

UMRED AGRO COMPLEX LIMITED



25th

ANNUAL REPORT
2013-14



BOARD OF DIRECTORS

| | |
|-------------------------|---------------------|
| Dr. S. G. Parate | Chairman |
| Shri Surendra N. Mishra | Director |
| Shri Ravindra Boratkar | Director |
| Shri Uday Kamat | Managing Director |
| Shri Arvind Bakde | Whole Time Director |

REGISTERED OFFICE

"SAHAS", 2nd Floor, 64, Bajaj Nagar,
Nagpur 440010 (INDIA)
Tel (+) 91-712-2242564
Fax (+) 91-712-2249456
Email: ua_ngp@umredagro.com
Website: www.umredagro.com

WORKS

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

BANKERS

M/s Tirupati Urban Co-operative Bank Ltd.
172, Shraddhanand Peth, Nagpur-440 010

AUDITORS

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

Twenty Fifth Annual General Meeting
On Friday, the 28th September 2012 at 5.00 p. m.
At Saraswat Sabhagrudha, Plot No. 88/1, Bajaj Nagar, Nagpur-10

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NOTICE

Notice is hereby given that the **TWENTY FIFTH ANNUAL GENERAL MEETING** of Members of **UMRED AGRO COMPLEX LIMITED** will be held at **SARASWAT SABHAGRUHA**, Plot No. 88/1, Bajaj Nagar, Nagpur-440 010 on Friday, the 28th September, 2012 at 5.00 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 2012 and the Balance Sheet as at that date and the Reports of Directors and Auditors thereon.
2. To appoint director in place of Shri S N. Mishra, 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 2012-13 and to fix their remuneration.

Place: Nagpur

Date: 14th August 2012

By Order of Board of Directors

Arvind Bakde
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 Thursday the 27th September 2012 to Friday, 28th September 2012 (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.
6. As the Ministry of Corporate Affairs has taken a green initiative in the Corporate Governance by allowing the paper less correspondence, the Board of Directors of the Company has taken a decision to follow the same with effect from next Annual General Meeting. The members are requested to kindly give the E-mail ID, those who have, to the Company. Further, the detailed financial report shall be available on Company's Website: www.umredagro.com



DIRECTORS' REPORT

To

The Members,

Your Directors hereby present their Twenty Fifth Annual Report on the business and operations of the Company and financial statements for the year ended 31st March 2012.

(Rs. In Lacs)

| Financial Results | Year ended on 31-Mar-2012 | Year ended on 31-Mar-2011 |
|--|------------------------------|------------------------------|
| Sales Turnover | 5461.97 | 9388.24 |
| Job Work/Other Income | 208.97 | 238.06 |
| Total Income | 5670.94 | 9626.30 |
| Profit Before Interest, Depreciation and Tax (PBITD) | 294.64 | 270.53 |
| Interest & Financial Expenses | 142.35 | 128.47 |
| Depreciation | 75.61 | 74.62 |
| Profit/(Loss) Before Tax | 76.68 | 54.95 |
| Profit/(Loss) After Tax | 76.68 | 54.95 |
| Profit / (Loss) brought forward | (1478.23) | (1533.17) |
| Profit / (Loss) carried forward | (1401.55) | (1478.23) |

DIVIDEND

For the year ended on 31st March 2012, in the view of the accumulated losses, despite of profit, the Directors regret their inability to recommend any dividend.

OPERATIONS

During year 2011-12, the Company continued with its processing arrangement with M/s Cargill India Pvt. Ltd. (Cargill). However, in view of the adverse market conditions, the Soybean processing operations, in terms of Capacity Utilisation have been lower. In addition, there was volatility in the export market for Soy meal. The Sales Turnover, thus, has been lower during the year 2011-12.

During the year under consideration, the Company recorded a Total Income of Rs. 5671 Lacs (Rs. 9626 Lacs-Last year), including Rs.209 Lacs (Rs. 238 Lacs) towards Job Work Charges. While the Company processed 32146 MT (45646 MT) of Soybean seed in Solvent Plant, it processed 2730 MT (2163 MT) of crude oil in Refinery.

During the year, the Company achieved an Operating Profit of Rs. 295 Lacs (Rs. 271 Lacs) and a Net Profit of Rs.77 Lacs (Rs. 55 Lacs-Last year).

FUTURE OUTLOOK

For Kharif Season 2012-13, the average rainfall

was expected to be in the normal range. In the Vidarbha region the area under cultivation of Soybean has marginally increased (by 3%) mainly due to increase in Amravati Division (by 7%). While, the area under Soybean cultivation for Maharashtra is reported to be 31.64 Lac Hectares, the area for Vidarbha is reported to be 17.80 Lac Hectares. However, in view of erratic rainfall, the yield estimates, have to be suitably factored.

The Company's processing arrangement with Cargill would continue during year 2012-13. Planning to supplement the same with Own processing operations, the management looks forward to a favourable processing season ahead.

REHAB SCHEME IMPLEMENTATION

During the year, a Modified Rehab Scheme (MRS-2004) sanctioned by Hon'ble BIFR was under implementation. As per the directives of Hon'ble BIFR, the Company had moved Miscellaneous Application No. 77/2011 and sought reliefs w. r. t. MSEDCL & Sales Tax Dues etc. and is awaiting directives from Hon'ble BIFR, in this regard.

DIRECTORS

Shri Surendra N. Mishra, Director will retire by rotation at the end of ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors commend



to re-appoint him as Director of the Company.

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).

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

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.

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., Tirupati Urban Co-operative Bank Ltd, MNP Group, PURTI Group, Cargill, esteemed customers, shareholders and suppliers, during the year under review.

Place: NAGPUR For and on behalf of the Board

Date: 14th August, 2012

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.
- b) During 2011-12, average utilization (for Solvent Plant) being lower, unit consumption for Coal/



Fuel equivalent is higher.

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 2011-12 | For year 2010-11 |
|---|-----------------------------|-----------------------------|
| Power/ Electricity | | |
| Purchased Units (Kwh) | 1619112 | 2039643 |
| Total Amount (Rs.) | 11232802 | 12319730 |
| Rate (Rs./Unit) | 6.94 | 6.04 |
| Coal / Husk (for Boiler & TFHS) | | |
| Quantity in MT. | 2288 | 1954 |
| Total cost (Rs.) | 6169546 | 4242689 |
| Average Rate (Rs./MT) | 2697 | 2172 |
| B) CONSUMPTION (Per MT of Processing) | For year 2011-12 | For year 2010-11 |
| Oilseeds Processed (MT) | 32146 | 45646 |
| Raw Oil Refined (MT) | 2730 | 2163 |
| Electricity (Units per MT of Input) | | |
| Solvent Plant | 43 | 41 |
| Refinery | 86 | 82 |
| Coal/ Fuel Equivalent (Steam) (In MT per MT of Input) | | |
| Solvent Plant | 0.13 | 0.11 |
| Refinery | 0.34 | 0.28 |

"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 utilities consumption (Power/Hexane/ Chemicals) and improvement in production processes.

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 2011-12 was NIL. The outgo for the year under review was also NIL.

For and on behalf of the Board

Place: NAGPUR

Dr. S. G. Parate

Date: 14th August, 2012

CHAIRMAN

MANAGEMENT DISCUSSION AND ANALYSIS

Company Background

The Company is engaged in the processing of Soybean/ other oilseeds, marketing of edible oils in domestic market and de-oiled cakes in domestic and international markets. The Company has a Solvent Extraction Plant, Refinery & a Lecithin Plant located at Village Kolari, Tahsil Chimur, Dist. Chandrapur (Maharashtra). A review of Rehab Scheme (MRS-2004) sanctioned by Hon'ble BIFR, is under consideration. To supplement Own operations, the Company has tied up for Job processing with M/s Cargill (I) Pvt. Ltd. The said arrangement shall be extended for the ensuing oil season, with mutual consent.

Industry Structure and Developments

While, India has become the largest importer of edible 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 Soy meals/ extractions, it contributes to the foreign exchequer, in a big way. The Indian edible oil consumption is growing by 6.5% over the last few years and the same trend is likely to continue for the next decade. With huge consumer market to cater to, industry is marked by entry of big / multinationals corporations, not only by way of trade operations but also by long term investments in processing facilities.

Opportunities and Threats

A fast growing economy and demand for Non-GMO grade Lecithin has opened a huge opportunity for Indian Soybean processors. With lecithin Plant installed, the Company envisages to benefit from this development. However, the industry outlook largely depends on adequate & timely monsoon, conducive Government policy and favourable export market for Soy meal.

Business Outlook

Being in the business of import substitution, increasing health awareness and use of Soybean products (Refined Oil and other

value added products - Lecithin etc.), the Company is optimistic about better performance in near future.

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 & Soy meal.

The Company holds positions in commodities viz. Soy seed, Meal & Oils, by way of contractual obligation for physical trading / at Commodity Exchanges, price fluctuations therein may affect profitability.

Internal Audit Adequacy

The Company's Internal Audit Section operates under the guidance of a qualified Chartered Accountant, to ensure internal checks and balances in finance and accounting aspects.

Financial Review

This aspect is dealt with in the beginning of this report. However, the Company continues to be a sick industrial unit registered with BIFR, with accumulated losses of Rs. 1402 Lacs, as at 31st March 2012.

Human Resources Relations

Human resources relations remained cordial and the management received full co-operation from the employees during the year. The employee strength as on 31st March 2012 was 94.

Forward looking statement

-Cautionary 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 through its 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 2012 is 5 Directors including 3 Promoter Directors and 2 Independent Directors.

Meetings of the Board of Directors

The Board of Directors met 4 times during the year under review on following dates:

- (1) 14th May 2011 (2) 13th August 2011
(3) 15th November 2011 (4) 15th February 2012

C- NED : Chairman and Non Executive Director

I-NED : Independent & Non Executive Director

NID-MD: Non Independent Director
Managing Director

NID-WTD: Non Independent Director

Whole Time Director

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 Cos. | No. of membership in various committees |
|---------------------------|----------|----------------------------|-------------------------------|------------------------|-----------------------------------|---|
| Dr. Sharwan G. Parate | CNED | 4 | 4 | Y | -- | NIL |
| Shri Surendra N Mishra | I-NED | 4 | 2 | Y | 1 | NIL |
| Shri Ravindra V. Boratkar | I- NED | 4 | 3 | Y | 6 | 1 Committee |
| Shri Uday S. Kamat | NID- MD | 4 | 4 | Y | 4 | NIL |
| Shri Arvind W. Bakde | NID-WTD | 4 | 4 | Y | NIL | NIL |

3. Details of Directors appointment / re-appointment

Shri Surendra Narayan Mishra

Qualification : B.E. (Mech) MBA (Fin), CIIB FIV

Experience : 30 yrs. experience in Banking & Finance

Directorship in other Companies:

AMCE Techno Consortium Pvt. Ltd.

4. Audit Committee

The Audit Committee of the Directors considers

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 held 4 meetings during the Financial year under review on 14th May 2011, 13th August 2011, 15th November 2011, 15th February 2012.

5. Remuneration to Directors

The Board of Directors has constituted a

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 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.

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 S. N. Mishra | 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 financial year under review one meeting was held on 13th August 2011 for the consideration of re-appointment of Managerial personnel and deciding their remuneration.

Details of Remuneration/Sitting Fees paid to Directors during the Financial Year 2011-12:.

| Names | Salary | Perquisites | Others | Sitting Fees | Total |
|---------------------------|-----------|-------------|--------|--------------|------------|
| Dr. Shrawan G. Parate | -- | -- | -- | 12,000 | 12,000 |
| Shri Surendra N. Mishra | -- | -- | -- | 6,000 | 6,000 |
| Shri Ravindra V. Boratkar | -- | -- | -- | 9,000 | 9,000 |
| Shri Uday S. Kamat | 11,25,000 | 12,37,500 | 10,000 | -- | 23,72,500 |
| Shri Arvind W. Bakde | 10,35,000 | 11,36,700 | 10,000 | -- | 21,81,700 |
| Total | 21,60,000 | 23,774,200 | 20,000 | 27,000 | 45,82,8200 |

Remuneration package to Executive Directors 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 Three complaints, which were 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. During the year, the committee transferred 242900 Shares. 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 |

7. General Body Meetings

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

| Year | Type of Meeting | Venue | Date | Time |
|----------|-----------------|---|---------------------------------|-----------|
| 2010 -11 | AGM | Saraswat Sabhagruha, Plot No.88/1, Bajaj Nagar, Nagpur - 440010 | 29 th September 2011 | 4.00 p.m. |
| 2009 -10 | AGM | Saraswat Sabhagruha, Plot No.88/1, Bajaj Nagar, Nagpur - 440010 | 29 th September 2010 | 4.00 p.m. |
| 2008 -09 | AGM | Saraswat Sabhagruha, Plot No.88/1, Bajaj Nagar, Nagpur - 440010 | 29 th September 2009 | 4.00 p.m. |

All Resolutions are generally passed by way of show of hands. No Resolution was put through 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.

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 also Managing Director on the Board of YASH. During the year, the Company had transactions with M/s Nagpur Import & Exports Pvt. Ltd. (Nagimpex), a Soy meal trading company. Shri Uday Kamat is a Director on the Board of Nagimpex.

During the year 2011-12, 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 Friday the 28th September 2012 at 5.00 p.m., at Saraswat Sabhagruha, Plot No. 88/1, Bajaj Nagar, Nagpur-440010.
- b) Date of Book Closure: Thursday the 27th September 2012 to Friday the 28th September 2012 (both days inclusive) for the purpose of Annual General Meeting.

c) Financial Calendar (Tentative):

Results for quarter ended on 30th June, 2012:
14th August 2012

Annual General Meeting: 28th Sept. 2012

Results for the quarter ending on September 2012 : Second Week of November 2012

Results for the quarter ending on December 2012 : Second Week of February 2013

Results for the quarter ending on

March 2013 : Second Week of May 2013

d) Listing on Stock Exchange: The Company's Shares have been listed on the Bombay Stock Exchange Limited, Mumbai Scrip Code No. is 519477.

e) Dematerialisation of Securities: The Company shall apply again to NSDL/ CDSL for dematerialisation of Equity Shares. The Company being a sick industrial unit, NSDL/ CDSL may allow dematerialisation of securities of the Company, with special conditions/ stipulations. However, transfer of shares is being carried out in physical form by the company.

f) Stock Price Data: The Company's Shares have not been traded in the Bombay Stock Exchange 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 "SAHAS", 2nd Floor, 64, Bajaj Nagar, Nagpur - 440010.

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 deeds 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) ADRs/ GDRs: The Company has not issued any GDR/ADR/Warrants or any convertible instruments /securities.



j) The distribution of Shareholding as on 31st March 2012 was as follows:

| Particulars | | No. of Shares Held | % age of total Share Capital |
|---|-----------|--------------------|------------------------------|
| Promoters | | | |
| Directors and their Relatives | | 13,58,200 | 16.81 |
| Associate of Promoters | | | |
| Individuals | 9,10,600 | | |
| Bodies Corporate | 35,20,000 | 44,30,600 | 54.83 |
| Non - Promoters | | | |
| Financial Institutions/Banks/Mutual Funds | | 37,000 | 0.45 |
| Corporate Bodies | | 3,89,100 | 4.82 |
| NRI/OCB/FII | | 87,600 | 1.08 |
| Other Individuals | | 17,78,100 | 22.01 |
| TOTAL | | 80,80,600 | 100.00 |

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.

UMRED AGRO COMPLEX LIMITED

"SAHAS", 2nd Floor, 64, Bajaj Nagar,
Nagpur – 440010 (Maharashtra)
Ph. No. 0712- 2242564,
Fax: 0712- 2249456
E-mail: ua_ngp@umredagro.com
Website: www.umredagro.com

Shri Arvind Bakde
Whole Time Director/ Compliance Office

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 2011, 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 publication of financial results for the quarters, in newspapers,

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 of the Company nor of efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Nagpur
Date: 14th August 2012

For Anil Mardikar & Co.
Chartered Accountants
FRN-100454W
(Anil Mardikar)
Partner
M. No. 32778



AUDITOR'S REPORT

To

The Members of Umred Agro Complex Limited

- 1 We have audited the attached Balance Sheet of Umred Agro Complex Ltd., as at 31st March 2012 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 – Note 1.
- ii) Stock of Bye- Products, which is valued at Net Realizable Value.
- e) On the basis of written representations received from the directors, as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 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 on March 31, 2012;
 - 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 the Cash Flow Statement, of the cash flow of the Company for the year ended on that date.

Place: Nagpur

Date: 14.08.2012

For Anil Mardikar & Co.

Chartered Accountants

(Anil B. Mardikar)

Partner

Mem.No.32778

FRN-100454W



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. 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 month
 - b) According to the information and



Statement of Disputed Dues

| Sr. No | Name of the Institution | Nature of Dues Status | Amount (Rs. In Lacs) | Period to which the amount relates | Forum where dispute is pending |
|--------|-------------------------|----------------------------------|----------------------|------------------------------------|--------------------------------|
| 1 | Sales Tax | Assessed Interest & Penalty | 52.28 | 1991-92 | Sales Tax Dept. |
| 2 | Sales Tax | Assessed Tax, Interest & Penalty | 115.10 | 1992-93 | Joint Comm. Sales Tax |
| 3 | Sales Tax | Assessed Interest & Penalty | 11.22 | 1993-94 | Sales Tax Dept |
| 4 | Sales Tax | Assessed Tax, Interest & Penalty | 81.49 | 1994-95 | Joint Comm. Sales Tax |
| 5 | Sales Tax | Assessed Tax, Interest & Penalty | 31.37 | 1996-97 | Tribunal Sales Tax |
| 6 | Sales Tax | Assessed Interest & Penalty | 0.88 | 1997-98 | Sales Tax Dept. |
| 7 | Sales Tax | Assessed Interest & Penalty | 0.99 | 1998-99 | Sales Tax Dept. |
| 8 | Sales Tax | Assessed Interest & Penalty | 0.50 | 1999-00 | Sales Tax Dept. |
| 9 | Sales Tax | Assessed Tax, Interest & Penalty | 298.20 | 2000-01 | Appellate Authority |
| 10 | Sales Tax | Assessed Tax, Interest & Penalty | 437.15 | 2001-02 | Appellate Authority |
| 11 | Sales Tax | Assessed Tax, Interest & Penalty | 394.98 | 2002-03 | Appellate Authority |
| 12 | Sales Tax | Assessed Tax, Interest & Penalty | 142.86 | 2003-04 | Appellate Authority |
| 13 | Sales Tax | Assessed Interest & Penalty | 1.77 | 2004-05 | Sales Tax Dept. |

explanations given to us, the following are be details of disputed dues as at the year end,

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 2012.
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 obtained & utilized Term loan of Rs. 10.00 Lacs 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.
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.



BALANCE SHEET AS AT 31ST MARCH 2012

(All figures in Rs.Lacs)

| | Schedule | AS AT 31-Mar-12 | AS AT 31-Mar-11 |
|--|----------|--------------------|--------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholder's Funds | | | |
| (a) Share Capital | 2 | 813.06 | 813.06 |
| (b) Reserves and Surplus | 3 | (960.45) | (1,037.13) |
| Share Application money pending allotment | | | |
| Non-Current Liabilities | | | |
| (a) Long-Term Borrowings | 4 | 620.49 | 634.05 |
| (b) Deferred Liability under Rehab Scheme | 5 | 43.17 | 43.17 |
| Current Liabilities | | | |
| (a) Short-Term Borrowings | 6 | 239.25 | 132.48 |
| (b) Trade Payables | 7 | 1,709.91 | 3,057.24 |
| (c) Other current liabilities & Provisions | 8 | 261.25 | 202.58 |
| Total Equity & Liabilities | | 2,726.67 | 3845.45 |
| ASSETS | | | |
| Non-Current Assets | | | |
| (a) Fixed Assets | | | |
| Tangible Assets | | | |
| (i) Gross Block | | 1,690.07 | 1,658.79 |
| (ii) Depreciation | | 1,183.18 | 1,107.57 |
| (iii) Net Block | | 506.89 | 551.21 |
| (b) Non-current investments | 10 | 10.34 | 9.54 |
| Current Assets | | | |
| (a) Inventories | 11 | 1,965.88 | 2,902.42 |
| (b) Trade Receivables | 12 | 155.13 | 237.49 |
| (c) Cash and cash equivalents | 13 | 3.99 | 41.50 |
| (d) Short-term loans and advances | 14 | 84.45 | 103.28 |
| Total Assets | | 2,726.67 | 3,845.45 |

Schedule "2" to "14" form integral part of the Balance sheet.

For Anil Mardikar & Co.

Chartered Accountants

FRN 100454W

Anil Mardikar

(Partner)

M.No. 32778

for and on behalf of Board

Dr. S.G. Parate

(Chairman)

Uday Kamat

(Managing Director)

Place : Nagpur

Date : 14th August 2012

Arvind Bakde

(Whole Time Director)



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2012
(All figures in Rs.Lacs)

| | Schedule | YEAR ENDED 31-Mar-12 | YEAR ENDED 31-Mar-11 |
|---|----------|-------------------------|-------------------------|
| Revenue from operations | 15 | 5,461.97 | 9,388.24 |
| Other Income | 16 | 208.97 | 238.06 |
| Total Revenue | | 5,670.94 | 9,626.30 |
| Expenses: | | | |
| Cost of materials consumed | 17 | 5,105.60 | 6,746.63 |
| Purchase of Stock-in-Trade | | 127.50 | 2,339.41 |
| Changes in inventories of finished goods | 18 | (498.07) | (334.81) |
| Employee Benefit Expense | 19 | 154.88 | 128.02 |
| Financial Costs | 20 | 142.35 | 128.47 |
| Depreciation and Amortization Expense | 9 | 75.61 | 74.62 |
| Other Expenses | 21 | 486.54 | 476.51 |
| Total Expenses | | 5,594.36 | 9,558.85 |
| Profit before exceptional and extraordinary items and tax | | 76.68 | 67.45 |
| Prior Period Items | | - | 12.50 |
| Profit before extraordinary items and tax | | 76.68 | 54.95 |
| Extraordinary Items | | - | - |
| Profit before tax | | 76.68 | 54.95 |
| Tax expense | | - | - |
| Profit(Loss) from the period from operations | | 76.68 | 54.95 |
| Earning per equity share: | | | |
| (1) Basic (Rs.) | | 0.95 | 0.68 |
| (2) Diluted (Rs.) | | 0.95 | 0.68 |

Schedule "15" to "21" and "9" form integral part of the Profit and Loss Account.

For Anil Mardikar & Co.

Chartered Accountants

FRN 100454W

for and on behalf of Board

Anil Mardikar

(Partner)

M.No. 32778

Dr. S.G. Parate

(Chairman)

Uday Kamat

(Managing Director)

Place : Nagpur

Date :14th August 2012

Arvind Bakde

(Whole Time Director)



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-MARCH-12

| | (Amount Rs. Lacs) | |
|--|-------------------|----------------|
| | 2011 -12 | 2010 -11 |
| (A) Cash Flow from Operating Activities | | |
| Net profit before Tax & Extraordinary Items | 76.68 | 54.95 |
| Adjustments for | | |
| Depreciation | 75.61 | 74.62 |
| Operating Profit before Working Capital Changes | 152.29 | 129.56 |
| Adjustments for | | |
| (Increase)/Decrease in Sundry Debtors/Receivables | 82.37 | 12.94 |
| (Increase)/Decrease in Inventories | 936.55 | (2,798.58) |
| (Increase)/Decrease in Loans & Advances | 18.83 | 53.31 |
| Increase/ (Decrease) in Current Liabilities | (1,181.89) | 2,692.32 |
| Cash Flow Generated from Operations | (144.15) | (40.01) |
| (A) Net Cash from Operating Activities | 8.13 | 89.55 |
| (B) Cash Flow from Investing Activities | | |
| (Purchase/Additions) of Fixed Assets | (31.28) | (59.42) |
| (Purchase)/Sale of Investments | (0.80) | (7.19) |
| (B) Net Cash from Investing Activities | (32.08) | (66.61) |
| (C) Cash Flow from Financing Activities | | |
| Proceeds from Issue of Share Capital | - | - |
| Proceeds/(Repayments) from Unsecured Loans under Rehab | - | (28.60) |
| Proceeds/(Repayments) from Long Term Borrowings | (13.56) | 121.75 |
| Proceeds/ (Repayments) from Deferred Funds | - | (91.06) |
| (C) Net Cash from in Financing Activities | (13.56) | 2.08 |
| Net Increase/ (Decrease) in Cash & Cash Equivalents | (37.51) | 25.03 |
| Opening Balance Cash & Cash Equivalent | 41.50 | 16.47 |
| Closing Balance Cash & Cash Equivalent | 3.99 | 41.50 |

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

Place :- Nagpur

For and on behalf of the Board

Date : 14th August 2011

(Uday Kamat)
Managing Director

We have examined the aforesaid Cash Flow Statement of Umred Agro complex Limited for the year ended 31st March 2012. The statement has been prepared by the Company in accordance with the requirement 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.
Date: 14th August 2012
Chartered Accountants
FRN-100454W

(Anil Mardikar)
Partner
M. No. 32778



**NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED ON 31ST MARCH 2012.**

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

General

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

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.

Investments

Investments are stated at cost.

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.

Sales and Purchase

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

Other Income

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

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.

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.

Revenue and Expenditure Recognition

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

Retirement Benefits

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

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.

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.

| 2. Share Capital | | (Amount Rs. Lacs) | |
|-------------------------|--|------------------------------|------------------------------|
| Sr. No | Particulars | As at 31-Mar-2012 | As at 31-Mar-2011 |
| a) | Authorised Share Capital | | |
| | 98,500,000 shares of Rs. 10 each (Previous Year 98,50,000 shares of Rs. 10 each) | 985.00 | 985.00 |
| | 15,000 Preference Shares of Rs. 100 each (Previous Year 15,000 shares of Rs. 100 each) | 15.00 | 15.00 |
| | | 1,000.00 | 1,000.00 |
| b) | Issued , subscribed and paid up capital 80,80,600 | | |
| | Equity Shares of Rs. 10/- each, Fully (Previous Year 80,80,600 Equity Shares of Rs. 10/- each) | 808.06 | 808.06 |
| | 5,000 -14% Preference Shares of Rs.100 /- each (Previous Year 15,000 shares of Rs. 100/- each) | 5.00 | 5.00 |
| c) | During the year the Company has not issued any shares | | |
| | Total | 813.06 | 813.06 |



| Sr. No | Particulars | As at 31-Mar-2012 | As at 31-Mar-2011 |
|--|--|----------------------|----------------------|
| d) Details of share holders holding more than 5% of Shares in the company | | | |
| i) | M/S Vibrant Market Themes Pvt. Ltd | | |
| | Number of Shares | 1,650,000 | 1,650,000 |
| | % of Holdings | 20.42% | 20.42% |
| ii) | M/s Nagpur Imports and Exports Pvt. Ltd | | |
| | Number of Shares | 1,470,000 | 1,470,000 |
| | % of Holdings | 18.19% | 18.19% |
| 3. Reserves and Surplus | | | |
| a) | Central Investment Subsidy | 12.75 | 12.75 |
| b) | Share Premium | 321.93 | 321.93 |
| c) | Capital Reserve | 106.42 | 106.42 |
| d) Debit Balance in Profit and Loss Account | | | |
| | Opening Balance | (1478.23) | (1533.17) |
| | Add: Balance from Statement of Profit and Loss Account | 76.68 | 54.95 |
| | Closing Balance | (1401.55) | (1478.23) |
| | Total | (960.55) | (1037.13) |
| 4. Long Term Borrowings | | | |
| a) | Advance from Cargill India Pvt. Ltd. (Secured by First Charge on Fixed Assets of the Company and personal guaranties of Directors. Repayable in 60 installments of Rs 14 Lacs per month starting from Oct 2006 . Total amount outstanding as on balance sheet date is Over due) | 579.74 | 597.51 |
| b) | Term Loan from Tirupati Co. Op. Bank Ltd. (Against Hypo. of Lecithin Plant and Personal Guaranties of Directors Mr. U.S. Kamat and Mr. A. W. Bakde . Repayable in 36 monthly installments of Rs. 1.63 Lacs starting from June-2011) | 40.75 | 36.54 |
| | Total | 620.49 | 634.05 |
| 5. Deferred Liability | | | |
| a) | Sales Tax dues | 43.17 | 43.17 |
| | Total | 43.17 | 43.17 |
| 6. Short Term Borrowings | | | |
| a) | Working Capital Term Loan from Tirupati Urban Co. Op. Bank Ltd. (Against Hypo of Stock in Trade, Book Debts and Personal Guarantees of Directors Mr. U. S. Kamat & Mr. A. W. Bakde) | 230.05 | 129.85 |



| Sr. No | Particulars | As at 31-Mar-2012 | As at 31-Mar-2011 |
|--------|---|----------------------|----------------------|
| b) | Over Draft facility form ICICI Bank Ltd. (Unsecured Advance) | 9.20 | 2.63 |
| | Total | 239.25 | 132.48 |
| | 7. Trades Payable | | |
| a) | Utilities ,Chemicals and Spares | 163.35 | 119.71 |
| b) | Raw Materials | 54.52 | 475.85 |
| c) | Advance for Finished Goods | 64.68 | 66.12 |
| d) | Advance form M/s Cargill India Pvt. Ltd | 1,427.37 | 2,395.56 |
| | Total | 1709.91 | 3057.24 |
| | 8. Other Current Liabilities | | |
| a) | Provision for Employee Benefits | 39.06 | 16.74 |
| b) | Other Liability | 222.18 | 185.84 |
| | Total | 261.25 | 202.58 |
| | 10. Non Current Investment | | |
| a) | NSC/Fixed Deposits | 3.15 | 2.35 |
| b) | Shares of Tirupati Urban Co. Op. Bank | 7.19 | 7.19 |
| | Total | 10.34 | 9.54 |
| | 11. Inventories | | |
| a) | Stores and Spares | 44.54 | 51.69 |
| b) | Material (incl. Packing Material) | 1,035.57 | 2,467.76 |
| c) | Chemicals /Hexane/ Coal | 41.57 | 36.86 |
| d) | Finished Goods (incl. Bye Products) | 844.19 | 346.12 |
| | Total | 1,965.88 | 2,902.42 |
| | 12. Trade Receivables | | |
| | (Unsecured Considered Good unless Provided for) | | |
| a) | Over Six Months | 0.62 | 0.62 |
| b) | Others | 154.51 | 236.87 |
| | Total | 155.13 | 237.49 |
| | 13. Cash & Cash Equivalent | | |
| a) | Cash-in-Hand | | |
| | Cash Balance | 2.15 | 38.68 |
| | Sub Total (A) | 2.15 | 38.68 |
| b) | Bank Balance | | |
| | Balances with Scheduled Banks in Current Accounts | 1.84 | 2.82 |
| | Sub Total (B) | 1.84 | 2.82 |
| | Total [a + b] | 3.99 | 41.50 |

SCHEDULE -9

FIXED ASSETS AS ON

31st March 2012

| PARTICULARS | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | | |
|-----------------------------|------------------------|--------------------------------|------------------------|------------------------------|--------------------------------|---------------------------------|------------------------|-------------------------|-------------------------|
| | VALUE AT 01.04.2011 | ADDITION DURING THE YEAR | VALUE AT 31.03.2012 | VALUE AT THE BEGINNING | ADDITION DURING THE YEAR | DEDUCTION DURING THE YEAR | VALUE AT 31.03.2012 | WDV AS ON 31.03.2012 | WDV AS ON 31.03.2011 |
| 1) Land | 4.46 | | 4.46 | | | - | - | 4.46 | 4.46 |
| 2) Site Development | 12.57 | | 12.57 | 6.00 | 0.42 | - | 6.42 | 6.15 | 6.57 |
| 3) Building | 263.36 | | 263.36 | 94.17 | 5.25 | | 99.41 | 163.95 | 169.20 |
| 4) Plant and Machinery | 1,317.86 | 31.22 | 1,349.08 | 954.74 | 67.01 | | 1,021.75 | 327.32 | 363.12 |
| 5) Electrical Installations | 27.34 | | 27.34 | 21.88 | 1.45 | | 23.33 | 4.02 | 5.46 |
| 6) Furnitures & Fixtures | 22.94 | | 22.94 | 22.94 | - | - | 22.94 | 0.00 | 0.00 |
| 7) Office Equipment | 2.66 | | 2.66 | 2.10 | 0.37 | - | 2.47 | 0.19 | 0.56 |
| 8) Computer | 6.79 | 0.06 | 6.85 | 4.94 | 1.11 | - | 6.05 | 0.80 | 1.85 |
| 9) Lab Equipemnt | 0.80 | | 0.80 | 0.80 | - | | 0.80 | 0.00 | 0.00 |
| SUB TOTAL (A) | 1,658.79 | 31.28 | 1,690.07 | 1,107.57 | 75.61 | - | 1,183.18 | 506.89 | 551.21 |
| II Capital Work-in-progress | - | - | - | - | - | - | - | - | - |
| Total (Current Year) | 1,658.79 | 31.28 | 1,690.07 | 1,107.57 | 75.61 | - | 1,183.18 | 506.89 | 551.21 |
| Previous Year | 1,599.36 | 59.42 | 1,658.79 | 1,032.96 | 74.62 | | 1,107.57 | 566.41 | 621.62 |





| Sr. No | Particulars | As at 31-Mar-2012 | As at 31-Mar-2011 |
|--|---|----------------------|----------------------|
| 14. Loans and Advances | | | |
| a) | Advances recoverable in Cash or Kind | 10.21 | 2.70 |
| b) | Claims/ Charges Receivable | 54.18 | 85.41 |
| c) | Deposits | 17.28 | 15.17 |
| d) | Prepaid Expenses | 2.78 | |
| | Total | 84.45 | 103.28 |
| 15. Revenue from Operations | | | |
| a) | Oil Sale (Net of taxes) | 2,443.71 | 3,136.49 |
| b) | De- Oiled Cake | 2,924.32 | 5,912.41 |
| c) | Bye-Products/Other Items | 98.09 | 339.34 |
| | Sub Total | 5,466.13 | 9,388.24 |
| | Less : Excise Duty | 4.16 | |
| | Total | 5,461.97 | 9,388.24 |
| 16. Other Income | | | |
| a) | Processing Charges (SEP) | 196.72 | 200.75 |
| b) | Processing Charges (VOR) | - | 6.39 |
| c) | Other Misc. Income | 12.25 | 30.92 |
| | Total | 208.97 | 238.06 |
| 17. Cost of Material Consumed | | | |
| i) | Soya seed and Crude Oil (incl. Packing) | 5,105.45 | 6,746.63 |
| ii) | Trading Purchases | 127.50 | 2,339.41 |
| | Total | 5,232.95 | 9,086.04 |
| 18. Change in Inventories | | | |
| a) | Opening Stock of Finished Goods and Bye Products | 346.12 | 11.31 |
| b) | Closing Stock of Finished Goods and Bye Products | 844.19 | 346.12 |
| | Total | (498.07) | (334.81) |
| 19. Employment Benefit Expenses | | | |
| a) | Salaries and Wages | 141.42 | 115.92 |
| b) | Bonus, Contribution to PF & ESIC , other benefits | 13.46 | 12.10 |
| | Total | 154.88 | 128.02 |
| 20. Financial Cost | | | |
| a) | Interest | 139.99 | 122.62 |
| b) | Other Financial Charges | 2.37 | 5.85 |
| | Total | 142.35 | 128.47 |
| 21. Other Expenses | | | |
| i) | Manufacturing Expenses | | |
| a) | Power & Fuel | 259.48 | 245.63 |
| b) | Chemicals and Hexane | 96.02 | 93.87 |
| c) | Consumption of stores and spares | 35.92 | 18.71 |
| d) | Repairs and maintenance to plant & machinery | 3.50 | 6.44 |



| Sr. No | Particulars | As at 31-Mar-2012 | As at 31-Mar-2011 |
|--------|-----------------------------------|----------------------|----------------------|
| e) | Other Manufacturing Expenses | 56.85 | 63.66 |
| f) | Insurance | 4.45 | 7.20 |
| | Sub Total | 456.26 | 435.51 |
| ii) | Selling Expenses | 4.46 | 13.55 |
| iii) | Administrative Expenses | | |
| a) | Travelling and Conveyance | 4.31 | 4.46 |
| b) | Communication and Other Admin Exp | 17.41 | 18.64 |
| c) | Legal and consultancy Expenses | 3.54 | 3.80 |
| d) | Auditors Remuneration | | |
| | Statutory Audit Fees | 0.39 | 0.39 |
| | Tax Audit Fees | 0.17 | 0.17 |
| | Sub Total | 25.82 | 27.45 |
| | Total | 486.54 | 476.51 |

22. The Financial Statements for the year ended on 31st March 2011 were prepared as per then applicable schedule VI to Companies Act 1956. Consequent to the notification of Revised Schedule VI under Companies Act 1956, the Financial statements for the year ended on 31st March 2012 are prepared as per Revised Schedule VI. Accordingly previous year's figures have also been regrouped to confirm the current Years classification.
23. 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.
24. CONTINGENT LIABILITIES NOT PROVIDED FOR:
- 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.
 - 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.
 - The amount of Rs. 8.16 Lacs towards recompense of sacrifices made by Maharashtra State Electricity Distribution Company Limited (MSEDCL) under Rehabilitation Scheme (MRS 2004) to be paid after successful completion of the same
- d) Details of Disputed Sales Tax dues are as follows:
- Dividend due on 14% Cumulative Redeemable Preference Shares Capital of Rs. 5.00 Lacs from the year 2008-09 amounting to Rs. 2,80,000/- not paid/provided for.
 - As operations of the company comprise only Solvent Extraction and Refinery, no separate Segmental Reporting is considered necessary.
 - 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.
 - 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.
 - 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)
 - The Company has availed the services of the company secretary as Retainer.
 - The Company has formed as subsidiary company "Mid India Market Systems Pvt. Ltd" on 14-Feb-2012 for carrying out trading activity



in goods and commodities. The Company has not transacted any business during the financial year 2011-12.

32. 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) Other Related Parties (Key Management Personnel having Significant influence)

M/S Nagpur Imports and Exports Pvt. Ltd.

M/S Vibrant Market Themes Pvt. Ltd.

CONTINGENT LIABILITIES NOT PROVIDED FOR:

| Year | Amount (Rs Lacs) | Nature | Remark |
|---------|------------------|----------------------|--|
| 1991-92 | 52.28 | Interest & Penalty | Special Application Moved for Payment by Installment with Joint Comm. Sales Tax Nagpur. |
| 1992-93 | 115.10 | Principal & Interest | Order set aside, sent back for fresh Assessment. |
| 1993-94 | 11.22 | Interest & Penalty | Special Application Moved for Payment by Installment with Joint Comm. Sales Tax Nagpur |
| 1994-95 | 81.49 | Principal & Interest | Appellate Authority has fixed part payment. Stay not operative due to outstanding Part Payment |
| 1996-97 | 31.37 | Principal & Interest | Appeal Pending before first Appellate Authority |
| 1997-98 | 0.88 | Interest | Appeal Pending |
| 1998-99 | 0.99 | Interest | Appeal Pending |
| 1999-00 | .50 | Interest | Appeal Pending |
| 2000-01 | 298.20 | Principal & Interest | Appeal submitted. |
| 2001-02 | 437.15 | Principal Interest | Appeal Pending |
| 2002-03 | 394.98 | Principal Interest | Appeal Pending |
| 2003-04 | 142.87 | Principal Interest | Appeal Pending |
| 2004-05 | 1.77 | Interest | Appeal Pending |

c) Transactions with related parties during the year

| Transactions | Key Management Personnel | Other Related Parties | Total |
|----------------------------|--------------------------|-----------------------|--------|
| Purchase of goods/Expenses | -- | 81.35 | 81.35 |
| Sales of Goods | -- | 156.44 | 156.44 |
| Remuneration | 52.74 | --- | 52.74 |

For Anil Mardikar & Co.

Chartered Accountants

FRN 100454W

Anil Mardikar

(Partner)

M.No. 32778

for and on behalf of Board

Dr. S.G. Parate

(Chairman)

Uday Kamat

(Managing Director)

Place : Nagpur

Date : 14th August 2012

Arvind Bakde
(Whole Time Director)



ATTENDANCE SLIP

UMRED AGRO COMPLEX LIMITED

Registered Office: "SAHAS", 2nd Floor, 64, Bajaj Nagar, Nagpur – 440010

25TH ANNUAL GENERAL MEETING ON 28TH SEPTEMBER 2012 AT 5.00 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 25th Annual General Meeting of the Company at "Saraswat Sabhagraha", Plot No. 88/1, Bajaj Nagar, Nagpur – 440010 on 28th September 2012.

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 : "SAHAS", 2nd Floor, 64, Bajaj Nagar, Nagpur – 440010

I/We _____

_____ 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 25th Annual General Meeting of the Company, to be held on Friday, the 28th September 2012, at 5.00 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 _____ 2012

Reference Folio No. _____

1. _____ Signature _____

2. _____ Signature _____

Affix 25
Paise Stamp

BOOK-POST
(Printed Matter Inside)

If undelivered, please return to :
UMRED AGRO COMPLEX LIMITED
Registered Office : "SAHAS", 2nd Floor,
64, Bajaj Nagar, Nagpur – 440010
Tel.: 0712-2242564/2249788
Fax : 0712-2249456
E-mail : ua_ngp@umredagro.com