

22nd

ANNUAL REPORT

2008-2009



UMRED AGRO COMPLEX LIMITED



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BOARD OF DIRECTORS

Dr. Shrawan Parate	Chairman
Shri Nitin Gadkari	Director
Shri Ravindra Boratkar	Director
Shri Surendra N. Mishra	Director
Shri Uday Kamat	Managing Director
Shri Arvind Bakde	Whole Time Director

REGISTERED OFFICE

"Harsh Villa", 1st Floor,
232, Hill Road, Shivaji Nagar
NAGPUR- 440010 (INDIA)
Tel (+) 91- 712- 2242564 / 2249788
Fax (+) 91- 712- 2249456
Email: ua_ngp@umredagro.com

WORKS

Village: Kolari, Tahsil : Chimur
Dist.: CHANDRAPUR (M. S.)
Tel (+) 91-7170-244322 / 244323
Fax (+) 91-7170 244328
Email: kolari@umredagro.com

AUDITORS

M/s ANIL MARDIKAR & CO.
11, Laxmi Vaibhav Complex
Laxmi Nagar Square, NAGPUR - 440010

Twenty Second Annual General Meeting

On Tuesday the 29th September 2009 at 4.00 p. m. at
Saraswat Sabhagrudha, Plot No. 88/1, Bajaj Nagar, Near CIIMS,
NAGPUR 440010



NOTICE

Notice is hereby given that the **TWENTY SECOND ANNUAL GENERAL MEETING** of Members of **UMRED AGRO COMPLEX LIMITED** will be held at **SARASWAT SABHAGRUHA**, Plot No. 88/1, near CIIMS, Bajaj Nagar, NAGPUR - 440 010 on Tuesday, the **29th September, 2009** at **4.00 p.m.**, to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the Year ended on 31st March 2009 and the Balance Sheet as at that date and the Reports of Directors and Auditors thereon.
2. To appoint director in place of Shri Ravindra Boratkar, who retires by rotation at this meeting and being eligible offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company for the financial year 2009-10 and to fix their remuneration.

By Order of Board of Directors

Place: Nagpur

Date: 29th August 2009

Arvind Bakde

Whole Time Director

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and such Proxy need not be a member. A proxy so appointed shall not have any right to speak at the meeting. Proxy forms, in order to be effective must be received by the Company not less than forty-eight hours before the scheduled time for the meeting.
2. The Register of Members and Share Transfer Book of the Company will remain closed from 29th September 2009 to 30th September 2009 (Both days inclusive).
3. Members are requested to bring with them their copies of the accounts and reports at the meeting.
4. Members are requested to send their queries, if any, in writing at least 10 days in advance of the date of the meeting.
5. Members/ Proxies are requested to bring the Attendance Slip attached herewith, duly filled in, for attending the meeting.



DIRECTORS' REPORT

To

The Members,

Your Directors hereby present their Twenty Second Annual Report on the business and operations of the Company and financial statements for the year ended 31st March 2009.

FINANCIAL RESULTS

(Rs. In Lacs)

Financial Results	Year ended on 31-Mar-2009	Year ended on 31-Mar-2008
Sales Turnover	1495.84	1114.13
Job Work/Other Income	573.34	775.80
Total Income	2069.18	1889.93
Profit Before Interest, Depreciation and Tax (PBITD)	222.33	178.24
Interest & Financial Expenses	131.44	77.75
Depreciation	80.35	78.72
Profit / (Loss) Before Tax	10.54	21.78
Prior period items / Extra Ordinary Items	--	14.84
Profit / (Loss) After Tax	9.87	36.03
Profit / (Loss) brought forward	(1554.69)	(1590.72)
Profit / (Loss) carried forward	(1544.82)	(1554.69)

DIVIDEND

For the year ended on 31st March 2009, in the view of the accumulated losses, despite of marginal profits, the Directors regret their inability to recommend any dividend.

OPERATIONS

The year 2008-09 was marked by unprecedented recessionary trends and economic downturn world over. The adverse effects of the same, though to a lesser degree, were seen on the Indian economy also. Your industry being directly exposed to volatile international prices of edible oils & de-oiled cakes, had to face the brunt to some extent. Fortunately, the worst seems to be over and some sectors in the Indian economy are showing signs of recovery, which augurs well for the future of Indian economy & your industry, in general.

During 2008-09, under the Company's processing arrangement with M/s Cargill India Pvt. Ltd. (Cargill), the Company achieved a Total Income of **Rs. 2069.18 Lacs**, including **Rs. 573.34 Lacs** towards Job Work Charges. Due to unfavourable market conditions, Cargill processed lower volumes of **37918 MT** (66895 MT-Last year) in Solvent Plant and the Company, thus, achieved Capacity Utilization of only 25%.

On the other hand, during the year, Company revised its arrangement with Cargill (Consumer Pack Division) for refining and packing Refined Soybean Oil for its "Nature Fresh", "Gemini" & "Anand" brands, extending it to Three years i.e. up to 2011. The Company processed **5187 MT** (7597 MT Last year) in Refinery, with a Capacity Utilization of 22%, including volumes under this arrangement.

The year under review was a disappointing one in general for your Company. Due of higher oilseed prices, and the market conditions remaining unfavourable, the margins were negative for the manufacturers, during most of the oil season. In absence of adequate working capital at its disposal, the Company could not carry out its Own processing operation and had to depend on Job Work arrangement with Cargill. Nevertheless, it has achieved an Operating Profit of **Rs. 222.33 Lacs** (vis-à-vis Rs. 178.24 Lacs for Last Year).



FUTURE OUTLOOK

The Government of India continues its emphasis on boost to the rural sector thru its Agricultural policy and allocation of additional resources thru its various programmes. In view of growing inflation, especially in cereals & oilseeds, Hon'ble Prime Minister, Shri Manmohan Singh has emphasised the need to take special efforts, under Technology Mission on Oilseeds (TMO). The positive fallout of this initiative shall be visible in the near future.

For Kharif Season 2009-10, after an early onset of monsoon, there was a long period of dry weather followed by problem of pests. The overall rainfall this year has been lower than the long range average. This has adversely affected the Soybean crop also. However, the position has reportedly improved after rains in the second week of August onwards, particularly in the Vidarbha region.

As per the report from The Soybean Processors Association of India (SOPA), Indore, the area under Soybean cultivation in Vidarbha is currently estimated at 19.24 Lac Hectares (19.66 Lac ha. Last year) and for Maharashtra State, it is likely to be 30.44 Lac Ha, while All India area under Soybean cultivation is likely to be 94.60 Hectares (92.67 Lacs Ha. - last year). The yield estimates, however, have to be suitably factored in view of the erratic & deficient monsoon.

The Company's processing arrangement with Cargill shall continue during year 2009-10, while your Company proposes to step up Own processing operations. Expecting Soybean availability to be adequate, the management is looking forward to a favourable processing season.

REHAB SCHEME IMPLEMENTATION

During the year, a Modified Rehab Scheme (MRS-2004) sanctioned by Hon'ble BIFR was under implementation. Aimed at its speedy recovery, the management of the Company had issued & allotted equity shares to Promoters & associates on preferential allotment basis including inter alia conversion of Unsecured Loans amounting to Rs. 382 Lacs. The Company has received approval for listing of shares issued on preferential basis as above, on Bombay Stock Exchange (BSE).

DIRECTORS

Shri Ravindra Boratkar, shall retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. Having a vast experience in the field of Business & Administration, the Company shall get benefited under his valuable guidance.

INSURANCE:

Fixed and Current Assets of the Company are adequately insured.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS.

Additional information in accordance with provisions of Section 217(l) (e) of the companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is given Annexure 1 of this report.

PERSONNEL

Industrial relations continued to be cordial throughout the year. Your Directors wish to place on record the excellent co-operation extended by the employees at all levels during this period, when Company is on recovery path.

In respect of particulars of employees, as required under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, during the period under review, there were no employees employed throughout the year and were in receipt of remuneration of Rs. 24,00,000/- or above and employed for part of the year and were in receipt of Rs. 2,00,000/- p.m. or above.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm:

1. That in the preparation of annual accounts, the applicable accounting standards having generally been followed along with proper explanation relating to material departure.



2. That the Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of state of affairs of the Company, at end of the financial year and of the profit and loss of the Company for that period.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the annual accounts on a going concern basis (based on the Modified Rehab Scheme approved by Hon'ble BIFR being under implementation).

AUDITORS

M/s Anil Mardikar & Company, Chartered Accountants, Auditors of the Company retire at ensuing Annual General Meeting and being eligible offer themselves for reappointment. The company has obtained a certificate as required under Section 224 (1-B) of the Companies Act, 1956, from the Auditors to the effect that their reappointment, if considered, would be in conformity with the limit specified in the said section.

COMMENTS ON THE AUDITORS' REPORT

About the observations made in the Auditors' Report and Annexure thereto, in the opinion of the management, the Company is consistent in its policy regarding (i) treatment of retirement benefits, (ii) valuation of stock of Finished Goods and Work in Progress and (iii) regarding Sales Tax Dues.

ACKNOWLEDGEMENT

Your Directors gratefully acknowledge the unstinted support and co-operation received from the Hon'ble BIFR, ICICI Bank Ltd., MNP Group, PURTI Group, Cargill, esteemed customers, shareholders and suppliers, during the year under review.

Place: Nagpur
Date: 29th August 2009

For and on behalf of the Board
Dr. S. G. Parate
(CHAIRMAN)

ANNEXURE 1 TO THE DIRECTORS REPORT

Additional information in accordance with provisions of Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report.

CONSERVATION OF ENERGY

- a) The Company uses the Flash Heat Recovery Systems in Solvent Plant and in Refinery and makes optimum use of steam by reusing condensate for the Boiler. Further, during the year (w.e.f. December 2009), as a co-gen partner, the Company began to get steam from M/s Yash Agro Energy Ltd. and has benefitted by way of substantial savings.
- b) This year the Company used alternative fuel (bio-mass) i.e. Rice Husk in Boiler, in higher quantities to reduce the energy consumption/costs.
- c) The Hexane Recovery System installed in the Solvent Plant, has helped in substantial reduction in Hexane consumption.
- d) During 2008-09, average per day utilization in SEP & Refinery being lower, per unit consumption for utilities especially Power has increased vis-à-vis last year. Supported by adequate processing volumes, the Company shall endeavour to improve operational efficiencies.

Total energy consumption and energy consumption per unit of production as per Form - A of the Annexure to Rule.

**"FORM A"**

Form for disclosure of Particulars with respect to Conservation of Energy

A	POWER AND FUEL CONSUMPTION	For year 2008-09	For year 2007-08
	Power/ Electricity		
	Purchased Units (Kwh)	2270196	3583435
	Total Amount (Rs.)	11617460	17894823
	Rate (Rs. /Unit)	5.12	4.99
	Own Generation		
	Coal / Husk (for Boiler & TFHS)		
	Quality of Coal used: "C/D & ROM" + Rice Husk		
	Quantity in MT.	3557	6380
	Total cost (Rs.)	6424919	13438995
	Average Rate (Rs./MT)	1806	2106
B	CONSUMPTION (Per Ton Of Raw Material Produced)	For year 2008-09	For year 2007-08
	Oilseeds processed (MT)	37918	66895
	Raw Oil Refined (MT)	5187	7597
	Electricity (Units per MT of Input)		
	Solvent Plant	47	44
	Refinery	94	87
	Coal/ Fuel Consumption (In MT per MT of Input)		
	Solvent Plant	0.073	0.077
	Refinery	0.155	0.164

"FORM B"

(Form for disclosure of particulars in respect of Technology Absorption, Adaptation and Innovation)

RESEARCH AND DEVELOPMENT

The company shall continue its efforts towards reduction of Coal, Power, Hexane and Chemicals consumption per ton of raw material processed and improvement in the production processes. The Company shall continue its emphasis on energy conservation in the near future.

Expenditure on R. & D.

- | | |
|----------------------|------------------------------|
| i) Capital | : Nil |
| ii) Recurring | : At present not significant |
| iii) Total | : As per (ii) above |
| iv) As % of turnover | : As per (ii) above |

TECHNOLOGY ABSORPTION AND INNOVATION

The company has not imported any technology as yet.

FOREIGN EXCHANGE EARNING & OUTGOINGS

The Foreign Exchange Earnings during the financial year 2008-09 was NIL. The outgo for the year under review was also NIL.

Place: Nagpur
Date: 29th August 2009

For and on behalf of the Board
Dr. S. G. Parate
(CHAIRMAN)



MANAGEMENT DISCUSSION AND ANALYSIS

Company Background

Umred Agro Complex Limited is a Company engaged in the processing of Soybean/ other oilseeds, marketing of the Edible oils in domestic market and De-oiled cakes in the domestic and international markets. The Company has a Solvent Extraction Plant and Refinery located at Village Kolari, Tahsil Chimur, Dist. Chandrapur (Maharashtra) with an annual installed capacity of 1,50,000 MT and 24000 MT, respectively.

Under Rehab Scheme sanctioned by Hon'ble BIFR, to mitigate the risk of volatility of the market, the Company has opted for processing under Job Work and Own operations. The Company has tied-up with M/s Cargill (I) Pvt. Ltd., a multinational, for processing under Job Work for 5 years up to year 2011. The sale of Soybean Oil and De-oiled cake, the main products and Job Work income as above, contribute towards the income for the Company.

Industry Structure and Developments

India continues to be the 4th largest oil economy and largest importer of vegetable oils in the world. The domestic edible oil industry plays a pivotal role by way of value addition and saving of precious foreign exchange. On the other hand, with export of oil meals / extractions, the industry contributes to the foreign exchequer, in a big way.

With huge consumer market to cater to, having increasing preference for branded consumer packs of edible oils, due to increasing health concern and quality consciousness, big corporate houses / export buyers have entered into business arrangements with local players or established their own production facilities in India.

Internationally, emergence of bio-fuels as alternative to the fossil fuels in a major way has far reaching implications for the edible oil industry in general. The market / prices are likely to be governed by the factor that a large chunk of edible oils (Palmolen, Soybean etc.) is being diverted to bio-fuel use. The ever increasing global energy requirement and petroleum prices are going to play a significant role in price mechanism of edible oils, for the foreseeable future.

Opportunities and Threats

The opportunities arising out of a fast growing economy are yet to bring benefits to rural India. Government's efforts under Technology Mission on Oilseeds (TMO), to boost the productivity and area under oilseeds, have started to yield results. However, faced with high prices of cereals & oilseeds, Hon'ble Prime Minister, Shri Manmohan Singh has called for putting more emphasis on cereals & oilseeds under TMO.

For this agro-based industry, its outlook largely depends on adequate & timely monsoon and favourable government policy. Moreover, ever increasing costs of inputs (such as Hexane, Power and Coal continue to overburden this industry.

Business Outlook

During the year 2008-09, the Company continued its Job Work arrangement with M/s Cargill (I) Pvt. Ltd. for Solvent Plant & Refinery. The Company had to depend largely on processing volumes from Cargill, in absence of adequate working capital for the Company. However, the year proved to be a disappointing one, in view of the adverse market situation.

For the ensuing oil season, the arrangement with Cargill shall continue. Nevertheless, the Company



proposes to carry out its Own processing operations for the part capacity. The monsoon this year has been erratic and deficient in major part of the country. However, situation seems to have improved after recent rains and the damage to Soybean crop in Vidarbha region is likely to be lower. The management expects the market conditions to be conducive and looks forward to the ensuing oil season.

Risks and Concerns

Faced with the vagaries of monsoon, this agro-based industry has to tackle the uncertainties of raw material availability, low capacity utilization and volatile international prices of edible oils & de-oiled cakes.

In natural course of its business, the Company holds positions in commodities viz. Soybean Seed, Meal & Oil, by way of contractual obligation for physical trading as well as short /long positions at Commodity Exchanges. The price fluctuations in the aforesaid markets affect the profitability of operations.

Internal Audit Adequacy

The Company has its own internal Audit Section, which operates under the guidance of a Chartered Accountant appointed in consultative capacity, to ensure the quality of the internal checks and balances in the finance and accounting aspects.

Financial Review

During the year under review the Company's Sales Turnover is Rs. 1496 Lacs (Rs. 1114 Lacs previous year). The year 2008-09 was a disappointing year for the Soybean industry in general, with negative operating margins for most of the season. Further, due to lack of adequate working capital at its disposal, the Company could not carry out its Own processing operations and had to depend mostly on processing operations by Cargill. This is reflected in lower processing volume and job work income at 37918 MT (66895 MT-previous year) and at Rs.573 Lacs (Rs.776 Lacs - previous year). Nevertheless, the Company could achieve Net Profit of Rs. 10 Lacs during this period.

The Company, a sick industrial unit registered with BIFR, has accumulated losses of Rs. 1545 Lacs as at 31st March 2009.

Human Resources Relations

Human resources relations remained cordial during the year under review. The management has received full co-operation from the employees. Further, the management proposes to undertake measures for safety, training and welfare of the employees, in future.

The employee strength of the Company as on 31st March 2009 was 94.

Forward looking statement-Cautious Statement

Forward-looking statements in the 'Management Discussion and Analysis' section are based on certain assumptions/expectations of future events and are stated as required by applicable laws and regulations. Actual results could differ materially from those expressed or implied. Major factors that could make the difference to the Company's operations could be agro-climatic conditions, government policy, domestic & international market conditions and such other factors, which are beyond control of the management.



CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement)

1. Company's Philosophy on Code of Governance:

The Company's philosophy on Corporate Governance envisages maintaining a high level of disclosure and transparency in all its operations. It aims at enhancing the shareholders values over a period of time.

2. Board of Directors

The Board of Directors of the Company consists of Professionals and Technically qualified Individuals. The Board works either as a full Board or through various committees constituted to oversee specific operational areas. There are 4 committees constituted by the Board of Directors namely Audit Committee, Remuneration Committee, Shareholders' Grievance Committee and Share Transfer Committee.

The total strength of Board as on 31st March 2009 is 6 Directors including 3 Promoter Directors and 3 Independent Directors.

Meetings of the Board of Directors

The Board of Directors met 5 times during the year under review on following dates:

- (1) 30th April 2008 (2) 31st July 2008 (3) 29th August 2008
 (4) 31st October 2008 (5) 30th January 2009

Attendance of each Director at Meeting of Board of Directors and last AGM of the Company

Directors	Category	No. of Board Meetings Held	No. of Board Meeting attended	Attendance at Last AGM	No. of Directorship in other Companies including Private companies	No. of membership in various committees of other Companies
Dr. Sharwan G. Parate	CNED	5	5	Y	--	NIL
Shri Nitin Gadkari	I-NED	5	2	N	8	NIL
Shri Ravindra V. Boratkar	I- NED	5	3	Y	6	1 Committee
Shri Surendra N Mishra	I-NED	5	2	Y	1	NIL
Shri Uday S. Kamat	NID- MD	5	5	Y	2	NIL
Shri Arvind W. Bakde	NID-WTD	5	5	Y	--	NIL

- C- NED - Chairman and Non Executive Director
 I- NED - Independent and Non Executive Director
 NID- MD - Non Independent Director Managing Director
 NID- WTD - Non Independent Director Whole Time Director

3. Details of Directors seeking appointment / re-appointment

Shri Ravindra Boratkar

- Qualification: : B. Com, L.L.B., D.B.M.
 Experience : 25 years experience in Marketing & Advertising
 Directorship in other Companies : 1) Puri Sakhar Karkhana Limited
 2) Puri Agrotech Limited
 3) Shri Narkeshari Prakashan Limited
 4) Shri Maltimedia Vision Limited
 5) Market Missionary (India) Private Limited
 6) Profit Advertisers (India) Private Limited

4. Audit Committee

The Audit Committee of the Directors considers the matters generally specified in the clause 49 (ii) (D) of the Listing Agreement i.e. suggesting to the Board of Directors the accounting policies and procedures,



Accounting Standards to be implemented, reviewing the accounts/financial Statements advising the Board of Directors regarding internal control in respect of inflow and outflow of the cash and its management, interacting with Statutory and Internal Auditors of the Company etc.

Members of the Audit committee are as follows:

Sr. No.	Names	Status	Designation
1	Surendra N. Mishra	Independent Non Executive Director	Chairman
2	Shri Ravindra Boratkar	Independent Non Executive Director	Member
3	Dr. S. G. Parate	Promoter- Non Executive Director	Member

The Audit Committee of the Directors was reconstituted on 31st October 2008. Accordingly the Chairman of the Audit Committee is Shri Surendra N. Mishra, Independent Director, who has experience in the field of Finance, Banking, Accounts and Administration. Other members of the Committee have wide exposure in relevant areas.

The Audit Committee held 5 meetings on 30th April, 2008, 31st July 2008, 29th August 2008, 31st October 2008 and 30th January 2009.

5. Remuneration to Directors

The Board of Directors has constituted a Remuneration Committee for the purpose of deciding appointment/ re-appointment of Managing Directors/ Whole Time Directors etc and remuneration and compensation payable to them. The Members of the Committee are as follows:

Sr. No.	Names	Status	Designation
1	Shri Nitinji Gadkari	Independent Non Executive Director	Chairman
2	Shri Ravindra V. Boratkar	Independent Non Executive Director	Member
3	Dr. S. G. Parate	Promoter- Non Executive Director	Member

During the year, a meeting of the Committee was held on 29th August 2008 for determining and recommendation of revised remuneration to be paid to the managerial personnel, Managing Director & Whole Time Director. The Company does not pay any remuneration to Independent and Non-Executive Directors except sitting fees for attendance of each Board Meeting @ Rs. 3000/- per meeting.

Details of Remuneration paid to Executive Directors during the Financial Year 2008-09:

Names	Salary	Perquisites	Others	Sitting Fees	Total
Dr. Shrawan G. Parate	--	--	--	10,500	10,500
Shri Uday S. Kamat	10,65,000	3,15,870	--	--	13,80,870
Shri Arvind W. Bakde	9,75,000	2,82,458	--	--	12,57,458
Shri Nitinji J. Gadkari	--	--	--	1,000	1,000
Shri Surendra N. Mishra	--	--	--	9,000	9,000
Shri Ravindra V. Boratkar	--	--	--	9,500	9,500
Total	20,40,000	5,98,328	--	30,000	26,68,328

Remuneration package to Managing Director and Whole Time Director, as per the provisions of Schedule XIII of the Companies Act, 1956 and approved by the shareholders, includes Salary, HRA, Contribution to PF and other allowances.

6. Shareholders' Grievance Committee

The Shareholders' Grievance Committee looks after matters relating to share transfer and complaints of the investors regarding non-receipt of shares after transfer, non-receipt of Annual Reports/ dividends or such related complaints and other queries. The members of the Committee are as follows:

Sr. No.	Names	Status	Designation
1	Shri Ravindra V. Boratkar	Independent Non Executive Director	Chairman
2	Dr. S. G. Parate	Promoter- Non Executive Director	Member
3	Shri Arvind Bakde	Non-Independent Executive Director	Member



The Committee held 4 meetings for the determination and resolving the investors' grievances and complaints. During the year, the Company received One complaint, which was duly resolved.

Share Transfer Committee

In addition to committees as required under the Listing Agreement, the Company has separate Share Transfer Committee, which looks in to the matter relating to transfer of Shares in physical form. Members of the Committee are as follows:

Sr. No.	Names	Status	Designation
1	Dr. S. G. Parate	Promoter- Non Executive Director	Chairman
2	Shri Ravindra V. Boratkar	Independent Non Executive Director	Member
3	Shri Arvind Bakde	Non-Independent Executive Director	Member

During the year, the committee transferred 8500 Shares and issued 600 duplicate Share Certificates.

7. General Body Meetings

Location and time where last three Annual General Meetings were held:

Year	Type of Meeting	Venue	Date	Time
2007-08	AGM	Saraswat Sabhagruha, Plot No.88/1, Bajaj Nagar, Nagpur - 440010	27 th September 2008	4.00 p. m.
2006-07	AGM	Saraswat Sabhagruha, Plot No. 88/1, Bajaj Nagar, Nagpur - 440010	22 nd September 2007	3.00 p.m.
2005-06	AGM	Saraswat Sabhagruha, Plot No. 88/1, Bajaj Nagar, Nagpur - 440010	28 th September 2006	3.00 p.m.

All Resolutions are generally passed by way of show of hands. No Resolution was put though postal Ballot last year and none is proposed this year.

8. Certificate by CEO/CFO

The Board of Directors recognises Managing Director of the Company as CEO and Vice President as CFO for the limited purpose of compliance under the listing Agreement. In terms of revised Clause 49 of Listing agreement, the Board of Directors has obtained the necessary certificate from CEO & CFO, which states that, the financial statements present a true and fair view of the Company's affairs and are compliant with existing accounting standards, internal control and disclosure.

9. Disclosure regarding transactions with Promoters / Directors or Management

There is no materially significant transaction made by the Company with its Promoters, Directors or the Management or their relatives etc., which have potential conflict with the interest of the Company at large. Under BIFR approved Rehab Scheme, the Company has entered into a strategic alliance with PURTI Group for financial assistance. Shri Nitinji Gadkari, Shri Ravindra Boratkar and Shri Uday Kamat are Directors on various companies of Purti Group.

As a Co-gen partner, the Company has an agreement with M/s Yash Agro Energy Limited (YASH), a bio-mass based power generating company, for supply of Steam & Power. Shri Uday Kamat is Director on the Board of YASH w.e.f. 28th April, 2009.

During the year 2008-09, there were no strictures or penalties imposed on the Company by the Stock Exchanges or any Statutory Authority for non-compliance of any matter related to the Capital Market.

10. Means of Communication

The quarterly Financial Results are generally published in the national Daily newspaper "Indian Express" in English and Local Marathi Daily "Loksatta", which are widely circulated. The Company does not furnish the information to each shareholder individually.

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



11. Shareholders' General Information

- a. **Annual General Meeting:** Annual General Meeting of the Company will be held on Tuesday, the 29th September, 2009 at 4.00 p.m., at Saraswat Sabhagruha, Plot No. 88/1, Bajaj Nagar, Nagpur- 440010.
- b. **Date of Book Closure:** Tuesday, the 29th September 2009 to Wednesday, the 30th September 2009 (both days inclusive) for the purpose of Annual General Meeting.
- c. **Financial Calendar (Tentative):**
- | | |
|--|---|
| Results for quarter ended on 30 th June, 2009 | : 31st July 2009 |
| Annual General Meeting | : 29th September 2009 |
| Results for the quarter ending on September 2009 | : Last Week of October 2009 |
| Results for the quarter ending on December 2009 | : Last Week of January 2010 |
| Results for the quarter ending on March 2010 | : Before 30 th June 2010 |
- d. **Listing on Stock Exchange:**
The Company's Shares have been listed on the Bombay Stock Exchange Limited, Mumbai.
- e. **Dematerialisation of Securities:** The Company proposes to apply again to NSDL/CDSL for dematerialisation of Equity Shares.
- f. **Stock Price Data:** The Company's Shares are infrequently traded in the Bombay Stock Exchange Limited. There has been no trading of Company's shares from 22nd September, 2008 onwards, wherein the Share Price had closed on Rs. 6.25/- per Share.
- g. **Share Transfer:** Share Department makes transfer of Shares of the Company in-house at Registered office of the Company at 232, "Harsh Villa", 1st Floor, Hill Road, Shivaji Nagar, Nagpur 440 010. During the year under review, the Company's Shares were traded infrequently with an average share price of Rs. 6.25/- per share.
- h. **Share Transfer System:** At present, all shares are in physical form. On receipt of the transfer request, at Share Department of the Company, the form is verified by the concerned officer for signature of the transferor etc. If the transfer deed, along with Share certificates in physical form, are found in order, it is submitted to Share Transfer Committee of the Directors for its consideration. Upon approval by the committee, necessary correction is made in Members' Register. For this purpose, near about 15 days period is taken for completion of the transfer and dispatch of Share Certificates to transferees. For this purpose the SEBI Guidelines, provisions of Listing Agreement and of Companies Act, 1956 and Articles of Association of the Company are generally followed.
- i. **The distribution of Shareholding as on 31st March 2009 was as follows:**

Particulars	No. of Shares Held	% age of total Share Capital
Promoters	12,98,200	16.07
Associate of Promoters	43,53,600	53.87
Financial Institutions/Banks/Mutual Funds	3,06,100	3.79
Corporate Bodies	2,36,900	2.93
NRI/OCB/FII	92,400	1.14
General Public	17,93,400	22.20
Total	80,80,600	100.00

- j. **ADRs/ GDRs:** The Company has not issued any GDR/ADR/Warrants or any convertible instruments/securities.
- k. **Works (Plant Location):** The Solvent Extraction Plant and Vegetable Oil Refinery of the Company is located at Village Kolari, Tah. Chimur, Dist. Chandrapur, Maharashtra, 80 KMs. from Nagpur on the Nagpur Nagbhir Chandrapur State Highway.

**I. Address for Correspondence/ Compliance Officer:**

Shri Arvind Bakde
Whole Time Director/Compliance Officer

UMRED AGRO COMPLEX LIMITED

232, "Harsh Villa", 1st Floor, Hill Road,
Shivaji Nagar, Nagpur 440010 (Maharashtra)
Ph. No. 0712- 2242564, 2249788, Fax : 0712- 2249456
E-mail: ua_ngo@umredagro.com

Certificate of Auditors on Corporate Governance Report

To
The Members of UMRED AGRO COMPLEX LIMITED

We have examined the compliance of conditions of Corporate Governance by Umred Agro Complex Limited, for the year ended on 31st March 2009, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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 implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate 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.

During the year, there was delay in adoption and publication in newspapers, of financial results for the quarters, subject to this, in our opinion and to the best of our information and according to 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 or the Company, nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Nagpur
Date: 29th August 2009

For Anil Mardikar & Co.
Chartered Accountants

Sd/-
(Brijesh Chawda)
Partner
M. No. 124874



AUDITOR'S REPORT

TO
THE MEMBERS OF THE UMRED AGRO COMPLEX COMPANY LIMITED

1. We have audited the attached Balance Sheet of Umred Agro Complex Ltd., as at 31st March 2009 and also the Profit and Loss Account and the Cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
4. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 and profit and loss account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable except
 - i) Treatment of employees benefits as per Accounting Standard 15 (Revised 2005), as stated in serial no. 10 of significant accounting policies-Schedule 19.
 - ii) Stock of Bye- Products, which is valued at Net Realizable Value.
 - iii) Interest on sales tax dues as per the order dated 29th April 2006 of Maharashtra Sales Tax Tribunal for the year 1991-92 and 1993-94 is not provided for Rs. 63.00 lacs and shown as contingent liabilities pending waiver application is moved with the Sales Tax authorities on dated 30th March 2007.
 - e) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 ;
 - f) Subject to our observations in para 4 (d) above, In our opinion to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - ii) In so far as relates to the Profit & Loss Account, of the profit of the Company for the year ended on that date; and
 - iii) In so far as it relates to in Cash Flow Statement, of the cash flow of the Company for the year ended on that date.

Place: Nagpur
Date : 29th Aug, 2009

For Anil Mardikar & Co.
Chartered Accountants
(Brajesh Chawda)
Partner
Mem.No.124874



ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph (3) of our report of even date)

1. In respect of its Fixed Assets:
 - a) The Company has maintained records showing particulars regarding quantitative details and situation of Fixed Assets. However the format for this purpose differs from the one suggested under CARO-2003.
 - b) According to the information and explanations given to the fixed assets have been physically verified-by the management at reasonable interval of time. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of fixed assets. To the best of our knowledge, no material discrepancies were noticed on such verification.
 - c) During the year company has not disposed off substantial part of fixed assets. Accordingly the provisions of clause 4(i) (c) of the companies (Auditor's Report) order 2003 are not applicable to the company.
2. In respect of its inventories:
 - a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
 - b) In our opinion and according to information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion and according to information and explanations given to us, the company is maintaining proper records of inventory. According to the information and explanation furnished to us, list of physical inventory is taken at the year-end and no material discrepancy noticed on such verification.
3. a) The company has not granted or taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the companies act, 1956.
4. In our opinion and according to information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, no major weaknesses have been noticed in the internal control.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - a) In our opinion and according to information and explanation given to us, the transactions that need to be entered in to the register maintained under section 301 of the Companies Act 1956 have been so entered.
 - b) In our opinion and according to information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 and exceeding the value of Five Lac Rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. According to the information and explanations furnished to us, the company has not accepted any public deposits within the meaning of section 58 A and 58 AA of the Companies Act 1956.
7. According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business. During the year under audit internal audit was carried out departmentally under the supervision of a Chartered Accountant.
8. The Central Government has prescribed maintenance of cost Records under section 209 (1) (d) of the Companies Act, 1956 in respect of certain manufacturing activities of the Company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion, that prima facie, the prescribed accounts and records are have been maintained. We have not, however, made a detailed examination of the same.
9. a) According to the information and explanations furnished to us, during the year, undisputed statutory dues including provident fund, employees state insurance, income tax, excise duty, and



other material statutory dues applicable to it have generally been regularly deposited with appropriate authorities though there has been slight delay in few cases.

- b) According to the information and explanations given to us, the following are be details of disputed dues as at the year end,

Statement of Disputed Dues

Sr. No.	Institution	Nature of Dues Status	Amount (Rs. in Lacs)	Period to which amount relates	Forum where dispute is pending
1.	Sales Tax	Assessed Tax Interest & Penalty	Rs. 52.05	1991-92	Joint Comm. Sales Tax
2.	Sales Tax	Assessed Tax, Interest & Penalty	Rs. 10.95	1991-92	Joint Comm. Sales Tax

10. The accumulated losses of the company are more than fifty percent of its paid up capital and free reserves. The company has not incurred cash losses during the financial year covered by our audit, and the immediate preceding financial year.

The company is a sick industrial company within the meaning of Clause (O) of Sub section (1) of the Section 3 of the Sick industrial Companies (Special Provisions) Act 1985 (SICA). The company is implementing rehabilitation scheme sanctioned by BIFR on 24th November 2004.

11. In our opinion and according to the information and explanation given to us there are no dues payables to Financial Institutions/Banks as on 31st March 2009
12. According to the information and explanations furnished to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly the provision of clause 4 (xii) of the Companies (Auditor's Report) order 2003 are not applicable to the company.
13. According to the information and explanations given to us, the company is not a chit fund or a nidhi mutual benefit fund / society. Accordingly the provision of clause 4 (xiii) of the Companies (Auditor's Report) order 2003 are not applicable to the company.
14. According to the information and explanations given to us, the company is not dealing in shares, securities, debentures and other investments. Accordingly the provision of clause 4 (xiv) of the Companies (Auditor's Report) order 2003 are not applicable to the company
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institution.
16. In our opinion and according to the information and explanations given to us by the management, the Company has not obtained & utilised any term loan during the year.
17. According to the information and explanations furnished to us, and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investments, i
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Act, during the year.
19. According to the information and explanations furnished to us, the company has not issued any debentures and hence the provision of clause 4 (xix) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
20. The Company has not raised any monies by way of public issue during the year.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no frauds on or by the company has been noticed or reported during the course of our audit.

Place: Nagpur

Date: 29th August, 2009

For Anil Mardikar & Co.

Chartered Accountants
(Brajesh Chawda)

Partner

Mem.No. 124874



BALANCE SHEET AS AT 31ST MARCH 2009

(All figures in Rs.Lacs)

	Schedule	AS AT 31-Mar-09	AS AT 31-Mar-08
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	813.02	813.02
Reserves & Surplus	2	441.09	441.09
LOAN FUNDS			
Secured Loans	3	646.93	607.94
Unsecured Loans	4	76.90	51.90
DEFERRED LIABILITY UNDER REHAB	5	270.63	275.72
		2,248.58	2,189.67
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	6	1,578.27	1,570.20
Less: Depreciation		956.65	876.30
Net Block		621.62	693.90
INVESTMENTS	7	2.19	0.13
CURRENT ASSETS, LOANS AND ADVANCES			
A. Inventory		159.40	120.90
B. Sundry Debtors		208.76	202.79
C. Cash & Bank Balances		2.45	11.51
D. Loans & Advances & Other Current Assets		116.12	98.58
		484.72	433.78
Less:			
CURRENT LIABILITIES & PROVISIONS	9	406.77	492.84
NET CURRENT ASSETS		79.95	(59.06)
PROFIT & LOSS ACCOUNT	19	1,544.82	1,554.68
		2,248.58	2,189.67

Schedule "1" to "9" & "19" form integral part of the Profit and Loss Account.

For Anil Mardikar & Co.

for and on behalf of Board

Brajesh Chawda
(Partner)
M.No. 124874

Dr. S.G. Parate
(Chairman)

Uday Kamat
(Managing Director)

Place : Nagpur
Date :29th August 2009

Arvind Bakde
(Whole Time Director)



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31 MARCH 2009
(All figures in Rs.Lacs)

	Schedule	YEAR ENDED 31-Mar-09	YEAR ENDED 31-Mar-08
INCOME			
Sales	10	1,495.84	1,114.13
Other Income	11	573.34	775.80
TOTAL INCOME		2,069.18	1,889.93
EXPENDITURE			
Materials	12	1,359.41	1,089.81
Manufacturing Expenses	13	355.56	502.26
Personnel Expenses	14	101.25	84.59
Office & Administrative Expenses	15	28.82	31.11
Selling & Distribution Expenses	16	1.81	3.91
TOTAL EXPENSES		1,846.85	1,711.69
Profit / (Loss) before Interest & Depreciation		222.33	178.24
Less: Financial Expenses	17	131.44	77.75
Less: Depreciation for the period	6	80.35	78.72
Less: Other/ Miscellaneous Expenses		-	-
Less : Bad Debts & Doubtful Debts		-	-
Profit / (Loss) before Tax		10.54	21.77
Less: Provision for Fringe Benefit Tax		0.67	0.58
Profit / (Loss) for the current period		9.87	21.19
Less : Prior Period Expenses	18	-	(14.84)
Profit / (Loss) after Tax		9.87	36.03
Add: Balance from last year		(1,554.68)	(1,590.72)
Balance Carried to Balance Sheet		(1,544.82)	(1,554.69)
Basic and Dilued Earning per Share (Rs.)		0.12	0.75

Schedule "10" to "18" and "6" & "19" form integral part of the Profit and Loss Account.

For Anil Mardikar & Co.

for and on behalf of Board

Brajesh Chawda
(Partner)
M.No. 124874

Dr. S.G. Parate
(Chairman)

Uday Kamat
(Managing Director)

Place : Nagpur
Date :29th August 2009

Arvind Bakde
(Whole Time Director)



	AS AT 31-Mar-09	AS AT 31-Mar-08
Schedule - 1 SHARE CAPITAL		
a) AUTHORISED SHARE CAPITAL		
i) 98,50,000 Equity Share of 10/- each	985.00	985.00
ii) 15,000 Preference Shares of Rs. 100/-each	15.00	15.00
	1,000.00	1,000.00
b) ISSUED, SUBSCRIBED AND PAID - UP CAPITAL		
i) 80,80,600 Equity Share of 10/- each	808.06	808.06
ii) Less : Calls in Arrears	0.04	0.04
	808.02	808.02
iii) 5000 - 14% Cumulative Redeemable Preference Shares of Rs.100/- each	5.00	5.00
	813.02	813.02
Schedule - 2 RESERVE & SURPLUS		
a) Central Investment Subsidy	12.75	12.75
b) Share Premium	321.93	321.93
c) Capital Reserve	106.42	106.42
	441.09	441.09
Schedule - 3 SECURED LOANS AND ADVANCES		
a) Advance from Cargill (I) Pvt. Ltd. "	646.93	607.94
"(Secured by first charge on Fixed Assets of the company)"		
Total Secured Loans	646.93	607.94
Schedule - 4 UNSECURED LOANS		
a) Unsecured Loans (Promoters & Associates)	48.30	48.30
b) Inter Corporate Deposit	28.60	3.60
	76.90	51.90
Schedule-5 DEFERRED LIABILITY UNDER REHAB SCHEME		
a) Other Credit Balances	23.71	23.71
b) reditors under REHAB Scheme	201.76	206.84
c) Sales Tax Dues (for the year91-92 and 93-94)	45.17	45.17
	270.63	275.72

SCHEDULE -6

FIXED ASSETS AS ON

31-Mar-09

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	TOTAL GROSS BLOCK AS ON 31-Mar-08	ADDITIONS/ (DELETIONS) DURING THE PERIOD	TOTAL GROSS BLOCK AS ON 31-Mar-09	TOTAL DEP. UP TO 31-Mar-08	DEP. /ADJ. FOR THE PERIOD	TOTAL DEP. UP TO 31-Mar-09	AS ON 31-Mar-09	AS ON 1 31-Mar-08
1) Freehold land	4.46	-	4.46	-	-	-	4.46	4.46
2) Site Development	12.57	-	12.57	4.74	0.42	5.16	7.41	7.83
3) Building	255.50	7.86	263.36	78.60	5.10	83.71	179.66	176.90
4) Plant & Machinery	1,241.18	-	1,241.18	751.42	70.95	822.37	418.81	489.76
5) Electrical Installation	27.28	0.06	27.34	17.55	1.44	18.99	8.35	9.74
6) Furniture & Fixture	23.00	-	23.00	19.90	1.45	21.35	1.66	3.11
7) Office Equipment	1.74	-	1.74	1.27	0.25	1.52	0.22	0.47
8) Computers & Printers	3.66	0.14	3.81	2.38	0.60	2.98	0.82	1.28
9) Lab. Equipment	0.80	-	0.80	0.44	0.13	0.57	0.23	0.36
10) Work in Progress	-	-	-	-	-	-	-	-
TOTAL RS.	1,570.20	8.07	1,578.27	876.30	80.35	956.65	621.62	693.90
Previous Year	1,552.31	17.88	1,570.20	797.58	78.72	876.30	693.90	754.74





	AS AT 31-Mar-09	AS AT 31-Mar-08
Schedule - 7 INVESTMENTS		
a) Investment (NSC/ Kisan Vikas Patra/ FDR for Bank Guarantees (Unquoted, at cost)	2.19	0.13
	2.19	0.13
Schedule-8 CURRENT ASSETS, LOANS AND ADVANCES		
A) INVENTORIES		
i) Stores & Spares (Consumable)	50.12	53.88
ii) Materials (including Packing Materials)	14.26	12.41
iii) Chemicals, Hexane, Coal etc.	56.38	35.66
iv) Finished Goods (Including Bye Products)	38.63	18.96
	159.40	120.90
B) SUNDRY DEBTORS (Unsecured, considered good unless provided for)		
i) Over Six Months	61.36	43.26
ii) Domestic (oil/ DOC/ others)	179.08	195.74
	240.43	239.00
less : Provision for Doubtful Debts	31.68	36.21
	208.76	202.79
C) CASH AND BANK BALANCES		
i) Cash in hand	0.47	0.73
ii) Balances with Scheduled Banks in Current Account & Deposit Account	1.98	10.78
	2.45	11.51
D) LOANS AND ADVANCES		
i) Advances Recoverable in Cash Or in Kind for value to be received	3.21	3.01
ii) Claims / Charges Receivable/ Other Advances	87.72	77.13
iii) Deposits for Telephones/Telex/Power & Others	20.19	12.55
iv) Advances For Raw Materials /others	4.00	5.90
v) Prepaid Exp and other Current Assets	1.00	-
	116.12	98.59
Schedule -9 CURRENT LIABILITIES & PROVISIONS		
A) CREDITORS		
i) Creditors for Capital Expenditure	9.32	10.77
ii) Creditors for Utilities and Chemicals		
a) Amounts Payable to SSI	-	-
b) Amounts payable to Others	100.05	97.94
iii) Raw materials	18.19	5.80
iv) Other Liabilities	102.08	100.50
B) Advances For Finished Goods	99.28	57.47
C) Advances For Cargill india Pvt. Ltd.	52.49	70.63
D) Short Term Credit Facility	25.36	149.73
	406.77	492.84



	YEAR ENDED 31-Mar-09	YEAR ENDED 31-Mar-08
Schedule - 10 SALES		
a) Oil	194.93	130.45
b) De-oiled Cakes (Domestic)	-	34.52
c) Bye-products/ Other items	85.05	66.34
d) Trading Sales	1,215.87	882.83
	1,495.84	1,114.14

Schedule - 11 OTHER INCOME		
a) Processing Charges (VOR)	55.05	96.04
b) Processing charges -(SEP)	497.91	670.26
c) Processing charges -(Packing)	10.90	-
d) Misc. Income	9.48	9.50
	573.34	775.80

Schedule - 12 MATERIALS		
a) Opening Stock	12.41	153.19
b) Add : Purchases including Packing Material	222.75	75.08
	235.16	228.27
c) Less : Closing Stock	(14.26)	(12.41)
d) Consumption during the year	220.89	215.87
e) Add : Trading Purchases (Finished Goods)	1,158.20	877.21
f) Add/Less: Adjustment for (Increase)/Decrease in Stock of Finished Goods	(19.68)	(3.27)
	1,359.41	1,089.81

Schedule - 13 MANUFACTURING EXPENSES		
a) Power & Fuel (Coal)	187.53	317.11
b) Chemicals including Hexane	93.36	113.06
c) Insurance, Consumable Spares/ stores & other manufacturing Exp.	74.67	72.09
	355.56	502.26



	YEAR ENDED 31-Mar-09	YEAR ENDED 31-Mar-08
Schedule -14 PERSONNEL EXPENSES		
a) Directors' Remuneration	26.38	15.31
b) Salary & Allowances to Office Staff	31.80	27.72
b) Salary ,Wages & Allowances	35.11	32.24
d) Contribution to PF & Other Benefits	7.96	9.32
	101.25	84.59
Schedule -15 OFFICE & ADMINISTRATIVE EXPENSES		
a) Travelling & Conveyance	7.58	6.56
b) Communication & Other Administrative Expenses.	17.94	21.23
c) Legal, Professional & Consultancy Expenses	2.74	2.76
d) Auditors Remuneration		
Statutory Audit fees	0.39	0.39
Taxation and Certification	0.17	0.17
	28.82	31.11
SCHEDULE -16 SELLING & DISTRIBUTION EXPENSES		
a) Forwarding Exp. Brokerage, etc (Oil)	0.54	2.70
b) Forwarding Exp. Brokerage, etc. (DOC)	0.82	0.50
c) Other Selling Expenses	0.45	0.72
	1.81	3.92
SCHEDULE - 17 FINANCIAL EXPENSES		
a) Interest		
i) Interest on Term Loan	123.79	65.48
ii) Other Interest	4.97	9.67
b) Bank Commision and other Charges	2.68	2.59
	131.44	77.74
SCHEDULE - 18 Prior Period Expenses		
Prior Period Expenses	-	(14.84)
	-	-
	-	(14.84)



SCHEDULE - 19

ACCOUNTING POLICIES & NOTES ON THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

(The under mentioned Notes form part of the Unabridged version of the Balance Sheet and Profit & Loss Account)

SIGNIFICANT ACCOUNTING POLICIES ADOPTED IN PREPARATION AND PRESENTATION OF THE ACCOUNTS:

1. General

The accompanying financial statements have been prepared under the Historical Cost Convention and in accordance with the normally accepted accounting principles.

2. Capital Expenditure/ Fixed Assets

Fixed Assets are stated at historical cost less depreciation. Costs comprise of the purchase price and any cost attributed cost of bringing the asset to working condition for its intended use.

3. Investments

Investments are stated at cost.

4. Inventories

Stocks of raw materials, stores, spares, packing materials, chemicals and coal etc. are valued at Cost. Finished goods and stock-in-process are valued at Net Realisable Value.

5. Sales and Purchase

Sales and Purchase are recognised at the time of dispatch/ arrival of goods.

6. Other Income

Income from investments, interest, export incentives, rent etc. are accounted on accrual basis.

7. Prior Period Expenses/ Income

The Company follows the practice of making adjustments through "Expenses/ Income under/over provided in previous years" in respect of extra ordinary transactions only pertaining to the period prior to current accounting period.

8. Depreciation

Depreciation has been provided as per Straight-line method & at the prescribed rates given under Schedule XIV of the Companies Act, 1956 as amended from time to time. Depreciation on Assets added during the period is provided on pro-rata basis.

9. Revenue and Expenditure Recognition

Revenue is recognised when no significant uncertainties as to the measurability or realisability of any claim exist.

10. Retirement Benefits

Contributions to Provident Funds, payment of Gratuity and Leave encashment, as and when arise, are charged to revenue.

11. Deferred Revenue Expenditure

Preliminary & Share Issue Expenses are amortized over a period of Ten years. The expenditure incurred on advertising/launching of branded consumer products is amortized over a period of Three years from the year of incurring expenditure.

12. Foreign Currency Transaction

Transactions in foreign currency are recorded at rates of exchange in force at the time transactions are effected. Exchange differences are accounted in the year of actual realisation.



NOTES TO ACCOUNTS

1. Previous period figures have been re-arranged/ re-grouped and re-classified wherever necessary to confirm to the current year.
2. Figures have been rounded off to the nearest place of second decimal, where specified in Rs. Lacs. The figures specified in full value have been rounded off to the nearest rupee.
3. The Other Income includes Accrued Interest on Investments and Miscellaneous Receipts
4. **CONTINGENT LIABILITIES NOT PROVIDED FOR:**
 - a. Pending disputes of quality/ quantity regarding sale/ purchase. Adjustments in respect of these matters are made in the Profit & Loss A/C as and when they are settled with the party.
 - b. Claims, counter claims arising out of disputes/ litigation regarding trade transactions, contracts, Joint Ventures, Memorandum of Understandings, sale/ purchase arrangements, processing agreements, not acknowledged as liabilities.
 - c. Certain claims in respect of quality rebates and/or yields raised by the State Trading Corporation for the years 1996-97, 1997-98, and 1998-99 not acknowledged as liabilities. These claims amounting to Rs. 103.82 lacs are subject to final settlement(s) of respective processing agreements/contracts with respect to treatment of yields of rain damaged seeds and company's unpaid claims of Rs. 107.78 lacs towards rentals, service charges and opportunity loss etc. The company has not taken credit for its above claims and the unacceptable claims, as and when settled, shall be charged to prior period revenue/expenses, as the case may be. Further interest/ financial charges on dues payable/receivable by either parties is not provided for.
 - d. The Sales Tax / Value Added Tax (VAT) liability, if any, for the years **2007-08, 2006-07, 2005-06, 2004-05, 2003-04, 2002-03, 2001-02, 2000-01, 1999-00, 1998-99 and 1997-98**, pending assessment.

Details of Disputed Sales Tax dues :

Year	Amount (Rs Lacs)	Nature	Remark
1991-92	52.05	Interest	pending recalculation of interest as per New Industrial Policy 2006 of Govt. of Maharashtra.
1992-93	115.10	Principal & Interest	Application for cancellation accepted assessment in process
1993-94	10.95	Interest	pending recalculation of interest as per New Industrial Policy 2006 of Govt. of Maharashtra
1994-95	81.49	Principal & Interest	Appeal Pending before first Appellate Authority
1996-97	31.37	Principal & Interest	Appeal Pending before first Appellate Authority

5. The DEFERRED LIABILITY UNDER REHAB SCHEME (Schedule - 5) includes
 - (i) Deferred Liabilities in respect of the Pressing Creditors (Old) for Raw materials, Stores & spares, Expenses etc.
6. Depreciation has been provided as per Straight Line Method and at the prescribed rates given under Schedule XIV of the Companies Act, 1956 as amended from time to time. Depreciation on assets added during the period is provided on pro-rata basis.
7. In the opinion of the Management, Current Assets, Loans and Advances and other debit balances are approximately of value, if realised, in normal course of business. Provisions for all loans and liabilities are adequate and not in excess of amounts reasonably necessary.
8. Statutory dues i.e., Contribution to PF, & ESIC outstanding as on March 31, 2009 amounted to Rs. 1,21,420/- which has been paid subsequently.
9. Inventories and Cash have been taken, valued and certified by the Management of the Company.
10. Sundry Debtors and Creditors, Loans and Advances, Other Credit/ Debit balances, Balances in some Current Accounts with banks are subject to confirmations.
11. Dividend due on 14% Cumulative Redeemable Preference Shares Capital of Rs. 5.00 Lacs for the year 2008-09 amounting to Rs. 70,000/- not paid/provided for.
12. As operations of the company comprises only Solvent Extraction and Refinery, no separate Segmental Reporting is considered necessary.
13. On the basis of accounts compiled for the financial year there is no taxable income hence, no provision for taxation for the assessment year is being made.



14. The remuneration (Salary, Perquisites etc.) paid/ payable to the Managing Director and Whole-time Director in accordance with the Schedule XIII of the Companies Act, 1956 and is as under:

a) Managing Director	Rs.	13.80	Lacs
b) Whole-time Director	Rs.	12.57	Lacs
Total		26.37	Lacs

15. During the year, in view of inadequacy of profits, no commission on net profit is provided for.
16. The Identification of Suppliers as Small Scale Industrial Undertakings (SSI) is done on basis of the information from suppliers.
17. Deferred tax Assets have not been created in view of Accumulated Loss and Unabsorbed Depreciation. This is in conformity of AS-22 "Accounting for Taxes on Income" issued by ICAI.
18. Earnings in Foreign Exchange
Export of Goods on F.O.B. basis during the year was Rs Nil (Previous Year Rs. Nil). Foreign Exchange outgo was Nil (Previous year Nil)
19. Company has availed the services of Company Secretary in Advisory capacity.
20. Related parties Disclosure as required by Accounting Standard 18 of ICAI

a) Key Management Personnel

Mr. Uday S. Kamat, Managing Director
Mr. Arvind W. Bakde, Whole Time Director
Mr. Prashant S. Joshi, Vice President

b) Relatives of Key Management Personnel

Mrs. Sallila U. Kamat, Mrs. Sangeeta S. Kamat, Prakash S. Kamat, Anand S. Kamat, Waman D. Bakde, Bhamini W. Bakde, Pradeep W. Bakde, Sheela A. Bakde, Pravin W. Bakde, Megha P. Joshi.

c) Other Related Parties (Key Management Personnel having Significant influence)

M/S Nagpur Imports and Exports Pvt. Ltd.
M/S Vibrant Market Themes Pvt. Ltd.
M/S Purti Marketing Pvt. Ltd.
M/S Profit Advertisers (I) Pvt. Ltd.

d) Transactions with related parties during the year

Transactions	Key Management Personnel	Other Related Parties	Total (Amount Rs. Lacs)
Purchase of goods/Expenses	--	12.92	12.92
Sales of Goods	--	182.83	182.83
Remuneration	33.28	---	33.28

21. The consumption figures in value are balancing figures ascertained on the basis of opening stocks plus purchases less closing stocks and therefore include adjustments for excess and shortages (storage/ transit) ascertained on physical count etc.

22. Licensed/Installed Capacity

Capacity (per Annum in MT)	As at 31 Mar-09		As at 31 Mar-08	
	Solvent Extraction Plant	Refinery	Solvent Extraction Plant	Refinery
a) Licensed/Registered	1,50,000	29,000	1,50,000	29,000
b) Installed	1,50,000	24,000	1,50,000	24,000

23. Details of Material Processed

Solvent Extraction Plant (SEP)-Soya Seeds

Particulars	2008-09		2007-08	
	Quantity in MT	Value in Rs. Lacs	Quantity in MT	Value in Rs. Lacs
Own Processing	--	--	324	53.53
Custom/Contract Processing	37,918	N.A.	66,571	N.A.
TOTAL SEP	37,918	--	66,895	53.53
Capacity Utilisation	25%		45%	

**Vegetable Oil Refinery (VOR)**

Particulars	2008-09		2007-08	
	Quantity in MT	Value in Rs. Lacs	Quantity in MT	Value in Rs. Lacs
Own Processing				
Soya Crude Oil Produced	370	194.43	128	N.A.
Custom Processing	4,816	N.A.	7,469	N.A.
TOTAL VOR	5,187	--	7,597	--
Capacity Utilisation	22%		32%	

25. Quantitative Details: Opening and Closing Stock (including stocks in transit), Sale, Purchase

Particulars	2008-09		2007-08	
	Quantity in MT	Value in Rs. Lacs	Quantity in MT	Value in Rs. Lacs
Opening Stocks				
1 Soya Seeds	-	-	133	22
2 Soya Oils (Refined + Crude)	-	-	256	110
3 Soya DOC	-	-	26	3
Total		-		135
Purchases				
1 Soya Seeds			191	32
2 Soya Oils (Refined & Crude)	1354	722	872	410
3 Soya DOC	4058	631	3,452	467
Total		1353		909
Sale				
1 Soya Oils (Refined & Crude)	1332	728	1,174	545
2 Soya DOC	3917	683	3,800	503
3 Bye-Products		78		47
4 Other Items		7		19
Total		1496		1,115
Closing Stock				
1 Soya Seeds	-	-		
2 Soya Oils (refined & crude)	-	-		
3 Soya DOC	145	29		
Total		-		

As per our report of even date attached

For Anil Mardikar & Co.

for and on behalf of Board

Brajesh Chawda
(Partner)
M.No. 124874

Dr. S.G. Parate
(Chairman)

Uday Kamat
(Managing Director)

Place : Nagpur
Date : 29th August 2009

Arvind Bakde
(Whole Time Director)


CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-MARCH-09

	(Amount Rs. Lacs)	
	2008-09	2007-08
(A) Cash Flow from Operating Activities		
Net profit before Tax & Extraordinary Items	9.87	36.03
Adjustments for		
Provision for Doubtful Debts	-	-
Provision for Fringe Benefit Tax	0.67	0.58
Depreciation	80.35	78.72
Prior Period Extra Ordinary Items	-	(14.84)
Operating Profit before Working Capital Changes	90.89	100.49
Adjustments for		
(Increase)/Decrease in Sundry Debtors/Receivables	(5.97)	(135.82)
(Increase)/Decrease in Inventories	(38.50)	131.74
(Increase)/Decrease in Loans & Advances	(17.54)	(46.54)
Increase/ (Decrease) in Current Liabilities	(86.74)	136.21
Cash Flow Generated from Operations	(148.74)	85.59
(A) Net Cash from Operating Activities	(57.85)	186.08
(B) Cash Flow from Investing Activities		
(Purchase/Additions) of Fixed Assets	(8.07)	(17.88)
(Purchase)/Sale of Investments	(2.06)	-
(B) Net Cash from Investing Activities	(10.13)	(17.88)
(C) Cash Flow from Financing Activities		
Proceeds from Issue of Share Capital	-	382.00
Proceeds/(Repayments) from Unsecured Loans under Rehab	25.00	(334.12)
Proceeds/(Repayments) from Long Term Borrowings	38.99	(238.93)
Proceeds/ (Repayments) from Deferred Funds	(5.08)	13.94
(C) Net Cash from in Financing Activities	58.91	(177.11)
Net Increase/ (Decrease) in Cash & Cash Equivalents	(9.07)	(8.91)
Opening Balance Cash & Cash Equivalent	11.51	20.42
Closing Balance Cash & Cash Equivalent	2.45	11.51

(*Previous Period figures have been re-arranged/re-grouped and re-classified wherever necessary.)

Place :- Nagpur
Date : 29th August 2009

For and on behalf of the Board

(Uday Kamat)
Managing Director

We have examined the aforesaid Cash Flow Statement of Umred Agro Complex Ltd. for the year ended 31st March, 2009. The statement has been prepared by the Company in accordance with the requirements of listing agreement with the Stock Exchange and is based on and in agreement with the corresponding Profit and Loss account and Balance Sheet of the Company covered by our report of even date to the Members of the Company.

For Anil Mardikar & Co.
Chartered Accountants

Place :- Nagpur
Date : 29th August 2009

(Brajesh Chawda)
Partner
M. No. 124874



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details:

Regn No. 37493 of 1985	State Code-11	Balance sheet Date-31/03/2009
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II. Capital raised during the year (Amount in Rs. Thousand)

Public Issue	Right Issue	Bonus Issue	Private Placement (Conv. Of Unsecured Loans By Promoters/Asso.)	Pending Allotment
Nil	Nil	Nil	Nil	Nil

III. Position of Mobilisation and deployment of Funds (Amount in Rs.Thousand)

Total Liabilities	Total Assets
224658	224658

Sources of Funds:

Paid up Capital	Reserves & Surplus	Secured Loans	Unsecured Loans	Other Funds
81302	44109	64693	7690	26863

Application of Funds:

Net Fixed Assets	Investments	Net Current Assets	Accumulated Losses
62162	219	7795	154482

IV. Performance of Company(Amount in Rs.Thousand)

Turnover	Total Expenditure	Profit/(loss) before Tax & Extra-ordinary items	Profit /(loss)afterTax & Extra-ordinary items
206918	205864	1054	987

Earning per share in Rs. Dividend rate %

0.12	Nil
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V. Generic names of three principal products/services of Company (as per monetary terms)

Item Code No (ITC code) : 150710.00	Product description : Crude Oil from Soyabean Seed
Item Code No (ITC code) : 150790.00	Product description : Refined Oil from Soyabean Seed
Item Code No (ITC code) : 120810.00	Product description : Soya Meals (DeOiled Cake)
As per our report of even date attached	For and on Behalf of the Board

As per our report of even date attached

For Anil Mardikar & Co.

for and on behalf of Board

Brajesh Chawda
(Partner)
M.No. 124874

Dr. S.G. Parate
(Chairman)

Uday Kamat
(Managing Director)

Place : Nagpur
Date :29th August 2009

Arvind Bakde
(Whole Time Director)



**ATTENDANCE SLIP
UMRED AGRO COMPLEX LIMITED**

Registered office: 232, "Harsh Villa", 1st Floor, Hill Road, Shivaji Nagar, Nagpur 440010

22nd ANNUAL GENERAL MEETING ON 29th SEPTEMBER 2009 AT 4.00 P.M.

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall
(Joint Shareholders may obtain additional attendance slip, if required)

Name of the Shareholder _____

Name of the Joint Holder _____

Registered Folio No. _____

Name of the proxy (if any) _____

I hereby record my presence at the 22nd Annual General Meeting of the Company at "Saraswat Sabhagruha",
Plot No. 88/1, Bajaj Nagar, Nagpur 440010 on 29th September 2009.

Signature of the Shareholder or the Proxy attending the meeting

If Shareholder, please sign here

If Proxy, please sign here

PROXY FORM

[To be submitted before 48 hours of the scheduled time of AGM]

Name of the Company : UMRED AGRO COMPLEX LIMITED
Registered office : 232, 'Harsh Villa', Hill Road, Shivaji Nagar, Nagpur - 440010

I/We _____ of

_____ being a member(s) of the above-mentioned Company, hereby appoint the following as my/our Proxy to attend and vote (on a Poll) for my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Tuesday, the 29th September 2009, at 4.00 p. m. and at any adjournment thereof:

1. Mr./Ms _____ Signature _____

Or failing him

2. Mr./Ms _____ Signature _____

Number of Shares Held _____

Signed this _____ day of _____ 2009

Reference Folio No. _____

Affix 25 Paise Stamp

1. _____ Signature _____

2. _____ Signature _____

BOOK-POST
(Printed Matter Inside)

If undelivered, please return to :

UMRED AGRO COMPLEX LIMITED

232, Harsh Villa, 1st Floor, Hill Road,

Shivaji Nagar, NAGPUR - 440 010

Tel.: 0712-2242564/2249788

Fax : 0712-2249456

E-mail : umred_ngp@sancharnet.in