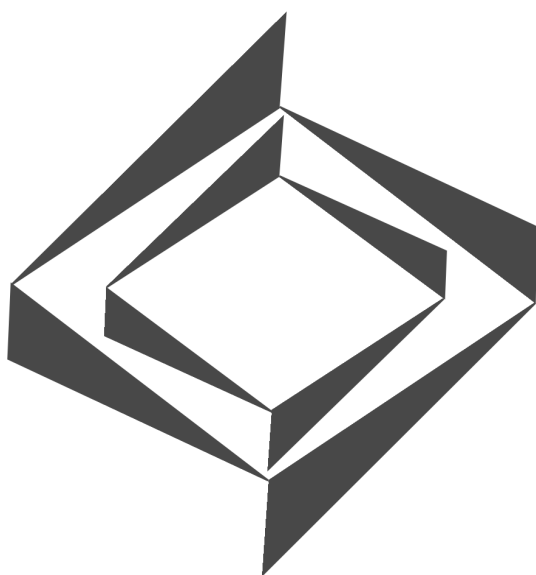


UNIPLY INDUSTRIES LIMITED



for all reasons & seasons

16th Annual Report 2012

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COMPANY INFORMATION

B.L. Bengani	Chairman & Managing Director
M.L. Pramod Kumar	Whole Time Director
Sudhir Kumar Jena	Director
Satya Prathaap Bhatera	Director
R. Kuppu Rao	Director
Raghuram Nath	Company Secretary
Bankers	State Bank of India
Auditors	C. Ramasamy & B. Srinivasan Chartered Accountants
Registered Office & Factory	#69, Nelveli Viillage, Uthiramerur Block, Kancheepuram, Tamilnadu – 603 107
Corporate office	#52, Harleys Road, Kilpauk, Chennai, Tamilnadu - 600 010.
Branch Netowrk :	
Karnataka	Old No. 6, Ayyappa Temple Road, Subbaiyanapalaya, Bangalore - 560 043.
Maharashtra	102, 1st Floor, Kala Mandir Co-operative Housing Society Limited, Chitrakar Kethar Road, Vile Parle East, Mumbai - 400 057.
New Delhi	A-2/61, Marble Market, WHS, Kirti Nagar, New Delhi - 110 015.
Andhra Pradesh	Door No. H, No. 6-1-118/4, Padmarao Nagar, Secunderabad - 500 025.
Uttar Pradesh	No. B-95, Vibhuti Khand, Gomati Nagar, Lucknow - 226 010.

NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the members of M/s. Uniply Industries Limited will be held on Friday the 28th Day of September, 2012 at 11.00 a.m. at its Registered Office at # 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamilnadu – 603 107, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the accounts of the Company for the financial year ended 31st March 2012, the Balance Sheet as at that date and the reports of the Directors and Auditors thereon.
2. To appoint Director in place of Mr. Satya Prathaap Bhatara, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration. In this connection, to consider and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:-

“Resolved that M/s. C. Ramasamy & B. Srinivasan, Chartered Accountants, FRN No. 002957S be and are hereby appointed as Auditors of the Company to hold such office until the conclusion of next Annual General Meeting, to conduct the audit for the financial year 2012-13.”

“Resolved further that the Board of Directors be and are hereby authorized to fix the remuneration and other terms & conditions of appointment of the Auditors.”

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

“**RESOLVED** that in accordance with the provision of section 314(1) of the Companies Act, 1956 including any statutory modifications or reenactment thereof, the Company hereby consent to Mr. Varun Bengani, son of Mr. B.L. Bengani, Chairman and Managing Director of the company, to continue to hold an office of profit in the Company in the grade of Senior Executive, with effect from 01.04.2012, with a consolidated salary of Rs. 48,000/- p.m.

FURTHER RESOLVED THAT consent be and is hereby accorded to the board to revise the same from time to time subject to the provision of section 314(1) of the Companies Act, 1956 including any statutory modifications or reenactment thereof.”

Place: Chennai
Date: 10.07.2012

By order of the Board
Raghuram Nath
Company Secretary

NOTES

1. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the company. Proxies, in order to be effective should be lodged with the company at the Registered Office not less than 48 hours before the meeting.
2. Corporate members are requested to send to the Company’s registered office a duly certified copy of the Board resolution, pursuant to section 187 of the Companies Act, 1956, authorizing their representative(s) to attend and vote at the Annual General Meeting.
3. Members are requested to bring their admission slips along with copy of the Annual Report to the Annual General Meeting.
4. Members holding shares in the physical form are requested to notify / send the following to Company to facilitate better servicing:-

Uniply Industries Limited

- i) Any change in their address / mandate / bank details,
 - ii) Particulars of their bank account, in case the same have not been furnished earlier, and
 - iii) Share certificates held on in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such share holdings into a single account.
5. The Register of Members and Transfer Registers will remain closed from 20.09.2012 to 28.09.2012 (both days inclusive).
6. Unclaimed dividend for the financial years 2005-06 & 2006-07, remain unpaid or unclaimed will be transferred to the Investor Education and Protection Fund. Members who have not encashed their dividend warrants for the above said years are requested to contact the Registrar & Share Transfer Agent. Further, in this year, the unclaimed share application money pending since July 2005 will be transferred to the account of the Central Govt. i.e. the investors education and protection fund.
- 7. As per the MCA circular No. 18/2011 dated 29.04.2011 The Ministry of Corporate Affairs has taken Green Initiative in Corporate Governance – by allowing paperless compliances by companies. As per the said circular, companies are permitted to send the annual reports to the members through electronic mode. Hence, members are requested to update their e-mail id and changes there in from time to time with RTA and the company at investorservices@uniply.in.**
8. As required under clause 49IV G of the Listing agreements with stock exchanges, given below the details of director who are proposed to be reappointed

Mr. Satya Prathaap Bhatara

Mr. Satya Prathaap Bhatara aged about 62 years is a businessman. Presently he is serving as an Independent Director in the board. He is having more than 4 decades of rich experience in the field of manufacturing and trading in steel and building materials. He is instrumental in advising company in various policy and project matters.

Mr. Satya Prathaap Bhatara does not hold any shares in the company as per the information furnished by him.

Except Mr. Satya Prathaap Bhatara, none of the directors of the company may be deemed to be concerned or interested in this.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 4.

Mr. Varun Bengani, B.E. in Mechanical Engineering aged 23 years, was re-appointed as senior executive with effect from 01.04.2011 with a consolidated salary of Rs. 25,000/- p.m. vide the approval of shareholders at their last AGM held on 02.08.2011. Considering Mr. Varun Bengani's excellent performance and the contribution made by him to the working of the company, the Board of Directors vide their Resolution dated 10.07.2012 decided to promote him with more responsibilities with effect from 01.04.2012 on the terms as mentioned in the Resolution.

Mr. Varun Bengani is the son of Mr. B.L. Bengani, Chairman and Managing Director of the Company and hence the revision in the terms of his appointment requires consent of the Company by a Special Resolution under Section 314(1) of the Companies Act, 1956. Accordingly, the enclosed draft Special Resolution is submitted for consideration of the shareholders and the Board commends that the resolution be passed.

None of the directors except Mr. B.L. Bengani, Chairman and Managing Director, is interested in the subject as father of Mr. Varun Bengani

Place: Chennai
Date: 10.07.2012

By order of the Board
Raghuram Nath
Company Secretary

Directors' Report

To All members,

Your Directors have pleasure in presenting the 16th Annual Report of the company along with the Audited Statement of Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

The highlights of the financial results of the company for the year ended 31.03.2012 as compared with the previous year are as follows: Rs. In Lacs

Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
Net Turn Over	12102.87	10263.04
Profit before Interest, Depreciation & Tax	989.13	914.87
Less: Interest	542.33	487.78
Profit/(Loss) before Depreciation & Tax	446.80	427.09
Less: Depreciation	144.53	136.08
Profit/(Loss) before Taxation	302.27	291.01
Less: Provision for Taxation		
Wealth Tax	0.15	0.30
Deferred Tax	92.69	89.92
Profit/(Loss) after Tax	209.43	200.79
Balance brought forward	(461.42)	(662.21)
Provision for Dividend and Dividend tax	-	-
Transfer from General Reserve	-	-
Balance carried forward to next year	(251.99)	(461.42)

PERFORMANCE REVIEW

During the year of operation, your company has achieved a net turnover of Rs. 12102.87 lacs, an increase of 17.93 % as against the previous year net turnover of Rs. 10263.04 lacs. The operative profits stood at Rs. 989.13 lacs. The PAT stood at Rs. 209.43 lacs as against PAT of Rs. 200.79 lacs in the previous year. The main reason of declining PAT is due to loss on account of exchange difference.

DIVIDEND

Keeping in view of the accumulated losses, your Directors regret their inability to declare any dividend.

SUBSIDIARIES & ASSOCIATES

During the year under review, M/s. Surge Trading Limited (STL) your Wholly Owned Subsidiary has recorded net revenue of Rs. 905.67 lacs (previous year Rs. 857.42 lacs) an increase of about 6% with a net profit of Rs. 9.75 lacs. This company is instrumental in sourcing material for your company from abroad. Management has belief that the company will perform better in years to come.

CONSOLIDATED FINANCIAL STATEMENTS

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Auditors' Report, Balance Sheet and Profit and Loss Account of its subsidiary company to its Annual Report. The Ministry of Corporate Affairs, Government of India, vide its general circular no. 2/2011 dated 8th February, 2011, has granted exemption to all companies for not attaching the above documents of subsidiary with Annual Report of the Company from financial year 2010-11 onwards. Accordingly, this Annual Report does not contain the report and other statement of M/s. Surge Trading Limited the subsidiary company. The Company will make available the annual audited accounts and

Uniply Industries Limited

related detailed information of the subsidiary companies upon request by any member of the Company. These documents will also be available for inspection during business hours at the registered office of the Company.

Financial information of M/s. Surge Trading Limited, the subsidiary company, as required by the said general exemption circular of Ministry of Corporate Affairs, Government of India, is annexed to this report. A statement of Holding Company's interest in subsidiaries is also furnished separately.

As required by Accounting Standard – 21 and Listing Agreement with stock exchanges, the audited consolidated financial statements of the Company and its subsidiaries are enclosed.

PREFERENTIAL ALLOTMENT OF SHARES

During the year under review, the company has issued and allotted 18,98,793 Equity Shares @ Rs. 10.77/- per share (including premium of Re. 0.77/- per share) to promoters and others on preferential basis. The objective of the issue was to provide long term funding for the ongoing business of the Company and to meet debt:equity ratio as stipulated by the lender bank. These shares were also listed with both Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd and trading was started w.e.f.24.04.2012 & 25.04.2012 respectively.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies Act, 1956, as amended by the Companies (amendment) Act 2000, your Directors confirm:

- a. That in the preparation of Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- b. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- c. That they 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 your company and for preventing and detecting fraud and other irregularities;
- d. That they have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Your Company recognizes the importance of good corporate governance. Your Company is therefore, committed to business integrity, high ethical values and professionalism in all its activities. As an essential part of this commitment, the Board of Directors supports high standards in corporate governance. It is the endeavor of the Board and the executive management of your Company to ensure that their actions are always based on principles of responsible corporate management. In your company, corporate governance is seen as an ongoing process. Your Company's Board will therefore closely follow future developments in the governance norms and will take lead in ensuring compliance with the same. A separate report on Corporate Governance along with the certificate of the Auditors, confirming compliance of the conditions of corporate governance, as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges is annexed.

AUDIT COMMITTEE / INVESTOR GRIEVANCE COMMITTEES / REMUNERATION COMMITTEE

The Board of Directors has constituted three committees i.e. Audit Committee, Share Transfer & Investor Grievance committee and Remuneration Committee as per the requirement of Corporate Governance under the Listing Agreement. All the members of these committees are independent & non executives. The details of members of these Committees are given in Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility continues to assume an important role in the activities of the Company. It encompasses much more than social outreach programs and is an integral part of the way the Company conducts its business.

COST AUDIT COMPLIANCE CERTIFICATE

Company has obtained Cost Audit Compliance Certificate for the period ended 31.03.2012 issued by Mr. Sivasubramanian & Co, Cost Accountants and the same shall be filed with MCA accordingly.

FIXED DEPOSITS

The Company has neither accepted nor renewed any Fixed Deposits from the public during the year under review.

DIRECTORS

Mr. Satya Prathaap Bhatara, director is retiring by rotation and being eligible offer himself for reappointment. Necessary resolution is proposed in the notice to the Annual General Meeting.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The statement containing the necessary information as required under Section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules 1988, relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are annexed hereto and forms an integral part of this report.

ENVIRONMENT & GREEN INITIATIVE

The Company is committed to the environment. The Company continues to upkeep effluent and chemical treatment plant besides green belt inside the factory premises. Continuous check of air and water pollution at manufacturing unit is made and monitored. Your company is certified with FSC (Forest Stewardship Council) besides an existing member of IGBC.

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956.

None of the employees is drawing remuneration in excess of limit prescribed under section 217(2A) of the companies Act, 1956 and rule thereto for which disclosures to be made.

AUDITORS AND THEIR REPORT

M/s. C. Ramasamy & B. Srinivasan, Chartered Accountants, auditors of the company will retire at the conclusion of the ensuing Annual General Meeting and are recommended for reappointment. The Company has received a certificate from them to effect that the reappointment, if appointed, would be within the limits prescribed under section 224 (1B) of the Companies Act, 1956.

LISTING WITH STOCK EXCHANGES

The Equity shares of the Company were listed with Bombay Stock Exchange Ltd. (BSE) & National Stock exchange of India Limited (NSE). The annual listing fee for the financial year 2012-13 was paid within the stipulated time to BSE & NSE.

FOREIGN EXCHANGE MANAGEMENT

During the year under review, the Company incurred a forex loss of 2.28 crores against a loss of 5.22 lacs in the previous year. The management is adopting required foreign currency hedging mechanism from time to time.

ANNEXURE TO THE DIRECTOR'S REPORT**Under The Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988****A. Conservation of Energy**

The Company through continuously improving its manufacturing process and efficiency at its all

plants and offices continues its endeavor to improve energy conservation and utilization. Energy conservation programs adopted by the Company are:

- (i) Strict watch is kept on idle running of machine and to work the machine at full capacity
- (ii) Installed frequency drivers in machines to save power
- (iii) Machineries are frequently overhauled to work smoothly;
- (iv) Monitoring of power factor is frequently done and we have installed automatic power control systems in the circuit.
- (v) Energy consumption versus production is monitored at regular intervals to check over usage of energy.
- (vi) Continuous monitoring of energy consumption.
- (vii) Voltage is controlled with the installation of automatic voltage controller on transformer.

B. Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company.

R&D portfolio consists of product improvement and process optimization with a view to reduce cost and introduction of new environmental friendly products and processes.

2. Benefit derived as a result of the above R & D:

The new products and process cater the needs of variety of customer segments and aim to reduce cost. Development of eco-friendly processes result in less quantity of effluent and emission. Also designing of 'safe' i.e. non toxic products conform to Euro I Standards

3. Future Plan of action:

R&D will focus on projects leading to further cost reduction and reduced load on environment.

4. Expenditure on R & D

No capital expenditure is done towards the R&D. The Company continuously incurs expenses for improving the processes, product quality, etc they cannot be specifically identified as research & development expenses. Thus, the same has not been shown separately.

TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION.

1. Efforts in brief, made towards technology absorption, adaptation and innovation.

The Company absorbs the knowledge of plywood technology from various sources, such as the existing know-how, their own data bank, published literature etc. and thereafter adopts the same to the Company infrastructure, effects improvement to the products and processes of the Company including containment of pollution and control of effluents. Quality assurance managers are placed for each factory and are made independent. With this the complaints have reduced and consumers are feeling satisfied with our products.

2. Benefits derived as a result of the above efforts.

Benefits derived from these efforts include process rationalization, product quality improvement and environmental friendly product. With this our Product has got eco mark from BIS and has been referred for Green Building due to low formaldehyde emission products.

C. Foreign Exchange Earning & Outgo

During the year under review the foreign exchange earned by the company was Rs. 23.12 lacs and outgo amounted to Rs. 3611.21 lacs as against Rs. 19.61 lacs and Rs. 2861.56 lacs respectively in the previous year.

For and on behalf of the Board

B.L. Bengani
Chairman and Managing Director

M.L. Pramod Kumar
Whole Time Director

Place: Chennai

Date: 10.07.2012

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**1. Industry Structure and Developments**

The Wood and Wood based Industry play a very vital role in shaping the robust growth of the Indian Economy. This industry has true potential to grow manifolds from the existing levels and is poised for a sustainable growth annually. The last decade has seen India fast become the manufacturing hub for the global markets. The Wood, Plywood & Allied Products Industry is one of the key sectors having immense potential for gaining from these developments as India is one of the major wood-users in the Asia Pacific region. Indian plywood industry is as big as Rs.5,000 crore equivalent to USD 1 billion. The industry is growing at rapid pace of 10-20% per annum. Approximately 600 units are currently functioning all over the country. There is tremendous growth potential as the players are yet to penetrate majority of the international market.

Panel and plywood products are the main wood products in India. Product categories include veneer sheets, particle board (composite wood core with plastic laminate finish), panel products (fiber board), plywood made from both hard and softwood (veneered panels and laminated woods), and medium density fiber board. Indian particle board and plywood industry accounts for 15% of the total production, producing, some 30 million sqm of plywood and block boards. At present, the Indian wood & furniture sector is predominantly in the hands of unorganized small units. Fortunately, large corporate houses have started taking interest in production of modern furniture. The furniture market is the second largest wood processing segment after timber & logs, making India a fast emerging market for high-end, value-added imported products. The manufacture of prefabricated doors and windows is relatively new and the current market is growing at 10% per annum. The total annual market for timber & furniture in India is estimated to be US\$ 1.25 billion about 90% of which is for wooden products. The branded (higher quality) wooden furniture industry is growing at 15% annually.

Exports of wood and wood products from India has reached to all time high of US \$ 453 million during 2010-11 showing a growth of 20% compared to previous year. For the past 4 years, exports of timber products growing an average of Compounded Annual Growth Rate (CAGR) of over 7% from India.

Source: Plywood & Allied Products Panel, CAPEXIL

2. Opportunities

The following are the growth drivers for the Company which will result in growing demand for Plywood, Laminates and Interior products:

- Government Initiative for reviving the infrastructure & Housing Industry by way of increasing the government spending in infrastructure products.
- Government announcement on Tax benefits and investment opportunities for Infrastructure companies.
- Due to boom in demand for real estate and hospitality sector, new housing projects, hospitals and star hotels are coming up with new projects in larger way.
- Rising per capita income and young population
- Rising urbanization
- Increase in demand for premium housing and commercial space

Your company is well positioned to take advantage of the opportunities in the market and post an astonishing performance in the current year.

3. Threats

- a. Globalization:** With the globalization & opening of economy is posing big challenges for exports of timber products from India to across the globe.
- b. FSC certification:** Non FSC certified entities are facing acute competitions from FSC certified entities particularly in marketing
- c. Increase in excise duty by 2%**
- d. Understanding and meeting customers' needs:** Making the wood and wood products more customer-focused and responsive to changing needs is one of our biggest challenges.
- e. Increasing competition from other Asian countries**

f. Increasing labour costs and Automation

g. Lack of Market Information: In India, there is no proper market information system to provide the prevailing price on wood on a day-to-day basis, nor is there any support price fixed by the Government as has been the case in agricultural products.

h. Stringent regulatory norms on protection of environment

4. Outlook

Considering buoyant demand for the products and marketing strength of “UNIPLY” brand, the company is planning for its capacity expansions of the existing installed capacity across product category segment of plywood, veneers, & decorative plywood. The Marketing infrastructure has also been ramped to achieve the higher turnover by opening stock points for decorative plywood.

Further, the Company’s goal is to become a well-diversified Company in the long run by diversifying in other areas of activities related to interior decoration and building products

5. Risks and Concerns

The company is exposed to the normal industry risk factors of interest rate volatility, economic cycle, foreign exchange and credit risk. The Company manages these risks by maintaining a conservative financial profile, and by following prudent business and risk management practices.

6. Internal Control Systems and their adequacy

The Company has adequate Internal Control systems in all areas of operations commensurating with the size of the operation. The Company has well defined roles, responsibilities and authorities for employees at all levels. Adequacy of the system has also been examined by the Statutory Auditors of the Company and there is no adverse remark on the adequacy of internal control system.

The Company has also constituted the audit committee comprising of Independent Directors of the Company which reviews regularly the adequacy of internal control system, audit plans, significant audit findings as well as compliance with Accounting Standards.

7. Human Resources

Industrial Relations at all the levels remained cordial throughout the year. Your Company has created a friendly atmosphere that helps retaining talented professionals and nurturing their career growth along with the growth of the Organization. Your Company is confident of reaping the best from its human assets in the years to come.

8. Quality Management System

The company continues to lay emphasis on excellence in quality and services and is committed to total customer satisfaction. The company continues to be on a mission to provide customer with products that can match with international standards and will surpass their expectations. That only explains why Uniply is today one of the most respected plywood brands in the country. The company vigorously follows the BIS quality standards besides quality and cost management policy and procedure certified by ISO 9001, ISO 14001 and OHSAS 18001. Moreover, company is also following the norms of FSC & IGBC.

9. Cautionary Note

Certain statements in this section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of the future performance and outlook.

10. Acknowledgement

Your Directors take this opportunity to express their appreciation for excellent support and co-operation received from banks, financial institutions, Central and state governments, SEBI, stock exchange, vendors, valued customers and shareholders. Your directors also express their appreciation of the efforts put in by the employees of the company at all levels.

For and on behalf of the Board

Place: Chennai
Date: 10.07.2012

B.L. Bengani
Chairman and Managing Director

M.L. Pramod Kumar
Whole Time Director

REPORT ON CORPORATE GOVERNANCE

A. Compliance on Mandatory Requirements

1. Company's Philosophy on Corporate Governance

Your Company follows Corporate Governance policy aiming to ensure transparency in all dealings and the functioning of the Management and the Board. These policies seek to focus on enhancement of long-term shareholder value without compromising integrity, social obligations and regulatory compliances. The Company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationship between itself and its stakeholders.

2. Board of Directors

In terms of Company's Corporate Governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders.

Composition

Your Company has a balance Board, comprising executive and non-executive directors. The non-executive directors include independent professionals. Executive directors, includes the Chairman cum Managing Director and one whole time Director. No director is related to any other director on the Board in terms of definition of 'relative' given under the companies Act, 1956.

Name of the Director	Status, i.e. Executive, Non-Executive and Independent	Members in the Board of other public Companies	No. of membership / chairmanship of Board Committees of other Companies	
			As a Member	As a Chairman
Mr. B.L. Bengani	Executive	2	None	None
Mr. M.L. Pramod Kumar	Executive	None	None	None
Mr. S.K. Jena	Non-Executive Independent	1	None	None
Mr. Satya Prathaap Bhatera	Non-Executive Independent	None	None	None
Mr. R. Kuppu Rao	Non-Executive Independent	None	None	None

During the financial year ended 31st March 2012, six Board Meeting were held, which are as follows

Sl. No.	Date	Board strength	No. of directors present
1	29.04.2011	5	4
2	13.05.2011	5	5
3	02.08.2011	5	5
4	07.11.2011	5	5
5	31.01.2012	5	5
6	17.03.2012	5	5

Attendance at Board Meeting and Annual General Meeting during the financial year

Director	No. of Board Meetings attended	Attendance at last AGM
Mr. B.L. Bengani	5	Yes
Mr. M.L. Pramod Kumar	6	Yes
Mr. S.K. Jena	6	Yes
Mr. Satya Prathaap Bhatera	6	Yes
Mr. R. Kuppu Rao	6	Yes

3. Audit Committee

Terms of reference:

The broad terms of reference of the Audit Committee are to interact with the internal and Statutory Auditors, overseeing the Company's financial reporting process and review with the management the annual financial statements before submitting to the Board and includes:

1. Appointment and fixation of remuneration payable to Auditors.
2. Review Quarterly, half yearly and annual financial results before submission to the Board
3. Review accounting policies followed by the Company
4. The adequacy and effectiveness of internal control system and procedures in the Company

Composition of the Audit Committee:

The Audit Committee consists of the following members:

Sl. No.	Name of the Member	Chairman/member
1	Mr. S.K. Jena	Chairman
2	Mr. Satya Prathaap Bhatera	Member
3	Mr. R. Kuppu Rao	Member

Meeting and attendance

Details of Audit Committee Meeting during the financial Year :

During the financial year ended 31st March 2012 Four meetings of Audit Committee were held, which are as follows

Sl. No.	Date	Committee strength	No. of members present
1	13.05.2011	3	3
2	02.08.2011	3	3
3	07.11.2011	3	3
4	31.01.2012	3	3

Attendance of Audit Committee Meeting during the financial year

Sl. No.	Name of the Member	No. of Meetings attended
1	Mr. S.K. Jena	4
2	Mr. Satya Prathaap Bhatera	4
3	Mr. R. Kuppu Rao	4

The Company Secretary of the Company acted as secretary to the Committee

4. Remuneration Committee

The Board terms of reference of the Remuneration Committee is to fix remuneration payable to the Whole time Directors in terms of Schedule XIII of the Companies Act, 1956 and refer the same to the Board.

Composition of the Remuneration Committee:

The Remuneration Committee consists of the following members:

Sl. No.	Name of the Member	Chairman/member
1	Mr. Satya Prathaap Bhatera	Chairman
2	Mr. S.K. Jena	Member
3	Mr. R. Kuppu Rao	Member

Details of Remuneration Committee Meeting during the year

During the financial year ended 31st March 2012 there was no meeting of the above committee.

Remuneration Policy:

Non-Executive directors are remunerated by way of sitting fees only. The Company pays remuneration by way of salary, perquisites and allowances to the Executive Directors within the limits approved by the members and as permitted under Schedule XIII of the Companies Act, 1956.

Details of Remuneration paid to the Directors are as under:

(In Rupees)

Name of the Director	Sitting Fees		Remuneration
	Board Meeting	Committee Meeting	
Mr. B.L. Bengani – CMD	Nil	Nil	30,00,000.00
Mr. M.L. Pramod Kumar – WTD	Nil	Nil	12,00,000.00
Mr. S.K. Jena - ID	42000.00	Nil	Nil
Mr. Satya Prathaap Bhatara - ID	42000.00	Nil	Nil
Mr. R. Kuppu Rao – ID	42000.00	Nil	Nil

Note: CMD stands for Chairman and Managing Director

WTD stands for Whole-time Director

ID stands for Independent Director

The appointment of Managing Director is upto 31.03.2015.

The appointment of the above Whole time Director is upto 14.09.2014

5. Share Transfer and Shareholders / Investors Grievance Committee

Composition of the Committee:

The Committee consists of the following members:

Sl. No.	Name of the Member	Chairman/member
1	Mr. R. Kuppu Rao	Chairman
2	Mr. Satya Prathaap Bhatara	Member
3	Mr. S.K. Jena	Member

The Committee met time to time whenever requires. The Committee supervises the matters relating to share transfers / redressal of Shareholders / Investors complaints.

Total number of Complaints received during the year : Nil

Number of Complaints solved : Nil

Number of complaints remaining unattended as on 31.03.2012 : Nil

Number of pending share transfer as on 31.03.2012 : Nil

Number of pending demat cases as on 31.03.2012 : Nil

Mr. Raghuram Nath Company Secretary & Compliance Officer of the Company act as secretary to the Committee.

6. General Body Meetings

Details of Annual General Meetings (AGMs):

AGMs	Date of AGMs	Location	Time
13 th	22 nd August 2009	# 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamilnadu – 603 107	10.00 a.m.
14 th	18 th August 2010	# 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamilnadu – 603 107	11.00 a.m.
15 th	2 nd August 2011	# 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamilnadu – 603 107	10.00 a.m.

The special resolutions and other resolutions were duly passed at the respective Annual General Meetings.

7. Disclosures

Materially significant related party transactions which may have potential conflict with the interests of the Company at large: **None**

(Confirmation has been placed before the Audit Committee and the Board that all related party transactions during the year under reference was in the ordinary course of business and on arm's length basis.)

- Details of non-compliances, penalties, and strictures by stock exchange/SEBI/Statutory Authorities on any matter related to Capital Markets, during the last year: **None**
- Pecuniary relationships or transaction with Non-Executive Directors: **None**

8. Risk Management

Risk Assessment and minimisation procedures have been framed by the Company and are reviewed by the Board annually.

9. Uniply Code of Conduct

The Uniply Code of conduct, as adopted by the Board of Directors, is applicable to all directors, senior management and employees of the Company. This code is derived from three interlinked fundamental principles, i.e. good corporate governance, good corporate citizenship and exemplary personal conduct. The written code of conduct can be viewed from the company's website.

10. Means Of Communication:

- Quarterly Results : Quarterly results are approved and taken on record by the Board of Directors of the Company within one month of the close of the relevant quarter and approved results are forthwith sent to the Stock Exchange where the Company's shares are listed. The results are published in the proforma prescribed, in widely circulated newspapers both English and vernacular.
- Which newspapers normally published in: Trinity Mirror – English newspaper, Makkal Kurral – Tamil Newspaper
- Any Website where displayed : Yes, www.uniply.in
- Whether presentation made to Institutional Investors or to analysts : Yes, only on request.
- Whether Management Discussion and Analysis Report is a part of this year's Annual Report or not : Yes, it is a part of this Year's Annual Report.

11. General Shareholder Information

16th Annual General Meeting:

- Date : 28.09.2012
 Time : 11.00 a.m.
 Venue : # 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist, Tamilnadu – 603 107

12. The Profile of Directors Retiring By Rotation / Re-Appointment

Mr. Satya Prathaap Bhatara aged about 62 years is a businessman. Presently he is serving as an Independent Director in the board. He is having more than 4 decades of rich experience in the field of manufacturing and trading in steel and building materials. He is instrumental in advising company in various policy and project matters.

13. Financial Calendar (Tentative) for the year 2012-13

(Compliance of Clause 41 of the Listing Agreement)

Period ended	Financial Reporting	Limited Review Reporting
30 th June, 2012	15 th August, 2012	15 th August, 2012
30 th September, 2012	15 th November, 2012	15 th November, 2012
31 st December, 2012	15 th February, 2013	15 th February, 2013
31 st March, 2013	30 th May, 2013	30 th May, 2013

Date of Book Closure: 20.09.2012 to 28.09.2012 (both days inclusive)

14. Listing on Stock Exchanges:

Name of the Stock Exchange	Address	Scrip Code / Stock symbol
Bombay Stock Exchange Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001	532646
National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.	UNIPLY

The annual listing fees for the year 2012-13 has been paid by the Company

15. ISIN No. For The Company's Equity

Shares in Demat Form : INE950G01015

16. Depository Connectivity : NSDL & CDSL

17. Stock Market Price Data:

Month	Bombay Stock Exchange Limited (BSE)		National Stock Exchange of India Ltd (NSE)	
	High	Low	High	Low
April, 2011	17.25	13.30	16.95	12.80
May, 2011	16.95	12.75	19.45	14.05
June, 2011	16.95	12.95	16.45	12.60
July, 2011	15.50	13.15	15.50	12.00
August, 2011	14.50	10.55	13.85	9.60
September, 2011	13.00	11.00	14.00	11.00
October, 2011	13.05	10.10	13.00	10.50
November, 2011	12.10	7.25	13.00	7.45
December, 2011	10.37	6.25	10.40	6.40
January, 2012	11.40	7.10	11.50	7.05
February, 2012	12.52	8.83	12.30	8.60
March, 2012	9.20	7.53	9.65	7.50

Uniply Industries Limited

18. Registrar & Transfer Agent (RTA) : M/s. Cameo Corporate Services Ltd.
Subramaniam Building, V-Floor,
No. 1, Club House Road, Chennai – 600 002.

19. Share Transfer System : Share transfers are presently registered within a period of 15 days from the date of receipt in case of documents that are complete in all respects. Share transfers and registration are approved by the share transfer committee and/or the Board. The transfers of shares are mostly in electronic form, Transfer and registration are confirmed to depositories on receipt of demat request within 14 days.

20. Distribution of Shareholding as on 31st March, 2012:

(a) According to category of holding:

Category	No. of Shareholders	% of Shareholders	No. of shares	% of shares
Promoters	10	0.1506	6137197	42.7270
Director	1	0.0151	59450	0.4139
Corporate	187	2.8154	1950375	13.5785
Banks/Financial institutions	1	0.0151	20000	0.1392
Resident Individuals	6197	93.3002	5763307	40.1240
NRIs	28	0.4215	24773	0.1725
Clearing members	9	0.1355	1702	0.0118
Hindu Undivided Families	209	3.1466	406939	2.8331
Total	6642	100.0000	14363743	100.0000

(b) According to Number of Equity Shares held:

Category From – To	No. of Shareholders	% of Shareholders	No. of shares	% of shares
001 – 100	2066	31.1051	129109	0.8989
101 – 500	2895	43.5863	890100	6.1969
501 – 1000	790	11.8940	682469	4.7513
1001 – 2000	417	6.2782	666060	4.6371
2001 – 3000	140	2.1078	357176	2.4866
3001 – 4000	73	1.0991	259027	1.8033
4001 – 5000	80	1.2044	381673	2.6572
5001 -10000	90	1.3550	662596	4.6130
10001- Above	91	1.3701	10335533	71.9557
Total	6642	100.0000	14363743	100.0000

21. Dematerialization of shares and liquidity :

10815675 shares have been dematerialized as on 31.03.2012

22. Plant Location: # 69, Nelveli Village, Uthiramerur Taluk,
Kancheepuram Dist. Tamil Nadu – 603 107

23. Address for Correspondence: Uniply Industries Limited,
No. 52, Harleys Road, Kilpauk, Chennai – 600 010
Tel. No. 044 – 2660 5995
Fax No. 044 – 2660 2273
E-mail. info@uniply.in
E-mail. investorservices@uniply.in

24. Shareholders Queries:

M/s. Cameo Corporate Services Ltd.
Subramaniam Building, V-Floor,
No. 1, Club House Road, Chennai – 600 002

The Registrars can be contacted between 10.00 a.m. and 4.00 p.m. on working days (Monday to Friday).

25. Share Transfer System:

Shares in physical form, for transfer, should be lodged at the office of the Company's Registrar and share transfer agent, Cameo Corporate Services Ltd, Chennai at the address given above. The transfers are processed if technically found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialization form.

26. Corporate Identity No. : L20293TN1996PLC036484**B. Compliance of Non Mandatory Requirements**

1) Chairman of the Board:

Mr. B.L. Bengani is the chairman of the Board

2) Board Procedure:

Members of the Board are provided with the requisite information mentioned in the Listing Agreement well before the meeting and same are considered and decisions are taken.

All the directors who are on various committees are within the permissible limits of the Listing Agreement. These directors have intimated from time to time about their membership in the various committees in other companies.

CEO / CFO CERTIFICATION

I, B.L. Bengani, Chairman and Managing Director responsible for the finance function, certify that:

- a) I have reviewed the financial statements and cash flow statement for the year ended 31st March 2012 and to the best of my knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2012 are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems pertaining to financial reporting. Deficiency in the design or operation of such internal controls, if any, of which I am aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d.
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes of the financial statements; and
 - iii) I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Chennai,
Date: 10.07.2012

B.L.Bengani
Chairman & Managing Director

Uniply Industries Limited

CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT OF THE STOCK EXCHANGE IN INDIA

CERTIFICATE

TO
THE SHAREHOLDERS
UNIPLY INDUSTRIES LIMITED

We have examined the compliance conditions of Corporate Governance by Uniply Industries Limited for the year ended on 31st March, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with Bombay stock exchange Limited and National stock exchange of India Limited.

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

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

For C. Ramasamy & B. Srinivasan
Chartered Accountants
Firm Registration No. 002957S

Place : Chennai
Date : 23.05.2012

C. Ramasamy
Partner
Membership No: 23714

Independent Auditors' Report

To,
The Members of
M/s. Uniply Industries Limited

1. We have audited the attached Balance Sheet of M/s.Uniply Industries Limited, 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 conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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 the Annexure, a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

- i. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books.
- iii. The Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
- iv. In our opinion, the Balance Sheet, the profit and loss account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
- v. On the basis of the written representations received from the directors, as on 31.03.2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31.03.2012 from being appointed as a director in terms of clause (g) of sub-section 1 to section 274 of the Companies Act 1956;
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of Balance Sheet, of the State of Affairs of the Company as at 31st March 2012.
 - b) In the case of Profit and Loss Account, of the profit for the year ended on that date and
 - c) In the case of Cash flow statement, of the Cash flows for the year ended on that date.

For C. Ramasamy & B. Srinivasan
Chartered Accountants
Firm Registration No. 002957S

Place: Chennai
Date: 23.05.2012

C. Ramasamy
Partner
Membership No: 23714

ANNEXURE REFERRED TO IN PARAGRAPH (3) OF THE AUDITORS REPORT TO THE MEMBERS OF UNIPLY INDUSTRIES LIMITED, ON THE ACCOUNTS FOR THE YEAR ENDED 31-03-2012:

In the terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- 1) a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) All the assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on verification made during the year.
c) The Company has not disposed off its substantial part of the fixed assets during the year and as such has not affected the going concern of the company.
- 2) a) The management has conducted physical verification of inventory at reasonable intervals.
b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) The company is maintaining proper records of inventory. No material discrepancies in inventory were noticed during the physical verification.
- 3) As informed to us, the company has neither taken nor granted any secured / unsecured loans to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act 1956.
- 4) In our opinion and according to the 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 and fixed assets and for the sale of goods and services. Accordingly the issue of continuing failure to correct major weakness in internal control system does not arise.
- 5) a) In our opinion and according to information and explanation given to us, there are no contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
b) In our opinion and according to information and explanation given to us, as there are no contracts or arrangements that need to be entered under section 301 of companies Act 1956, paragraph (v) (b) of the order is not applicable.
- 6) The company has not accepted any deposits from the public.
- 7) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 8) We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been maintained.
- 9) a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it with appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
b) According to the records of the Company there are no dues outstanding of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess on account of any dispute, except the following:-

S.No	Name of Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
1	Central Sales Tax Act, 1956	CST – Discrepancy in C Forms	14,55,204	2007-2008	Appellate Commissioner Commercial Tax Department
2	Tamil Nadu Value Added Tax, 2006	VAT – On SEZ Sales	57,87,837	2007-2008	Appellate Commissioner Commercial Tax Department
3	Tamil Nadu Value Added Tax, 2006	VAT – Penalty on ITC	70,233	2006-2007	Appellate Commissioner Commercial Tax Department
	TOTAL		73,13,274		

- 10) The company has accumulated losses at the end of the financial year and has not incurred cash loss during the financial year and in the immediately preceding financial year.
- 11) Based on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks and financial institutions. The company has no outstanding dues to debenture holders.
- 12) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, and according to the information and explanations given to us, the nature of activities of the Company does not attract the provisions of any special statute applicable to Chit fund and Nidhi/mutual benefit fund/societies.
- 14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions 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 other financial institutions.
- 16) The term loans availed have been used for the purpose for which it has been availed.
- 17) According to the information and explanations given 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 or companies covered in the register maintained under section 301 of the Companies Act 1956 during the year.
- 19) The company has not issued any debentures and as such the creation of security or charge does not arise.
- 20) The company has not raised any money through public issue during the year.
- 21) According to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For C.RAMASAMY & B.SRINIVASAN
Chartered Accountants
FRN:002957S

C.Ramasamy
Partner
Membership No: 023714

Place : Chennai
Date : 23.05.2012

UNIPLY INDUSTRIES LIMITED

Regd. Office : No 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist, Tamil Nadu - 603107

BALANCE SHEET AS ON 31.03.2012

PARTICULARS	Note	As on 31.03.2012		As on 31.03.2011	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share Capital	2.1	143,637,430		124,649,500	
(b) Reserves and Surplus	2.2	176,511,918		154,106,995	
			320,149,348		278,756,495
2 Non-current liabilities					
(a) Long-term borrowings	2.3	39,267,348		92,929,052	
(b) Long-term Provisions	2.4	3,777,142		3,667,000	
			43,044,490		96,596,052
3 Current Liabilities					
(a) Short term borrowings	2.5	337,089,061		292,274,311	
(b) Trade payables	2.6	290,303,864		220,722,301	
(c) Other current liabilities	2.7	34,527,018		34,274,918	
(d) Short term provisions	2.8	831,095		30,000	
			662,751,038		547,301,530
TOTAL			1,025,944,876		922,654,077
II ASSETS					
1. Non-current assets					
(a) Fixed assets	2.9				
(i) Tangible assets		267,840,609		276,641,242	
(ii) Intangible assets		90,102		100,662	
(iii) Capital work-in-progress		-		74,292	
(b) Non-current investments	2.10	986,126		628,126	
(c) Deferred tax assets (net)	2.11	7,792,000		17,061,000	
(d) Long-term loans and advances	2.12	6,841,405		5,593,046	
(e) Other non-current assets	2.13	5,835,000		-	
			289,385,242		300,098,368
2. Current assets					
(a) Inventories	2.14	468,787,587		379,513,619	
(b) Trade receivables	2.15	221,969,919		183,200,217	
(c) Cash and Bank Balances	2.16	32,995,934		43,988,941	
(d) Short-term loans and advances	2.17	6,201,555		9,091,546	
(e) Other current assets	2.18	6,604,639		6,761,386	
			736,559,634		622,555,709
TOTAL			1,025,944,876		922,654,077

See accompanying notes to the Financial statements 1&2

For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTOR

M.L. Pramod Kumar
S.K. Jena
S.P. Bhatera
R. Kuppu Rao
DIRECTORS

Raghuram Nath
COMPANY SECRETARY

As per our report of even date
For C.RAMASAMY & B.SRINIVASAN
Chartered Accountants
Firm Registration No: 002957S

(C.RAMASAMY)
Partner
Membership No : 23714

Place : Chennai
Date : 23.05.2012

UNIPLY INDUSTRIES LIMITED

Regd. Office : No 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist, Tamil Nadu - 603107

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31.03.2012

PARTICULARS	Note	31.03.2012		31.03.2011	
		Rs.	Rs.	Rs.	Rs.
I Revenue from operations:					
Sale of Products	2.19	1,316,934,249		1,108,071,803	
Less: Excise Duty		106,647,404	1,210,286,845	81,767,711	1,026,304,092
II Other Income	2.20		2,435,258		2,370,396
III Total Revenue (I + II)			1,212,722,103		1,028,674,488
IV Expenses					
Cost of Materials Consumed	2.21	893,166,167		695,636,610	
Purchases of Stock in Trade	2.21	75,594,723		124,674,973	
Changes in inventories of finished goods, work in progress and Stock-in- trade	2.21	(20,138,481)		(8,993,573)	
Employee benefits expenses	2.22	41,327,213		34,205,551	
Finance Costs	2.23	61,903,971		56,531,644	
Depreciation and amortization expense	2.9	14,453,199		13,608,019	
Other expense	2.24	116,188,458		83,910,008	
Total Expense			1,182,495,250		999,573,232
V Profit before exceptional and extraordinary items and tax (III-IV)			30,226,852		29,101,256
VI Exceptional Items			-		-
VII Profit before extraordinary items and tax (V-VI)			30,226,852		29,101,256
VIII Extraordinary items			-		-
IX Profit before tax (VII-VIII)			30,226,852		29,101,256
X Tax expense:					
(1) Current tax		5,850,000		30,000	
Less: MAT credit entitlement		5,835,000		-	
		15,000		30,000	
(2) Deferred tax		9,269,000		8,992,000	
			9,284,000		9,022,000
XI Profit/(Loss) for the period from continuing operations (IX - X)			20,942,852		20,079,256
XII Profit/(Loss) for the period from discontinuing operations			-		-
XIII Tax expense of discontinuing operations			-		-
XIV Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)			-		-
XV Profit/(Loss) for the period (XI + XIV)			20,942,852		20,079,256
XVI Earnings per equity share: (FV Rs.10/- per share)					
(1) Basic			1.46		1.61
(2) Diluted					
See accompanying notes to the financial statements		1 & 2			

For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTORM.L. Pramod Kumar
S.K. Jena
S.P. Bhatara
R. Kuppu Rao
DIRECTORSRaghuram Nath
COMPANY SECRETARYAs per our report of even date
For C.RAMASAMY & B.SRINIVASAN
Chartered Accountants
Firm Registration No: 002957S(C.RAMASAMY)
Partner

Membership No : 23714

Place : Chennai
Date : 23.05.2012

UNIPLY INDUSTRIES LIMITED

Regd. Office : No 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist, Tamil Nadu - 603107

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012

	2011-12 Rs.	2010-11 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation and Extraordinary items	30,226,852	29,101,256
Adjustments for:		
Depreciation	14,453,199	13,608,019
(Profit)/Loss on sale of fixed assets	-	(62,635)
Interest Expenses	54,233,435	48,777,734
Interest Received	(2,434,117)	(1,973,354)
Prior Period Expenses	-	-
Dividend income on long term investments	(1,141)	(1,241)
Assets written Off	1,408,807	-
Public Issue Expenses written off	-	-
Operating profit before working capital changes	<u>97,887,035</u>	<u>89,449,779</u>
Movements in working capital:		
Adjustments for		
(Increase)/Decrease in Sundry Debtors and other receivable	(37,771,050)	8,252,389
(Increase)/Decrease in Inventories	(89,273,968)	(10,206,312)
Increase/(Decrease) in Current Liabilities	70,053,819	10,042,963
Cash generated from operations	<u>40,895,836</u>	<u>97,538,819</u>
Direct taxes paid (net of refunds)	5,035,271	-
Cash flow before extraordinary items	<u>-</u>	<u>-</u>
Extraordinary item	-	-
Net cash from operating activities	<u>35,860,565</u>	<u>97,538,819</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(6,976,522)	(17,058,007)
Sale of fixed assets	-	1,916,532
Purchase of investments	(358,000)	-
Interest received	2,434,117	1,973,354
Dividend received	1,141	1,241
Net cash used in investing activities	<u>(4,899,264)</u>	<u>(13,166,880)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	-
Proceeds of Capital	20,450,001	-
Repayment of long term borrowings	(52,985,624)	(41,439,791)
Proceeds of long term borrowings	-	-
Proceeds of short term borrowings	44,814,750	(16,911,030)
Interest paid	(54,233,435)	(48,777,734)
Public Issue Expenses	-	-
Net cash from financing activities	<u>(41,954,308)</u>	<u>(107,128,555)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(10,993,007)	(22,756,616)
Cash and cash equivalents at the beginning of the year	43,988,941	66,745,557
Cash and cash equivalents at the end of the year	32,995,934	43,988,941

For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTORRaghuram Nath
COMPANY SECRETARYPlace : Chennai
Date : 23.05.2012M.L. Pramod Kumar
S.K. Jena
S.P. Bhatera
R. Kuppu Rao
DIRECTORSAs per our report of even date
For C.RAMASAMY & B.SRINIVASAN
Chartered Accountants
Firm Registration No: 002957S

(C.RAMASAMY)

Partner

Membership No : 23714

SIGNIFICANT ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The accounts have been prepared by using historical cost convention and on the basis of going concern, with revenues recognized and expenses accounted on accrual basis except those with significant uncertainties.

1.2 FIXED ASSETS

Fixed Assets are stated at cost of construction or acquisition less accumulated depreciation. All other expenses including taxes, duties, freight incurred to bring the fixed assets to a working condition is also treated as the cost of the fixed assets. However Cenvat availed in respect of the fixed assets is deducted from the cost of the fixed asset.

1.3 INVESTMENTS

Investments are made in long term basis and valued at cost of acquisition to the company. Provision, if any, is made to recognize a decline other than a temporary decline, in the value of investments.

1.4 INVENTORIES

Inventories are valued at cost or net realisable value, whichever is lower. Cost for the purpose of valuation of stocks purchased is determined by using the FIFO method, net of Cenvat credit (if any)

- a) Raw Materials:** Raw materials are valued at cost or net realisable value, whichever is lower.
- b) Work-in-progress:** Work in progress is valued at cost of raw materials and overheads up to the stage of the completion.
- c) Finished Goods:** Finished goods are valued at the lower of the cost or net realisable value.

1.5 RETIREMENT BENEFITS TO EMPLOYEES**Defined Contribution Plans**

The Company's Contribution to Provident Fund is deposited with Regional Provident Fund Commissioner and is charged to the Profit & Loss Account every year.

Defined Benefit Plan

The Net Present Value of the Company's obligation towards Gratuity to employees is actuarially determined based on the projected unit credit method. Actuarial gains & losses are recognized in the Profit & Loss account.

1.6 DEPRECIATION

Depreciation on Fixed assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

1.7 GOVERNMENT GRANTS

Capital subsidy received has been shown as capital reserve in Balance Sheet. Export incentives received are accounted on accrual basis and are shown as income.

1.8 FOREIGN CURRENCY TRANSACTIONS

- a) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transactions and in case of purchases of materials and sale of goods, the exchange gains/losses on settlement during the year, are adjusted to respective accounts.

Uniply Industries Limited

- b) Foreign Currency Current Assets and Current Liabilities (if any) are recorded at the actual transaction rate. The gain or loss arising out of settlement/transaction of the assets and liabilities at the closing rates at the year end are recognized as income/ expenditure in the profit and loss account.

1.9 SALES

Sales are stated net of returns and discounts.

1.10 PRIOR PERIOD ITEMS

Significant items of income and expenditure which relate to prior accounting periods (if any) are shown as appropriation of the Profit under the head "Prior Period Items", other than those occasioned by events occurring during or after the close of the year and which are treated as relatable to the current year.

1.11 TAXES ON INCOME

Current tax is determined on the amount of tax payable in respect of taxable income for the year. The deferred tax charge or credit is recognized using current tax rate.

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2012**Note No 2.1 - SHARE CAPITAL**

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Authorised Share Capital 15,000,000 Equity Shares of Rs. 10/- each		150,000,000		150,000,000
Issued, Subscribed and Paid up 14,363,743 Equity Shares of Rs. 10/- each fully paid-up. (31.03.2011 - 12,464,950 Equity Shares of Rs.10/- each)		143,637,430		124,649,500
TOTAL		143,637,430		124,649,500

a) During the year company has issued 18,98,793 equity shares of Rs.10/- each fully paid at a premium of Re.0.77 per share, allotted on 17.03.2012.

Sub Note 2.1.1 :- Reconciliation of Shares

Particulars	Number of Shares	Amount Rupees	Number of Shares	Amount Rupees
Opening Share Capital	12,464,950	124,649,500	12,464,950	124,649,500
Add: Shares issued During the year	1,898,793	18,987,930	-	-
Add: Rights / Bonus Shares Issued	-	-	-	-
Total	14,363,743	143,637,430	12,464,950	124,649,500
Less: Buy back of Shares	-	-	-	-
Less Reduction in Capital	-	-	-	-
Closing Share Capital	14,363,743	143,637,430	12,464,950	124,649,500

The Company has issued only one class of equity shares having a par value of Rs.10 per share. Each holder of Equity Share is entitled to one vote per share.

Note No: 2.1.2 - List of Share holders having 5% or more Shares (In Nos) :-

Name of Shareholders	In Nos	In %	In Nos	In %
B L Bengani - HUF	1,570,350	10.93	1,568,175	12.58
Raimcom Sales Pvt Ltd	1,419,019	9.88	1,182,250	9.48
Dugar Mercandise Pvt Ltd	1,772,496	12.34	1,475,375	11.84

As per records of the company, including its register of shareholders / members.

Uniply Industries Limited

Note No 2.2 - RESERVES AND SURPLUS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
a) Share Premium				
Balance as per Last Financial Statement	70,002,870		70,002,870	
Add : Securities premium credited on share issued during the year	1,462,071		-	
Closing Balance		71,464,941		70,002,870
b) Capital Reserve	-	1,716,000	-	1,716,000
c) Revaluation Reserve				
Balance as per Last Financial Statement	128,530,000		-	
Add : Additions on account of Revaluation of Fixed Assets	-		128,530,000	
Closing Balance		128,530,000		128,530,000
d) Surplus/ (Deficit) in the statement of Profit and Loss				
Balance as per Last Financial Statement	(46,141,875)		(66,221,131)	
Add: Profit During The Year	20,942,852		20,079,256	
Less: Appropriations	-		-	
Closing Balance		(25,199,023)		(46,141,875)
TOTAL		176,511,918		154,106,995

During the previous year (31.03.2011), the freehold land has been revalued to the extent of Rs.12,85,30,000/- which has been shown as additions to revaluation reserve.

Note No 2.3 - LONG TERM BORROWINGS

Particulars	31.03.2012		31.03.2011	
	Non-Current Maturities	Current Maturities	Non-Current Maturities	Current Maturities
a) Term Loans				
(i) From Bank				
Indian Rupee Loan from Banks – (Secured)				
– State Bank of India – Term Loan	-	1,243,674	1,227,000	3,816,453
– State Bank of India –Working Capital Loan – I	369,584	10,149,021	10,454,010	10,286,539
– State Bank of India – Working Capital Loan – II	9,950,027	9,658,894	19,441,328	9,788,374
(ii) From Others	-	-	-	-
b) Long term Deferred Liabilities				
Hire Purchase Loan from Banks – (Secured)				
– Indusind Bank Ltd – Voltas Fork Lift	-	186,913	186,913	280,344
– HDFC Car Loan –Omni	-	-	-	124,250
– Kotak Mahindra Prime Ltd	-	-	-	190,750
– Indusind Bank Ltd –Genset	-	-	-	490,519
c) Loans and Advances from Others				
Deferred Sales Tax Loan – (Secured)	13,947,737	12,772,064	26,719,801	8,357,256
Inter Corporate Loans – (Unsecured)	15,000,000		34,900,000	
	39,267,348	34,010,566	92,929,052	33,334,485
The above amount includes:-				
Secured Borrowings	24,267,348	34,010,566	58,029,052	33,334,485
Unsecured Borrowings	15,000,000	-	34,900,000	-
Amount disclosed under the head “Other Current Liabilities” – Note no: 2.7	-	(34,010,566)	-	(33,334,485)
NET AMOUNT	39,267,348	-	92,929,052	-

- a) State Bank of India - Term Loan from bank carries interest @ 14% p.a. The loan is repayable in 4 Principal Monthly Installment (for 31.03.2011 16 PMI) of Rs.3,13,000/-. The loan is secured by hypothecation of plant & machinery created out of this term loan. Further, the loan has been guaranteed by Managing Director of the company.
- b) State Bank of India - Working Capital Loan I from bank carries interest @ 15.25% p.a. The loan is repayable in 13 Principal Monthly Installment (for 31.03.2011 25 PMI) of Rs.8,34,000/-. The loan is secured by hypothecation of all current assets and fixed assets of the company. Further, the loan has been guaranteed by Managing Director of the company.
- c) State Bank of India - Working Capital Loan II from bank carries interest @ 14.75% p.a. The loan is repayable in 25 Principal Monthly Installment (for 31.03.2011 37 PMI) of Rs.7,83,000/-. The loan is secured by hypothecation of current assets and Fixed assets of the company. Further, the loan has been guaranteed by Managing Director of the company.
- d) Hire Purchase Loan from Indusind Bank is secured by hypothecation of respective asset, hire purchase loan is repayable in 8 EMI (for 31.03.2011 in 20 EMI) of Rs.23,362/-
- e) Deferred Sale Tax Loan is interest free and payable in 9 years from the month of availment. The outstanding loan as on 31.03.2012 is repayable in 21 monthly installments.
- f) Inter corporate loan from Raimcom Sales Pvt Ltd (ICD) carries interest rate of 15% p.a. and repayable by 31.03.2014.

Note No 2.4 - OTHER LONG TERM PROVISIONS

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Provision for Employee Benefits	3,777,142	3,667,000
TOTAL	3,777,142	3,667,000

Note No 2.5 - SHORT TERM BORROWINGS

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
a) Loans repayable on demand		
(i) From Bank (Secured)		
Cash Credit from Bank		
- State Bank India	312,089,061	221,531,574
(ii) From Others (Unsecured)		
Inter Corporate Loans	25,000,000	-
b) Other loans and advances (Unsecured)		
Short Term Credit from Bank	-	70,742,737
TOTAL	337,089,061	292,274,311
The above amount includes:-		
Secured Borrowings	312,089,061	221,531,574
Unsecured Borrowings	25,000,000	70,742,737
TOTAL	337,089,061	292,274,311

Cash Credit and Short Term Credit from State Bank of India is secured by hypothecation of stock, receivable and other current assets of the company, first paripasu charge on fixed assets of the company. Further secured by personal guarantee of the managing director of company.

The cash credit is repayable on demand and carries interest @ 16% p.a.

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Note No 2.6 - TRADE PAYABLES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Trade Payables				
For Goods	260,620,617		195,903,694	
For Capital Goods and Capital Expenses	733,558		231,980	
For Expenses	3,624,308		2,550,300	
		264,978,483		198,685,974
Others				
For Statutory Dues	20,542,368		17,531,306	
For Advances From Customers	4,783,013	25,325,382	4,505,021	22,036,327
TOTAL		290,303,864		220,722,301
Note:- Trade Payable for goods includes due to subsidiary company		31,820,703		-

Note No 2.7 - OTHER CURRENT LIABILITIES

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Current maturities of long term debt	34,010,566	33,334,485
Other Payables		
- Expenses Payable	516,452	940,433
TOTAL	34,527,018	34,274,918

Note No 2.8 - SHORT TERM PROVISIONS

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Provision for Taxation	831,095	30,000
TOTAL	831,095	30,000

Note No 2.10 - NON-CURRENT INVESTMENTS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Trade Investment (Long term)				
A) Non - Quoted - Equity Shares				
Surge Trading Ltd (WOS), Hong Kong (1,00,000 Equity Shares of HK\$ 1.00/- each)	520,250		520,250	
Shalivahan Wind Energy Limited (35,800 Equity Shares of Rs. 10/- each)	358,000	878,250		520,250
Non Trade Investment				
A) Quoted				
Balaji Hotels & Enterprises Ltd (2,900 shares of Rs.10/- each)	101,615		101,615	
Chambal Fertilizer & Chem Ltd (495 shares of Rs.10/- each)	4,050		4,050	
Greenply Industries Ltd (100 shares of Rs.5/- each)	2,211	107,876	2,211	107,876
Total Non- Current Investment		986,126		628,126
Aggregate amount of Quoted Investment				
- Cost		107,876		107,876
- Market Value		52,799		61,767
Aggregate amount of Unquoted Investment		878,250		520,250

Note No. 2.9 FIXED ASSETS

	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	Cost as on 01.04.2011 Rs.	Addition during the year Rs.	Adj. during the year Rs.	Total Cost as at 31.3.2012 Rs.	Depreciation as at 01.04.2011 Rs.	Addition during the year Rs.	Dep. Adj. Rs.	Total Depreciation as at 31.3.2012 Rs.	As at 31.3.2012 Rs.	As at 31.3.2011 Rs.
Tangible Assets:										
1 Land – Free Hold	132,297,378	-	-	132,297,378	-	-	-	-	132,297,378	132,297,378
2 Building	67,832,440	4,265,225	-	72,097,665	14,369,308	2,332,919	-	16,702,227	55,395,438	53,463,132
3 Plant & Machinery	106,190,756	1,651,943	(3,479,108)	104,363,591	47,489,394	7,809,709	(2,284,920)	53,014,183	51,349,408	58,701,362
4 Furniture & Fixtures	13,348,313	115,000	-	13,463,313	3,254,536	850,434	-	4,104,970	9,358,343	10,093,777
5 Vehicles	11,224,276	-	(22,250)	11,202,026	3,981,694	1,064,192	(22,250)	5,023,636	6,178,390	7,242,582
6 Office Equipment	3,567,110	77,100	(380,533)	3,263,677	867,929	204,403	(170,994)	901,338	2,362,339	2,699,181
7 Computers	7,439,607	941,546	(895,760)	7,485,393	4,794,177	1,073,866	(895,760)	4,972,283	2,513,110	2,645,430
8 Electrical & Fittings	15,775,572	-	(10,521)	15,765,051	6,277,172	1,107,116	(5,440)	7,378,848	8,386,203	9,498,400
Tangible Assets:	357,675,452	7,050,814	(4,788,172)	359,938,094	81,034,210	14,442,639	(3,379,364)	92,097,485	267,840,609	276,641,242
Intangible Assets:										
9 Goodwill	200,000	-	-	200,000	99,338	10,560	-	109,898	90,102	100,662
10 Softwares	-	-	-	-	-	-	-	-	-	-
TOTAL	357,875,452	7,050,814	(4,788,172)	360,138,094	81,133,548	14,453,199	(3,379,364)	92,207,383	267,930,711	276,741,904
CWIP	74,292	4,190,933	(4,265,225)	-	-	-	-	-	-	74,292
PREVIOUS YEAR	214,987,623	145,967,664	(3,079,832)	357,875,455	68,751,465	13,608,019	(1,225,935)	81,133,549	276,741,906	46,236,158
CWIP	453,948	9,428,893	(9,808,549)	74,292	-	-	-	-	74,292	453,948

Uniply Industries Limited

Note No 2.11 - DEFERRED TAX ASSETS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Deferred Tax Assets				
Employee Benefits	1,527,000		1,464,000	
Carried forward Loss	20,578,000		30,676,000	
	22,105,000		32,140,000	
Deferred Tax Liabilities				
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	(14,313,000)		(15,079,000)	
Deferred Tax Assets (Net)		7,792,000		17,061,000
TOTAL		7,792,000		17,061,000

Note No 2.12 - LONG TERM LOANS & ADVANCES

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Unsecured Considered Good:		
Security Deposits	6,448,396	5,593,046
Others	393,009	-
TOTAL	6,841,405	5,593,046

Note No 2.13 - OTHER NON CURRENT ASSETS

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
MAT Credit Entitlement	5,835,000	-
TOTAL	5,835,000	-

Note No 2.14 - INVENTORIES (As certified by the management)

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Raw Material	304,485,565	235,792,757
Work In Process	91,261,604	93,798,801
Finished Goods	58,902,593	39,832,453
Stock-in-Trade	3,780,315	174,777
Consumables	10,357,510	9,914,831
TOTAL	468,787,587	379,513,619

Note No 2.15 - TRADE RECEIVABLES

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Over Six Months- From due date:-		
Unsecured Considered Good	3,666,855	13,517,452
Doubtful	-	-
Below Six Months - From Due date:-		
Unsecured Considered Good	218,303,064	169,682,764
Doubtful	-	-
Less:		
Provision for Doubtful Debts	-	-
TOTAL	221,969,919	183,200,216
Note:- Debtors include due from associate concern	8,075,508	2,816,797

Note No 2.16 - CASH AND BANK BALANCES

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Cash and Cash Equivalents		
Cash on Hand	1,121,154	1,008,879
Balance with Banks		
-In Current Accounts	13,498,091	14,330,062
-Other Bank Balance		
- As Margin Money	18,376,689	28,650,000
TOTAL	32,995,934	43,988,941

<i>Deposit account with more than 12 months maturity</i>	9,000,000	10,650,000
<i>Balances with bank held as margin money deposits against Letter of Credit</i>	18,376,689	28,650,000

Sub Note No:- 2.16.1 Details of balance with banks in Current Accounts as on Balance sheet date is as follows:-

Particulars	Rupees	Rupees
Axis Bank	13,321,720	14,227,771
State Bank of India	133,946	65,031
State Bank of India - EEFC A/c	42,425	37,260
	13,498,091	14,330,062

Note No 2.17 - SHORT TERM LOANS & ADVANCES

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Advance for Capital Expenses	-	-
Advances to Suppliers	1,919,200	669,700
Prepaid Expenses	1,135,406	1,367,399
Advances Staff and Others	485,000	106,993
Balance with Statutory Authorities	1,722,189	6,212,671
Others	939,760	734,783
TOTAL	6,201,555	9,091,546

Note:- Advance to suppliers includes due from subsidiary company	1,919,200	-
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Note No 2.18 - OTHER CURRENT ASSETS

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Income Tax	6,604,639	6,761,386
TOTAL	6,604,639	6,761,386

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Note No 2.19 - REVENUE FROM OPERATION

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Sales				
Manufactured Goods	1,133,426,970		899,694,567	
Traded Goods	76,859,875	1,210,286,845	126,609,525	1,026,304,092
Other Operating Revenues		-	-	
TOTAL		1,210,286,845		1,026,304,092
Details of Manufactured & Traded Goods :-				
Manufactured Goods:-				
Plywood		835,325,682		649,144,569
Veneer		268,605,391		224,147,419
Resin		25,141,640		8,404,840
Others		4,354,257		17,997,740
		1,133,426,970		899,694,568
Traded Goods:-				
Veneers		27,852,754		17,927,191
Logs		33,817,445		-
Plywood		15,189,676		108,682,334
		76,859,875		126,609,525

Note No 2.20- OTHER INCOME

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Interest	2,434,117	1,973,354
Export Incentive	-	333,166
Profit on Sale of assets	-	62,635
Dividends	1,141	1,241
TOTAL	2,435,258	2,370,396

Note No 2.21- COST OF MATERIAL CONSUMED

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
A) Raw Materials' Consumption				
Stock at Commencement		235,792,757		235,610,911
Add: Purchases		933,061,628		676,673,787
Freight and Octroi on Purchases		11,198,219		-
		1,180,052,604		912,284,698
Less : Stock at Close		304,485,565		235,792,757
TOTAL (A)		875,567,039		676,491,941
Details of Rawmaterial Purchased:				
Logs	471,698,045		330,631,468	
Veneers	133,764,013		90,009,581	
Semi Finished Plywood	251,136,533		199,349,570	
Resin	67,965,172		49,753,824	
Others	8,497,865		6,747,498	
	933,061,628		676,491,941	
B) Consumption of Consumables				
Stock at Commencement		9,914,831		8,883,938
Add: Purchases		18,041,807		20,175,562
Freight and Octroi on Purchases		-		-
		27,956,638		29,059,500
Less : Stock at Close		10,357,510		9,914,831
TOTAL (B)		17,599,128		19,144,669
TOTAL(A+B)		893,166,167		695,636,610

Note No 2.21- COST OF MATERIAL CONSUMED (Contd.)

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
C) Details of Trading Goods Purchased:				
Veneers		26,783,906		17,247,936
Logs		33,322,584		-
Plywood		15,488,233		107,427,037
TOTAL(C)		75,594,723		124,674,973
D) Change in Stocks				
Stock at Commencement				
Work-in Process	93,798,801		83,986,943	
Finished Goods	39,832,453		40,097,294	
Traded Goods	174,777	133,806,031	728,221	124,812,458
Less: Stock at Close				
Work-in-Process	91,261,604		93,798,801	
Finished Goods	58,902,593		39,832,453	
Traded Goods	3,780,315	153,944,512	174,777	133,806,031
Stock Decreased / (Increased) by		(20,138,481)		(8,993,573)

Note No 2.22:- EMPLOYEE BENEFITS EXPENSES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Salaries, Wages, Bonus etc.		33,315,441		25,402,191
Director's Remuneration		4,200,000		4,200,000
Contribution to P.F, E.S.I and Other Statutory Funds		1,578,234		1,029,309
Gratuity		165,955		2,354,958
Workmen & Staff Welfare Expenses		2,067,583		1,219,093
TOTAL		41,327,213		34,205,551

Note No 2.23- FINANCE COSTS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Interest Expense		54,233,435		48,777,734
Other Borrowing Costs		7,670,536		7,753,910
TOTAL		61,903,971		56,531,644

Note No 2.24- OTHER EXPENSES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Power and Fuels		19,957,930		19,970,740
Excise Duty Paid		2,056,359		227,872
Books & Periodicals		14,696		9,162
Consultancy/Professional Fees		741,227		810,362
Conveyance Expenses		523,341		440,802
Electricity Expenses		976,190		750,657
General Expenses		204,936		503,068
Insurance		999,347		1,273,647
Petrol Expenses		2,531,147		2,226,224
Postage & Telegram		388,304		381,113
Printing & Stationery		959,784		1,406,211
Rates & Taxes		9,374,536		7,540,361
Rent		3,817,057		3,388,700

Uniply Industries Limited

Note No 2.24- OTHER EXPENSES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Repairs & Maintenance				
- Plant & Machinery		6,642,195		2,025,491
- Building		204,942		127,336
- Others		1,978,645		1,853,876
Security Services		2,268,716		1,817,630
Telephone Expenses		1,645,394		1,841,113
Travelling Expenses		4,035,544		4,718,421
Subscription		116,255		120,295
Vehicle Expenses		947,398		735,640
Director's Sitting Fees		126,000		119,000
Foreign Exchange Rate Difference		22,774,037		522,436
Auditors Remuneration		310,300		60,000
Sales Promotion Expenses		1,130,237		2,191,279
Product Promotion Expenses		2,501,692		2,527,591
Transportation & Forwarding Charges		24,736,121		22,957,924
Advertisement		1,174,288		2,519,209
Packing Materials & Expenses		-		11,628
Service Tax		1,455,155		525,377
Registrar Expenses & Demat Charges		163,237		162,887
Data Connectivity Charges		24,642		143,956
Assets Written Off		1,408,807		-
TOTAL		116,188,458		83,910,008
Payment to Auditor		31.03.2012		31.03.2011
a) As Auditor				
Audit Fee		60,000		40,000
Tax Audit Fee		20,000		10,000
Limited Review		20,000		10,000
b) In other Capacity				
Taxation Matters		210,300		-
		310,300		60,000

Note No: 2.25 - ADDITIONAL INFORMATION TO FINANCIAL STATEMENT

- a) Contingent Liability
- i) Sales Tax demand for 2007-08 & 2006-07 is Rs.7313274/- against which the company has filed an appeal with Appellate commissioner Commercial Tax department Tamil Nadu.(31.03.2011- Nil)
- ii) Capital commitments - Nil.(31.03.2011- Nil)
- b) Value of Import on CIF basis is **Rs.361,120,873/-** (31.03.2011 - Rs.28,61,55,797/-)
- c) Details of Value of Raw Materials, Consumable & Stores consumed:-

Particulars	31.03.2012		31.03.2011	
	% of Consumption	Amount	% of Consumption	Amount
Raw Materials Imported	60.32%	528,169,380	63.36%	428,653,837
Raw Materials Indigenous	31.91%	279,432,487	29.28%	198,084,280
Chemicals & Others - Indigenous	7.76%	67,965,172	7.36%	49,753,824
Consumables - Indigenous	100%	17,599,128	100%	19,144,669

- d) FOB value of Exports Rs.23,12,294/- (31.03.2011- Rs. 19,60,572/-)
- e) Expenditure in Foreign Currency - Rs.285844/- (31.03.2011 - Rs.2,12,252/-)
- f) Amount remitted during the year in foreign exchange on account of dividend for the previous year - Nil

- g) Under Micro, Small & Medium Enterprises Development Act 2006, certain disclosures are required to be made relating to such enterprises. In view of the insufficient information from suppliers regarding their coverage under the said Act, no disclosure have been made in the accounts. However, in view of the management the impact of interest if any, that may be payable in accordance with the provisions of the Act is not expected to be material.
- h) Related Party disclosures for the year ended 31.03.2012

List of Related Parties:-

- I. Subsidiary Company** : Surge Trading Ltd., Hong Kong
- II. Associate Concerns** : Uniply International Limited
- III. Key Management Personnel (KMP)** 1. Mr. B.L. Bengani
2. Mr. M.L. Pramod Kumar

IV. Relatives of Key Management Personnel

1. Suman Bengani - Wife of B.L.Bengani
2. K.C. Bengani - Father of B.L.Bengani
3. Varun Bengani - Son of B.L.Bengani

Related Party transactions:-

Related Party	Amount in Rupees		Nature of Payment
	31.03.2012	31.03.2011	
Mr.B.L.Bengani	3,000,000	3,000,000	Directors Remuneration
Mr.M.L.Pramod Kumar	1,200,000	1,200,000	Directors Remuneration
Mr.Satya Prathaap Bhatara	42,000	42,000	Sitting Fees
Mr.S.K.Jena	42,000	35,000	Sitting Fees
Mr.R.Kuppu Rao	42,000	42,000	Sitting Fees
Surge Trading Ltd (WOS)	2,683,762	2,798,885	Sales
Surge Trading Ltd (WOS)	61,137,135	48,884,737	Purchases
Uniply International Limited	11,917,199	11,093,684	Sales
Uniply International Limited	Nil	76,887	Purchases
Mr.Varun Bengani	290,341	59,583	Salary

Note No: 2.26. Consequent to the adoption of Accounting Standard 15 on Employee Benefits as notified by the Companies (Accounting Standard - Rules 2006), the following disclosures have been made as required by the standard.

(i) The Company has recognised the following amounts in the profit and loss account towards contribution to defined contribution plans which are included under contribution to Provident fund and other funds.

Particulars	31.03.2012 Rs.	31.03.2011 Rs.
Provident Fund	1,578,234	1,029,309

ii) The details of post retirement benefit plans for Gratuity are given below which is certified by the actuary and relied upon by the auditors:

Particulars	31.03.2012 Rs.	31.03.2011 Rs.
Change in Defined Benefit Obligations:		
Accrued liability at the beginning of the year	3,667,000	1,401,000
Interest Cost	293,000	109,000
Current Service Cost	846,955	2,010,000
Past Service Cost	-	-
Curtailement Cost	-	-
Settlement Cost	-	-
Benefits Paid	(55,813)	(88,000)
Actuarial gain/Loss	(974,000)	235,000
Accrued Liability At the End of the Period	3,777,142	3,667,000

Uniply Industries Limited

Amount Recognised In the Balance Sheet	31.03.2012	31.03.2011
Present Value of Obligations as on 31.03.2012	3,777,142	3,667,000
Fair Value of Plan Assets	-	-
Liability Recognized in Balance Sheet	(3,777,142)	(3,667,000)
Amount Recognised In the Profit and Loss Account	31.03.2012	31.03.2011
Interest Cost	293,000	109,000
Current Service Cost	846,955	2,010,000
Past Service Cost	-	-
Expected Return of Plan Assets	-	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) /Loss	(974,000)	235,000
Net Expenses recognized in P&L A/c	165,955	2,354,000
Reconciliation	31.03.2012	31.03.2011
Net Liability as at the beginning of the period:	3,667,000	1,401,000
Net Expenses in P&L A/c	165,955	2,354,000
Benefits Paid	(55,813)	(88,000)
Net Liability as at the end of the period:	3,777,142	3,667,000
Principal Acturial Assumption		
Interest Rate (Liabilities)	8.00%	8.00%
Return on Assets	N.A.	N.A.
Mortality Table	LIC (94-96)	LIC (94-96)
Resignation Rate per Annum	2.00%	2.00%
Salary Escalation Rate	8.25%	5.00%

- j) Previous year figures have been regrouped & reclassified wherever necessary to make comparable with the figures of current period.
- k) In the opinion of the Board of Directors Current Assets, Loans & Advances have a value on realisation in the ordinary course of business atleast equal to the amount stated.
- l) The notes referred to in the Profit & Loss Account and Balance Sheet form an integral part of accounts.

For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTOR

M.L. Pramod Kumar
S.K. Jena
S.P. Bhatera
R. Kuppu Rao
DIRECTORS

Raghuram Nath
COMPANY SECRETARY

As per our report of even date
For C.RAMASAMY & B.SRINIVASAN
Chartered Accountants
Firm Registration No: 002957S

(C.RAMASAMY)
Partner

Membership No : 23714

Place : Chennai
Date : 23.05.2012

AUDITORS REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To,
The Board of Directors of,
UNIPLY INDUSTRIES LIMITED

1. We have audited the attached Consolidated Balance Sheet of Uniply Industries Limited (the "Company"), and its subsidiary (collectively referred to as "Uniply Group") as at 31st March, 2012, the Consolidated Profit and Loss Account and the Consolidated Cash flow statement for the year ended on that date, both annexed thereto. These Financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statement and other financial information regarding subsidiary company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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. We did not audit the financial statement of the subsidiary company included herein whose financial statements together reflect total assets of Rs.5,45,44,381/- as at 31.03.2012, total revenues of Rs.8,57,87,708/- total expenditure of Rs.8,40,78,160/- and the cash flow of Rs.15,94,229 for the year ending 31.03.2012.

These financial statements are audited by the other auditors, whose reports have been furnished to us, and our opinion is based solely on reports of the other auditors.

4. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 by the Institute of Chartered Accountants of India.
5. Based on our audit and on consideration of the reports, as available, of the other auditors on separate financial statements and on the other financial information of the subsidiary, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of Consolidated Balance Sheet, of the State of Affairs of the Uniply Group as at 31st March 2012;
 - b) In the case of Consolidated Profit and Loss Account, of the profit for the year ended on that date and;
 - c) In the case of Consolidated Cash flows statement, of the Cash flows for the year ended on that date.

For C.RAMASAMY & B.SRINIVASAN
Chartered Accountants
Firm Registration No. : 002957S

C.RAMASAMY
Partner
Membership No: 23714

Place : Chennai.
Date : 23.05.2012

UNIPLY INDUSTRIES LIMITED

Regd. Office : No 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist, Tamil Nadu - 603107

CONSOLIDATED BALANCE SHEET AS ON 31.03.2012

PARTICULARS	Note	As on 31.03.2012		As on 31.03.2011	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share Capital	2.1	143,637,430		124,649,500	
(b) Reserves and Surplus	2.2	181,668,302		157,728,157	
			325,305,732		282,377,657
2 Non-current liabilities					
(a) Long-term borrowings	2.3	39,267,348		92,929,052	
(b) Long-term Provisions	2.4	3,777,142		3,667,000	
			43,044,490		96,596,052
3 Current Liabilities					
(a) Short term borrowings	2.5	338,698,023		299,349,139	
(b) Trade payables	2.6	302,602,441		258,382,709	
(c) Other current liabilities	2.7	34,631,818		34,274,918	
(d) Short term provisions	2.8	863,452		30,000	
			676,795,734		592,036,766
TOTAL			1,045,145,956		971,010,475
II ASSETS					
1. Non-current assets					
(a) Fixed assets	2.9				
(i) Tangible assets		267,840,609		276,641,242	
(ii) Intangible assets		90,102		100,662	
(iii) Capital work-in-progress		-		74,292	
(b) Non-current investments	2.10	465,876		107,876	
(c) Deferred tax assets (net)	2.11	7,792,000		17,061,000	
(d) Long-term loans and advances	2.12	6,841,405		5,593,046	
(e) Other non-current assets	2.13	5,835,000		-	
			288,864,992		299,578,118
2. Current assets					
(a) Inventories	2.14	474,365,310		379,513,619	
(b) Trade receivables	2.15	221,969,917		217,626,594	
(c) Cash and Bank Balances	2.16	49,040,434		58,439,212	
(d) Short-term loans and advances	2.17	4,300,664		9,091,546	
(e) Other current assets	2.18	6,604,639		6,761,386	
			756,280,964		671,432,357
TOTAL			1,045,145,956		971,010,475

See accompanying notes to the financial statements 1&2

For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTORM.L. Pramod Kumar
S.K. Jena
S.P. Bhatara
R. Kuppu Rao
DIRECTORSRaghuram Nath
COMPANY SECRETARYAs per our report of even date
For C.RAMASAMY & B.SRINIVASAN
Chartered Accountants
Firm Registration No: 002957S(C.RAMASAMY)
Partner
Membership No : 23714Place : Chennai
Date : 23.05.2012

UNIPLY INDUSTRIES LIMITED

Regd. Office : No 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist, Tamil Nadu - 603107

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31.03.2012

PARTICULARS	Note	31.03.2012		31.03.2011	
		Rs.	Rs.	Rs.	Rs.
I Revenue from operations:					
Sale of Products	2.19	1,336,878,228		1,228,184,066	
Less: Excise Duty		106,647,404	1,230,230,824	169,134,529	1,059,049,537
II Other Income	2.20	-	2,536,779		2,456,007
III Total Revenue (I + II)			1,232,767,603		1,061,505,544
IV Expenses					
Cost of Materials Consumed	2.21	830,541,432		669,848,791	
Purchases of Stock in Trade	2.21	160,180,977		179,243,463	
Changes in inventories of finished goods, work in progress and Stock-in- trade	2.21	(25,716,204)		(8,993,573)	
Employee benefits expenses	2.22	41,327,213		34,205,551	
Finance Costs	2.23	62,932,217		57,546,884	
Depreciation and amortization expense	2.9	14,453,199		13,608,019	
Other expense	2.24	116,559,671		84,449,153	
Total Expense			1,200,278,505		1,029,908,288
V Profit before exceptional and extraordinary items and tax (III-IV)			32,489,098		31,597,256
VI Exceptional Items			-		-
VII Profit before extraordinary items and tax (V-VI)			32,489,098		31,597,256
VIII Extraordinary items			-		-
IX Profit before tax (VII-VIII)			32,489,098		31,597,256
X Tax expense:					
(1) Current tax		6,577,024		249,327	
Less: MAT credit entitlement		5,835,000		-	
		742,024		249,327	
(2) Deferred tax		9,269,000		8,992,000	
			10,011,024		9,241,327
XI Profit/(Loss) for the period from continuing operations (IX - X)			22,478,074		22,355,929
XII Profit/(Loss) for the period from discontinuing operations			-		-
XIII Tax expense of discontinuing operations			-		-
XIV Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)			-		-
XV Profit/(Loss) for the period (XI + XIV)			22,478,074		22,355,929
XVI Earnings per equity share: (FV Rs.10/- per Share)					
(1) Basic			1.56		1.79
(2) Diluted					
See accompanying notes to the financial statements		1 & 2			

For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTORM.L. Pramod Kumar
S.K. Jena
S.P. Bhatara
R. Kuppu Rao
DIRECTORSRaghuram Nath
COMPANY SECRETARYAs per our report of even date
For C.RAMASAMY & B.SRINIVASAN
Chartered Accountants
Firm Registration No: 002957S(C.RAMASAMY)
Partner
Membership No : 23714Place : Chennai
Date : 23.05.2012

UNIPLY INDUSTRIES LIMITED

Regd. Office : No 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist, Tamil Nadu - 603107
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2012

	2011-12 Rs.	2010-11 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation and Extraordinary items	32,489,098	31,597,256
Adjustments for:		
Depreciation	14,453,199	13,608,019
(Profit)/Loss on sale of fixed assets	-	(62,635)
Interest Expenses	54,463,633	48,973,393
Interest Received	(2,535,638)	(2,058,965)
Prior Period Expenses	-	-
Dividend income on long term investments	(1,141)	(1,241)
Assets written Off	1,408,807	-
Operating profit before working capital changes	<u>100,277,959</u>	<u>92,055,827</u>
Movements in working capital:		
Adjustments for		
(Increase)/Decrease in Sundry Debtors and other receivable	(716,758)	(25,201,696)
(Increase)/Decrease in Inventories	(94,851,691)	3,726,515
Increase/(Decrease) in Current Liabilities	44,102,122	26,657,466
Cash generated from operations	<u>48,811,632</u>	<u>97,238,112</u>
Direct taxes paid (net of refunds)	5,762,295	-
Cash flow before extraordinary items	<u>43,049,337</u>	<u>97,238,112</u>
Extraordinary item	-	-
Net cash from operating activities	<u>43,049,337</u>	<u>97,238,112</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(6,976,521)	(17,058,007)
Sale of fixed assets	-	1,916,532
Purchase of investments	(358,000)	-
Interest received	2,535,638	2,058,965
Dividend received	1,141	1,241
Net cash used in investing activities	<u>(4,797,742)</u>	<u>(13,081,269)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	-
Proceeds of Capital	20,450,001	-
Repayment of long term borrowings	(52,985,623)	(41,439,791)
Proceeds of long term borrowings	-	-
Proceeds of short term borrowings	39,348,884	(15,912,056)
Interest paid	(54,463,633)	(48,973,393)
Public Issue Expenses	-	-
Net cash from financing activities	<u>(47,650,372)</u>	<u>(106,325,240)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(9,398,778)	(22,168,397)
Cash and cash equivalents at the beginning of the year	58,439,212	80,607,609
Cash and cash equivalents at the end of the year	49,040,434	58,439,212

For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTOR

Raghuram Nath
COMPANY SECRETARY

Place : Chennai
Date : 23.05.2012

M.L. Pramod Kumar
S.K. Jena
S.P. Bhatara
R. Kuppu Rao
DIRECTORS

As per our report of even date
For C.RAMASAMY & B.SRINIVASAN
Chartered Accountants
Firm Registration No: 002957S

(C.RAMASAMY)

Partner

Membership No : 23714

SIGNIFICANT ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The accounts have been prepared by using historical cost convention and on the basis of going concern, with revenues recognized and expenses accounted on accrual basis except those with significant uncertainties.

1.2 FIXED ASSETS

Fixed Assets are stated at cost of construction or acquisition less accumulated depreciation. All other expenses including taxes, duties, freight incurred to bring the fixed assets to a working condition is also treated as the cost of the fixed assets. However Cenvat availed in respect of the fixed assets is deducted from the cost of the fixed asset.

1.3 INVESTMENTS

Investments are made in long term basis and valued at cost of acquisition to the company. Provision, if any, is made to recognize a decline other than a temporary decline, in the value of investments.

1.4 INVENTORIES

Inventories are valued at cost or net realisable value, whichever is lower. Cost for the purpose of valuation of stocks purchased is determined by using the FIFO method, net of Cenvat credit (if any)

- a) Raw Materials:** Raw materials are valued at cost or net realisable value, whichever is lower.
- b) Work-in-progress:** Work in progress is valued at cost of raw materials and overheads up to the stage of the completion.
- c) Finished Goods:** Finished goods are valued at the lower of the cost or net realisable value.

1.5 RETIREMENT BENEFITS TO EMPLOYEES**Defined Contribution Plans**

The Company's Contribution to Provident Fund is deposited with Regional Provident Fund Commissioner and is charged to the Profit & Loss Account every year.

Defined Benefit Plan

The Net Present Value of the Company's obligation towards Gratuity to employees is actuarially determined based on the projected unit credit method. Actuarial gains & losses are recognized in the Profit & Loss account.

1.6 DEPRECIATION

Depreciation on Fixed assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

1.7 GOVERNMENT GRANTS

Capital subsidy received has been shown as capital reserve in Balance Sheet. Export incentives received are accounted on accrual basis and are shown as income.

1.8 FOREIGN CURRENCY TRANSACTIONS

- a) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transactions and in case of purchases of materials and sale of goods, the exchange gains/losses on settlement during the year, are adjusted to respective accounts.

- b) Foreign Currency Current Assets and Current Liabilities (if any) are recorded at the actual transaction rate. The gain or loss arising out of settlement/transaction of the assets and liabilities at the closing rates at the year end are recognized as income/ expenditure in the profit and loss account.

1.9 SALES

Sales are stated net of returns and discounts.

1.10 PRIOR PERIOD ITEMS

Significant items of income and expenditure which relate to prior accounting periods (if any) are shown as appropriation of the Profit under the head "Prior Period Items", other than those occasioned by events occurring during or after the close of the year and which are treated as relatable to the current year.

1.11 TAXES ON INCOME

Current tax is determined on the amount of tax payable in respect of taxable income for the year. The deferred tax charge or credit is recognized using current tax rate.

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2012**Note No 2.1 - SHARE CAPITAL**

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Authorised Share Capital 15,000,000 Equity Shares of Rs. 10/- each		150,000,000		150,000,000
Issued, Subscribed and Paid up 14,363,743 Equity Shares of Rs. 10/- each fully paid-up. (31.03.2011 - 12,464,950 Equity Shares of Rs.10/- each)		143,637,430		124,649,500
TOTAL		143,637,430		124,649,500

a) During the year company has issued 18,98,793 equity shares of Rs.10/- each fully paid at a premium of Re.0.77 per share, allotted on 17.03.2012.

Sub Note 2.1.1 :- Reconciliation of Shares

Particulars	Number of Shares	Amount Rupees	Number of Shares	Amount Rupees
Opening Share Capital	12,464,950	124,649,500	12,464,950	124,649,500
Add: Shares issued during the year	1,898,793	18,987,930	-	-
Add: Rights / Bonus Shares Issued	-	-	-	-
Total	14,363,743	143,637,430	12,464,950	124,649,500
Less: Buy back of Shares	-	-	-	-
Less Reduction in Capital	-	-	-	-
Closing Share Capital	14,363,743	143,637,430	12,464,950	124,649,500

The Company has issued only one class of equity shares having a par value of Rs.10 per share. Each holder of Equity Share is entitled to one vote per share.

Note No: 2.1.2 - List of Share holders having 5% or more Shares (In Nos) :-

Name of Shareholders	In %	In Nos	In %	In Nos
B L Bengani - HUF	1,570,350	10.93	1,568,175	12.58
Raimcom Sales Pvt Ltd	1,419,019	9.88	1,182,250	9.48
Dugar Merchandise Pvt Ltd	1,772,496	12.34	1,475,375	11.84

As per records of the company, including its register of shareholders / members.

Uniply Industries Limited

Note No 2.2 - RESERVES AND SURPLUS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
a) Share Premium				
Balance as per Last Financial Statement	70,002,870		70,002,870	
Add : Securities premium credited on share issued during the year	1,462,071		-	
Closing Balance		71,464,941		70,002,870
b) Capital Reserve	-	1,716,000	-	1,716,000
c) Revaluation Reserve				
Balance as per Last Financial Statement	128,530,000		-	
Add : Additions on account of Revaluation of Fixed Assets	-		128,530,000	
Closing Balance		128,530,000		128,530,000
d) Surplus/ (Deficit) in the statement of Profit and Loss				
Balance as per Last Financial Statement	(42,520,713)		(64,876,642)	
Add: Profit During The Year	22,478,074		22,355,927	
Less: Appropriations	-		-	
Closing Balance		(20,042,639)		(42,520,713)
TOTAL		181,668,362		157,728,157

During the previous year (31.03.2011), the freehold land has been revalued to the extent of Rs.12,85,30,000/- which has been shown as additions to revaluation reserve.

Note No 2.3 - LONG TERM BORROWINGS

Particulars	31.03.2012		31.03.2011	
	Non-Current Maturities	Current Maturities	Non-Current Maturities	Current Maturities
a) Term Loans				
(i) From Bank				
Indian Rupee Loan from Banks – (Secured)				
– State Bank of India – Term Loan	-	1,243,674	1,227,000	3,816,453
– State Bank of India –Working Capital Loan – I	369,584	10,149,021	10,454,010	10,286,539
– State Bank of India – Working Capital Loan – II	9,950,027	9,658,894	19,441,328	9,788,374
(ii) From Others	-	-	-	-
b) Long term Deferred Liabilities				
Hire Purchase Loan from Banks – (Secured)				
– Indusind Bank Ltd – Voltas Fork Lift	-	186,913	186,913	280,344
– HDFC Car Loan –Omni	-	-	-	124,250
– Kotak Mahindra Prime Ltd	-	-	-	190,750
– Indusind Bank Ltd –Genset	-	-	-	490,519
c) Loans and Advances from Others				
Deferred Sales Tax Loan – (Secured)	13,947,737	12,772,064	26,719,801	8,357,256
Inter Corporate Loans – (Unsecured)	15,000,000		34,900,000	
	39,267,348	34,010,566	92,929,052	33,334,485
The above amount includes:-				
Secured Borrowings	24,267,348	34,010,566	58,029,052	33,334,485
Unsecured Borrowings	15,000,000	-	34,900,000	-
Amount disclosed under the head “Other Current Liabilities” – Note no: 2.7	-	(34,010,566)	-	(33,334,485)
NET AMOUNT	39,267,348	-	92,929,052	-

- a) State Bank of India - Term Loan from bank carries interest @ 14% p.a. The loan is repayable in 4 Principal Monthly Installment (for 31.03.2011 16 PMI) of Rs.3,13,000/-. The loan is secured by hypothecation of plant & machinery created out of this term loan. Further, the loan has been guaranteed by Managing Director of the company.
- b) State Bank of India - Working Capital Loan I from bank carries interest @ 15.25% p.a. The loan is repayable in 13 Principal Monthly Installment (for 31.03.2011 25 PMI) of Rs.8,34,000/-. The loan is secured by hypothecation of all current assets and fixed assets of the company. Further, the loan has been guaranteed by Managing Director of the company.
- c) State Bank of India - Working Capital Loan II from bank carries interest @ 14.75% p.a. The loan is repayable in 25 Principal Monthly Installment (for 31.03.2011 37 PMI) of Rs.7,83,000/-. The loan is secured by hypothecation of current assets and Fixed assets of the company. Further, the loan has been guaranteed by Managing Director of the company.
- d) Hire Purchase Loan from Indusind Bank is secured by hypothecation of respective asset, hire purchase loan is repayable in 8 EMI (for 31.03.2011 in 20 EMI) of Rs.23,362/-
- e) Deferred Sale Tax Loan is interest free and payable in 9 years from the month of availment. The outstanding loan as on 31.03.2012 is repayable in 21 monthly installments.
- f) Inter corporate loan from Raimcom Sales Pvt Ltd (ICD) carries interest rate of 15% p.a. and repayable by 31.03.2014.

Note No 2.4 - OTHER LONG TERM PROVISIONS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Provision for Employee Benefits		3,777,142		3,667,000
TOTAL		3,777,142		3,667,000

Note No 2.5 - SHORT TERM BORROWINGS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
a) Loans repayable on demand				
(i) From Bank (Secured)				
Cash Credit from Bank				
- State Bank India		312,089,061		221,531,574
- IOB - Hongkong		1,608,962		7,074,828
(ii) From Others (Unsecured)				
Inter Corporate Loans		25,000,000		-
b) Other loans and advances (Unsecured)				
Short Term Credit from Bank		-		70,742,737
TOTAL		338,698,023		299,349,139
The above amount includes:-				
Secured Borrowings		313,698,023		228,606,402
Unsecured Borrowings		25,000,000		70,742,737
TOTAL		338,698,023		299,349,139

Cash Credit and Short Term Credit from State Bank of India is secured by hypothecation of stock, receivable and other current assets of the company, first paripasu charge on fixed assets of the company. Further secured by personal guarantee of the managing director of company.

The cash credit is repayable on demand and carries interest @ 16% p.a.

Uniply Industries Limited

Note No 2.6 - TRADE PAYABLES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Trade Payables				
For Goods	264,744,794		229,523,480	
For Capital Goods and Capital Expenses	733,558		231,980	
For Expenses	3,624,308		2,635,950	
		269,102,660		232,391,410
Others				
For Statutory Dues	20,542,368		17,531,306	
For Advances From Customers	12,957,413	33,499,782	8,459,993	25,991,299
TOTAL		302,602,442		258,382,709

Note No 2.7 - OTHER CURRENT LIABILITIES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Current maturities of long term debt		34,010,566		33,334,485
Other Payables				
- Expenses Payable		621,252		940,433
TOTAL		34,631,818		34,274,918

Note No 2.8 - SHORT TERM PROVISIONS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Provision for Taxation		863,452		30,000
TOTAL		863,452		30,000

Note No 2.10 - NON-CURRENT INVESTMENTS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Trade Investment (Long term)				
A) Non - Quoted - Equity Shares				
Shalivahan Wind Energy Limited (35,800 Equity Shares of Rs. 10/- each)		358,000		
Non Trade Investment				
A) Quoted				
Balaji Hotels & Enterprises Ltd (2,900 shares of Rs.10/- each)	101,615		101,615	
Chambal Fertilizer & Chem Ltd (495 shares of Rs.10/- each)	4,050		4,050	
Greenply Industries Ltd (100 shares of Rs.5/- each)	2,211	107,876	2,211	107,876
Total Non- Current Investment		465,876		107,876
Aggregate amount of Quoted Investment				
- Cost		107,876		107,876
- Market Value		52,799		86,937
Aggregate amount of Unquoted Investment		35,8000		-

Note No. 2.9 FIXED ASSETS

	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	Cost as on 01.04.2011 Rs.	Addition during the year Rs.	Adj. during the year Rs.	Total Cost as at 31.3.2012 Rs.	Depreciation as at 01.04.2011 Rs.	Addition during the year Rs.	Dep. Adj. Rs.	Total Depreciation as at 31.3.2012 Rs.	As at 31.3.2012 Rs.	As at 31.3.2011 Rs.
Tangible Assets:										
1 Land – Free Hold	132,297,378	-	-	132,297,378	-	-	-	-	132,297,378	132,297,378
2 Building	67,832,440	4,265,225	-	72,097,665	14,369,308	2,332,919	-	16,702,227	55,395,438	53,463,132
3 Plant & Machinery	106,190,756	1,651,943	(3,479,108)	104,363,591	47,489,394	7,809,709	(2,284,920)	53,014,183	51,349,408	58,701,362
4 Furniture & Fixtures	13,348,313	115,000	-	13,463,313	3,254,536	850,434	-	4,104,970	9,358,343	10,093,777
5 Vehicles	11,224,276	-	(22,250)	11,202,026	3,981,694	1,064,192	(22,250)	5,023,636	6,178,390	7,242,582
6 Office Equipment	3,567,110	77,100	(380,533)	3,263,677	867,929	204,403	(170,994)	901,338	2,362,339	2,699,181
7 Computers	7,439,607	941,546	(895,760)	7,485,393	4,794,177	1,073,866	(895,760)	4,972,283	2,513,110	2,645,430
8 Electrical & Fittings	15,775,572	-	(10,521)	15,765,051	6,277,172	1,107,116	(5,440)	7,378,848	8,386,203	9,498,400
Tangible Assets:	357,675,452	7,050,814	(4,788,172)	359,938,094	81,034,210	14,442,639	(3,379,364)	92,097,485	267,840,609	276,641,242
Intangible Assets:										
9 Goodwill	200,000	-	-	200,000	99,338	10,560	-	109,898	90,102	100,662
10 Softwares	-	-	-	-	-	-	-	-	-	-
TOTAL	357,875,452	7,050,814	(4,788,172)	360,138,094	81,133,548	14,453,199	(3,379,364)	92,207,383	267,930,711	276,741,904
CWIP	74,292	4,190,933	(4,265,225)	-	-	-	-	-	-	74,292
PREVIOUS YEAR	214,987,623	145,967,664	(3,079,832)	357,875,455	68,751,465	13,608,019	(1,225,935)	81,133,549	276,741,906	46,236,158
CWIP	453,948	9,428,893	(9,808,549)	74,292	-	-	-	-	74,292	453,948

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Note No 2.11 - DEFERRED TAX ASSETS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Deferred Tax Assets				
Employee Benefits	1,527,000		1,464,000	
Carried forward Loss	20,578,000		30,676,000	
	22,105,000		32,140,000	
Deferred Tax Liabilities				
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	(14,313,000)		(15,079,000)	
Deferred Tax Assets (Net)		7,792,000		17,061,000
TOTAL		7,792,000		17,061,000

Note No 2.12 - LONG TERM LOANS & ADVANCES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Unsecured Considered Good:				
Security Deposits		6,448,396		5,593,046
Others		393,009		-
TOTAL		6,841,405		5,593,046

Note No 2.13 - OTHER NON CURRENT ASSETS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
MAT Credit Entitlement		5,835,000		-
TOTAL		5,835,000		-

Note No 2.14 - INVENTORIES (As certified by the management)

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Raw Material		310,663,288		235,792,757
Work In Process		91,261,604		93,798,801
Finished Goods		58,902,593		39,832,453
Stock-in-Trade		3,780,315		174,777
Consumables		10,357,510		9,914,831
TOTAL		474,365,310		379,513,619

Note No 2.15 - TRADE RECEIVABLES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Over Six Months- From due date:-				
Unsecured Considered Good		3,666,855		13,517,452
Doubtful		-		-
Below Six Months - From Due date:-				
Unsecured Considered Good		218,303,062		204,109,141
Doubtful		-		-
Less:				
Provision for Doubtful Debts		-		-
TOTAL		221,969,914		217,626,593

Note:- Debtors include due from associate concern

8,075,508

34,426,377

Note No 2.16 - CASH AND BANK BALANCES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Cash and Cash Equivalents				
Cash on Hand		1,121,154		1,008,879
Balance with Banks				
-In Current Accounts		13,498,091		15,048,939
-Other Bank Balance				
- As Margin Money		18,376,689		28,650,000
in deposit accounts in				
Foreign currency		16,044,500		13,731,394
TOTAL		49,040,434		58,439,212

<i>Deposit account with more than 12 months maturity</i>	9,000,000	10,650,000
<i>Balances with bank held as margin money deposits against Letter of Credit</i>	34,421,189	42,381,394

Sub Note No:- 2.16.1 Details of balance with banks in Current Accounts as on Balance sheet date as follows:-

Particulars	Rupees	Rupees
Axis Bank	13,321,720	14,227,771
State Bank of India	133,946	65,031
State Bank of India - EEFC A/c	42,425	37,260
IOB, Hongkong	-	718,877
	13,498,091	15048939

Note No 2.17 - SHORT TERM LOANS & ADVANCES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Advance for Capital Expenses		-		-
Advances to Suppliers		-		669,700
Prepaid Expenses		1,135,406		1,367,399
Advances Staff and Others		485,000		106,993
Balance with Statutory Authorities		1,722,189		6,212,671
Others		958,069		734,783
TOTAL		4,300,663		9,091,546

Note No 2.18 - OTHER CURRENT ASSETS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Income Tax		6,604,639		6,761,386
TOTAL		6,604,639		6,761,386

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Note No 2.19 - REVENUE FROM OPERATION

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Sales				
Manufactured Goods	1,130,331,859		932,440,012	
Traded Goods	99,898,965	1,230,230,824	126,609,525	1,059,049,537
Other Operating Revenues		-	-	
TOTAL		1,230,230,824		1,059,049,537

Note No 2.20- OTHER INCOME

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
Interest	2,535,638	2,058,965
Export Incentive	-	333,166
Profit on Sale of assets	-	62,635
Dividends	1,141	1,241
TOTAL	2,536,779	2,456,007

Note No 2.21- COST OF MATERIAL CONSUMED

Particulars	31.03.2012	31.03.2011
	Rupees	Rupees
A) Raw Materials' Consumption		
Stock at Commencement	235,792,757	235,610,911
Add: Purchases	870,414,531	640,071,494
Freight and Octroi on Purchases	11,220,581	10,814,474
Less : Stock at Close	304,485,565	235,792,757
TOTAL (A)	812,942,304	650,204,122
B) Consumption of Consumables		
Stock at Commencement	9,914,831	8,883,938
Add: Purchases	18,041,807	20,175,562
Freight and Octroi on Purchases	-	-
	27,956,638	29,059,500
Less : Stock at Close	10,357,510	9,914,831
TOTAL (B)	17,599,128	19,144,669
TOTAL(A+B)	830,541,432	669,848,791

Note No 2.21- COST OF MATERIAL CONSUMED (Contd.)

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
C) Trading Goods Purchased		160,180,977		179,243,463
TOTAL(C)		160,180,977		179,243,463
D) Change in Stocks				
Stock at Commencement				
Work-in Process	93,798,801		83,986,943	
Finished Goods	39,832,453		40,097,294	
Traded Goods	174,777	133,806,031	728,221	124,812,458
Less: Stock at Close				
Work-in-Process	91,261,604		93,798,801	
Finished Goods	58,902,593		39,832,453	
Traded Goods	9,358,038	159,522,235	174,777	133,806,031
Stock Decreased /(Increased) by		(25,716,204)		(8,993,573)

Note No 2.22:- EMPLOYEE BENEFITS EXPENSES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Salaries, Wages, Bonus etc.		33,315,441		25,402,191
Director's Remuneration		4,200,000		4,200,000
Contribution to P.F, E.S.I and Other Statutory Funds		1,578,234		1,029,309
Gratuity		165,955		2,354,958
Workmen & Staff Welfare Expenses		2,067,583		1,219,093
TOTAL		41,327,213		34,205,551

Note No 2.23- FINANCE COSTS

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Interest Expenses		54,463,633		48,973,393
Other Borrowing Costs		8,468,583		8,573,491
TOTAL		62,932,217		57,546,884

Note No 2.24- OTHER EXPENSES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Power and Fuels		19,957,930		19,970,740
Excise Duty Paid		2,056,359		227,872
Books & Periodicals		14,696		9,162
Consultancy/Professional Fees		923,121		945,404
Conveyance Expenses		523,341		440,802
Electricity Expenses		976,190		750,657
General Expenses		637,583		503,553
Insurance		999,347		1,273,647
Petrol Expenses		2,531,147		2,226,224
Postage & Telegram		440,291		405,312
Printing & Stationery		959,784		1,408,518
Rates & Taxes		9,374,536		7,540,361
Rent		3,817,057		3,388,700

Uniply Industries Limited

Note No 2.24- OTHER EXPENSES

Particulars	31.03.2012		31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Repairs & Maintainance				
- Plant & Machinery		6,642,195		2,025,491
- Building		204,942		127,336
- Others		1,978,645		1,853,876
Security Services		2,268,716		1,817,630
Telephone Expenses		1,645,394		1,841,216
Travelling Expenses		4,035,544		4,718,421
Subscription		116,255		120,295
Vehicle Expenses		947,398		735,640
Director's Sitting Fees		126,000		119,000
Foreign Exchange Rate Difference		22,445,972		854,336
Auditors Remuneration		343,050		88,550
Sales Promotion Expenses		1,130,237		2,191,279
Product Promotion Expenses		2,501,692		2,527,591
Transportation & Forwarding Charges		24,736,121		22,974,483
Advertisement		1,174,288		2,519,209
Packing Materials & Expenses		-		11,628
Service Tax		1,455,155		525,377
Registrar Expenses & Demat Charges		163,237		162,887
Data Connectivity Charges		24,642		143,956
Assets Written Off		1,408,807		-
TOTAL		116,559,671		84,449,153

Note No: 2.25 - ADDITIONAL INFORMATION TO FINANCIAL STATEMENT

- a) Contingent Liability
- i) Sales Tax demand for 2007-08 & 2006-07 is Rs.7313274/- against which the company has filed an appeal with Appellate commissioner Commercial Tax department Tamil Nadu.(31.03.2011- Nil)
- ii) Capital commitments - Nil.(31.03.2011- Nil)
- b) Value of Import on CIF basis is **Rs.361,120,873/-** (31.03.2011 - Rs.28,61,55,797/-)
- c) Details of Value of Raw Materials, Consumable & Stores consumed:-

Particulars	31.03.2012		31.03.2011	
	% of Consumption	Amount	% of Consumption	Amount
Raw Materials Imported	60.32%	528,169,380	63.36%	428,653,837
Raw Materials Indigenou	31.91%	279,432,487	29.28%	198,084,280
Chemicals & Others - Indigenou	7.76%	67,965,172	7.36%	49,753,824
Consumables - Indigenou	100%	17,599,128	100%	19,144,669

- d) FOB value of Exports Rs.23,12,294/- (31.03.2011- Rs. 19,60,572/-)
- e) Expenditure in Foreign Currency - Rs.285844/- (31.03.2011 - Rs.2,12,252/-)
- f) Amounted remited during the year in foreign exchange on account of dividend for the previous year - Nil

- g) Under Micro, Small & Medium Enterprises Development Act 2006, certain disclosures are required to be made relating to such enterprises. In view of the insufficient information from suppliers regarding their coverage under the said Act, no disclosure have been made in the accounts. However, in view of the management the impact of interest if any, that may be payable in accordance with the provisions of the Act is not expected to be material.
- h) Related Party disclosures for the year ended 31.03.2012

List of Related Parties:-

- I. Subsidiary Company** : Surge Trading Ltd., Hong Kong
- II. Associate Concerns** : Uniply International Limited
- III. Key Management Personnel (KMP)** 1. Mr. B.L. Bengani
2. Mr. M.L. Pramod Kumar
- IV. Relatives of Key Mngement Personnel**
1. Suman Bengani - Wife of B.L.Bengani
2. K.C. Bengani - Father of B.L.Bengani
3. Varun Bengani - Son of B.L.Bengani

Related Party transactions:-

Related Party	Amount in Rupees		Nature of Payment
	31.03.2012	31.03.2011	
Mr.B.L.Bengani	3,000,000	3,000,000	Directors Remuneration
Mr.B.L.Pramod Kumar	1,200,000	1,200,000	Directors Remuneration
Mr.Satya Prathaap Bhatara	42,000	42,000	Sitting Fees
Mr.S.K.Jena	42,000	35,000	Sitting Fees
Mr.R.Kuppu Rao	42,000	42,000	Sitting Fees
Surge Trading Ltd (WOS)	2,683,762	2,798,885	Sales
Surge Trading Ltd (WOS)	61,137,135	48,884,737	Purchases
Uniply International Limited	11,917,199	11,093,684	Sales
Uniply International Limited	Nil	76,887	Purchases
Mr.Varun Bengani	290,341	59,583	Salary

Note No: 2.26. Consequent to the adoption of Accounting Standard 15 on Employee Benefits as notified by the Companies (Accounting Standard - Rules 2006), the following disclosures have been made as required by the standard.

- (i) The Company has recognised the following amounts in the profit and loss account towards contribution to defined contribution plans which are included under contribution to Provident fund and other funds.

Particulars	31.03.2012 Rs.	31.03.2011 Rs.
Provident Fund	1,578,234	1,029,309

- (ii) The details of post retirement benefit plans for Gratuity are given below which is certified by the actuary and relied upon by the auditors:

Particulars	31.03.2012 Rs.	31.03.2011 Rs.
Change in Defined Benefit Obligations:		
Accrued liability at the beginning of the year	3,667,000	1,401,000
Interest Cost	293,000	109,000
Current Service Cost	846,955	2,010,000
Past Service Cost	-	-
Curtailement Cost	-	-
Settlement Cost	-	-
Benefits Paid	(55,813)	(88,000)
Actuarial gain/Loss	(974,000)	235,000
Accrued Liability At the End of the Period	3,777,142	3,667,000

Uniply Industries Limited

Amount Recognised In the Balance Sheet	31.03.2012	31.03.2011
Present Value of Obligations as on 31.03.2012	3,777,142	3,667,000
Fair Value of Plan Assets	-	-
Liability Recognized in Balance Sheet	(3,777,142)	(3,667,000)
Amount Recognised In the Profit and Loss Account	31.03.2012	31.03.2011
Interest Cost	293,000	109,000
Current Service Cost	846,955	2,010,000
Past Service Cost	-	-
Expected Return of Plan Assets	-	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) /Loss	(974,000)	235,000
Net Expenses recognized in P&L A/c	165,955	2,354,000
Reconciliation	31.03.2012	31.03.2011
Net Liability as at the beginning of the period:	3,667,000	1,401,000
Net Expenses in P&L A/c	165,955	2,354,000
Benefits Paid	(55,813)	(88,000)
Net Liability as at the end of the period:	3,777,142	3,667,000
Principal Actuarial Assumption		
Interest Rate (Liabilities)	8.00%	8.00%
Return on Assets	N.A.	N.A.
Mortality Table	LIC (94-96)	LIC (94-96)
Resignation Rate per Annum	2.00%	2.00%
Salary Escalation Rate	8.25%	5.00%

- j) Previous year figures have been regrouped & reclassified wherever necessary to make comparable with the figures of current period.
- k) In the opinion of the Board of Directors Current Assets, Loans & Advances have a value on realisation in the ordinary course of business atleast equal to the amount stated.
- l) The notes referred to in the Profit & Loss Account and Balance Sheet form an integral part of accounts.

For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTOR

M.L. Pramod Kumar
S.K. Jena
S.P. Bhatera
R. Kuppu Rao
DIRECTORS

Raghuram Nath
COMPANY SECRETARY

As per our report of even date
For C.RAMASAMY & B.SRINIVASAN
Chartered Accountants
Firm Registration No: 002957S

(C.RAMASAMY)
Partner

Membership No : 23714

Place : Chennai
Date : 23.05.2012

**Statement pursuant to Section 212 of the Companies Act, 1956,
relating to Subsidiary Companies.**

Name of The Subsidiary Company	Surge Trading Limited, Hong Kong
Financial Year of the Subsidiary Company	31.03.2012
1. Holding Company's Interest Equity Share Capital	100% 1,00,000 Equity Shares of HKD 1/- each
2. Net aggregate amounts of the Profits / (Losses) of the Subsidiary so far as it concerns the members of the holding company and is not dealt with in accounts of holding company - For the financial year of the subsidiary - For the previous financial year of the Subsidiary since it became its subsidiary	 Rs. 9,82,524/ Rs. 40,95,657/-
3. Net aggregate amounts of the Profits / (Losses) of the Subsidiary so far as it concerns the members of the holding company and is dealt with in accounts of holding company - For the financial year of the subsidiary - For the previous financial year of the Subsidiary since it became its subsidiary	 Nil Nil
4. Capital	Rs.6,55,000
5. Reserves	Rs.50,78,181
6. Total Assets	Rs.5,45,44,381
7. Total Liabilities	Rs.4,88,11,200
8. Details of Investments (except Investment in Subsidiary)	Nil
9. Turnover	Rs.9,12,63,910
10. Profit before Taxation	Rs.17,09,548
11. Provision for Taxation	Rs.7,27,024
12. Profit after Taxation	Rs.9,82,524
13. Proposed Dividend	Nil

Uniply Industries Limited

UNIPLY INDUSTRIES LIMITED

Regd. Office: # 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamilnadu – 603 107.

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 16th Annual General Meeting of the Company held on Friday the 28th Day of September, 2012 at 11.00 a.m. at # 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamilnadu – 603 107.

Folio No.	
DP ID	
Client ID	
No. of Shares	

Signature of the member or proxy

Name of the Member:
Name of the Proxy:

UNIPLY INDUSTRIES LIMITED

Regd. Office: # 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamilnadu – 603 107.

PROXY FORM

I/We _____ of _____
_____ being a
member/members, hereby appoint _____ of
_____ or failing him/her
_____ of _____

as my/ our proxy to attend and vote for me/us on my/our behalf at the 16th Annual General Meeting of the Company to be held on Friday the 28th Day of September, 2012 at 11.00 a.m at # 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamilnadu – 603 107, and at any adjournment thereof.

Signed this _____ day of _____ 2012.

Folio No.	
DP ID	
Client ID	
No. of Shares	

Affix
Re. 1.00
Revenue
Stamp

Signature

Note: This proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

Book-Post



for all reasons & seasons

To

If undelivered please return to:

Corporate Office

Uniply Industries Limited

52, Harley's Road

Kilpauk, Chennai - 600 010

Phone : +91-44-2660 5995, Fax : +91-44-26602273

E-mail : info@uniply.in