARTICULARS | As at 31st March, 2015 | As at 31st March, 2014 |
|--|------------------------|------------------------|
| <u>Authorised</u> | | |
| 70,00,000 Equity Share of ₹ 10 each | 70,00,000 | 70,00,000 |
| <u>Issued</u> | | |
| <u>59,32,600 Equity Shares of ₹ 10 each in the following way:</u> | | |
| 26,82,600 Equity Shares of ₹ 10 each issued at par | 26826000 | |
| 32,50,000 Equity Shares of ₹ 10 each issued at premium of ₹ 5 each | <u>32500000</u> | 59,326,000 |
| | | 59,326,000 |
| <u>Subscribed & Fully Paid Up</u> | | |
| 26,82,600 Equity Shares of ₹ 10 each Subscribed & Fully Paid up | 26,826,000 | 26,826,000 |
| 32,50,000 Equity Shares Subscribed & fully paid up including premium money | 32,500,000 | 32,500,000 |
| Total | 59,326,000 | 59,326,000 |
| TOTAL | 59,326,000 | 59,326,000 |

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

1.2 The details of shareholders holding more than 5 % shares

| Name of the Shareholder | As at 31st March, 2015 | | As at 31st March, 2014 | |
|--|------------------------|--------|------------------------|--------|
| | No of Shares | % held | No of Shares | % held |
| - Tara Mani Devi Jain | 315015 | 5.31% | 315015 | 5.31% |
| - Tara Rani Jain | 334108 | 5.63% | 334108 | 5.63% |
| - Harak Chand Investment Ltd. | 343580 | 5.79% | 343580 | 5.79% |
| - Mahabir Prasad Jain | 377415 | 6.63% | 377415 | 6.63% |
| - Radio Supply Stores (Cinema) Pvt. Ltd. | 399900 | 6.74% | 399900 | 6.74% |
| - Sheetal Farms Ltd. | 700800 | 11.81% | 700800 | 11.81% |

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

| PARTICULARS | As at 31st March, 2015 | | As at 31st March, 2014 | |
|--|------------------------|------------|------------------------|------------|
| | No. of Shares | ₹ | No. of Shares | ₹ |
| Equity Shares at the beginning of the year | 5932600 | 59,326,000 | 5,932,600 | 59,326,000 |
| Equity Shares at the end of the year | 5932600 | 59,326,000 | 5,932,600 | 59,326,000 |

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

1.5 The Company does not have a holding company.

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2014-2015

Amount (₹) Amount (₹)

2 RESERVES & SURPLUS

| PARTICULARS | | | As at 31.03.15 | As at 31.03.14 |
|--|-------------------|-------------------|-------------------|-------------------|
| Capital Reserve (Capital Subsidy) | <u>31.03.2015</u> | <u>31.03.2014</u> | | |
| As per last Balance Sheet | 120,578 | 120,578 | | |
| Add/(Less) Changes during the year | - | - | 120,578 | 120,578 |
| Securities Premium Reserve | <u>31.03.2015</u> | <u>31.03.2014</u> | | |
| As per last Balance Sheet | 16,250,000 | 14,746,355 | | |
| Add/(Less) Changes during the year | - | 1,503,645 | 16,250,000 | 16,250,000 |
| General Reserve | <u>31.03.2015</u> | <u>31.03.2014</u> | | |
| As per last Balance Sheet | 7,891,684 | 7,891,684 | | |
| Add/(Less) Changes during the year | - | - | 7,891,684 | 7,891,684 |
| Surplus from Statement of Profit & Loss | <u>31.03.2015</u> | <u>31.03.2014</u> | | |
| As per last Balance Sheet | 45,533,657 | 42,369,139 | 47,714,813 | 45,533,657 |
| Add: profit for the year | 2,181,156 | 3,164,518 | | |
| TOTAL (₹) | | | 71,977,075 | 69,795,919 |

3 Long Term Borrowings

| Particulars | | | As at 31.03.15 | As at 31.03.14 |
|--|--|--|----------------|----------------|
| Term Loans from NEDFI | | | 2,582,548 | 4,733,000 |
| Rupee Term Loan shall be repaid in 72 monthly installments consisting of 71 installments of RS. 67000/- and last installment of RS. 43000/- starting from 01/03/2015 with 8% interest. | | | 2,582,548 | 4,733,000 |

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

4 DEFERRED TAX LIABILITY (NET)

| PARTICULARS | | As at 31.03.15 | As at 31.03.14 |
|---|----------------|------------------|------------------|
| Deferred Tax Liability on Fixed Assets | (See Note-4.1) | 3,470,940 | 3,326,333 |
| TOTAL (₹) | | 3,470,940 | 3,326,333 |

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

| | As at 31.03.15 | As at 31.03.14 |
|---|----------------|----------------|
| WDV as per IT Act as on First day of previous year | 18,227,443 | 11,405,779 |
| WDV as per Companies Act as on First day of Previous Year | 29,810,159 | 21,952,440 |
| Opening Timing Difference | 11,582,716 | 10,546,661 |
| Deferred Tax Liability on Opening Timing Difference @ 30.9% Total (1) | 3,579,059 | 3,258,918 |
| Opening deferred tax Liability(DTL) | 3,326,333 | 3,251,821 |
| Current Year Depreciation as per IT Act | 3,642,291 | 2,270,523 |
| Current Year Depreciation as per Companies Act | 3,992,191 | 2,052,352 |
| Current Year Timing Difference | (349,900) | 218,171 |
| Deferred Tax liability on Current Year Timing Difference @30.9% Total (2) | (108,119) | 67,415 |
| Net Amount of DTL(1+2) | 3,470,940 | 3,326,333 |
| As per books DTL | 3,326,333 | 3,251,821 |
| To be Adjusted in Statement of Profit and Loss (Reversed)/created | 144,607 | 74,512 |

5 LONG TERM PROVISIONS

| PARTICULARS | As at 31.03.15 | As at 31.03.14 |
|-------------------|----------------|----------------|
| Ganesh Ji Maharaj | 1,359 | 1,359 |
| TOTAL (₹) | 1,359 | 1,359 |

6 SHORT TERM BORROWINGS

| PARTICULARS | As at 31.03.15 | As at 31.03.14 |
|---|------------------|-------------------|
| Secured Loans Repayable on Demand | | |
| From Banks | | |
| Rupee Loans (₹) from United Bank of India | 9,079,931 | 12,955,503 |
| TOTAL (₹) | 9,079,931 | 12,955,503 |

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2014-2015

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

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

| | Amount (₹) | Amount (₹) |
|--------------------------------------|------------------|------------------|
| 7 OTHER CURRENT LIABILITIES | | |
| PARTICULARS | As at 31.03.15 | As at 31.03.14 |
| Current Maturities of Long term debt | 67,000 | 67,000 |
| Other Payables (See 7.1) | 1,982,115 | 1,699,479 |
| TOTAL (₹) | 2,049,115 | 1,766,479 |

7.1 OTHER PAYABLES

| | 31.03.2015 | 31.03.2014 |
|---|------------------|------------------|
| PARTICULARS | | |
| <u>In respect of Taxes</u> | | |
| Professional Tax Payable | 1,133 | 1,962 |
| TDS Payable | 3,618 | 49,943 |
| Entry Tax Payable | - | 2,864 |
| Service Tax Payable | 13,664 | - |
| In respect of Employee benefits | 113,988 | 83,854 |
| In respect of Liability for Other Expenses | 1,849,712 | 1,560,856 |
| TOTAL (₹) | 1,982,115 | 1,699,479 |

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2014-2015
Amount in(₹) Amount in(₹)

8 FIXED ASSETS

| PARTICULARS | Cost | | | | | Depreciation | | | | | Net Block | |
|-----------------------------------|--------------------|------------------|------------------|--------------------------------|--------------------|-------------------|-----------------------------------|---------------------------------|------------------|-------------------|-------------------|-------------------|
| | As at 01.04.14 | Additions | Disposals | Revaluations/ (Impairments) | As at 31.03.15 | As at 01.04.14 | Depreciation Charged for the Year | Adjustments due to revaluations | on Disposals | As at 31.03.15 | As at 31.03.15 | As at 31.03.14 |
| 1. Tangible Assets | | | | | | | | | | | | |
| a. Own Assets | | | | | | | | | | | | |
| Land | 520,169 | - | - | - | 520,169 | - | - | - | - | - | 520,169 | 520,169 |
| Buildings | | | | | | | | | | | | |
| - Office /Godown Building | 12,124,482 | - | 2,150,452 | - | 9,974,030 | 1,872,442 | 156,407 | | | 2,028,849 | 7,945,181 | 10,252,040 |
| - Factory Building | 3,135,181 | - | | - | 3,135,181 | 2,659,224 | 65,756 | | | 2,724,980 | 410,201 | 475,957 |
| Plant & Equipment | 79,881,201 | 5,988,149 | - | - | 85,869,350 | 63,619,925 | 2,952,959 | | - | 66,572,884 | 19,296,466 | 16,261,276 |
| Furniture & Fixtures | 952,196 | 60,530 | - | - | 1,012,726 | 581,061 | 161,236 | | - | 742,297 | 270,429 | 371,135 |
| Vehicles | | | | | | | | | | | | |
| - Trucks | 1,843,624 | - | - | - | 1,843,624 | 930,506 | 160,057 | | - | 1,090,563 | 753,061 | 913,118 |
| - Motor Vehicles | | | | | | | | | | | | |
| - Cars | 1,995,408 | - | - | - | 1,995,408 | 1,147,409 | 391,821 | | - | 1,539,230 | 456,178 | 847,999 |
| - Office Equipments | 86,394 | 94,000 | | | 180,394 | 33,354 | 49,845 | | | 83,199 | 97,195 | 53,040 |
| - Computers | 946,075 | 15,300 | - | - | 961,375 | 867,350 | 54,110 | | - | 921,460 | 39,915 | 78,725 |
| Others | | | | | | | | | | | | |
| - Plantations | 36,700 | - | - | - | 36,700 | - | - | | - | - | 36,700 | 36,700 |
| Total | 101,521,430 | 6,157,979 | 2,150,452 | - | 105,528,957 | 71,711,271 | 3,992,191 | - | - | 75,703,462 | 29,825,495 | 29,810,159 |
| Figures of the Previous Yr | 94,939,909 | 9,933,783 | 3,352,261 | | 101,521,430 | 72,987,468 | 2,052,352 | | 3,328,550 | 71,711,271 | 29,810,159 | |

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

⌘ Note 2) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II of Companies Act 2013 on Stright Line Methc Accordingly the unamortised carrying value is being depreciated/amortised over the revised/remaining useful lives. The written down value of fixed assets whose lives have expi as at 1st April 2014 have been adjusted net of tax , in the statement of profit and loss amounting Rs. 13,39,384.6

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2014-2015

Amount (₹) Amount (₹)

9 NON CURRENT INVESTMENTS

| PARTICULARS | As at 31.03.2015 | As at 31.03.2014 |
|--|-------------------|-------------------|
| Trade Investments | | |
| Investment in Partnership Firm (See 9.1) | 13,840,663 | 13,540,663 |
| Other Investments (Valued at Cost) | | |
| In Equity Shares - Quoted & fully paidup (See 9.2) | 1,114,500 | 1,114,500 |
| In Equity Shares - Unquoted & fully paidup (See 9.3) | 10,704,690 | 4,224,690 |
| TOTAL (₹) | 25,659,853 | 18,879,853 |

9.1 Investments In Partnership Firm

| Name of Firm | As at 31.03.2015 | | As at 31.03.2014 | |
|---|------------------------|---|------------------------|---|
| | Name of Partners | Respective Share in Profits of the Firm | Name of Partners | Respective Share in Profits of the Firm |
| 1. M/s Lalit Flour Mills, Agartala | | | | |
| Total Investment in the Firm by UFM Industries Ltd. ` 13840663 | 1. UFM Industries Ltd. | 33.33% | 1. UFM Industries Ltd. | 33.33% |
| | 2. Vishal Jain | 33.33% | 2. Vishal Jain | 33.33% |
| | 3. Avhishek Jain | 33.33% | 3. Avhishek Jain | 33.33% |
| Total Capital of the Firm | | 13,840,663 | | 13,540,663 |

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

| NAME OF SECURITIES | As at 31.03.2015 | | As at 31.03.2014 | |
|------------------------------------|------------------|------------------|------------------|------------------|
| | Qty | ` | Qty | ` |
| Listed Shares | | | | |
| - Harak Chand Investments Ltd. | 16395 | 40,950 | 16395 | 40,950 |
| - Tata Consultancy Services Ltd. | 104 | 22,100 | 104 | 22,100 |
| - Alok Industries Ltd. | 1375 | 183,510 | 1375 | 183,510 |
| - Future Life Style Fashion Ltd. | 1 | - | 1 | - |
| - Future Retails Ltd. | 3 | - | 3 | - |
| - Rico Auto Industries Ltd. | 1000 | 102,959 | 1000 | 102,959 |
| - Shree Precoated Steel Ltd.** | 700 | 309,361 | 700 | 309,361 |
| - Haldyn Glass Gujrat Ltd. | 10000 | 69,285 | 10000 | 69,285 |
| - Nahar Industrial Enterprise Ltd. | 3000 | 247,152 | 3000 | 247,152 |
| - Ajmera Realty & Infra Ltd.** | 300 | 132,583 | 300 | 132,583 |
| - United Bank of India Ltd. | 100 | 6,600 | 100 | 6,600 |
| TOTAL (₹) | | 1,114,500 | | 1,114,500 |

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

| NAME OF SECURITIES | % of holding | As at 31.03.2015 | | As at 31.03.2014 | |
|--|--------------|------------------|-------------------|------------------|------------------|
| | | Qty | ` | Qty | ` |
| Investment in Shares of related parties | | | | | |
| In Associates: | | | | | |
| - Shri Lalit Cold Storage (P) Ltd. | | 9800 | 980,000 | 10,000 | 1,000,000 |
| In Others: | | | | | |
| - Laxmiji Sugar Mills Co. Ltd. | | 42500 | 425,000 | 42,500 | 425,000 |
| - Gold Stone Cement Ltd. | | 170630 | 2,799,690 | 170,630 | 2,799,690 |
| - Gold Stone Cement Ltd:- | | | | | |
| Application Money | | | 6,500,000 | | - |
| TOTAL (₹) | | | 10,704,690 | | 4,224,690 |

9.4 Aggregate Amount of Quoted Investments as at 31.03.2015 is `11,14,500/- (Previous Yr `11,14,500/-)

9.5 Market Value of Quoted Investments as at 31.03.2015 is ` 7,56,992/- (Previous Yr `5,89,398/-)

9.6 Aggregate Amount of Un-quoted Investments as at 31.03.2015 is ` 1,06,84,690/- (Previous Yr ` 42,24,690/-)

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

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2014-2015

Amount (₹) Amount (₹)

10 LONG TERM LOANS AND ADVANCES

| PARTICULARS | | | As at 31.03.2015 | As at 31.03.2014 |
|---|-------------------|-------------------|------------------|------------------|
| <u>(Unsecured and Considered Good)</u> | | | | |
| Security Deposits | | | 1,909,590 | 1,909,590 |
| | | | | |
| <u>Balances with Revenue Authorities</u> | | | | |
| I.Tax Refundable of FY 2011-12 & 2012-13 | | | 2,686,686 | 2,686,686 |
| I Tax Refundable(Net of Provision) | <u>31.03.2015</u> | <u>31.03.2014</u> | | |
| Taxes Paid during the year | 986,854 | 895,210 | | |
| Less: Current Yr Income Tax Provision | 997,771 | 898,251 | (10,917) | (3,041) |
| | | | | |
| TOTAL (₹) | | | 4,585,359 | 4,593,235 |

11 INVENTORIES

| PARTICULARS | As at 31.03.2015 | | As at 31.03.2014 | |
|------------------------------|------------------|-------------------|------------------|-------------------|
| | Qty (Quintal) | ` | Qty (Quintal) | ` |
| Raw Materials | | | | |
| - Wheat | 36,810.48 | 51,690,350 | 13,045.70 | 13,217,931 |
| - Biotech Flour Improver | - | - | 600Kg | 139,340 |
| Finished Goods | | | | |
| - Atta | 1,156.70 | 1,100,494 | 1,598.75 | 1,426,878 |
| - Maida | 1,236.20 | 2,431,584 | 1,501.10 | 2,653,953 |
| - Suji | 57.90 | 116,518 | 45.10 | 82,156 |
| - Bran | 1,688.71 | 2,808,755 | 1,739.10 | 2,182,050 |
| Stores, Spares & Consumables | | 1,778,010 | | 1,142,990 |
| Packing Materials | | 668,452 | | 1,746,130 |
| | | | | |
| TOTAL (₹) | | 60,594,162 | | 22,591,428 |

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

* No Inventories are in Transit.

12 TRADE RECEIVABLES

| PARTICULARS | As at 31.03.2015 | As at 31.03.2014 |
|---|-------------------|-------------------|
| <u>Unsecured and Considered Good from Others</u> | | |
| Over Six Months from due date | 1,954,824 | 1,082,214 |
| Others | 15,266,875 | 20,512,103 |
| | | |
| TOTAL (₹) | 17,221,699 | 21,594,317 |

13 CASH AND CASH EQUIVALENTS

| PARTICULARS | As at 31.03.2015 | As at 31.03.2014 |
|---|------------------|------------------|
| <u>Cash and Cash Equivalents</u> | | |
| Balance with Banks in Current Account | 2,468,381 | 919,537 |
| Cash in Hand | 7,059,920 | 3,195,655 |
| | | |
| TOTAL (₹) | 9,528,300 | 4,115,192 |

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2014-2015
Amount (₹)
Amount (₹)

14 SHORT TERM LOANS AND ADVANCES

| PARTICULARS | As at 31.03.2015 | As at 31.03.2014 |
|--|------------------|-------------------|
| <u>(Unsecured and Considered Good)</u> | | |
| Loans & Advances to Related Parties (See 14.1) | - | 39,859,787 |
| Other Advances (See 14.2) | 1,072,099 | 5,043,860 |
| TOTAL (₹) | 1,072,099 | 44,903,647 |

14.1 Short Loans and Advances include amount due from:

| PARTICULARS | As at 31.03.2015 | As at 31.03.2014 |
|---|------------------|-------------------|
| <u>1. Other Officers of the Company</u> | | |
| a. Lalit Enterprise (Prop: Vishal Jain) | - | 412,619 |
| b. Navin Food Industries | - | 20,684 |
| <u>2. Firms in which any Director is a Partner</u> | | |
| a. Dharmendra Industrial Stores | - | 7,180,949 |
| b. Sethi Flour Mills | - | 420,490 |
| c. Lalit Poly Weave LLP | - | 15,067,636 |
| d. United Commercial Co. | - | 6,713,202 |
| <u>3. Private Company in which any director is a director or Member</u> | | |
| a. Shri Lalit Cold Storage (P) Ltd. | - | 10,044,207 |
| TOTAL (₹) | - | 39,859,787 |

14.2 Other Advance

| | As at 31.03.2015 | As at 31.03.2014 |
|---|------------------|------------------|
| <u>In respect of Purchase for Goods</u> | - | 3,760,630 |
| <u>in respect of Purchase of Capital Assets</u> | - | 50,000 |
| <u>In respect of Expenses</u> | 760,482 | 543,517 |
| <u>Rent Receivable</u> | 311,617 | 689,713 |
| TOTAL (₹) | 1,072,099 | 5,043,860 |

15 REVENUE FROM OPERATIONS

| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
|-------------------------------------|--------------------|--------------------|
| Sale of Products (See 15.1) | 372,516,967 | 333,673,306 |
| Sale of Services (See 15.2) | 1,412,795 | 1,358,720 |
| Other Operating Revenues (See 15.3) | - | 2,067,882 |
| TOTAL (₹) | 373,929,762 | 337,099,908 |

* Non Exciseable Items.

15.1 SALE OF PRODUCTS

| PARTICULARS NAME OF PRODUCTS | For FY 2014-2015 | | For FY 2013-2014 | |
|---------------------------------|------------------|--------------------|------------------|--------------------|
| | Qty (Quintal) | ₹ | Qty (Quintal) | ₹ |
| Atta | 144,160.82 | 142,494,751 | 175,241.94 | 147,312,086 |
| Maida | 82,234.25 | 181,479,107 | 71,258.65 | 146,848,486 |
| Suji | 1,151.20 | 2,760,559 | 985.00 | 2,153,389 |
| Bran | 30,935.80 | 45,782,551 | 29,154.90 | 37,359,345 |
| TOTAL (₹) | | 372,516,967 | | 333,673,306 |

15.2 SALE OF SERVICES

| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
|----------------------------|------------------|------------------|
| Milling Charges | 890,505 | 869,400 |
| Income from Weighing Scale | 522,290 | 489,320 |
| TOTAL (₹) | 1,412,795 | 1,358,720 |

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

| | Amount (₹) | For FY 2014-2015 Amount (₹) |
|--|--------------------|--------------------------------|
| 15.3 OTHER OPERATING REVENUES | | |
| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| Interest Income | - | 1,980,200 |
| Railway Claim | - | 87,682 |
| TOTAL (₹) | - | 2,067,882 |
| 16 OTHER INCOME(Non Operating Income) | | |
| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| Dividend Income | | |
| From Long Term Investments | 16,816 | 13,602 |
| Other Non Operating Income | | |
| Rent from Letting of Godown | 1,362,636 | 809,053 |
| Profit on Sale of Shares | 84,000 | - |
| Income from Sale of Fixed Assets | - | 1,289 |
| TOTAL (₹) | 1,463,452 | 823,944 |
| 17 COST OF MATERIALS CONSUMED | | |
| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| Opening Stock | 13,357,271 | 29,578,228 |
| Add: Purchases | 367,090,712 | 271,898,769 |
| | 380,447,983 | 301,476,997 |
| Less: Closing Stock | 51,690,350 | 13,357,271 |
| TOTAL (₹) | 328,757,633 | 288,119,726 |
| Material Consumed Comprises: | | |
| 1.: - Wheat | 328,343,338 | 287,629,908 |
| 2.: - Flour Improver | 414,295 | 489,818 |
| TOTAL (₹) | 328,757,633 | 288,119,726 |
| 18 CHANGES IN INVENTORIES OF FINISHED GOODS | | |
| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| Inventories(At Commencement) | | |
| Finished Goods | 6,345,037 | 7,879,153 |
| Inventories(At Close) | | |
| Finished Goods | 6,457,351 | 6,345,037 |
| Net (Increase)/ Decrease | (112,314) | 1,534,116 |
| 19 EMPLOYEE BENEFIT EXPENSES | | |
| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| Salary & Wages | 6,580,150 | 6,668,288 |
| Contribution to Provident Funds & Other Funds | 697,853 | 605,287 |
| Staff Welfare Expenses | 486,713 | 475,758 |
| TOTAL (₹) | 7,764,716 | 7,749,333 |
| 20 FINANCE COSTS | | |
| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| (i) Interest Expenses | | |
| on Borrowings | | |
| Bank Interest Expenses | 2,202,675 | 3,107,590 |
| Term Loan Interest | 263,063 | - |
| on Others | | |
| Interest on TDS | 1,935 | 29,243 |
| Interest on Income Tax A/Y 2013-14 | 30 | - |
| Interest on Service Tax | 486 | - |
| (ii) Other Borrowing Costs | 129,292 | 132,161 |
| TOTAL (₹) | 2,597,481 | 3,268,994 |

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

| | | For FY 2014-2015 | For FY 2013-2014 |
|-------------|---|-------------------|-------------------|
| | | Amount (`) | Amount (`) |
| 21 | DEPRECIATION & AMMORTISATION EXPENSES | | |
| | PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| | Depreciation & Ammortisation (Ref.Note 8) | 3,992,191 | 2,052,352 |
| | TOTAL (`) | 3,992,191 | 2,052,352 |
| 22 | OTHER EXPENSES | | |
| | PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| | Consumption of Stores, Spares & Consumables etc. | 3,053,951 | 5,343,445 |
| | Consumption of Packing Materials | 1,639,050 | 2,563,554 |
| | Electric Power, Fuel & Water | 17,974,286 | 16,473,020 |
| | Office Rent | 264,000 | 217,650 |
| | Repairs & Maintainance - Building | 865,315 | 588,895 |
| | Repairs & Maintainance -Machinery | 245,602 | 554,909 |
| | Repairs & Maintainance -Other | 900,205 | 658,376 |
| | Insurance | 720,238 | 595,121 |
| | Rates & Taxes | 104,910 | 100,706 |
| | Telephone & Internet Expenses | 101,353 | 119,139 |
| | Travelling Expenses | 143,895 | 50,958 |
| | Printing & Stationery | 79,863 | 59,922 |
| | Share Listing & Registrar Fees | 164,575 | 122,009 |
| | Payment to Auditors (See 22.1) | 62,800 | 22,472 |
| | Addvertisement Expenses | 139,476 | 184,355 |
| | Labour Charges | 893,201 | 742,971 |
| | Bank Charges | 19,208 | 29,030 |
| | Motor Car Upkeep | 174,711 | 218,871 |
| | Truck Running Expenses | 1,006,741 | 2,926,666 |
| | Miscellaneous Expenses | 516,593 | 273,250 |
| | TOTAL (`) | 29,069,972 | 31,845,319 |
| 22.1 | PAYMENT TO AUDITORS AS | | |
| | PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| | Statutory Audit Fees | 18,240 | 17,978 |
| | Tax Audit Fees | 4,560 | 4,494 |
| | Internal Audit Fees | 40,000 | |
| | TOTAL (`) | 62,800 | 22,472 |
| 23 | Exceptional and Extraordinary Item | | |
| | PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| | Insurance claim received | - | 1,001,000 |
| | TOTAL (`) | - | 1,001,000 |
| 24 | EARNING PER SHARE (EPS) (AS-20) | | |
| | PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
| | Net Profit after Tax as per Statement of P/L attributable to Equity Shareholder | 2,181,156 | 3,164,518 |
| | Weighted Average No. of Equity Shares used as denominator for calculating EPS | 5,932,600 | 5,932,600 |
| | Basic & Diluted EPS | 0.37 | 0.53 |
| | FV per Equity Share | 10 | 10 |
| | TOTAL (`) | | |
| 24.1 | Computation of Weighted Average No. of Equity Shares as per para 19 of AS 20 | For FY 2014-2015 | For FY 2013-2014 |
| | | No. Shares | No. Shares |
| | (A)Total Number of Shares issued of ` 10 each | 5932600 | 5,932,600 |
| | (B)Paid for Fully paid up Shares fully paid ` 10 paid up | 5932600 | 5,932,600 |
| | (C)Paid for partly paidup Shares | - | - |
| | (D)Proportionate fully paid up shares of (C) above | - | - |
| | (E)Weighted Average No. Of Shares of ` 10 each fully paid up | 5932600 | 5,932,600 |

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2014-2015

ADDITIONAL DISCLOSURES / INFORMATION TO THE FINANCIAL STATEMENTS

Amount (₹)

Amount (₹)

| 25 | Contingent liabilities and commitments (to the extent not provided for) | As at 31.03.2015 | As at 31.03.2014 |
|----|---|------------------|-------------------|
| | | | |
| | (i) Contingent Liabilities | | |
| | (a) Guarantees | - | 40,000,000 |
| | | | 40,000,000 |
| | TOTAL (₹) | - | 40,000,000 |

- 25.1 Guarantee has been given for M/s Sethi Flour Mills, Malua (Karimganj) for loan from United Bank of India, Silchar Branch has been withdrawn during financial year 2014-2015

26 EMPLOYEE BENEFITS

- 26.1 The Company maintains provident fund with Regional Provident Fund Commissioner, contributions are made by the company to the Fund, based on the current salaries. In the provident fund scheme, contribution are also made by the employee. An amount of ₹ 637,113.00 (Previous Yr ₹ 560,046.00) has been charged to the Statement of Profit & Loss on account of the above defined contribution schemes.

The Company operates defined benefit schemes like gratuity. The Company has taken out a policy with Life Insurance Corporation of India (LICI) for future payment of gratuity liability to its employees. Annual actuarial valuations are carried out by LICI in compliance with AS-15 (Revised 2005) on Employees Benefits. Annual Contributions are also made by the Company. Employees are not required to make any contribution. An amount of ₹ 60,740.00 (Previous Yr ₹ 45,241.00) has been charged to the statement of Profit & Loss on account of Defined Benefit Schemes.

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

27 RELATED PARTY TRANSACTIONS (AS-18)

- 27.1 Details of Related Parties:

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

Note: Related parties have been identified by the management.

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

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

For FY 2014-2015

27.2 Details of related party transactions during the year ended 31.03.2015 and outstanding balance as on 31.03.2015

| TYPE OF TRANSACTION | ASSOCIATE | KMP | Relatives of KMP | Entities in which KMP/Relative of KMP has significant influence | TOTAL |
|-------------------------------------|--------------|-------------|------------------|---|--------------|
| Net Loans & Advances Given/(Return) | - | | | - | - |
| | (10,000,000) | | | (27,711,293) | (26,192,592) |
| <u>Revenue from Operation</u> | | | | | |
| - Sales | | | | 7,390,550 | 7,390,550 |
| | | | | (1,178,200) | (1,178,200) |
| - Milling Income | | | | 890,505 | 890,505 |
| | | | | (869,400) | (869,400) |
| <u>Other Income</u> | | | | | |
| Interest Income | | | | - | - |
| | | | | (1,965,816) | (1,965,816) |
| Purchase/Material Consumed | | | | 472,563 | 472,563 |
| (Stores , Spares & Consumables) | | | | (2,040,905) | (2,040,905) |
| Remuneration to KMP | | 1,434,194 | | | 1,434,194 |
| | | (1,440,000) | | | (1,440,000) |
| Printing & Stationery | | | | 95,365 | 95,365 |
| | | | | (101,848) | (101,848) |
| Lease Rent | | | | - | - |
| | | | | (240,000) | (240,000) |
| Hiring Charges | | 27,350 | 25,650 | 6,600 | 59,600 |
| | | (91,600) | (62,900) | - | (154,500) |
| Salary | | | 374,516 | | 374,516 |
| | | | (360,000) | - | (360,000) |

27.3 Balance As at 31st March, 2014

| | | | | | |
|------------------------|--------------|--|--|--------------|--------------|
| Investments | 980,000 | | | | 980,000 |
| | (980,000) | | | | (980,000) |
| Loans & Advances given | - | | | - | - |
| | (10,044,207) | | | (29,436,320) | (39,480,527) |
| Financial Guarantees | | | | - | - |
| | | | | (40,000,000) | (40,000,000) |

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2014-2015

28 IMPAIRMENT OF ASSETS (AS-28)

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

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

There are no Micro and Small Scale Business Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2014. This information as required to be disclosed under the MSMED Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

NOTES TO ACCOUNTS

For FY 2014-2015

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

Amount (₹)

Amount (₹)

| Name of the Party | Relationship | Amount Outstanding as at 31st March 2015 | Maximum Balance outstanding during the year |
|---------------------------------|--|--|---|
| United Commercial Co. | Firm in which director is interested | - | 6,713,202 |
| | | (6,713,202) | (11,226,293) |
| Sethi Flour Mills | Firm in which director is interested | - | 8,420,490 |
| | | (420,490) | (24,147,920) |
| Navin Food Industries | Firm in which director is interested | - | 2,620,684 |
| | | (20,684) | (3,975,000) |
| Lalit Enterprise | Firm in which relative of director is interested | - | 5,608,359 |
| | | (33,359) | (2,775,000) |
| Shri Lalit Cold Storage (P) Ltd | Associate | - | 19,844,207 |
| | | (10,044,207) | (10,044,207) |
| Dharmendra Industrial Stores | Firm in which director is interested | - | 7,180,949 |
| | | (7,180,949) | (8,450,000) |
| Lalit Poly Weave LLP | Firm in which director is interested | - | 15,067,636 |
| | | (15,057,261) | (32,535,000) |

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

**UFM INDUSTRIES LTD
MEHERPUR (SILCHAR)**

ADDITIONAL DISCLOSURES / INFORMATION TO THE FINANCIAL STATEMENTS (Continued)

31 EXPENDITURE IN FOREIGN CURRENCY

| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
|-------------------------------|------------------|------------------|
| Purchase of Fixed Asset | - | 1,499,023 |
| Purchase of Stores and Spares | - | 272,728 |

32 EARNING IN FOREIGN EXCHANGE

| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
|-------------|------------------|------------------|
| | NIL | NIL |

33 VALUE OF IMPORTS (CALCULATED ON CIF BASIS)

| PARTICULARS | For FY 2014-2015 | For FY 2013-2014 |
|-------------------------------|------------------|------------------|
| Purchase of Fixed Asset | - | 1,503,108 |
| Purchase of Stores and Spares | - | 272,728 |

34 VALUE OF RAWMATERIALS CONSUMED

| PARTICULARS | For FY 2014-2015 | | For FY 2013-2014 | |
|-------------|------------------|------|------------------|------|
| | ` | % | ` | % |
| Indegeneous | 328,757,633 | 100% | 288,119,726 | 100% |
| Imported | - | 0% | - | 0% |

35 VALUE OF STORES/ SPARES & COMPONENTS CONSUMED

| PARTICULARS | For FY 2014-2015 | | For FY 2013-2014 | |
|-------------|------------------|------|------------------|------|
| | ` | % | ` | % |
| Indegeneous | 4,693,001 | 100% | 7,634,271 | 100% |
| Imported | | 0% | 272,728 | 0% |

1. GENERAL INFORMATION:

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

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Conventions & Basis of Accounting:

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

2.2 Use of Estimates:

The presentation of financial statements requires estimates and assumptions to be made that effect the reported amount of Assets & Liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/ materialized.

2.3 Tangible Assets:

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

Depreciation:

Depreciation is provided on straight line method over the estimated useful life of assets as specified in Schedule II of Companies Act, 2013

Effective 1st April 2014, the Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Companies Act 2013 as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.

Depreciation on additions to assets or on sale/discardment of assets, is calculated on pro-rata from the days of such addition or upto the days of such sale/discardment, as the case may be.

2.4 Foreign Currency Transactions:

Foreign currency transactions are recorded on initial recognition in the reporting currency i.e. Indian rupees, using the exchange rates prevailing on the date of the

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

The Company has opted for accounting the exchange difference arising on long-term foreign currency monetary items in line with the Companies (Accounting Standards) Amendment Rules, 2009 relating to Accounting Standards 11 (AS 11) - The effects of changes in foreign exchange rates notified by the Government of India on 31 March 2009. Accordingly exchange difference arising on the settlement and remeasurement of long-term foreign currency monetary items relating to the acquisition of depreciable capital asset are accounted by addition or deduction to the cost of the depreciable assets.

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

2.5 Investments:

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

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

2.6 Inventories:

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

2.7 Revenue recognition:

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

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

Other Income:

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

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

Rent: Rent is recognised on time proportionate basis.

2.8 Employee Benefit:

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

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

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

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

2.9 Segment Reporting:

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

2.10 Earning Per Share:

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

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

2.11 Taxes on Income:

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

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

2.12 Impairment of Assets:

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

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

2.13 Provisions & Contingent Liabilities:

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

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

2.14 Insurance Claims:

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

2.15 Cash Flow Statement:

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

2.16 Borrowing cost:

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

UFM INDUSTRIES LIMITED

Registered Office: Meherpur, Silchar – 788015, (Assam), Tel: (03842) 224822 / 224996,
 Fax: (03842) 241539, Email: ufmindustries@rediffmail.com
CIN: L15311AS1986PLC002539

ATTENDANCE SLIP

[To be handed over at the entrance of the meeting hall]

(Annual General Meeting – 30th September, 2015)

I/We hereby record my/our presence at the Annual General Meeting of “UFM Industries Limited” held on Wednesday, 30th September, 2015 at 2:00 PM at Meherpur, Silchar, Assam – 788015.

As my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the AGM of the Company, to be held on Wednesday, 30th day of September, 2015 at 02:00 PM at the register office of the company, Meherpur, Silchar, Assam-788015 and at any adjournment thereof in respect of such resolution(s) as are indicated below.

Full Name of the member (in BLOCK LETTERS): _____

Folio No. _____, DP ID No. _____, Client ID No. _____

Full Name of the Proxy (in BLOCK LETTERS): _____

Member / Proxy (s) Signature: _____

(Please cut here and bring the Attendance Slip duly Signed, to the meeting and hand over the entrance. Duplicate slip will not be issued at the venue of the meeting.)

PROXY FORM
UFM INDUSTRIES LIMITED

Registered Office: Meherpur, Silchar – 788015, (Assam), Tel: (03842) 224822 / 224996,

Fax: (03842) 241539, Email: ufmindustries@rediffmail.com

CIN: L15311AS1986PLC002539

(29th Annual General Meeting – 30th September, 2015)

FORM NO. MGT - 11

[Pursuant to Section 105(6) of the Companies Act, 2013 of the Companies (Management and Administration) Rules, 2014]

CIN : **L15311AS1986PLC002539**
 Name of the Company : **UFM INDUSTRIES LIMITED**
 Registered Office : **Meherpur, Silchar, Assam – 788015**
 Name of the Members :
 Registered Address:
 E – Mail ID :
 Folio No./ Client No. :
 DP ID :

I/We, being the member(s) of _____ shares of the above company, hereby appoint.

1. Name: _____ Address: _____
 E – Mail ID: _____ Signature: _____ or failing him

2. Name: _____ Address: _____
 E – Mail ID: _____ Signature: _____ Or failing him

3. Name: _____ Address: _____
 E – Mail ID: _____ Signature: _____ Or failing him

As my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the AGM of the Company, to be held on Wednesday, 30th day of September, 2015 at 02:00 PM at the register office of the company, Meherpur, Silchar, Assam-788015 and at any adjournment thereof in respect of such resolution(s) as are indicated below.

| Resolution No | Resolution | Optional | |
|---------------------------|---|----------|---------|
| | | For | Against |
| Ordinary Business: | | | |
| 1. | Adoption of Audited Financial Statements of the Company for the Financial Year ended 31 st March 2015 together with the Report of the Board of Directors and Auditors thereon. | | |
| 2. | Ratification of Appointment of M/s Anil Hitesh & Associates as the Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration. | | |
| Special Business: | | | |
| 3. | Appointment of Ms. Tara Jain as Director | | |
| 4. | Appointment of Mr. Avishek Jain as Director | | |
| 5. | Re-appointment of Mr. Mahabir Prasad Jain as Managing Director | | |

Signed this day of 2015.

Signature of shareholder(s) _____ Signature of Proxy holder(s) _____

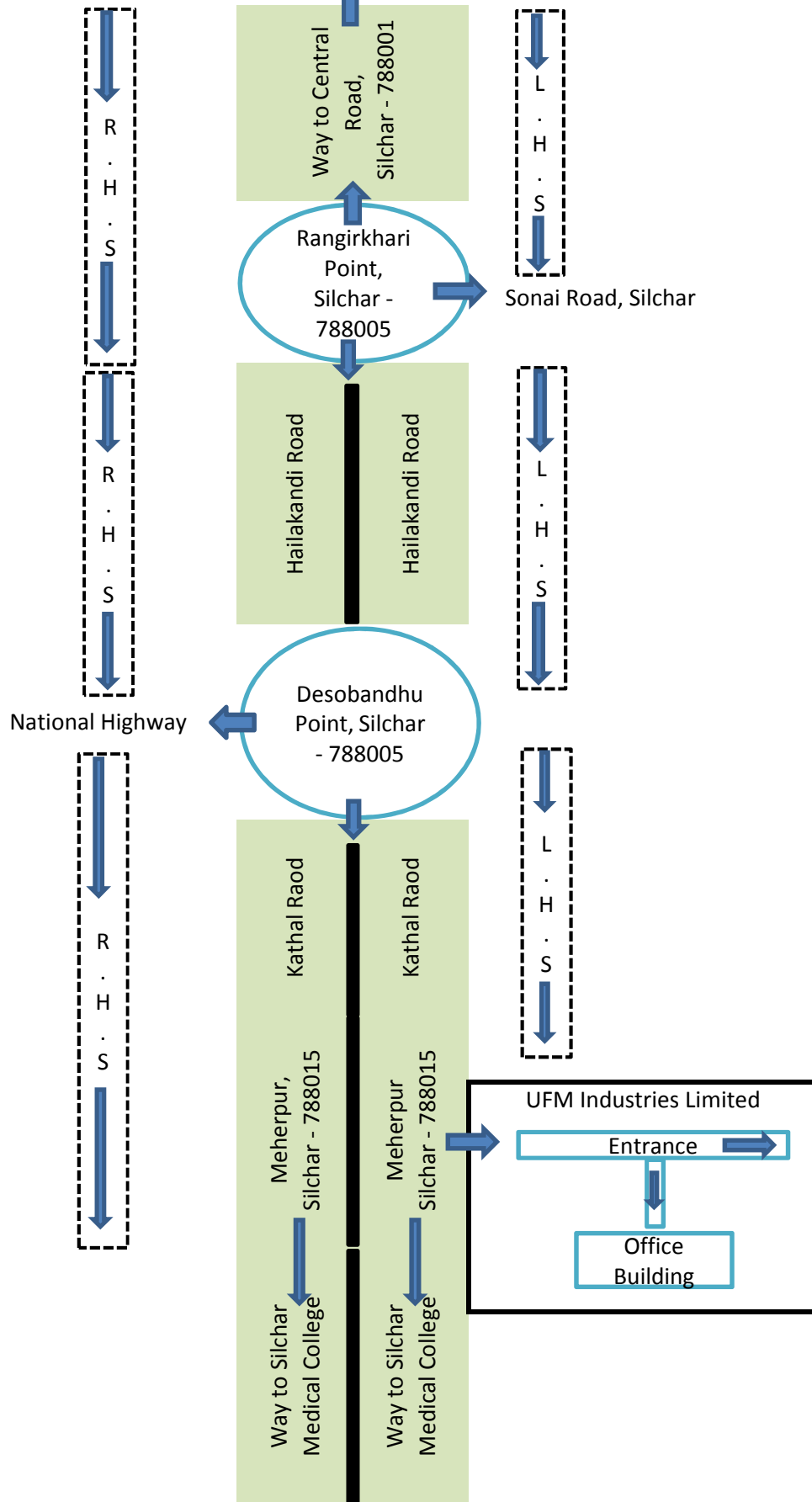
Affix
Revenue
Stamp

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**



ROAD MAP OF UFM INDUSTRIES LIMITED

Silchar Railway Station Road ← → Silchar Airport Road



FORM A

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

| | | |
|----|---|---|
| 1. | Name of the Company: | UFM Industries Limited |
| 2. | Annual financial statements for the year ended | 31 st March, 2015 |
| 3. | Type of Audit observation | Un-qualified |
| 4. | Frequency of observation | None |
| 5. | Signed by- Mahabir Prasad Jain • Managing Director Anil Jain • Auditor of the company Deepak Ladia • Audit Committee Chairman | For UFM INDUSTRIES LTD Mahabir Managing Director   Deepak Ladia |