

UNIPLY INDUSTRIES LIMITED



Uniply

for all reasons & seasons

17th ANNUAL REPORT - 2013

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COMPANY INFORMATION

B.L. Bengani	Chairman & Managing Director
M.L. Pramod Kumar	Whole Time Director (resigned w.e.f 01.07.2013)
Sudhir Kumar Jena	Director
Satya Prathaap Bhatara	Director (resigned w.e.f 27.07.2013)
R. Kuppu Rao	Director
Ramakanta Panda	Director (w.e.f 27.07.2013)
Shaine M.S	Director (w.e.f 27.07.2013)
Raghuram Nath	Chief Executive Officer (w.e.f 29.01.2013)
Jayanth Viswanathan	Company Secretary (w.e.f 20.05.2013)
Bankers	State Bank of India
Auditors	C. Ramasamy & B. Srinivasan Chartered Accountants
Registered Office & Factory	#69, Nelveli Village, Uthiramerur Block, Kancheepuram, Tamil Nadu – 603 107
Corporate Office	#5, Branson Garden Street, Kilpauk, Chennai, Tamil Nadu - 600 010.
Branch Network :	
Karnataka	6, Ayyappa Temple Road, Banaswadi Main Road, Subbaiyanapalya, Bangalore - 560 043.
Maharashtra	102, 1st Floor, Kala Mandir Co-operative Housing Society Limited, Chitrakar Ketkar Marg, Vile Parle East, Mumbai - 400 057.
New Delhi	A-2/61 & 62, WHS, Marble Market, Kirti Nagar, New Delhi - 110 015.

NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the members of M/s. Uniply industries Limited will be held on **Friday the 06th Day of September, 2013 at 11.00 a.m.** at its Registered Office at # 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamil Nadu – 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 2013, the Balance Sheet as at that date and the reports of the Directors and Auditors thereon.
2. To appoint Director in place of Mr. Sudhir Kumar Jena, 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:- 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 2013-14.”

“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

1. To Consider and, if thought fit, to pass without modification(s), the following as an Ordinary Resolution:
RESOLVED THAT Mr. Ramakanta Panda, who was appointed as an Additional Director by the Board at its meeting held on 27.07.2013 pursuant to provision of Section 260 of the Companies Act, 1956 and Article 74(b) of Articles of Association of the company to hold office upto the conclusion of this meeting, in respect of whom the company had received a notice under section 257 of the Companies Act, 1956 and who is eligible for appointment as a Director of the company be and is hereby appointed as a Director liable to retire by rotation.
2. To Consider and, if thought fit, to pass without modification(s), the following as an Ordinary Resolution:
RESOLVED THAT Mr. Shaine Sunny Mundaplakkal, who was appointed as an Additional Director by the Board at its meeting held on 27.07.2013 pursuant to provision of Section 260 of the Companies Act, 1956 and Article 74(b) of Articles of Association of the company to hold office upto the conclusion of this meeting, in respect of whom the company had received a notice under section 257 of the Companies Act, 1956 and who is eligible for appointment as a Director of the company be and is hereby appointed as a Director liable to retire by rotation.

By order of the Board

Place: Chennai
Date: 27.07.2013

JAYANTH VISWANATHAN
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.

Uniply Industries Limited

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:-
 - 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 31.08.2013 to 06.09.2013 (both days inclusive).
6. Unclaimed dividend for the 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.

Year of Dividend declared	% of Dividend	Date of Declaration	Due for Transfer on
2005-2006	10%	15 th September 2006	22 nd October 2013
2006-2007	7.5%	26 th September 2007	2 nd November 2014

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. Your company has mailed the notice and the annual report for the financial year 31.03.2013 to those shareholders whose email ID was available.
8. As required under clause 49IV G of the Listing agreements with stock exchanges, given below the details of directors who are proposed to be reappointed/appointed.

Mr. Sudhir Kumar Jena

Mr. Sudhir Kumar Jena is an eminent practicing chartered accountant, owns office at Chennai, having more than 23 years of rich experience in the field of project finance, accounts and taxation. He is instrumental in advising company in various project matters. He does not hold any shares in the company as per the Information furnished by him. Except Mr. Sudhir Kumar Jena, 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. 1 & 2 of Special Business

Mr. Ramakanta Panda

Mr. Ramakanta Panda is an eminent corporate lawyer with a rich experience of over 12 years. He does not hold any shares in the company. Except Mr. Ramakanta Panda, none of the directors of the company may be deemed to be concerned or interested in this.

Mr. Shaine Sunny Mundaplakkal

Mr. Shaine Sunny Mundaplakkal is young qualified B.Tech IT who is a software Engineer by profession. He does not hold any shares in the company. Except Mr. Shaine Sunny Mundaplakkal, none of the directors of the company may be deemed to be concerned or interested in this.

By order of the Board

Place: Chennai
Date: 27.07.2013

JAYANTH VISWANATHAN
COMPANY SECRETARY

DIRECTORS' REPORT

Dear shareowners,

Your Directors have pleasure in presenting the 17th Annual Report of the company along with the Audited Statement of Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS

The highlights of the financial results of the company for the year ended 31.03.2013 as compared with the previous year are as follows:

(Rs in Lacs)

PARTICULARS	For the year ended 31.03.2013	For the year ended 31.03.2012
Net Turn Over	12221.39	12102.87
Profit before Interest, Depreciation & Tax	118.94	989.13
Less: Interest	561.48	542.33
Profit/(Loss) before Depreciation & Tax	(442.54)	446.80
Less: Depreciation	149.42	144.53
Profit/(Loss) before Taxation	(591.96)	302.27
Less: Provision for Taxation		
Wealth Tax	0.10	0.15
Deferred Tax	(182.35)	92.69
Profit/(Loss) after Tax	(409.71)	209.43
Balance brought forward	(251.99)	(461.42)
Provision for Dividend and Dividend tax	-	-
Transfer from General Reserve	-	-
Balance carried forward to next year	(661.70)	(251.99)

PERFORMANCE REVIEW

During the year under review, your company had achieved a nett turnover of Rs.12221.39 lakhs as against the previous year's nett turnover of Rs.12102.87 lakhs with a marginal growth of Rs.118.52 lakhs. The company has posted a nett loss of Rs.409.71 lakhs for the year as against a nett profit of Rs.209.43 lakhs in the previous year. The main attributing reasons for the loss was the increase in the cost of raw materials, power and fuel, manpower and transportation and could not be passed on to the customers. As a result, profitability has been impacted adversely.

DIVIDEND

Keeping in view the operational loss during the year and accumulated loss, your Directors regret their inability to recommend any dividend for the year 2012-13.

SUBSIDIARIES & ASSOCIATES

During the year under review M/s. Surge Trading Limited (STL) the Wholly Owned Subsidiary of the company in Hong Kong has recorded net revenue of Rs. 117.00 lacs (previous year Rs. 905.67 lacs). During IInd quarter of the year under review, the management had decided to close down the operation and to liquidate the said subsidiary. Accordingly the subsidiary company has been liquidated and all the credit facilities with M/s. Indian Overseas Bank, Hong Kong have been closed. The company has also repatriated the investment made in the subsidiary on 18.06. 2013.

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. However 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 from attaching the above documents of subsidiary with the Annual Report of the Company from the 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 related detailed information of the subsidiary

company 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 else where in the report. A statement of Holding Company's interest in subsidiary 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 subsidiary is enclosed.

DECORATIVE PLYWOOD BUSINESS

During the year under review, there was slow and little contribution from the decorative plywood segment. Your company has moved towards product mix and high value product like decorative plywood under the brand name "ELEMENTZ". Soon, the company will enhance its portfolio in the decorative plywood segment from the current level of 150 varieties to over 200 varieties of exotic veneers. Your Directors have perceived that there shall be significant improvement in the turnover and profitability of the company on account of decorative plywood business.

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 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 to this report.

AUDIT COMMITTEE /SHARE TRANSFER - INVESTOR GRIEVANCE COMMITTEES / REMUNERATION COMMITTEE

The Board of Directors have 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 report of Corporate Governance.

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 & COST AUDITOR

Company has obtained Cost Audit Compliance Certificate for the period ended 31.03.2013 issued by Mr. R. Sivasubramanian & Co, Cost Accountants and the same shall be filed with MCA accordingly.

Mr. R. Shankaraman practicing cost accountant, has been appointed by the Board of Directors as the Cost Auditor of the Company for the Financial Year 2013-14.

FIXED DEPOSITS

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

DIRECTORS

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

Mr. M.L.Pramod Kumar and Mr. S.P.Bhatera, Directors have resigned from the Board and Mr. Ramakanta Panda and Mr. Shaine Sunny Mundaplakkal were inducted into the Board as Additional Directors.

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 protection. 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 monitored. Your company is certified with FSC (Forest Stewardship Council) besides an existing member of IGBC (Indian Green Building Council).

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

None of the employee is drawing remuneration in excess of limit prescribed under section 217(2A) of the companies Act, 1956 and rule thereto for which disclosure is 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 approved, would be within the limits prescribed under section 224 (1B) of the Companies Act, 1956.

As regards to utilisation of short term funds for the long term purposes as observed in para 17 of the Annexure to the Auditors Report, your directors wish to inform that in the absence of any arrangement of long term funds to finance the cash losses and repayment of long term loans, the available working funds got depleted resulting in use of short term funds for long term purposes.

LISTING WITH STOCK EXCHANGES

The Equity shares of the Company are listed with Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Limited (NSE).

FOREIGN EXCHANGE MANAGEMENT

During the year under review, the Company has incurred a forex loss of Rs.70.00 lacs against a loss of Rs.227.74 lacs in the previous year. The management is adopting required foreign currency hedging mechanism from time to time.

POSTAL BALLOT

The Company has sought the approval of the shareholders for amending the main object clause of the Memorandum of Association by including new object clause vide point No.10 i.e. to deal in buying, selling, import & export of electrical and electronics items among others. The notice, vide section 192A of the Companies Act, 1956, dated 26th June 2013 along with postal ballot form and self addressed prepaid postage envelope were sent to the shareholders. Mr. Pradeep Kumar Panda, Partner, M/s.P.K.Panda & Co, practicing Company Secretaries was appointed as the scrutinizers for conducting the postal ballot in a fair and transparent manner.

The shareholders are requested to return the Postal Ballot Forms duly filled in as per the instructions given and submit the same on or before 05th August 2013. The results of the same shall be declared on 08.08.2013 and shall also be put up in the notice board at the registered office of the company.

For and on behalf of the Board

Place: Chennai
Date: 27.07.2013

B.L. Bengani
Chairman and Managing Director

ANNEXURE TO THE DIRECTOR'S REPORT

As Mandated by 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 incurred 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 Nil and outgo amounted to Rs. 3586.03 lacs as against Rs. 23.12 lacs and Rs. 3611.21 lacs respectively in the previous year.

For and on behalf of the Board

Place: Chennai
Date: 27.07.2013

B.L. Bengani
Chairman and Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Wood Based Industry and Economic Scenario

On the ongoing micro economic concerns, the free fall of the rupee and sliding growth rate, Indian economy is finding it tough to tide over the crisis. The rupee suffered its worst decline against the US dollar, impacting import of timber and veneers - the basic raw materials for operation of your company. The current rise in import cost of logs and veneers due to the weakening of the rupee is also hard for the industry to observe and difficult to pass on to the customers due to the slump in demand. During the year under review, the plywood industry was hit by real estate slump, which is a significant source of demand for plywood. The industry is also having hard time holding its own against cheap imports from countries like China, Vietnam, Laos, Mosambique and others. The slowdown in real estate, lacking support from the Government, acute shortage of labour, power crisis and the inversal of the Indian market by cheaper imported products, are adversely affecting the growth of the industry. Furthermore, the industry will face a huge shortage of the raw materials in the periods to come.

2. Opportunities

The following are the growth drivers for the Company which will result in growing demand for Plywood 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.
- ❖ Rising per capita income and young population
- ❖ Rising urbanization
- ❖ Increase in demand for premium housing and commercial space
- ❖ More satellite cities

Your company is well positioned to take advantage of the opportunities in the market and post an improved performance in the coming years.

3. Threats

- ❖ Real Estate Slump
- ❖ Depreciation of INR against all foreign currencies
- ❖ Cheaper imports from third countries
- ❖ Dominance of unorgansied sectors
- ❖ Acute shortage of labour
- ❖ Increase in labour costs and Automation
- ❖ Electricity & power, crisis in Southern India
- ❖ Globalization of Industry
- ❖ Understanding and meeting customers' needs
- ❖ Increasing competition from other Asian countries
- ❖ Lack of Market Information
- ❖ Stringent regulatory norms on protection of environment

3. Outlook

With a hope for recovery of regaining the momentum of the industry, demand from the Government sector and revival of Indian economy, the company is planning for higher utilization of its installed capacity across the product category segments – plywood, veneers, decorative plywood and other value added products. The marketing infra-structure has also been wrapped up to achieve the higher turnover against all products. Further,

the company's goal is to become a well-diversified company in the long run by diversifying any other areas of activities related to interior decoration, building products, besides trading in electrical and electronic goods and plywood.

4. 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.

5. 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.

6. Human Resources

Industrial Relations at all the levels remained cordial throughout the year. Your Company has created a friendly atmosphere that helps retain 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. However, the company is always facing acute shortage of skilled & semi-skilled labours which is a matter of concern.

7. 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 international standards and surpass their expectations. This 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. Further the company is also following the norms of FSC & IGBC.

8. 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

9. 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: 27.07.2013

B.L. Bengani
Chairman and Managing 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 balanced Board, comprising executive and non-executive directors. The non-executive directors include independent professionals. Executive directors, includes the Chairman and 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 Chairman	As a member
Mr. B.L. Bengani	Executive	2	None	None
Mr. M.L. Pramod Kumar	Executive	None	None	None
Mr. S.K. Jena	Non-Executive Independent	None	None	None
Mr. Satya Prathaap Bhatara	Non-Executive Independent	None	None	None
Mr. R. Kuppu Rao	Non-Executive Independent	None	None	None

During the financial year ended 31st March 2013, four Board Meeting were held, which are as follows

Sl. No.	Date	Board strength	No. of directors present
1	23 rd May 2012	5	5
2	10 th July 2012	5	5
3	03 rd November 2012	5	5
4	29 th January 2013	5	4

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	4	Yes
Mr. M.L. Pramod Kumar	3	Yes
Mr. S.K. Jena	4	Yes
Mr. Satya Prathaap Bhatera	4	Yes
Mr. R. Kuppu Rao	4	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

The Audit Committee consists of the following members

SI. 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

During the financial year ended 31st March 2013 Four meetings of Audit Committee were held, which are as follows

SI. No.	Date	Committee strength	No. of members present
1	23 rd May 2012	3	3
2	10 th July 2012	3	3
3	03 rd November 2012	3	3
4	29 th January 2013	3	3

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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 is the 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

During the financial year ended 31st March 2013 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	28000.00	Nil	Nil
Mr. Satya Prathaap Bhatera - ID	21000.00	Nil	Nil
Mr. R. Kuppu Rao – ID	28000.00	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

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 31.03.2013 : Nil

Number of pending share transfer as on 31.03.2013 : Nil

Number of pending demat cases as on 31.03.2013 : 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
14 th	18 th August 2010	# 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamil Nadu – 603 107	11.00 a.m.
15 th	2 nd August 2011	# 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamil Nadu – 603 107	10.00 a.m.
16 th	28 th September 2012	# 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamil Nadu– 603 107	11.00 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 conducted 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 45 days 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
Henceforth the Company shall be publishing in **Financial Express** and **Malai Sudar** for English and Tamil newspaper respectively.

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 Annual Report or not : Yes, it is a part of this Year's Annual Report

11. General Shareholder Information

17th Annual General Meeting:

Date : 06.09.2013
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. Sudhir Kumar Jena is an eminent practicing chartered accountant, owns office at Chennai, having more than 23 years of rich experience in the field of project finance, accounts and taxation. He is instrumental in advising company in various project matters.

Uniply Industries Limited**13. Financial Calendar (Tentative) for the year 2013-14**

(Compliance of Clause 41 of the Listing Agreement)

Period ended	Financial Reporting
30 th June, 2013	15 th August, 2013
30 th September, 2013	15 th November, 2013
31 st December, 2013	15 th February, 2014
31 st March, 2014	31 st May, 2014

Date of Book Closure: 31.08.2013 to 06.09.2013 (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

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 (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2012	9.00	7.21	8.55	7.25
May, 2012	11.47	7.80	11.55	7.80
June, 2012	16.47	9.60	16.65	10.00
July, 2012	14.13	9.03	14.20	9.05
August, 2012	10.00	8.00	10.00	8.50
September, 2012	9.26	7.63	9.80	8.10
October, 2012	9.38	8.15	9.75	8.25
November, 2012	9.10	7.75	9.20	7.70
December, 2012	9.30	8.00	8.90	7.95
January, 2013	10.19	7.20	10.05	7.35
February, 2013	9.30	6.60	8.80	6.60
March, 2013	8.00	5.21	7.15	5.20

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 : Till August 31st 2012 share transfers were registered within a period of 30 days from the date of receipt in case of documents that are complete in all respects. However subsequent to the orders of SEBI the Share transfers are presently being registered within a period of 15 days from the date of receipt 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 21 days.

20. Distribution of Shareholding as on 31st March, 2013:

(a) According to category of holding :

Category	No. of Shareholders	% of Shareholders	No. of shares	% of shares
Promoters	4	0.0632	6244269	43.4724
Director	1	0.0158	59450	0.4138
Corporate	172	2.7194	1969505	13.7116
Banks/Financial institutions	1	0.0158	14000	0.0974
Resident Individuals	5899	93.2648	5664577	39.4366
NRIs	30	0.4743	37478	0.2610
Clearing members	8	0.1265	5780	0.0402
Hindu Undivided Families	210	3.3202	368684	2.5670
Total	6325	100.0000	14363743	100.0000

(b) According to Number of Equity Shares held :

Category	No. of Shareholders	% of Shareholders	No. of shares	% of shares
From To				
001 – 100	1952	30.8616	120450	0.8390
101 – 500	2698	42.6561	823640	5.7341
501 – 1000	769	12.1581	661855	4.6078
1001 – 2000	418	6.6086	663444	4.6188
2001 – 3000	150	2.3715	385649	2.6848
3001 – 4000	77	1.2173	271888	1.8928
4001 – 5000	76	1.2020	361050	2.5136
5001 – 10000	98	1.5494	731090	5.0898
10001 – Above	87	1.3754	10344677	72.0193
Total	6325	100.0000	14363743	100.0000

21. Dematerialization of shares and liquidity :

1,43,51,518 shares have been dematerialized as on 31.03.2013

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

23. Address for Correspondence: Uniply Industries Limited,

No. 5, Branson Garden Street, Kilpauk,
Chennai – 600 010
Tel. No. 044 – 2660 5995
Fax No. 044 – 2660 2273
E-mail: cs@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.

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.

For and on behalf of the Board

Place: Chennai
Date: 27.07.2013

B.L. Bengani
Chairman and Managing Director

CEO / CFO CERTIFICATION

We, B.L. Bengani, Chairman and Managing Director and Raghuram Nath Chief Executive Officer, responsible for the finance function, certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March 2013 and to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2013 are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we 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 We are 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) We are 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: 18.05.2013

B.L.Bengani,
Chairman & Managing Director

Raghuram Nath
Chief Executive Officer

DECLARATION FOR CODE OF CONDUCT

I hereby affirm and state that

Pursuance to Clause 49 (I) (D) of the Listing Agreement with Stock Exchanges, a Code of Conduct for the Board Members and the Senior Management Personnel of the Company has been adopted.

The said Code of Conduct has been uploaded on the website of the company.

All Board Members and senior Management Personnel have affirmed compliance with the said Code of Conduct for the period ended 31st March 2013.

For and on behalf of the Board

Place: Chennai
Date: 18.05.2013

B.L. Bengani
Chairman and Managing Director

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

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, 2013, 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

FRN: 002957S

Place: Chennai
Date: 18.05.2013

C. Ramasamy

Partner

Membership No: 23714

INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
M/s.UNIPLY INDUSTRIES LIMITED
Report on the Financial Statements

We have audited the accompanying financial statements of Uniply Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
2. As required by section 227 (3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act and
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For C. Ramasamy & B. Srinivasan
Chartered Accountants
FRN: 002957S

C. Ramasamy
Partner
Membership No: 23714

Place: Chennai
Date: 18.05.2013

ANNEXURE REFERRED TO IN PARA 1 UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE:

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 or 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, Value Added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess on account of any dispute, except the following:-

Uniply Industries Limited

S.No	Name of Statute	Nature of Dues	Amount	Period to which the amount relates	Forum Where dispute is pending
1	Tamil Nadu Value Added Tax, 2006	VAT – On SEZ Sales	57,87,837	2007-2008	Appellate Commissioner Commercial Tax Dept
2	Tamil Nadu Value Added Tax, 2006	VAT – Penalty on ITC	70,233	2006-2007	Appellate Commissioner Commercial Tax Dept
	TOTAL		58,58,070		

- 10) The company has accumulated losses at the end of the financial year and has incurred cash loss during the financial year and has not incurred cash loss during 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 or mutual benefit fund or 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 information and explanations given to us, the company has not given any guarantee for loans taken by others from banks 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 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: 23714

Place: Chennai
Date: 18.05.2013

Uniply Industries Limited

UNIPLY INDUSTRIES LIMITED

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

BALANCE SHEET AS ON 31.03.2013

PARTICULARS	Note No.	As on 31.03.2013		As on 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share Capital	2.1	143,637,430		143,637,430	
(b) Reserves and Surplus	2.2	135,541,411		176,511,918	
			279,178,841		320,149,348
2 Non-current liabilities					
(a) Long-term borrowings	2.3	27,237,434		39,267,348	
(b) Long-term Provisions	2.4	999,870		3,777,142	
			28,237,304		43,044,490
3 Current liabilities					
(a) Short term borrowings	2.5	383,795,406		337,089,061	
(b) Trade payables	2.6	438,726,483		290,303,864	
(c) Other current liabilities	2.7	28,279,483		34,527,018	
(d) Short term provisions	2.8	10,000		831,095	
			850,811,372		662,751,038
			1,158,227,517		1,025,944,876
II ASSETS		TOTAL			
1. Non-current assets					
(a) Fixed assets	2.9				
(i) Tangible assets		287,188,631		267,840,609	
(ii) Intangible assets		79,542		90,102	
(iii) Capital work-in-progress		66,559			
(b) Non-current investments	2.10	986,126		986,126	
(c) Deferred tax assets (net)	2.11	26,027,000		7,792,000	
(d) Long-term loans and advances	2.12	8,549,210		6,841,405	
(e) Other non-current assets	2.13	5,835,000		5,835,000	
			328,732,068		289,385,242
2. Current assets					
(a) Inventories	2.14	558,886,250		468,787,587	
(b) Trade receivables	2.15	226,146,541		221,969,919	
(c) Cash and Bank Balances	2.16	25,931,600		32,995,934	
(d) Short-term loans and advances	2.17	11,824,119		6,201,555	
(e) Other current assets	2.18	6,706,939		6,604,639	
			829,495,449	6,604,639	736,559,634
			1,158,227,517		1,025,944,876
TOTAL					

See accompanying notes to the financial statements 1 & 2
For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTOR

Raghuram Nath
CEO & COMPANY SECRETARY
Place : Chennai
Date : 18.05.2013

S.K. Jena
S.P. Bhatara
R. Kuppu Rao
DIRECTORS

As per our report of even date
For **C.Ramasamy & B.Srinivasan**
Chartered Accountants
FRN: 002957S

(C. RAMASAMY)
Partner
Membership No : 23714

Uniply Industries Limited

UNIPLY INDUSTRIES LIMITED

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

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2013

PARTICULARS	Note No.	31.03.2013		31.03.2012	
		Rs.	Rs.	Rs.	Rs.
I Revenue from operations:					
Sale of Products	2.19	1,358,131,776		1,316,934,249	
Less: Excise Duty		<u>135,992,519</u>	1,222,139,257	<u>106,647,404</u>	1,210,286,845
II Other Income	2.20		<u>2,228,062</u>		<u>2,435,258</u>
III Total Revenue (I + II)			<u>1,224,367,319</u>		<u>1,212,722,103</u>
IV Expenses					
Cost of Materials Consumed	2.21	949,920,033		893,166,167	
Purchases of Stock in Trade	2.21	83,189,052		75,594,723	
Changes in inventories of finished goods, work in progress and Stock-in- trade	2.21	8,399,130		(20,138,481)	
Employee benefits expenses	2.22	77,034,195		41,327,213	
Finance Costs	2.23	63,130,720		61,903,971	
Depreciation and amortization expense	2.9	14,941,638		14,453,199	
Other expense	2.24	<u>86,948,058</u>		<u>116,188,458</u>	
Total Expense			<u>1,283,562,826</u>		<u>1,182,495,250</u>
Profit before exceptional and extraordinary items and tax (III-IV)			(59,195,507)		30,226,853
VI Exceptional Items			-		-
VII Profit before extraordinary items and tax (V-VI)			(59,195,507)		30,226,853
VIII Extraordinary items			-		-
IX Profit before tax (VII-VIII)			(59,195,507)		30,226,853
X Tax expense:					
(1) Current tax		10,000		5,850,000	
Less: MAT credit entitlement		<u>-</u>		<u>5,835,000</u>	
		10,000		15,000	
(2) Deferred tax		<u>(18,235,000)</u>		<u>9,269,000</u>	
			(18,225,000)		9,284,000
XI Profit/(Loss) for the period from continuing operations (IX - X)			<u>(40,970,507)</u>		<u>20,942,853</u>
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)			<u>(40,970,507)</u>		<u>20,942,853</u>
XVI Earnings per equity share: (FV Rs.10/- per share)					
(1) Basic			(2.85)		1.46
(2) Diluted			(2.85)		1.46

See accompanying notes to the financial statements 1 & 2
For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTOR

Raghuram Nath
CEO & COMPANY SECRETARY
Place : Chennai
Date : 18.05.2013

S.K. Jena
S.P. Bhatera
R. Kuppu Rao
DIRECTORS

As per our report of even date
For **C.Ramasamy & B.Srinivasan**
Chartered Accountants
FRN: 002957S

(C. RAMASAMY)
Partner
Membership No : 23714

UNIPLY INDUSTRIES LIMITED

No 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist, Tamil Nadu - 603107

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

Particulars	2012-13 Rs.	2011-12 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation and Extraordinary items	(59,195,507)	30,226,852
Adjustments for:		
Depreciation	14,941,638	14,453,199
(Profit)/Loss on sale of fixed assets	252,997	-
Interest Expenses	56,147,938	54,233,435
Interest Received	(2,186,722)	(2,434,117)
Prior Period Expenses	-	-
Dividend income on long term investments	(1,341)	(1,141)
Assets written Off	-	1,408,807
Public Issue Expenses written off	-	-
Operating profit before working capital changes	<u>9,959,004</u>	<u>97,887,035</u>
Movements in working capital:		
Adjustments for		
(Increase)/Decrease in Sundry Debtors and other receivable	(11,609,291)	(37,771,050)
(Increase)/Decrease in Inventories	(90,098,663)	(89,273,968)
Increase/(Decrease) in Current Liabilities	<u>144,783,631</u>	<u>70,053,819</u>
Cash generated from operations	<u>53,034,680</u>	<u>40,895,836</u>
Direct taxes paid (net of refunds)	<u>-</u>	<u>5,035,271</u>
Cash flow before extraordinary items	<u>-</u>	<u>-</u>
Extraordinary item	<u>-</u>	<u>-</u>
Net cash from operating activities	<u>53,034,680</u>	<u>35,860,565</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(35,022,465)	(6,976,522)
Sale of fixed assets	423,809	-
Purchase of investments	-	(358,000)
Interest received	2,186,722	2,434,117
Dividend received	1,341	1,141
Net cash used in investing activities	<u>(32,410,593)</u>	<u>(4,899,264)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	-
Proceeds of Capital	-	20,450,001
Repayment of long term borrowings	(18,246,828)	(52,985,624)
Proceeds of long term borrowings	-	-
Proceeds of short term borrowings	46,706,345	44,814,750
Interest paid	(56,147,938)	(54,233,435)
Public Issue Expenses	-	-
Net cash from financing activities	<u>(27,688,421)</u>	<u>(41,954,308)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(7,064,334)	(10,993,007)
Cash and cash equivalents at the beginning of the year	32,995,934	43,988,941
Cash and cash equivalents at the end of the year	25,931,600	32,995,934

For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTOR

S.K. Jena
S.P. Bhatara
R. Kuppu Rao
DIRECTORS

Raghuram Nath
CEO & COMPANY SECRETARY
Place : Chennai
Date : 18.05.2013

As per our report of even date
For **C.Ramasamy & B.Srinivasan**
Chartered Accountants
FRN: 002957S

(C. RAMASAMY)
Partner
Membership No : 23714

NOTE-1: SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1.1 The Financial Statements are prepared under historical cost convention in accordance with the mandatory accounting standards notified by the Central Government Company (Accounting Standard) Rules, 2006 and Relevant Provision of Companies Act, 1956.

1.2 The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements. Management believes that these estimate and assumptions are reasonable and prudent. However, actual results could differ from estimate.

2. FIXED ASSETS

2.1 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 are also treated as the cost of the fixed assets. However cenvat credit availed in respect of the fixed assets is deducted from the cost of the fixed asset.

2.1 Fixed Assets are stated at acquisition cost less accumulated depreciation or amortization and cumulative impairment.

3. INVESTMENTS

Investments are made in long term basis and valued at cost of acquisition to the company. Provision, if any, for diminution in value, thereof is made, wherever such diminution is other than temporary.

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 completion.
- c) Finished Goods: Finished goods are valued at the lower of the cost or net realisable value.

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.

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.

7. GOVERNMENT GRANTS

Government grants in the nature of promoters' contribution are credited to Capital Reserve and treated as part of Shareholder's Fund.

8. FOREIGN CURRENCY TRANSACTIONS

8.1 Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions.

8.2 Monetary items denominated in foreign currencies (such as cash, receivable, payable etc.) outstanding at the end of reporting period, are translated at exchange rate prevailing as at the end of reporting period.

8.3 Non-monetary items denominated in foreign currency, (such as Investment, Fixed Assets etc.) are valued at exchange rate prevailing on the date of transaction. Any gains or losses arising due to differences in exchange rates at the date of translation or settlement are accounted for in the statement of Profit & Loss under the Exchange Gain/ Loss account.

9. REVENUE RECOGNITION

9.1 Revenue from sale of goods is recognized when sufficient risks and rewards are transferred to customers, which is generally on despatch of goods and sales are stated net of returns and discounts.

9.2 Dividend income is recognized when the company's right to receive dividend is established.

9.3 Interest Income is recognized on time proportion basis.

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.

11. TAXES ON INCOME

11.1 Provision for current tax made as per the provisions of the Income Tax Act, 1961.

11.2 Deferred Tax Liability or Asset resulting from "timing difference" between book and taxable profit is accounted for considering the tax rate and laws that have been enacted or substantively enacted as on the balance sheet date.

11.3 Deferred Tax Asset is recognized and carried forward only to the extent that there is virtual certainty with convincing evidence that there will be sufficient future income to recover such deferred tax asset.

NOTES ON ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2013

Note No 2.1 - SHARE CAPITAL

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
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	143,637,430	143,637,430
TOTAL	143,637,430	143,637,430

Sub Note 2.1.1 :- Reconciliation of Shares

Particulars	31.03.2013	31.03.2012
	No. of Shares	No. of Shares
Opening Share Capital	14,363,743	12,464,950
Add: Shares issued during the year	-	1,898,793
Add: Rights / Bonus Shares Issued	-	-
Total	14,363,743	14,363,743
Less: Buy back of Shares	-	-
Less: Reduction in Capital	-	-
Closing Share Capital	14,363,743	14,363,743

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	31.03.2013		31.03.2012	
	In Nos	In %	In Nos	In %
B L Bengani	744,780	5.19	-	-
B L Bengani - HUF	2,307,974	16.07	1,570,350	10.93
Dugar Merchandise Pvt Ltd	1,772,496	12.34	1,772,496	12.34
Raimcom Sales Pvt Ltd	1,419,019	9.88	1,419,019	9.88

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

Note No 2.2 - RESERVES AND SURPLUS

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
a) Share Premium				
Balance as per last Financial Statement	71,464,941		70,002,870	
Add: Securities premium credited on share issued during the year	-		1,462,071	
Closing Balance		71,464,941		71,464,941
b) Capital Reserve		1,716,000		1,716,000
c) Revaluation Reserve		128,530,000		128,530,000
d) Surplus / (Deficit) in the statement of Profit and Loss				
Balance as per last Financial Statement	(25,199,023)		(46,141,875)	
Add: Profit / (Loss) during the year	(40,970,507)		20,942,852	
Less: Appropriations	-		-	
Closing Balance		(66,169,530)		(25,199,023)
TOTAL		135,541,411		176,511,918

Note No 2.3 - LONG TERM BORROWINGS

	31.03.2013		31.03.2012	
	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 - I	-	-	-	1,243,674
- State Bank of India - Term Loan - II	9,683,261	3,000,000	-	-
- State Bank of India - Working Capital Loan - I	-	379,101	369,584	10,149,021
- State Bank of India - Working Capital Loan - II	675,792	9,396,000	9,950,027	9,658,894
(ii) From Others	-	-	-	-
b) Long term Deferred Liabilities				
Hire Purchase Loan - (Secured)				
- Indusind Bank Ltd - Fork Lift Loan	-	-	-	186,913
- HDFC Bank - Crane Loan	1,180,300	643,800	-	-
- HDFC Bank - Car Loan	249,101	175,836	-	-
- Kotak Mahindra Prime Ltd - Car Loan	448,980	256,560	-	-
c) Loans and Advances from Others				
Deferred Sales Tax Loan - (Secured)	-	13,942,355	13,947,737	12,772,064
Inter Corporate Loans - (Unsecured)	15,000,000	-	15,000,000	-
	27,237,434	27,793,652	39,267,348	34,010,566
The above amount includes:-				
Secured Borrowings	12,237,434	27,793,652	24,267,348	34,010,566
Unsecured Borrowings	15,000,000	-	15,000,000	-
Amount disclosed under the head "Other Current Liabilities" - Note no: 2.7	-	(27,793,652)	-	(34,010,566)
NET AMOUNT	27,237,434	-	39,267,348	-

Uniply Industries Limited

- a) State Bank of India - Term Loan - II from bank carries interest @ 14.35% p.a. The loan is repayable in 15 Principal Quarterly Installment of Rs.7.5 lacs for First Year, Rs.10 lacs in Second, Third & Fourth Year. The loan is secured by hypothecation of fixed assets of the company. 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 @ 14.35% p.a. The loan is repayable in a Principal Monthly Installment (for 31.03.2012 - 13 PMI of Rs.8,34,000/- each) of Rs.3,79,101/- each. 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 @ 14.35% p.a. The loan is repayable in 13 Principal Monthly Installment (for 31.03.2012 - 25 PMI) of Rs.7,83,000/- each. 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 HDFC Bank - Crane Loan is secured by hypothecation of respective asset, hire purchase loan is repayable in 34 EMI of Rs.53,650/-.
- e) Hire Purchase loan from HDFC Bank - Car Loan is secured by hypothecation of respective asset, hire purchase loan is repayable in 30 EMI of Rs.14,653/-.
- f) Hire Purchase Loan from Kotak Mahindra Prime Ltd - Car Loan is secured by hypothecation of respective asset, hire purchase loan is repayable in 33 EMI of Rs.21,380/-
- g) Inter corporate loan carries interest rate of 15% p.a. and repayable after 12 months from balance sheet date.

Note No 2.4 - LONG TERM PROVISIONS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Provision for Employee Benefits	999,870	3,777,142
TOTAL	999,870	3,777,142

Note No 2.5 - SHORT TERM BORROWINGS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
a) Loans repayable on demand		
(i) From Bank (Secured)		
Cash Credit from Bank - State Bank India	318,143,003	312,089,061
(ii) From Others (Unsecured)		
Inter Corporate Loans	25,000,000	25,000,000
b) Other loans and advances (Unsecured)		
Short Term Credit from Bank - Buyers Credit - SBI	40,652,403	-
TOTAL	383,795,406	337,089,061
The above amount includes:-		
Secured Borrowings	358,795,406	312,089,061
Unsecured Borrowings	25,000,000	25,000,000
TOTAL	383,795,406	337,089,061

Uniply Industries Limited

Cash Credit and Short Term Credit from State Bank of India is secured by hypothecation of stock, receivables and other current assets of the company, hypothecation of fixed assets of the company excluding vehicles & goodwill. Further secured by personal guarantee of the managing director of company.

The cash credit is repayable on demand and carries interest @ 14.25% p.a. Buyers Credit carries a Interest rate of 1.80% p.a and repayable on 25.06.2013.

Note No 2.6 - TRADE PAYABLES

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
Trade Payables				
For Goods	401,388,491		260,620,617	
For Capital Goods and Capital Expenses	2,368,006		733,558	
For Expenses	15,076,889		3,624,308	
		418,833,386		264,978,483
For Statutory Dues	17,417,089		20,542,368	
For Advances from Customers	2,476,008	19,893,097	4,783,013	25,325,381
TOTAL		438,726,483		290,303,864

Note:- Trade Payable for goods includes due to subsidiary company Nil 31,820,703

Note No 2.7 - OTHER CURRENT LIABILITIES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Current maturities of long term debt	27,793,652	34,010,566
Other Payables		
- Expenses Payable	485,831	516,452
TOTAL	28,279,483	34,527,018

Note No 2.8 - SHORT TERM PROVISIONS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Provision for Taxation	10,000	831,095
TOTAL	10,000	831,095

2.9. FIXED ASSETS

(in Rs.)

S.No	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST AS ON 01.04.2012	ADDITION DURING THE YEAR	ADJUSTMENTS DURING THE YEAR	TOTAL COST AS AT 31.03.2013	DEPRECIATION AS AT 01.04.2012	ADDITION DURING THE YEAR	DEPRECIATION ADJUSTMENTS	TOTAL DEPRE. AS AT 31.3.2013	AS AT 31.03.2013	AS AT 31.03.2012
	Tangible Assets:										
1	Land - Free Hold	132,297,378	-	-	132,297,378	-	-	-	-	132,297,378	132,297,378
2	Building	72,097,665	24,373,207	-	96,470,872	16,702,227	2,608,790	-	19,311,017	77,159,855	55,395,438
3	Plant & Machinery	104,363,591	3,148,465	-	107,512,056	53,014,183	7,790,515	-	60,804,698	46,707,358	51,349,408
4	Furniture & Fixtures	13,448,607	2,690,864	-	16,139,471	4,104,970	938,149	-	5,043,119	11,096,352	9,343,637
5	Vehicles	11,202,026	1,599,602	(1,314,976)	11,486,652	5,023,636	1,053,097	(638,170)	5,438,563	6,048,089	6,178,390
6	Office Equipment	3,263,677	1,441,031	-	4,704,708	901,338	174,423	-	1,075,761	3,628,947	2,362,339
	Others										
7	Computers	7,485,393	249,767	(30,000)	7,705,160	4,972,283	1,207,037	(30,000)	6,149,320	1,555,840	2,513,110
8	Electrical & Fittings	15,779,757	1,452,972	-	17,232,729	7,378,848	1,159,069	-	8,537,917	8,694,812	8,400,909
	Tangible Assets:	359,938,094	34,955,908	(1,344,976)	393,549,026	92,097,485	92,097,485	(668,170)	106,360,395	287,188,631	267,840,609
	Intangible Assets:										
9	Goodwill	200,000	-	-	200,000	109,898	10,560	-	120,458	79,542	90,102
	TOTAL	360,138,094	34,955,908	(1,344,976)	393,749,026	92,207,383	14,941,640	(668,170)	106,480,853	287,268,173	267,930,711
	PREVIOUS YEAR	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

Uniply Industries Limited

Note No 2.10 - NON-CURRENT INVESTMENTS

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
Trade Investment (Long term)				
Non-Quoted- Equity Share				
Surge Trading Ltd - 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	358,000	878,250
Non Trade Investment				
B) Quoted Equity Share				
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		986,126
Aggregate amount of Quoted Investment				
Cost		107,876		107,876
Market Value		68,625		52,799
Aggregate amount of Unquoted Investment		878,250		878,250

Note No 2.11 - DEFERRED TAX ASSETS (Net)

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
Deferred Tax Assets				
Employee Benefits	1,212,000		1,527,000	
Carried forward loss	38,716,000		20,578,000	
Deferred Tax Liabilities	39,928,000		22,105,000	
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	(13,901,000)		(14,313,000)	
Deferred Tax Assets (Net)		26,027,000		7,792,000
TOTAL		26,027,000		7,792,000

Note No 2.12 - LONG TERM LOANS & ADVANCES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Unsecured Considered Good:		
Security Deposits	8,128,710	6,448,396
Others	420,500	393,009
TOTAL	8,549,210	6,841,405

Uniply Industries Limited

Note No 2.13 - OTHER NON CURRENT ASSETS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
MAT Credit Entitlement	5,835,000	5,835,000
TOTAL	5,835,000	5,835,000

Note No 2.14 - INVENTORIES (As Certified by the Management)

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Raw Material	403,295,619	304,485,565
Work In Process	73,662,528	91,261,604
Finished Goods	64,968,259	58,902,593
Stock-in-Trade	6,914,595	3,780,315
Consumables	10,045,249	10,357,510
TOTAL	558,886,250	468,787,587

Note No 2.15 - TRADE RECEIVABLES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Over Six Months- From due date:-		
Unsecured Considered Good	2,804,318	3,666,855
Doubtful	-	-
Below Six Months - From Due date:-		
Unsecured Considered Good	223,342,223	218,303,064
Doubtful	-	-
Less:		
Provision for Doubtful Debts	-	-
TOTAL	226,146,541	221,969,919

Note:- Debtors include due from associate concern

Nil

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Uniply Industries Limited

Note No 2.16 - CASH AND BANK BALANCES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Cash and Cash Equivalents		
Cash on Hand	669,685	1,121,154
Balance with Banks		
-In Current Accounts	712,892	13,498,091
Other Bank Balance		
- As Margin Money	24,549,023	18,376,689
TOTAL	25,931,600	32,995,934

Deposit Amount with more than 12 months maturity	-	9,000,000
Balances with bank held as margin money deposits against Letter of Credit	24,549,023	18,376,689

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

Particulars	Rs.	Rs.
Axis Bank	-	13,321,720
State Bank of India	712,620	133,946
State Bank of India - EEFC A/c	272	42,425
	712,892	13,498,091

Note No 2.17 - SHORT TERM LOANS & ADVANCES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Advance for Capital Expenses	-	-
Advances to Suppliers	-	1,919,200
Prepaid Expenses	2,219,318	1,135,406
Advances Staff and Others	845,000	485,000
Balance with Statutory Authorities	1,187,605	1,722,189
Others	7,572,196	939,760
TOTAL	11,824,119	6,201,555

Note:- Advance to suppliers includes due from subsidiary company Nil 1,919,200

Note No 2.18 - OTHER CURRENT ASSETS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Income Tax	6,706,939	6,604,639
TOTAL	6,706,939	6,604,639

Uniply Industries Limited

Note No 2.19 - REVENUE FROM OPERATION - SALE OF PRODUCTS

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
Sales				
Manufactured Goods	1,134,517,678		1,133,426,970	
Traded Goods	87,621,579	1,222,139,257	76,859,875	1,210,286,845
TOTAL		1,222,139,257		1,210,286,845
Details of Manufactured & Traded Goods :-				
Manufactured Goods:-				
Plywood		778,752,869		835,325,682
Veneer		313,715,541		268,605,391
Resin		19,483,090		25,141,640
Others		22,566,178		4,354,257
		1,134,517,678		1,133,426,970
Traded Goods:-				
Veneers		44,459,987		27,852,754
Logs		21,272,881		33,817,445
Plywood		21,735,614		15,189,676
		87,468,482		76,859,875

Note No 2.20 - OTHER INCOME

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Interest	2,186,721	2,434,117
Recovery of Bad debts	40,000	-
Dividends	1,341	1,141
TOTAL	2,228,062	2,435,258

Note No 2.21 - COST OF MATERIAL CONSUMED

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
A.) Raw Materials' Consumption				
Stock at Commencement		304,485,565		235,792,757
Add: Purchases		1,017,689,427		933,061,628
Freight and Octroi on Purchases		9,971,241		11,198,219
		1,332,146,233		1,180,052,604
Less : Stock at Close		403,295,619		304,485,565
TOTAL (A)		928,850,614		875,567,039

Uniply Industries Limited

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
Details of Rawmaterial Purchased:				
Logs	549,551,432		471,698,045	
Veneers	178,312,713		133,764,013	
Semi Finished Plywood	214,428,190		251,136,533	
Resin	63,740,789		67,965,172	
Others	11,656,303		8,497,865	
	1,017,689,427		933,061,628	
B.) Consumption of Consumables				
Stock at Commencement		10,357,510		9,914,831
Add: Purchases		20,757,158		18,041,807
		31,114,668		27,956,638
Less : Stock at Close		10,045,249		10,357,510
TOTAL (B)		21,069,419		17,599,128
TOTAL (A+B)		949,920,033		893,166,167
C.) Details of Trading Goods Purchased:				
Veneers		48,853,654		26,783,906
Logs		20,259,886		33,322,584
Plywood		14,075,512		15,488,233
TOTAL(C)		83,189,052		75,594,723
D.) Change in Stocks				
Stock at Commencement				
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
Less: Stock at Close				
Work-in-Process	73,662,528		91,261,604	
Finished Goods	64,968,259		58,902,593	
Traded Goods	6,914,595	145,545,382	3,780,315	153,944,512
Stock Decreased /(Increased) by		8,399,130		(20,138,481)

Note No 2.22:- EMPLOYEE BENEFITS EXPENSES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Salaries, Wages, Bonus etc.	44,426,409	33,315,441
Contract Labour Charges	25,195,919	-
Director's Remuneration	4,200,000	4,200,000
Contribution to P.F, E.S.I and Other Statutory Funds	2,672,463	1,578,234
Gratuity	(1,200,846)	165,955
Workmen & Staff Welfare Expenses	1,740,250	2,067,583
TOTAL	77,034,195	41,327,213

Uniply Industries Limited

Note No 2.23- FINANCE COSTS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Interest Expense	56,147,938	54,233,435
Other Borrowing Costs	6,982,782	7,670,536
TOTAL	63,130,720	61,903,971

Note No 2.24- OTHER EXPENSES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Power and Fuels	25,723,764	19,957,930
Excise Duty Paid	(1,997,145)	2,056,359
Books & Periodicals	29,371	14,696
Consultancy/Professional Fees	1,526,187	741,227
Conveyance Expenses	550,093	523,341
Electricity Expenses	1,153,951	976,190
General Expenses	418,167	204,936
Insurance	2,095,584	999,347
Loss on sale of asset	252,997	-
Petrol Expenses	1,932,251	2,531,147
Postage & Telegram	341,090	388,304
Printing & Stationery	858,625	959,784
Rates & Taxes	7,152,832	9,374,536
Rent	5,592,262	3,817,057
Repairs & Maintainance		
- Plant & Machinery	6,382,312	6,642,195
- Building	67,643	204,942
- Others	2,308,661	1,978,645
Security Services	2,709,508	2,268,716
Telephone Expenses	2,039,611	1,645,394
Travelling Expenses	4,400,592	4,035,544
Subscription	160,512	116,255
Vehicle Expenses	1,069,106	947,398
Director's Sitting Fees	77,000	126,000
Foreign Exchange Rate Difference	7,011,162	22,774,037
Auditors Remuneration	100,000	310,300
Sales Promotion Expenses	1,513,358	1,130,237
Product Promotion Expenses	2,203,824	2,501,692
Transportation & Forwarding Charges	8,291,466	24,736,121
Advertisement	1,903,098	1,174,288
Service Tax	613,853	1,455,155
Registrar Expenses & Demat Charges	137,208	163,237
Data Connectivity Charges	329,116	24,642
Assets Written Off	-	1,408,807
TOTAL	86,948,058	116,188,458

Note No 2.24- OTHER EXPENSES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Payment to Auditor		
a) As Auditor		
Audit Fee	60,000	60,000
Tax Audit Fee	20,000	20,000
Limited Review	20,000	20,000
b) In other Capacity		
Taxation Matters	-	210,300
	100,000	310,300

Note No: 2.25 - ADDITIONAL INFORMATION TO FINANCIAL STATEMENT

a) Contingent Liability

- i) Value Added Tax demand for 2007-08 & 2006-07 is Rs.58,58,070/- against which the company has filed an appeal with Appellate Commissioner Commercial Tax department Tamil Nadu. (31.03.2012 - 73,13,274/-)
- ii) Capital Commitments - Nil (31.03.2012 - Nil)
- b) Value of Import on CIF basis is Rs.35,86,02,986/- (31.03.2012 - Rs.36,11,20,873/-)
- c) Details of Value of Raw Materials, Consumable & Stores consumed :-

Particulars	31.03.2013		31.03.2012	
	% of Consumption	Amount	% of Consumption	Amount
Raw Materials Imported	63.11%	586,197,622	60.32%	528,169,380
Raw Materials Indigenous	29.48%	273,825,161	31.91%	279,432,487
Chemicals & Others - Indigenous	7.41%	68,827,830	7.76%	67,965,172
Consumables - Indigenous	100%	21,069,419	100%	17,599,128

- d) FOB value of Exports is Nil. (31.03.2012- Rs.23,12,294/-)
- e) Expenditure in Foreign Currency - Rs.2,32,469/- (31.03.2012 - Rs.2,85,844/-)
- f) Amounted 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.

Uniply Industries Limited

h) Related Party disclosures for the year ended 31.03.2013

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 :-

Name of Related Party	Amount in Rs.		Nature of Payment
	31.03.2013	31.03.2012	
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 Bhatera	21,000	42,000	Sitting Fees
Mr.S.K.Jena	28,000	35,000	Sitting Fees
Mr.R.Kuppu Rao	28,000	42,000	Sitting Fees
Mr.Varun Bengani	576,000	290,341	Salary
Surge Trading Ltd (WOS)	-	2,683,762	Sales
Surge Trading Ltd (WOS)	16,872,043	61,137,135	Purchases
Uniply International Limited	8,591,691	11,917,199	Sales
Uniply International Limited	7,189,737	Nil	Purchases

(I) Consequent to the adoption of Accounting Standard 15 on Employee Benefits as notified by the Companies (Accounting Standard - Rules 2006), the following disclosures has been made as required by the standard. 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	31.03.2013	31.03.2012
	(Rs.)	(Rs.)
Provident Fund	2,672,463	1,578,234

Uniply Industries Limited

The details of post retirement benefit plans for Gratuity are given below which is certified by SBI Life Insurance Co. Ltd, and relied upon by the auditors:

Particulars	31.03.2013	31.03.2012
	(Rs.)	(Rs.)
Change in defined benefit obligations:		
Accrued liability at the beginning of the year	3,777,142	3,667,000
Interest Cost	-	293,000
Current Service Cost	827,806	846,955
Past Service Cost	-	-
Curtailement Cost	-	-
Settlement Cost	-	-
Benefits Paid	1,562,733	(55,813)
Actuarial (Gain) / Loss	(2,042,345)	(974,000)
Accrued liability at the end of the period	999,870	3,777,142

Amount Recognised In the Balance Sheet	31.03.2013	31.03.2012
Present Value of obligations as on 31.03.2013	2,499,870	3,777,142
Fair Value of plan assets	1,500,000	-
Liability recognized in Balance Sheet	999,870	3,777,142

Amount Recognised In the Profit and Loss Account	31.03.2013	31.03.2012
Interest Cost	-	293,000
Current Service Cost	827,806	846,955
Past Service Cost	-	-
Expected Return of Plan Assets	-	-
Curtailement Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (Gain) / Loss	(2,042,345)	(974,000)
Net Expenses recognized in P&L A/c	(1,214,539)	165,955

Reconciliation	31.03.2013	31.03.2012
Net Liability as at the beginning of the period	3,777,142	3,667,000
Net Expenses in P&L A/c	(1,214,539)	165,955
Benefits Paid	(1,562,733)	(55,813)
Net Liability as at the end of the period	999,870	3,777,142

Uniply Industries Limited

Principal Acturial Assumption	31.03.2013	31.03.2012
Interest Rate (Liabilities)	8.00%	8.00%
Return on Assets	N.A	N.A.
Mortality Table	IAL 94-96 Ultimate	LIC (94-96)
Resignation Rate per Annum	2.00%	2.00%
Salary Escalation Rate	7.00%	8.25%

During the year Rs. 15,00,000/- was paid to Uniply Industries Employees Gratuity Fund.

- 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

Raghuram Nath
CEO & COMPANY SECRETARY
Place : Chennai
Date : 18.05.2013

S.K. Jena
S.P. Bhatara
R. Kuppu Rao
DIRECTORS

As per our report of even date
For **C.Ramasamy & B.Srinivasan**
Chartered Accountants
FRN: 002957S

(C. RAMASAMY)
Partner
Membership No : 23714

AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT

To
The Board of Directors of,
UNIPLY INDUSTRIES LIMITED

Report on the Consolidated Financial Statements of Uniply Industries Limited and its Subsidiary

We have audited the accompanying consolidated financial statements of Uniply Industries Limited ('the Company') and its subsidiary Surge Trading Ltd, (collectively referred as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Consolidated Statement of Profit and Loss and Consolidated Cash Flows Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditor on the financial statement of the subsidiary noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;
- (ii) in the case of the Consolidated Statement of Profit and Loss Account, of the loss of the Group for the year ended on that date; and
- (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

We did not audit the financial statements of subsidiary, whose Financial Statements reflect total assets (net) of Rs.4,67,541/- as at 31st March, 2013, total revenues (net) of Rs.32,886/-, total expenditure (net) of Rs.48,69,386/- and net cash outflow amounting to Rs.1,50,56,710/- for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

For C. Ramasamy & B. Srinivasan
Chartered Accountants
FRN: 002957S

C. Ramasamy
Partner
Membership No: 23714

Place: Chennai
Date: 18.05.2013

UNIPLY INDUSTRIES LIMITED

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

CONSOLIDATED BALANCE SHEET AS ON 31.03.2013

PARTICULARS	Note No.	As on 31.03.2013		As on 31.03.2012	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share Capital	2.1	143,637,430		143,637,430	
(b) Reserves and Surplus	2.2	<u>135,906,193</u>		<u>181,668,302</u>	
			279,543,623		325,305,732
2 Non- current liabilities					
(a) Long-term borrowings	2.3	27,237,434		39,267,348	
(b) Long-term Provisions	2.4	<u>999,870</u>		<u>3,777,142</u>	
			28,237,304		43,044,490
3 Current Liabilities					
(a) Short term borrowings	2.5	383,795,406	279,543,623	338,698,023	
(b) Trade payables	2.6	438,726,483		302,602,441	
(c) Other current liabilities	2.7	28,382,243		34,631,818	
(d) Short term provisions	2.8	<u>10,000</u>		<u>863,452</u>	
			850,914,132		676,795,734
TOTAL			<u>1,158,695,058</u>		<u>1,045,145,956</u>
II ASSETS					
1. Non-current assets					
(a) Fixed assets	2.9				
(i) Tangible assets		287,188,631		267,840,609	
(ii) Intangible assets		79,542		90,102	
(iii) Capital work-in-progress		66,559		-	
(b) Non-current investments	2.10	465,876		465,876	
(c) Deferred tax assets (net)	2.11	26,027,000		7,792,000	
(d) Long-term loans and advances	2.12	8,549,210		6,841,405	
(e) Other non-current assets	2.13	<u>5,835,000</u>		<u>5,835,000</u>	
			328,211,818		288,864,992
2. Current assets					
(a) Inventories	2.14	558,886,250		474,365,310	
(b) Trade receivables	2.15	226,146,541		221,969,917	
(c) Cash and Bank Balances	2.16	26,919,391		49,040,434	
(d) Short-term loans and advances	2.17	11,824,119		4,300,664	
(e) Other current assets	2.18	<u>6,706,939</u>		<u>6,604,639</u>	
			830,483,240		756,280,964
			<u>1,158,695,058</u>		<u>1,045,145,956</u>

See accompanying notes to the financial statements 1 & 2
For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTOR

Raghuram Nath
CEO & COMPANY SECRETARY
Place : Chennai
Date : 18.05.2013

S.K. Jena
S.P. Bhatara
R. Kuppu Rao
DIRECTORS

As per our report of even date
For **C.Ramasamy & B.Srinivasan**
Chartered Accountants
FRN: 002957S

(C. RAMASAMY)
Partner
Membership No : 23714

UNIPLY INDUSTRIES LIMITED

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

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31.03.2013

PARTICULARS	Note No.	31.03.2013		31.03.2012	
		Rs.	Rs.	Rs.	Rs.
I Revenue from operations:					
Sale of Products	2.19	1,358,131,776		1,336,878,228	
Less: Excise Duty		<u>135,992,519</u>	1,222,139,257	<u>106,647,404</u>	1,230,230,824
II Other Income	2.20		<u>2,260,948</u>		<u>2,536,779</u>
III Total Revenue (I + II)			<u>1,224,400,205</u>		<u>1,232,767,603</u>
IV Expenses					
Cost of Materials Consumed	2.21	943,410,757		830,541,432	
Purchases of Stock in Trade	2.21	94,513,260		160,180,977	
Changes in inventories of finished goods, work in progress and Stock-in- trade	2.21	8,399,130		(25,716,204)	
Employee benefits expenses	2.22	77,034,195		41,327,213	
Finance Costs	2.23	64,134,394		62,932,217	
Depreciation and amortization expense	2.9	14,941,638		14,453,199	
Other expense	2.24	<u>85,998,838</u>		<u>116,559,671</u>	
Total Expense			<u>1,288,432,212</u>		<u>1,200,278,505</u>
V Profit before exceptional and extraordinary items and tax (III-IV)			<u>(64,032,007)</u>		<u>32,489,098</u>
VI Exceptional Items			<u>-</u>		<u>-</u>
VII Profit before extraordinary items and tax (V-VI)			<u>(64,032,007)</u>		<u>32,489,098</u>
VIII Extraordinary items			<u>-</u>		<u>-</u>
IX Profit before tax (VII-VIII)			<u>(64,032,007)</u>		<u>32,489,098</u>
X Tax expense:					
(1) Current tax		(34,898)		6,577,024	
Less: MAT credit entitlement		<u>-</u>		<u>5,835,000</u>	
		(34,898)		742,024	
(2) Deferred tax		<u>(18,235,000)</u>		<u>9,269,000</u>	
Profit/(Loss) for the period from continuing operations (IX - X)			<u>(18,269,898)</u>		<u>10,011,024</u>
XI Profit/(Loss) for the period from discontinuing operations			<u>(45,762,109)</u>		<u>22,478,074</u>
XII Profit/(Loss) for the period from discontinuing operations			<u>-</u>		<u>-</u>
XIII Tax expense of discontinuing operations			<u>-</u>		<u>-</u>
XIV Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)			<u>-</u>		<u>-</u>
XV Profit/(Loss) for the period (XI + XIV)			<u>(45,762,109)</u>		<u>22,478,074</u>
XVI Earnings per equity share: (FV Rs.10/- per share)					
(1) Basic			(3.19)		1.80
(2) Diluted					

 See accompanying notes to the financial statements 1 & 2
 For and on behalf of the Board of Directors

 B.L. Bengani
 MANAGING DIRECTOR

 Raghuram Nath
 CEO & COMPANY SECRETARY
 Place : Chennai
 Date : 18.05.2013

 S.K. Jena
 S.P. Bhatara
 R. Kuppu Rao
 DIRECTORS

 As per our report of even date
 For **C.Ramasamy & B.Srinivasan**
 Chartered Accountants
 FRN: 002957S

(C. RAMASAMY)
 Partner
 Membership No : 23714

UNIPLY INDUSTRIES LIMITED

No 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist, Tamil Nadu - 603107
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2013

Particulars	2012-13 Rs.	2011-12 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation and Extraordinary items	(64,032,007)	32,489,098
Adjustments for:		
Depreciation	14,941,638	14,453,199
(Profit)/Loss on sale of fixed assets	252,997	-
Interest Expenses	56,875,917	54,463,633
Interest Received	(2,219,607)	(2,535,638)
Prior Period Expenses	-	-
Dividend income on long term investments	(1,341)	(1,141)
Assets written Off	-	1,408,807
Operating profit before working capital changes	<u>5,817,598</u>	<u>100,277,958</u>
Movements in working capital:		
Adjustments for		
(Increase)/Decrease in Sundry Debtors and other receivable	(13,510,184)	(716,758)
(Increase)/Decrease in Inventories	(84,520,940)	(94,851,691)
Increase/(Decrease) in Current Liabilities	132,495,555	44,102,122
Cash generated from operations	<u>40,282,028</u>	<u>48,811,631</u>
Direct taxes paid (net of refunds)	-	(5,762,295)
Cash flow before extraordinary items		
Extraordinary item	-	-
Net cash from operating activities	<u>40,282,028</u>	<u>43,049,336</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(35,022,466)	(6,976,521)
Sale of fixed assets	423,809	-
Purchase of investments	-	(358,000)
Interest received	2,219,607	2,535,638
Dividend received	1,341	1,141
Net cash used in investing activities	<u>(32,377,709)</u>	<u>(4,797,742)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	-
Proceeds of Capital	-	20,450,000
Repayment of long term borrowings	(18,246,828)	(52,985,623)
Proceeds of long term borrowings	-	-
Proceeds of short term borrowings	45,097,383	39,348,884
Interest paid	(56,875,917)	(54,463,633)
Public Issue Expenses	-	-
Net cash from financing activities	<u>(30,025,363)</u>	<u>(47,650,372)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(22,121,043)	(9,398,778)
Cash and cash equivalents at the beginning of the year	49,040,434	58,439,212
Cash and cash equivalents at the end of the year	26,919,391	49,040,434

For and on behalf of the Board of Directors

B.L. Bengani
 MANAGING DIRECTOR

S.K. Jena
 S.P. Bhatara
 R. Kuppu Rao
 DIRECTORS

Raghuram Nath
 CEO & COMPANY SECRETARY
 Place : Chennai
 Date : 18.05.2013

As per our report of even date
 For **C.Ramasamy & B.Srinivasan**
 Chartered Accountants
 FRN: 002957S

(C. RAMASAMY)
 Partner
 Membership No : 23714

NOTE – 1: SIGNIFICANT ACCOUNTING POLICIES**1. DESCRIPTION OF BUSINESS**

1.1 Uniply Industries Ltd (“Uniply Group” or “the Company”) is a manufacturer of plywood and allied products and its subsidiary is a trader in plywood and allied products.

1.2 Uniply Industries Limited has its headquarters in Chennai, India with offices in Mumbai, Bangalore, Delhi, Lucknow and Hyderabad and its subsidiary in Hong Kong.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 The accompanying consolidated financial statements include the accounts of Uniply Industries Limited and its subsidiary as follows.

Name of the Subsidiary	Country of Incorporation	% of Holding
Surge Trading Limited	Hong Kong	100.00

2.2 The consolidated financial statements have been prepared to comply in all material respects with the notified Accounting Standards by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used during the previous year.

2.3 The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes.

2.4 All intercompany balances and transactions between the company and its subsidiary have been eliminated in consolidation.

3. FIXED ASSETS

3.1 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 are also treated as the cost of the fixed assets. However cenvat credit availed in respect of the fixed assets is deducted from the cost of the fixed asset.

3.2 Fixed Assets are stated at acquisition cost less accumulated depreciation or amortization and cumulative impairment.

4. INVESTMENTS

Investments are made in long term basis and valued at cost of acquisition to the company. Provision, if any, for diminution in value, thereof is made, wherever such diminution is other than temporary.

5. INVENTORIES

Inventories are valued at cost or net realizable 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 realizable 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 completion.

c) Finished Goods:

Finished goods are valued at the lower of the cost or net realizable value.

6. 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.

7. 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.

8. GOVERNMENT GRANTS

Government grants in the nature of promoters' contribution are credited to Capital Reserve and treated as part of Shareholder's Fund.

9. FOREIGN CURRENCY TRANSACTIONS

9.1 Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transactions.

9.2 Monetary items denominated in foreign currencies (such as cash, receivable, payable etc.) outstanding at the end of reporting period, are translated at exchange rate prevailing as at the end of reporting period.

9.3 Non-monetary items denominated in foreign currency, (such as Investment, Fixed Assets etc.) are valued at exchange rate prevailing on the date of transaction. Any gains or losses arising due to differences in exchange rates at the date of translation or settlement are accounted for in the statement of Profit & Loss under the Exchange Gain/ Loss account.

10. SALES

10.1 Revenue from sale of goods is recognized when sufficient risks and rewards are transferred to customers, which is generally on despatch of goods and sales are stated net of returns and discounts.

10.2 Dividend income is recognized when the company's right to receive dividend is established.

10.3 Interest Income is recognized on time proportion basis.

11. 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.

12. TAXES ON INCOME

12.1 Provision for current tax made as per the provisions of the Income Tax Act, 1961.

12.2 Deferred Tax Liability or Asset resulting from "timing difference" between book and taxable profit is accounted for considering the tax rate and laws that have been enacted or substantively enacted as on the balance sheet date.

12.3 Deferred Tax Asset is recognized and carried forward only to the extent that there is virtual certainty with convincing evidence that there will be sufficient future income to recover such deferred tax asset.

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NOTES ON ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2013

Note No 2.1 - SHARE CAPITAL

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
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	143,637,430	143,637,430
TOTAL	143,637,430	143,637,430

Sub Note 2.1.1 :- Reconciliation of Shares

Particulars	31.03.2013	31.03.2012
	No. of Shares	No. of Shares
Opening Share Capital	14,363,743	12,464,950
Add: Shares issued during the year	-	1,898,793
Add: Rights / Bonus Shares Issued	-	-
Total	14,363,743	14,363,743
Less: Buy back of Shares	-	-
Less: Reduction in Capital	-	-
Closing Share Capital	14,363,743	14,363,743

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	31.03.2013		31.03.2012	
	In Nos	In %	In Nos	In %
B L Bengani	744,780	5.19	-	-
B L Bengani - HUF	2,307,974	16.07	1,570,350	10.93
Dugar Merchandise Pvt Ltd	1,772,496	12.34	1,772,496	12.34
Raimcom Sales Pvt Ltd	1,419,019	9.88	1,419,019	9.88

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

Uniply Industries Limited

Note No 2.2 - RESERVES AND SURPLUS

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
a) Share Premium				
Balance as per last Financial Statement	71,464,941		70,002,870	
Add: Securities premium credited on share issued during the year	-		1,462,071	
Closing Balance		71,464,941		71,464,941
b) Capital Reserve		1,716,000		1,716,000
c) Revaluation Reserve		128,530,000		128,530,000
d) Surplus / (Deficit) in the statement of Profit and Loss				
Balance as per last Financial Statement	(20,042,639)		(42,520,713)	
Add: Profit / (Loss) during the year	(45,762,109)		22,478,074	
Less: Appropriations	-		-	
Closing Balance		(65,804,748)		(20,042,639)
TOTAL		135,906,193		181,668,302

Note No 2.3 - LONG TERM BORROWINGS

(in Rs.)

Particulars	31.03.2013		31.03.2012	
	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 - I	-	-	-	1,243,674
- State Bank of India - Term Loan - II	9,683,261	3,000,000	-	-
- State Bank of India - Working Capital Loan - I	-	379,101	369,584	10,149,021
- State Bank of India - Working Capital Loan - II	675,792	9,396,000	9,950,027	9,658,894
(ii) From Others	-	-	-	-
b) Long term Deferred Liabilities				
Hire Purchase Loan - (Secured)				
- Indusind Bank Ltd - Fork Lift Loan	-	-	-	186,913
- HDFC Bank - Crane Loan	1,180,300	643,800	-	-
- HDFC Bank - Car Loan	249,101	175,836	-	-
- Kotak Mahindra Prime Ltd - Car Loan	448,980	256,560	-	-
c) Loans and Advances from Others				
Deferred Sales Tax Loan - (Secured)	-	13,942,355	13,947,737	12,772,064
Inter Corporate Loans - (Unsecured)	15,000,000	-	15,000,000	-
	27,237,434	27,793,652	39,267,348	34,010,566
The above amount includes:-				
Secured Borrowings	12,237,434	27,793,652	24,267,348	34,010,566
Unsecured Borrowings	15,000,000	-	15,000,000	-
Amount disclosed under the head "Other Current Liabilities" - Note no: 2.7	-	(27,793,652)	-	(34,010,566)
NET AMOUNT	27,237,434	-	39,267,348	-

Uniply Industries Limited

- a) State Bank of India - Term Loan - II from bank carries interest @ 14.35% p.a. The loan is repayable in 15 Principal Quarterly Installment of Rs.7.5 lacs for First Year, Rs.10 lacs in Second, Third & Fourth Year. The loan is secured by hypothecation of fixed assets of the company. 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 @ 14.35% p.a. The loan is repayable in a Principal Monthly Installment (for 31.03.2012 - 13 PMI of Rs.8,34,000/- each) of Rs.3,79,101/- each. 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 @ 14.35% p.a. The loan is repayable in 13 Principal Monthly Installment (for 31.03.2012 - 25 PMI) of Rs.7,83,000/- each. 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 HDFC Bank - Crane Loan is secured by hypothecation of respective asset, hire purchase loan is repayable in 34 EMI of Rs.53,650/-.
- e) Hire Purchase loan from HDFC Bank - Car Loan is secured by hypothecation of respective asset, hire purchase loan is repayable in 30 EMI of Rs.14,653/-.
- f) Hire Purchase Loan from Kotak Mahindra Prime Ltd - Car Loan is secured by hypothecation of respective asset, hire purchase loan is repayable in 33 EMI of Rs.21,380/-
- g) Inter corporate loan carries interest rate of 15% p.a. and repayable after 12 months from balance sheet date.

Note No 2.4 - OTHER LONG TERM PROVISIONS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Provision for Employee Benefits	999,870	3,777,142
TOTAL	999,870	3,777,142

Note No 2.5 - SHORT TERM BORROWINGS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
a) Loans repayable on demand		
(i) From Bank (Secured)		
Cash Credit from Bank - State Bank India	318,143,003	312,089,061
Cash Credit from Bank - IOB Hong Kong	-	1,608,962
(ii) From Others (Unsecured)		
Inter Corporate Loans	25,000,000	25,000,000
b) Other loans and advances (Unsecured)		
Short Term Credit from Bank - Buyers Credit - SBI	40,652,403	-
TOTAL	383,795,406	338,698,023
The above amount includes:-		
Secured Borrowings	358,795,406	313,698,023
Unsecured Borrowings	25,000,000	25,000,000
TOTAL	383,795,406	338,698,023

Uniply Industries Limited

Cash Credit and Short Term Credit from State Bank of India is secured by hypothecation of stock, receivables and other current assets of the company, hypothecation of fixed assets of the company excluding vehicles & goodwill. Further secured by personal guarantee of the managing director of company.

The cash credit is repayable on demand and carries interest @ 14.25% p.a. Buyers Credit carries a Interest rate of 1.80% p.a and repayable on 26.06.2013

Note No 2.6 - TRADE PAYABLES

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
Trade Payables				
For Goods	401,388,491		264,744,794	
For Capital Goods and Capital Expenses	2,368,006		733,558	
For Expenses	15,076,889		3,624,308	
		418,833,386		269,102,660
Others				
For Statutory Dues	17,417,089		20,542,368	
For Advances From Customers	2,476,008	19,893,097	12,957,413	33,499,781
TOTAL		438,726,483		302,602,441

Note:- Trade Payable for goods includes due to subsidiary company

Note No 2.7 - OTHER CURRENT LIABILITIES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Current maturities of long term debt	27,793,652	34,010,566
Other Payables		
- Expenses Payable	588,591	621,252
TOTAL	28,382,243	34,631,818

Note No 2.8 - SHORT TERM PROVISIONS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Provision for Taxation	10,000	863,452
TOTAL	10,000	863,452

2.9. FIXED ASSETS

(in Rs.)

S.No	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST AS ON 01.04.2012	ADDITION DURING THE YEAR	ADJUSTMENTS DURING THE YEAR	TOTAL COST AS AT 31.03.2013	DEPRECIATION AS AT 01.04.2012	ADDITION DURING THE YEAR	DEPRECIATION ADJUSTMENTS	TOTAL DEPRE. AS AT 31.3.2013	AS AT 31.03.2013	AS AT 31.03.2012
	Tangible Assets:										
1	Land - Free Hold	132,297,378	-	-	132,297,378	-	-	-	-	132,297,378	132,297,378
2	Building	72,097,665	24,373,207	-	96,470,872	16,702,227	2,608,790	-	19,311,017	77,159,855	55,395,438
3	Plant & Machinery	104,363,591	3,148,465	-	107,512,056	53,014,183	7,790,515	-	60,804,698	46,707,358	51,349,408
4	Furniture & Fixtures	13,448,607	2,690,864	-	16,139,471	4,104,970	938,149	-	5,043,119	11,096,352	9,343,637
5	Vehicles	11,202,026	1,599,602	(1,314,976)	11,486,652	5,023,636	1,053,097	(638,170)	5,438,563	6,048,089	6,178,390
6	Office Equipment	3,263,677	1,441,031	-	4,704,708	901,338	174,423	-	1,075,761	3,628,947	2,362,339
	Others										
7	Computers	7,485,393	249,767	(30,000)	7,705,160	4,972,283	1,207,037	(30,000)	6,149,320	1,555,840	2,513,110
8	Electrical & Fittings	15,779,757	1,452,972	-	17,232,729	7,378,848	1,159,069	-	8,537,917	8,694,812	8,400,909
	Tangible Assets:	359,938,094	34,955,908	(1,344,976)	393,549,026	92,097,485	14,931,080	(668,170)	106,360,395	287,188,631	267,840,609
	Intangible Assets:										
9	Goodwill	200,000	-	-	200,000	109,898	10,560	-	120,458	79,542	90,102
	TOTAL	360,138,094	34,955,908	(1,344,976)	393,749,026	92,207,383	14,941,640	(668,170)	106,480,853	287,268,173	267,930,711
	PREVIOUS YEAR	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

Unply Industries Limited
Note No 2.10 - NON-CURRENT INVESTMENTS

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
Trade Investment (Long term)				
Non-Quoted Equity Share				
Shalivahan Wind Energy Limited (35,800 Equity Shares of Rs. 10/- each)		358,000		358,000
Non Trade Investment				
B) Quoted Equity Share				
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		465,876
Aggregate amount of Quoted Investment				
- Cost		107,876		107,876
- Market Value		68,625		52,799
Aggregate amount of Unquoted Investment		358,000		358,000

Note No 2.11 - DEFERRED TAXASSETS (Net)

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
Deferred Tax Assets				
Employee Benefits	1,212,000		1,527,000	
Carried forward loss as per Income Tax Act, 1960	38,716,000		20,578,000	
	39,928,000		22,105,000	
Deferred Tax Liabilities				
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	(13,901,000)		(14,313,000)	
Deferred Tax Assets (Net)		26,027,000		7,792,000
TOTAL		26,027,000		7,792,000

Note No 2.12 - LONG TERM LOANS & ADVANCES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Unsecured Considered Good:		
Security Deposits	8,128,710	6,448,396
Others	420,500	393,009
TOTAL	8,549,210	6,841,405

Note No 2.13 - OTHER NON CURRENT ASSETS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
MAT Credit Entitlement	5,835,000	5,835,000
TOTAL	5,835,000	5,835,000

Note No 2.14 - INVENTORIES (As Certified by the Management)

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Raw Material	403,295,619	310,063,288
Work In Process	73,662,528	91,261,604
Finished Goods	64,968,259	58,902,593
Stock-in-Trade	6,914,595	3,780,315
Consumables	10,045,249	10,357,510
TOTAL	558,886,250	474,365,310

Note No 2.15 - TRADE RECEIVABLES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Over Six Months- From due date:-		
Unsecured Considered Good	2,804,318	3,666,855
Doubtful	-	-
Below Six Months - From Due date:-		
Unsecured Considered Good	223,342,223	218,303,062
Doubtful	-	-
Less:		
Provision for Doubtful Debts	-	-
TOTAL	226,146,541	221,969,917

Note:- Debtors include due from associate concern

Nil

8,075,508

Uniply Industries Limited

Note No 2.16 - CASH AND BANK BALANCES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Cash and Cash Equivalents		
Cash on Hand	669,685	1,121,154
Balance with Banks		
-In Current Accounts	1,700,683	13,498,091
Other Bank Balance		
- As Margin Money	24,549,023	18,376,689
- In Deposit Accounts in Foreign Currency	-	16,044,500
TOTAL	26,919,391	49,040,434

Deposit Amount with more than 12 months maturity - 90,00,000
Balances with bank held as margin money & deposits in foreign currency against Letter of Credit - 24,549,023 34,421,189

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

Particulars	Rs.	Rs.
Axis Bank	-	13,321,720
State Bank of India	712,620	133,946
State Bank of India - EEFC A/c	272	42,425
IOB Hong Kong	987,791	-
TOTAL	1,700,683	13,498,091

Note No 2.17 - SHORT TERM LOANS & ADVANCES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Advance for Capital Expenses	-	-
Advances to Suppliers	-	-
Prepaid Expenses	2,219,318	1,135,406
Advances Staff and Others	845,000	485,000
Balance with Statutory Authorities	1,187,605	1,722,189
Others	7,572,196	958,069
TOTAL	11,824,119	4,300,664

Note No 2.18 - OTHER CURRENT ASSETS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Income Tax	6,706,939	6,604,639
TOTAL	6,706,939	6,604,639

Note No 2.19 - REVENUE FROM OPERATION - SALE OF PRODUCTS

Particulars	31.03.2013		31.03.2012	
	Rs.	Rs.	Rs.	Rs.
Sales				
Manufactured Goods	1,134,517,678		1,130,331,859	
Traded Goods	87,621,579	1,222,139,257	99,898,965	1,230,230,824
TOTAL		1,222,139,257		1,230,230,824

Note No 2.20 - OTHER INCOME

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Interest	2,219,607	2,535,638
Recovery of Bad debts	40,000	-
Dividends	1,341	1,141
TOTAL	2,260,948	2,536,779

Note No 2.21 - COST OF MATERIAL CONSUMED

Particulars	31.03.2013		31.03.2012	
	Rupees	Rupees	Rupees	Rupees
A.) Raw Materials' Consumption				
Stock at Commencement		304,485,565		235,792,757
Add: Purchases		1,010,102,508		870,414,531
Freight and Octroi on Purchases		11,048,884		11,220,581
		1,325,636,957		1,117,427,869
Less : Stock at Close		403,295,619		304,485,565
TOTAL (A)		922,341,338		812,942,304
B.) Consumption of Consumables				
Stock at Commencement		10,357,510		9,914,831
Add: Purchases		20,757,158		18,041,807
		31,114,668		27,956,638
Less : Stock at Close		10,045,249		10,357,510
TOTAL (B)		21,069,419		17,599,128
TOTAL (A+B)		943,410,757		830,541,432

Uniply Industries Limited

Particulars	31.03.2013		31.03.2012	
	Rupees	Rupees	Rupees	Rupees
C.) Details of Trading Goods Purchased:				
Trading Goods Purchased		94,513,260		160,180,977
TOTAL		94,513,260		160,180,977
D.) Change in Stocks				
Stock at Commencement				
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
Less: Stock at Close				
Work-in-Process	73,662,528		91,261,604	
Finished Goods	64,968,259		58,902,593	
Traded Goods	6,914,595	145,545,382	9,358,038	159,522,235
Stock Decreased /(Increased) by		8,399,130		(25,716,204)

Note No 2.22:- EMPLOYEE BENEFITS EXPENSES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Salaries, Wages, Bonus etc.	44,426,409	33,315,441
Contract Labour Charges	25,195,919	-
Director's Remuneration	4,200,000	4,200,000
Contribution to P.F, E.S.I and Other Statutory Funds	2,672,463	1,578,234
Gratuity	(1,200,846)	165,955
Workmen & Staff Welfare Expenses	1,740,250	2,067,583
TOTAL	77,034,195	41,327,213

Note No. 2.23 :- FINANCE COSTS

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Interest Expense	56,875,917	54,463,634
Other Borrowing Costs	7,258,477	8,468,583
TOTAL	64,134,394	62,932,217

Uniply Industries Limited

Note No 2.24- OTHER EXPENSES

Particulars	31.03.2013	31.03.2012
	Rs.	Rs.
Power and Fuels	25,723,764	19,957,930
Excise Duty Paid	(1,997,145)	2,056,359
Books & Periodicals	29,371	14,696
Consultancy/Professional Fees	1,582,187	923,120
Conveyance Expenses	550,093	523,341
Electricity Expenses	1,153,951	976,190
General Expenses	505,526	637,583
Insurance	2,095,584	999,347
Loss on sale of asset	252,997	-
Petrol Expenses	1,932,251	2,531,147
Postage & Telegram	358,485	440,291
Printing & Stationery	861,040	959,784
Rates & Taxes	7,152,832	9,374,536
Rent	5,592,262	3,817,057
Repairs & Maintainance		
- Plant & Machinery	6,382,312	6,642,195
- Building	67,643	204,942
- Others	2,308,661	1,978,645
Security Services	2,709,508	2,268,716
Telephone Expenses	2,039,611	1,645,394
Travelling Expenses	4,400,592	4,035,544
Subscription	160,512	116,255
Vehicle Expenses	1,069,106	947,398
Director's Sitting Fees	77,000	126,000
Foreign Exchange Rate Difference	5,828,773	22,445,972
Auditors Remuneration	170,000	343,050
Sales Promotion Expenses	1,513,358	1,130,237
Product Promotion Expenses	2,203,824	2,501,692
Transportation & Forwarding Charges	8,291,466	24,736,121
Advertisement	1,903,098	1,174,288
Service Tax	613,853	1,455,155
Registrar Expenses & Demat Charges	137,208	163,237
Data Connectivity Charges	329,116	24,642
Assets Written Off	-	1,408,807
TOTAL	85,998,838	116,559,671

Note No: 2.25 - ADDITIONAL INFORMATION TO FINANCIAL STATEMENT

a) Contingent Liability

- i) Value Added Tax demand for 2007-08 & 2006-07 is Rs.58,58,070/- against which the company has filed an appeal with Appellate Commissioner Commercial Tax department Tamil Nadu. (31.03.2012 - 73,13,274/-)
- ii) Capital Commitments - Nil (31.03.2012 - Nil)
- b) Value of Import on CIF basis is Rs.35,86,02,986/- (31.03.2012 - Rs.36,11,20,873/-)

Uniply Industries Limited

c) Details of Value of Raw Materials, Consumable & Stores consumed :-

Particulars	31.03.2013		31.03.2012	
	% of Consumption	Amount	% of Consumption	Amount
Raw Materials Imported	63.11%	586,197,622	60.32%	528,169,380
Raw Materials Indigenous	29.48%	273,825,161	31.91%	279,432,487
Chemicals & Others - Indigenous	7.41%	68,827,830	7.76%	67,965,172
Consumables - Indigenous	100%	21,069,419	100%	17,599,128

d) FOB value of Exports is Nil. (31.03.2012- Rs.23,12,294/-)

e) Expenditure in Foreign Currency - Rs.2,32,469/- (31.03.2012 - Rs.2,85,844/-)

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 31.03.2013

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 :-

Name of Related Party	Amount in Rs.		Nature of Payment
	31.03.2013	31.03.2012	
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	21,000	42,000	Sitting Fees
Mr.S.K.Jena	28,000	35,000	Sitting Fees
Mr.R.Kuppu Rao	28,000	42,000	Sitting Fees
Mr.Varun Bengani	576,000	290,341	Salary
Surge Trading Ltd (WOS)	-	2,683,762	Sales
Surge Trading Ltd (WOS)	16,872,043	61,137,135	Purchases
Uniply International Limited	8,591,691	11,917,199	Sales
Uniply International Limited	7,189,737	Nil	Purchases

Uniply Industries Limited

(i) Consequent to the adoption of Accounting Standard 15 on Employee Benefits as notified by the Companies (Accounting Standard - Rules 2006), the following disclosures has been made as required by the standard.

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	31.03.2013	31.03.2012
	(Rs.)	(Rs.)
Provident Fund	2,672,463	1,578,234

The details of post retirement benefit plans for Gratuity are given below which is certified by SBI Life Insurance Co. Ltd, and relied upon by the auditors:

Particulars	31.03.2013	31.03.2012
	(Rs.)	(Rs.)
Change in defined benefit obligations:		
Accrued liability at the beginning of the year	3,777,142	3,667,000
Interest Cost	-	293,000
Current Service Cost	827,806	846,955
Past Service Cost	-	-
Curtailment Cost	-	-
Settlement Cost	-	-
Benefits Paid	1,562,733	(55,813)
Actuarial (Gain) / Loss	(2,042,345)	(974,000)
Accrued liability at the end of the period	999,870	3,777,142

Amount Recognised In the Balance Sheet	31.03.2013	31.03.2012
Present Value of obligations as on 31.03.2013	2,499,870	3,777,142
Fair Value of plan assets	1,500,000	-
Liability recognized in Balance Sheet	999,870	3,777,142

Amount Recognised In the Profit and Loss Account	31.03.2013	31.03.2012
Interest Cost	-	293,000
Current Service Cost	827,806	846,955
Past Service Cost	-	-
Expected Return of Plan Assets	-	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (Gain) / Loss	(2,042,345)	(974,000)
Net Expenses recognized in P&L A/c	(1,214,539)	165,955

Uniply Industries Limited

Reconciliation	31.03.2013	31.03.2012
Net Liability as at the beginning of the period	3,777,142	3,667,000
Net Expenses in P&L A/c	(1,214,539)	165,955
Benefits Paid	(1,562,733)	(55,813)
Net Liability as at the end of the period	999,870	3,777,142

Principal Actuarial Assumption	31.03.2013	31.03.2012
Interest Rate (Liabilities)	8.00%	8.00%
Return on Assets	N.A	N.A.
Mortality Table	IAL 94-96 Ultimate	LIC (94-96)
Resignation Rate per Annum	2.00%	2.00%
Salary Escalation Rate	7.00%	8.25%

During the year Rs. 15,00,000/- was paid to Uniply Industries Employees Gratuity Fund.

- 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

Raghuram Nath
CEO & COMPANY SECRETARY
Place : Chennai
Date : 18.05.2013

S.K. Jena
S.P. Bhatera
R. Kuppu Rao
DIRECTORS

As per our report of even date
For **C.Ramasamy & B.Srinivasan**
Chartered Accountants
FRN: 002957S

(C. RAMASAMY)
Partner
Membership No : 23714

Uniply Industries Limited**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	31.03.2013
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.(52,42,034) Rs. 54,27,065
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.7,00,000
5. Reserves	Rs.1,85,031
6. Total Assets	Rs.9,87,791
7. Total Liabilities	Rs.1,02,760
8. Details of Investments (except Investment in Subsidiary)	Nil
9. Turnover	Rs.1,16,81,201
10. Profit before Taxation	Rs.(52,86,932)
11. Provision for Taxation	Rs.(44898)
12. Profit after Taxation	Rs.(52,42,034)
13. Proposed Dividend	Nil

For and on behalf of the Board of Directors

B.L. Bengani
MANAGING DIRECTORRaghuram Nath
CEO & COMPANY SECRETARY
Place : Chennai
Date : 18.05.2013S.K. Jena
S.P. Bhatara
R. Kuppu Rao
DIRECTORSAs per our report of even date
For **C.Ramasamy & B.Srinivasan**
Chartered Accountants
FRN: 002957S**(C. RAMASAMY)**
Partner
Membership No: 23714

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 17th Annual General Meeting of the Company held on Friday the 6th Day of September, 2013 at 11.00 A.M. at # 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamil Nadu – 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 -----Son / Wife / Daughter of -----
----- being a member/members, hereby appoint -----
----- Son / Wife / Daughter of -----
or failing him/her -----Son / Wife / Daughter of -----
as my/ our proxy to attend and vote for me/us on my/our behalf at the 17th Annual General Meeting of the Company to be held on Friday the 6th Day of September, 2013 at 11.00 A.M. at # 69, Nelveli Village, Uthiramerur Block, Kancheepuram Dist., Tamil Nadu – 603 107, and at any adjournment thereof.

Signed this ----- day of ----- 2013.

Folio No.
DP ID
Client ID
No. of Shares

Affix
Re.1.00
Revenue
Stamp

Signature of the member or proxy

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

To

If undelivered please return to :

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No.5, Branson Garden Street, Kilpauk,
Chennai - 600 010. India

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