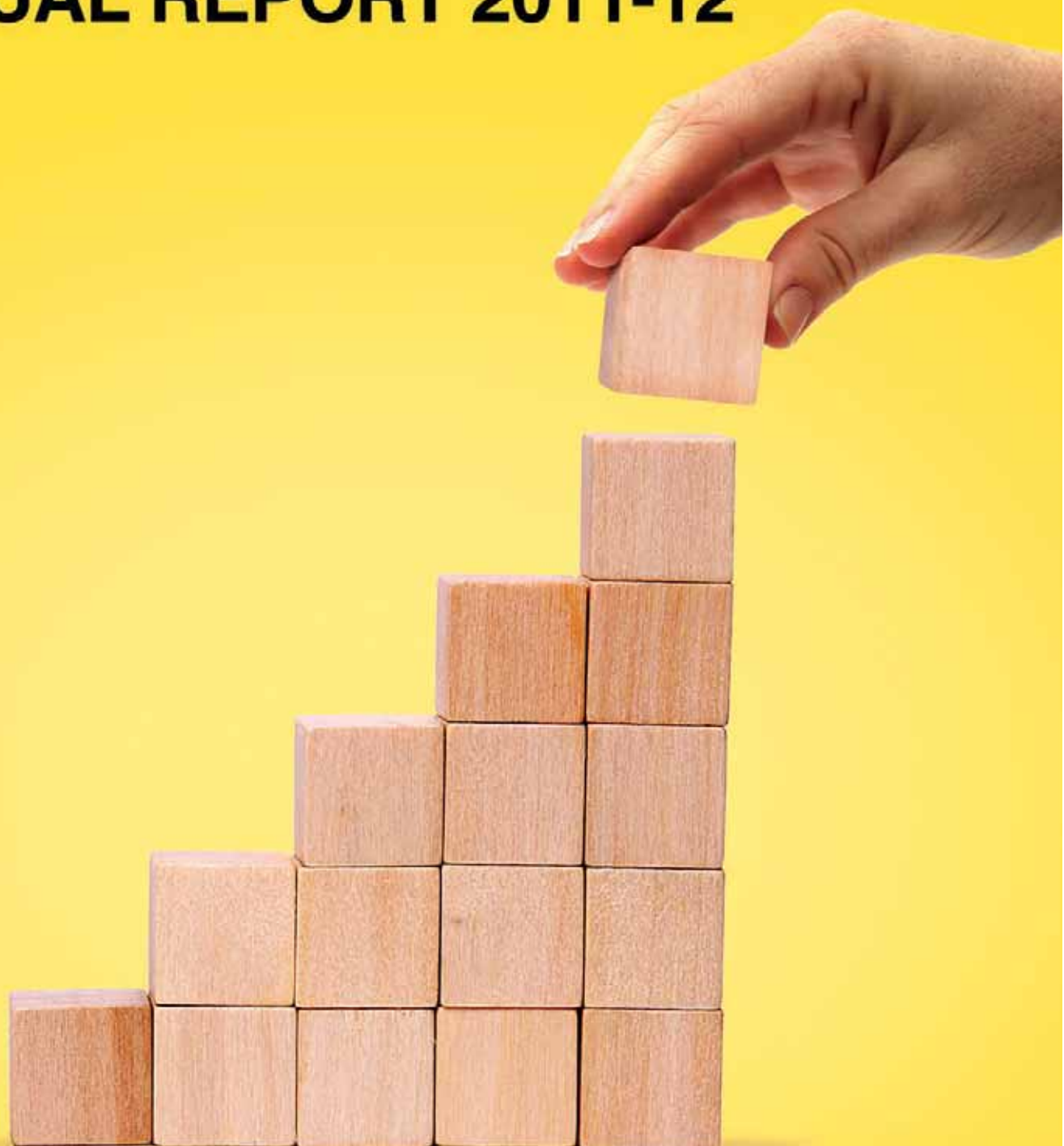




ARCHIDPLY INDUSTRIES LIMITED
ANNUAL REPORT 2011-12



CORPORATE INFORMATION

Board of Directors

Mr. Deen Dayal Daga
Executive Chairman

Mr. Shyam Daga
Managing Director

Mr. Rajiv Daga
Joint Managing Director

Mr. Mohammed Shahid Aftab
Director

Mr. Kamal Kishore Taparia
Director

Mr. Bharathkumar Hukumchand Rathi
Director

Shareholder / Investor Grievances Committee

Mr. Rajiv Daga

Mr. B.H. Rathi

Mr. M.S. Aftab

Mr. K.K. Taparia

Audit Committee

Mr. Shyam Daga

Mr. B.H. Rathi

Mr. M.S. Aftab

Mr. K.K. Taparia

Remuneration / Compensation Committee

Mr. K.K. Taparia

Mr. B.H. Rathi

Mr. M.S. Aftab

Auditors

M/s. GRV & PK

Chartered Accountants
205, 2nd Floor, Jala Shambhavi Complex,
22 & 23, 1st Main Road,
Gandhinagar, Bangalore - 560 009.

Company Secretary & Compliance Officer

Mr. Rajneesh Sharma

Bankers

State Bank of India

Specialised Commercial Branch,
1st Floor, Krishi Bhavan, Hudson Circle,
Bangalore - 560 001.

Vijaya Bank

Corporate Bank Branch,
42/1, M.G. Road,
Bangalore - 560 001.

Registered Office

29/2, G.K. Manor,
1st Floor, Nehru Nagar Circle,
Seshadripuram,
Bangalore - 560 020.
Tel: 080-2344 5607 / 0258 / 4342 0000
Fax: 080-2334 8463
E-mail: info@archidply.com

Plant Locations

Rudrapur Plant

Plot # 6A, Sector - 9,
Pant Nagar Industrial Area,
Khasra # 210, Pool Bagh,
Kichha, Udham Singh Nagar,
Rudrapur, Uttarakhand - 263 153.

Chintamani Plant

Survey # 19,
KSSIDC Industrial Area,
Kathamachanahalli, Chintamani,
Chickaballapur - 563 125. Karnataka

Registrar & Transfer Agent

Karvy Computershare Private Limited

Plot # 17 to 24, Vithalrao Nagar,
Madhapur, Hyderabad - 500 086.
Tel: 1-800-3454001
Fax: 040-2342 0814
E-mail: einward.ris@karvy.com

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NOTICE

NOTICE is hereby given that the **SEVENTEENTH ANNUAL GENERAL MEETING** of **ARCHIDPLY INDUSTRIES LIMITED** will be held on Saturday, 29th September, 2012 at 10:00 a.m. at Ramanashree California Resort, Ananthpura Gate, Doddaballapur Road, Yelahanka, Bangalore - 560 064 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bharath Kumar Hukumchand Rathi who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration and for the purpose, to pass the following resolution, which will be proposed as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions if any, of the Companies Act, 1956 Messrs GRV & PK Chartered Accountants, Bangalore, the retiring auditors, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and that the Board of Directors of the Company be and are hereby authorized to fix their remuneration for the said period and reimbursement of actual out of pocket expenses as may be incurred in the performance of their duties.”

SPECIAL BUSINESS :

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (the Act) including any statutory modification(s) or re-enactment thereof, for the time being in force and all other applicable guidelines for managerial remuneration issued by the Central Government from time to time or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and as are agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall be deemed to include any committee thereof and any person, authorized by the Board in this behalf), consent of

the Members be and is hereby accorded to the appointment of Mr. Deen Dayal Daga as the Chairman of the Company, on the terms and conditions as set out below :

PERIOD OF APPOINTMENT :

3 (Three) years with effect from 30th May, 2012 to 29th May, 2015 with liberty to either party to terminate the appointment by three months' notice in writing to the other.

REMUNERATION :

- a) SALARY : ₹ 1,35,000/- (Rupees One lakh thirty five Thousand only) per month with such annual increment(s) as the Board may decide from time to time, subject however, to a ceiling of ₹ 2,00,000/- (Rupees Two Lakhs only) per month.
- b) PERQUISITES :
 - i) **Housing :**
 - A) Residential accommodation or house rent allowance @ 60% of the salary.
 - B) Expenses pertaining to electricity, water charges, telephone bills and all other expenses for the upkeep and maintenance thereof and the expenditure incurred thereon will be borne / reimbursed by the Company.
 - C) Company shall provide such furniture, fixtures and furnishings as approved by the Board of Directors (which includes any committee thereof) of the Company from time to time.
 - ii) **Leave / Holiday Travel Expenses :** Reimbursement of leave / holiday Travel expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred on one or more occasions in a year whether in India or abroad in respect of himself and family subject to the condition that reimbursement shall not exceed one month's basic salary per annum. The entitlement for any one year to the extent not availed shall be allowed to be accumulated up to next two years.
 - iii) **Medical Expenses :** Reimbursement of medical expenses (including insurance premium for medical and hospitalization policy, if any) for self and family, which shall include spouse, children and dependent parents, at actual.
 - iv) **Club Fees :** Reimbursement of membership fees for one club in India including admission and life membership fees.
 - v) **Leave and encashment of leave :** Leave with full pay or encashment thereof as per the rules of the Company.
 - vi) **Personal Accident Policy :** Personal Accident Insurance Policy of such amount as may be decided by the Board of Directors (which includes any committee thereof) the premium of which shall not exceed ₹ 10,000/- per annum.

- vii) **Contribution to Provident Fund, Superannuation or Annuity Fund** : The company's contribution to Provident Fund and Superannuation and Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax, Act, 1961.
- viii) **Gratuity and / or contribution to Gratuity Fund of the Company** : Gratuity at the rate of half month's salary for each completed year of service.
- ix) **Cars** : Company maintained one car, as per the Rules of the Company.
- x) **Reimbursement** of entertainment, traveling and all other expenses incurred for the business of the Company as per the rules applicable to the Company. Traveling expenses of spouse accompanying the Chairman on any official overseas or inland trip will be governed as per the Rules applicable to the Company.
- xi) **Other Allowance / benefits / perquisites** : Any other allowances, benefits and perquisites as per the Rules applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.
- xii) **Sitting Fees** : The Chairman shall not be entitled to any sitting fees for attending meetings of the Board or any committee thereof.

EXPLANATION :

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309, 310 and all other applicable provisions of the Act read with Schedule XIII to the said Act or any statutory modifications or re-enactment thereof for the time being in force, or otherwise as may be permissible at law. So long as Mr. Deen Dayal Daga functions as the Chairman of the Company, he shall not be subject to retirement by rotation.

For the purposes of Gratuity, provident fund, Superannuation and other like benefits, if any, the service of Mr. Deen Dayal Daga, Chairman will be considered as continuous service with the Company from the date of his joining as Chairman and Managing Director i.e. 1st July, 2007.

RESOLVED FURTHER THAT the Board be and is hereby authorized to revise the remuneration and perquisites from time to time so as to be in conformity with the Law, for the time being in force.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and perquisites shall be paid to Mr. Deen Dayal Daga subject to the applicable provisions of Schedule XIII of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (the Act) including any statutory modification(s) or re-enactment thereof, for the time being in force and all other applicable guidelines for managerial remuneration issued by the Central Government from time to time or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and as are agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall be deemed to include any committee thereof and any person, authorized by the Board in this behalf), consent of the Members be and is hereby accorded to the appointment of Mr. Shyam Daga as the Managing Director of the Company, on the terms and conditions as set out below :

PERIOD OF APPOINTMENT :

3 (Three) years with effect from 30th May, 2012 to 29th May, 2015 with liberty to either party to terminate the appointment by three months' notice in writing to the other.

REMUNERATION :

- a) SALARY : ₹ 1,12,500/- (Rupees One lakh Twelve Thousand five Hundred only) per month with such annual increment(s) as the Board may decide from time to time, subject however, to a ceiling of ₹ 1,70,000/- (Rupees One Lakh Seventy thousand only) per month.
- b) PERQUISITES :
- i) **Housing** :
- A) Residential accommodation or house rent allowance @60% of the salary.
- B) Expenses pertaining to electricity, water charges, telephone bills and all other expenses for the upkeep and maintenance thereof and the expenditure incurred thereon will be borne / reimbursed by the Company.
- C) Company shall provide such furniture, fixtures and furnishings as approved by the Board of Directors (which includes any committee thereof) of the Company from time to time.
- ii) **Leave / Holiday Travel Expenses** : Reimbursement of leave / holiday Travel expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred on one or more occasions in a year whether in India or abroad in respect of himself and family subject to the condition that reimbursement shall not exceed one month's basic salary per annum. The entitlement for any one year to the extent not availed shall be allowed to be accumulated up to next two years.



- iii) **Medical Expenses** : Reimbursement of medical expenses (including insurance premium for medical and hospitalisation policy, if any) for self and family, which shall include spouse, children and dependent parents, at actual.
- iv) **Club Fees** : Reimbursement of membership fees for one club in India including admission and life membership fees.
- v) **Leave and encashment of leave** : Leave with full pay or encashment thereof as per the rules of the Company.
- vi) **Personal Accident Policy** : Personal Accident Insurance Policy of such amount as may be decided by the Board of Directors (which includes any committee thereof) the premium of which shall not exceed ₹ 10,000/- per annum.
- vii) **Contribution to Provident Fund, Superannuation or Annuity Fund** : The company's contribution to Provident Fund and Superannuation and Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax, Act, 1961.
- viii) **Gratuity and / or contribution to Gratuity Fund of the Company** : Gratuity at the rate of half month's salary for each completed year of service.
- ix) **Cars** : Company maintained one car, as per the Rules of the Company.
- x) **Reimbursement** of entertainment, traveling and all other expenses incurred for the business of the Company as per the rules applicable to the Company. Traveling expenses of spouse accompanying the Managing Director on any official overseas or inland trip will be governed as per the Rules applicable to the Company.
- xi) **Other Allowance / benefits / perquisites** : Any other allowances, benefits and perquisites as per the Rules applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.
- xii) **Sitting Fees** : The Managing Director shall not be entitled to any sitting fees for attending meetings of the Board or any committee thereof.

EXPLANATION :

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309, 310 and all other applicable provisions of the Act read with Schedule XIII to the said Act or any statutory modifications or re-enactment thereof for the time being in force, or otherwise as may be permissible at law. So long as Mr. Shyam Daga functions as the Managing Director of the Company, he shall not be subject to retirement by rotation.

For the purposes of Gratuity, provident fund, Superannuation and other like benefits, if any, the service of Mr. Shyam Daga, Managing Director will be considered as continuous service with the Company from the date of his joining as Joint Managing Director the 18th January, 2007.

RESOLVED FURTHER THAT the Board be and is hereby authorized to revise the remuneration and perquisites from time to time so as to be in conformity with the Law, for the time being in force.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and perquisites shall be paid to Mr. Shyam Daga as minimum remuneration subject to the applicable provisions of Schedule XIII of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, (the Act) including any statutory modification(s) or re-enactment thereof, for the time being in force and all other applicable guidelines for managerial remuneration issued by the Central Government from time to time or any other law and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and as are agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall be deemed to include any committee thereof and any person, authorized by the Board in this behalf), consent of the Members be and is hereby accorded to the appointment of Mr. Rajiv Daga as the Joint Managing Director of the Company, on the terms and conditions as set out below :

PERIOD OF APPOINTMENT :

3 (Three) years with effect from 30th May, 2012 to 29th May, 2015 with liberty to either party to terminate the appointment by three months' notice in writing to the other.

REMUNERATION :

- a) **SALARY** : ₹ 90,000/- (Rupees Ninety Thousand only) per month with such annual increment(s) as the Board may decide from time to time, subject however, to a ceiling of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) per month.
- b) **PERQUISITES** :
 - i) **Housing** :
 - A) Residential accommodation or house rent allowance @60% of the salary.
 - B) Expenses pertaining to electricity, water charges, telephone bills and all other expenses

for the upkeep and maintenance thereof and the expenditure incurred thereon will be borne / reimbursed by the Company.

- C) Company shall provide such furniture, fixtures and furnishings as approved by the Board of Directors (which includes any committee thereof) of the Company from time to time.
- ii) **Leave / Holiday Travel Expenses** : Reimbursement of leave / holiday Travel expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred on one or more occasions in a year whether in India or abroad in respect of himself and family subject to the condition that reimbursement shall not exceed one month's basic salary per annum. The entitlement for any one year to the extent not availed shall be allowed to be accumulated up to next two years.
- iii) **Medical Expenses** : Reimbursement of medical expenses (including insurance premium for medical and hospitalisation policy, if any) for self and family, which shall include spouse, children and dependent parents, at actual.
- iv) **Club Fees** : Reimbursement of membership fees for one club in India including admission and life membership fees.
- v) **Leave and encashment of leave** : Leave with full pay or encashment thereof as per the rules of the Company.
- vi) **Personal Accident Policy** : Personal Accident Insurance Policy of such amount as may be decided by the Board of Directors (which includes any committee thereof) the premium of which shall not exceed ₹ 10,000/- per annum.
- vii) **Contribution to Provident Fund, Superannuation or Annuity Fund** : The company's contribution to Provident Fund and Superannuation and Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax, Act, 1961.
- viii) **Gratuity and / or contribution to Gratuity Fund of the Company** : Gratuity at the rate of half month's salary for each completed year of service.
- ix) **Cars** : Company maintained one car, as per the Rules of the Company.
- x) **Reimbursement** of entertainment, traveling and all other expenses incurred for the business of the

Company as per the rules applicable to the Company. Traveling expenses of spouse accompanying the Joint Managing Director on any official overseas or inland trip will be governed as per the Rules applicable to the Company.

- xi) **Other Allowance / benefits / perquisites** : Any other allowances, benefits and perquisites as per the Rules applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.
- xii) **Sitting Fees** : The Joint Managing Director shall not be entitled to any sitting fees for attending meetings of the Board or any committee thereof.

EXPLANATION :

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under Sections 198, 309, 310 and all other applicable provisions of the Act read with Schedule XIII to the said Act or any statutory modifications or re-enactment thereof for the time being in force, or otherwise as may be permissible at law. So long as Mr. Rajiv Daga functions as the Joint Managing Director of the Company, he shall not be subject to retirement by rotation.

For the purposes of Gratuity, provident fund, Superannuation and other like benefits, if any, the service of Mr. Rajiv Daga, Joint Managing Director will be considered as continuous service with the Company from the date of his joining as Executive Director i.e. 18th January, 2007.

RESOLVED FURTHER THAT the Board be and is hereby authorized to revise the remuneration and perquisites from time to time so as to be in conformity with the Law, for the time being in force.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and perquisites shall be paid to Mr. Rajiv Daga subject to the applicable provisions of Schedule XIII of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

By Order of the Board of Directors
For ARCHIDPLY INDUSTRIES LIMITED

Rajneesh Sharma
Company Secretary

Place : Bangalore
Date : 29th May, 2012

Registered Office :
29/2, G.K. Manor,
1st Floor, Nehru Circle,
Sheshadripuram,
Bangalore - 560 020.



Notes

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is annexed hereto.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2012 to 29th September, 2012 (both days inclusive) in connection with the Annual General Meeting.
3. Members may please bring the Admission Slip duly filed in and may hand over the same at the entrance to the Meeting Hall.
4. Members / Proxy holders are requested to bring their copies of the Annual Report to the meeting as no further copies would be made available as a measure of austerity.
5. Member's attention is being drawn that pursuant to the provisions of Section 205A of the Companies Act, 1956, Dividend & Refund Orders which remain unpaid or unclaimed for a period of seven years will be transferred to the Investors Education & Protection Fund (IEPF) of the Central Government.
6. Members who have not encashed their in dividend / Refund Orders for the year 2008-09 are requested to write to the Company share Department at its Registered Office or to the Registrar or share Transfer Agent of the Company at M/s. Karvy Computer share Private Limited, Plot No. 17 to 24, Vithalrao Nagar, Madhapur, Hyderabad - 500 086, India; E-mail: einward.ris@karvy.com. It may be kindly noted that once the amount in the unpaid dividend accounts are transferred to the Investors Education & Protection Fund (IEPF) of the Central Government, no claim shall lie against the fund of the Company in respect thereof and members would lose their right to claim such dividend.
7. The shareholders seeking information on accounts published herein are requested to furnish their queries to the Company at least ten days before the date of the meeting to facilitate satisfactory replies.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The relevant documents referred to in the Notice are open for inspection at the Registered Office of the company on all working days, except Saturdays, between 11:00 a.m. and 1:00 p.m. up to the date of the meeting.
10. Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Unit : Archidply Industries Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhavpur, Hyderabad – 500 086.

11. As per the requirement of Clause 49 of the listing agreement on Corporate Governance for appointment of the Directors / re-appointment of the retiring Directors, a statement containing details of the concerned Directors is given below :

Name of Director	Mr. Deen Dayal Daga	Mr. Shyam Daga	Mr. Rajiv Daga	Mr. Bharath Kumar Hukumchand Rathii
Date of Birth	06-12-1942	13-02-1975	26-04-1978	15-08-1947
Date of Appointment	24-12-2004	18-01-2007	22-12-2004	03-09-2007
Qualification	BA, LL.B	B.Com.	B.E. (Industrial)	B.Arch, A.I.I.A
Expertise in specified functional area	Industrialist having 40 years of expertise in establishing and successfully running the plywood & tea industry.	Having 15 years of experience in managing the overall administration, operations Finance & Accounts in the plywood industry	Having 13 years experience in the marketing, advertisement and production in the plywood industry	Having 40 years experience in the field of Architecture and interior designing
Shareholding in Archidply Industries Limited	1303320	1244260	812500	NIL
List of outside Directorship held excluding Alternate Directorship and Private Companies.	The Mysore Chipboards Limited	The Mysore Chipboards Limited	NIL	Prashad Infrastructure Private Limited
Chairman / Member of the Committee of the Board of Directors of the Company	NIL	Member Audit Committee	Member Investors Grievances Committee	Member Audit Committee Investors Grievances Committee Remuneration / Compensation Committee
Chairman / Member of the Committee of the Board of Directors of other Companies in which he or she is a Director	NIL	NIL	NIL	NIL
a. Audit Committee	NIL	NIL	NIL	NIL
b. Investor Grievance Committee	NIL	NIL	NIL	NIL
c. Remuneration Committee	NIL	NIL	NIL	NIL



Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 :

ITEM No. 4

The Board of Directors & Remuneration Committee at its meeting held on 29th May, 2012, subject to approval of members, appointed Mr. Deen Dayal Daga as an Executive Chairman of the Company for a period of three (3) years. The remuneration and other terms and conditions of his appointment as Executive Chairman are set out in the resolution and subject to your approval.

Members' approval is sought for the appointment of Mr. Deen Dayal Daga as an Executive Chairman of the Company for a period of three years with effect from 30th May, 2012 and for the payment of salary and other perquisites.

Considering his rich and varied experience spanning a period of over three decades and the rich contribution he has been making to the growth of the group, it would be in the best interest of the Company to appoint Mr. Deen Dayal Daga as an Executive Chairman.

The remuneration of the Chairman will be so fixed by the Board of Directors from time to time that the Salary and the aggregate value of all the perquisites and allowances shall not exceed the overall ceiling on remuneration approved by the Members in the General Meeting.

The copy of Agreement executed with the Executive Chairman is available for inspection on all working days except Saturday between 11.00 a.m. to 1.00 p.m. at the registered office of the Company, up to the date of meeting.

The notice along with the explanatory statement is to be regarded as an abstract of the terms and conditions of the appointment of Mr. Deen Dayal Daga as Executive Chairman, under Section 302 of the Companies Act, 1956.

Mr. Deen Dayal Daga is concerned or interested in this resolution. Mr. Shyam Daga, Managing Director and Mr. Rajiv Daga, Joint Managing Director of the company are related to Mr. Deen Dayal Daga and accordingly may be deemed, concerned or interested in the Resolution.

Save, as aforesaid, none of the other Directors is, in any way, concerned or interested in the said resolution.

The Board of Directors recommend passing of resolutions at Item No. 4.

ITEM No. 5

Mr. Shyam Daga is associated with the group for more than 15 years. Mr. Shyam Daga possesses rich experience in managing plywood, veneer plain and pre laminated particle board, timber and its related industries. He was involved in turning around the sick company i.e. the Mysore chip Boards Limited into a profit making company. Further he was also involved in setting up the Uttaranchal unit in record time and also involved in setting up of the Chintamani Unit. He looks after the day to day operations of the Company and overall finance & corporate affairs of the Company.

Mr. Shyam Daga was appointed as the Managing Director of the Company with effect from 30th May, 2012 for a period of three years i.e. upto 29th May, 2015.

The Board of Directors & Remuneration Committee at its meeting held on 29th May 2012 subject to approval of members, appointed Mr. Shyam Daga as Managing Director of the Company for a period of three (3) years from 30th May, 2012 to 29th May, 2015.

The remuneration and other terms and conditions of his appointment as Managing Director are set out in the resolution and subject to your approval.

Considering his experience spanning a period of over one decade and the rich contribution he has been making to the growth of the Company, it would be in the best interest of the Company to appoint Mr. Shyam Daga as Managing Director.

The remuneration of the Managing Director will be so fixed by the Board of Directors from time to time that the Salary and the aggregate value of all the perquisites and allowances shall not exceed the overall ceiling on remuneration approved by the Members in the General Meeting.

The copy of Agreement executed with the Managing Director available for inspection on all working days except Saturday between 11.00 a.m. to 1.00 p.m. at the registered office of the Company, up to the date of meeting.

The notice along with the explanatory statement is to be regarded as an abstract of the terms and conditions of the appointment of Mr. Shyam Daga as Managing Director, under Section 302 of the Companies Act, 1956.

The proposed business at item no. 5 of the Notice of this meeting are intended to seek your approval.

Mr. Shyam Daga is concerned or interested in this resolution. Mr. Deen Dayal Daga, Executive Chairman and Mr. Rajiv Daga, Joint Managing Director of the company are related to Mr. Shyam Daga and accordingly may be deemed, concerned or interested in the Resolution.

The Board of Directors recommend passing of resolutions at Item No. 5.

ITEM No. 6

Mr. Rajiv Daga joined the Board of Directors of Archidply Industries Limited in 2004. He completed his Bachelors in Industrial Engineering from Purdue University, USA. He is presently a committee member of South India Plywood Manufacturers Association. He was a software consultant with Manhattan Associates, Atlanta, USA from 2001 to 2003. He is involved in running the day to day operations of the Rudrapur Unit of Archidply Industries Limited.

The Board of Directors & Remuneration Committee at its meeting held on 29th May, 2012 subject to approval of members, appointed Mr. Rajiv Daga as Joint Managing Director of the Company for a period of three (3) years who was earlier holding the office in the capacity of Joint Managing Director. Considering his varied experience in marketing and production and the contribution he has been making to the Company, it would be in the best interest of the Company to appoint Mr. Rajiv Daga as Joint Managing Director.

Members' approval is sought for the appointment of Mr. Rajiv Daga as a Joint Managing Director of the Company for a period of three years with effect from 30th May, 2012 and for the payment of salary and other perquisites.

The remuneration and other terms and conditions of his appointment as Joint Managing Director are set out in the resolution and subject to your approval.

The remuneration of the Joint Manager Director will be so fixed by the Board of Directors from time to time that the Salary and the aggregate value of all the perquisites and allowances shall not exceed the overall ceiling on remuneration approved by the Members in the General Meeting.

The copy of Agreement executed with the Joint Managing Director is available for inspection on all working days except Saturday between 11:00 a.m. to 1:00 p.m. at the registered office of the Company, up to the date of meeting.

The notice along with the explanatory statement is to be regarded as an abstract of the terms and conditions of the appointment of Mr. Rajiv Daga as Joint Managing Director, under Section 302 of the Companies Act, 1956.

The proposed business at item no. 6 of the Notice of this meeting is intended to seek your approval.

Mr. Rajiv Daga is concerned or interested in this resolution. Mr. Deen Dayal Daga, Executive Chairman and Mr. Shyam Daga, Managing Director of the company are related to Mr. Rajiv Daga and accordingly may be deemed, concerned or interested in the Resolution.

The Board of Directors recommend passing of resolutions at Item No. 6.

By Order of the Board of Directors
For ARCHIDPLY INDUSTRIES LIMITED

Rajneesh Sharma
Company Secretary

Place : Bangalore
Date : 29th May, 2012

Registered Office :
29/2, G.K. Manor,
1st Floor, Nehru Circle,
Sheshadripuram,
Bangalore - 560 020.



DIRECTORS' REPORT

TO THE MEMBERS OF ARCHIDPLY INDUSTRIES LIMITED

Your Directors are pleased to present the Seventeenth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

The financial results of the Company during the year under review are summarized as under :

(₹ In Lakhs)

Particulars	Year ended 31 st March, 2012	Year ended 31 st March, 2011
Net sales	17,144.56	15,460.95
Profit before Interest & Depreciation	1,957.24	1,605.68
Depreciation & Amortization Expenses	496.20	485.22
Finance Costs	1,347.21	1,087.69
Profit before tax	113.83	32.77
Taxation	22.44	32.50
Profit after tax	91.39	0.27

PERFORMANCE REVIEW

During the year of operation, your Company has earned a profit after tax for current year of ₹ 91.39 lakhs. Your Company's Net turnover during the year ended 31st March, 2012 was ₹ 17,144.56 lakhs. The Company has achieved an increase of 10.88% in net turnover for the current financial year as against the previous year turnover of ₹ 15,460.95 lakhs. Profit before Interest & Depreciation has increased by 21.89% from ₹ 1,605.68 lakhs in previous year to ₹ 1,957.24 lakhs for the Current year.

DIVIDEND

After the shifting of the Mysore Unit to Chintamani Unit your Company is improving capacity utilization and consolidating its existing facilities during the year to cater to the future. In order to conserve its resources for future consolidation, the directors have decided not to recommend the dividend for the current year.

TRANSFER TO RESERVE

The Board of Directors proposes to Transfer ₹ 91,39,346/- to the General Reserve.

INCREASE IN SHARE CAPITAL

During the year, we issued 13500 shares on exercise of stock options under the "Archidply Industries Limited ESOS-2009", as a result of this, the issued, subscribed & paid-up equity shares increased from 2,20,51,500 to 2,20,65,000 equity shares. The issued, subscribed & paid-up share capital as at 31st March, 2012 is ₹ 22,06,50,000.

SALE OF LAND AT MYSORE

The Company has sold the land of the Mysore Unit of 225423 sq. ft. (5 Acres 7 Guntas) area for ₹ 20,85,16,276/- only. The Company has also earned income on the sale of land at Mysore Unit belonging to

the Mysore Chipboards Limited measuring 251559 sq. ft. (5 Acres 31 Guntas) area of ₹ 4,65,38,415/-. The land was purchased from the Mysore Chipboards Limited for ₹ 740 per sq. ft. and was sold at ₹ 925 sq. ft.

EXPANSION

The Company is planning to add one more line of laminate press at its Rudrapur Unit and also plan to start the export of laminates in the coming financial year.

SUBSIDIARIES OF THE COMPANY

The Company does not have any subsidiary Company.

DIRECTORS' RESPONSIBILITY STATEMENT AS PER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956.

Pursuant to Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed,

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and

- (iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2012 on a going concern basis.

CORPORATE GOVERNANCE

The Corporate Governance & MDA report forms an integral part of the report and is set out as separate annexure to this report. The certificate from the Statutory Auditor of the Company certifying compliance of the conditions of the Corporate Governance as stipulated in clause 49 of the listing agreement is annexed to the report on Corporate Governance.

AUDIT COMMITTEE / INVESTOR GRIEVANCE COMMITTEE / REMUNERATION & COMPENSATION COMMITTEE

The Board of Directors has constituted three committees i.e. Audit Committee, Investor Grievance committee and Remuneration / Compensation Committee as per the requirement of Corporate Governance under the Listing Agreement. The majority of the members of these committees are independent & non executives.

FIXED DEPOSITS

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

DIRECTORS

The Board of Directors had in their meeting held on 29th May, 2012, subject to approval of the members in the general meeting, has appointed Mr. Deen Dayal Daga, as Chairman, Mr. Shyam Daga as

Managing Director and Mr. Rajiv Daga as Joint Managing Director for a period of three years.

Mr. Bharath Kumar Hukumchand Rathi, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting. He is eligible for appointment and offers himself for re-appointment.

A brief resume of the Directors being appointed / re-appointed are attached to the Notice for the ensuing Annual General Meeting.

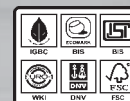
None of the Directors of your Company is disqualified as per provisions of Section 274 (1) (g) of the Companies Act, 1956. The Directors of the Company have made necessary disclosures as required under various provisions of the Companies Act and Clause 49 of the Listing Agreement.

EMPLOYEES STOCK OPTION SCHEME

The in principle approval for the Employee stock Option scheme – “Archidply Industries Limited ESOS-2009” exercisable into not more than 2,00,000 options has been obtained by the Company. The options are vested to the eligible employees as per the scheme with effect from 1st April, 2010.

The Company implemented the Employee Stock option Scheme in accordance with the SEBI (Employee Stock Option Scheme & Employee Stock Option Purchase Scheme) Guidelines, 1999. The Compensation Committee constituted in accordance with the SEBI guidelines administers and monitors the ESOS. The applicable disclosures as stipulated under the SEBI Guidelines as at 31st March, 2012 are given below :

(i) Options Granted	:	93000 on 1st April, 2009
(ii) Exercise Price	:	₹ 10 per option
(iii) Options Vested	:	72500
(iv) Options Exercised	:	65000
(v) Total no. of shares arising as a result of exercise of option	:	65000
(vi) Options lapsed	:	28000
(vii) Money realized by exercise of options	:	₹ 6,50,000/-
(viii) Total number of options in force	:	Nil
(ix) Employee wise details of options vested :		
a) Senior Managerial Personnel (4500 options each)	:	Nil
b) Any other employee who received a grant in any one year of options amounting to 5% or more of options granted during the one year	:	Nil
c) Identified employees, who were granted options, during one year, equal to or exceeding 1% of the issued capital of the Company at the time of grant	:	Nil
(x) Diluted EPS as per AS 20	:	0.41
(xi) Impact on profit	:	Nil



The Company has received a certificate from the Auditors of the Company that the ESOS has been implemented in accordance with the SEBI Guidelines and the resolution passed by the shareholders. The Certificate would be available at the Annual General Meeting for inspection by members.

LISTING FEES

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

AUDITORS

M/s. G R V & P K, Chartered Accountants, who are statutory auditors of the Company hold office, in accordance with the provisions of the Companies Act, 1956, upto the conclusion of the forthcoming Annual General Meeting and are eligible for reappointment.

The Company has received letter from them to the effect that their appointment / reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such appointment / reappointment within the meaning of Section 226 of the said Act.

For the observations made by the Auditors in their report are self explanatory and do not require any explanations.

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.

EMPLOYEE PARTICULARS

The Statement of employees required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not annexed, as there are no employees drawing salary exceeding the present limits as provided under the Act.

The relations between the management and employees remain normal and cordial during the year under review.

ACKNOWLEDGEMENTS

The Directors wish to thank the Company's esteemed customers, partners, suppliers, bankers and above all, its shareholders and investors for their continued support and co-operation. Your Directors wish to place on record their deep sense of appreciation for the dedication, commitment and contribution made by the employees at all levels during this year.

For and on behalf of the Board of Directors

Place : Bangalore
Date : 29th May, 2012

Deen Dayal Daga
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES 1988.

A. CONSERVATION OF ENERGY

The Company continues to adopt the appropriate measures towards conservation of energy by continuously improving its manufacturing process and efficiency at its all plants and offices which includes fuel selection; fuel combustion; steam generation, distribution & utilisation; process modification, timely maintenance of machines, renovation of machines, awareness among employees about energy conservation measures and continuous monitoring of energy consumption and patterns.

Your Company will continue to monitor and control overall energy expenses, in relation to the growth in the scale of operations.

B. RESEARCH AND DEVELOPMENT (R & D)

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

The Company is having in-house Research & Development facilities in its unit where the experienced staff of the company regularly keeps testing in the way of product improvement and process optimization with a view to reduce cost & increase efficiency.

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

The new products and process improvements results in reduction of cost of production and addresses the need of variety to customers

3. Future Plan of action :

The utmost priority / objective of Research & Development is to focus on products leading to further cost reduction and reduced load on environment.

4. Expenditure on R & D :

There is no capital expenditure on R & D. The Company continues to incur the expense towards the following R & D :

- i) New product development
- ii) Process improvement
- iii) Quality enhancement
- iv) Technology up gradation
- v) Development and evaluation of alternative raw materials

However, those expenses cannot be identified specifically as R & D expenses. Hence such expenses have not been shown separately.

TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION

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

Your Company continues to track trends and latest developments in various technology areas. Your Company also undertakes continuous quality improvement programs to help increase efficiencies and productivity. The Company has continued its endeavor to absorb the best of technologies for its product range from various sources, such as know-how from its associate Companies, their own data bank, published literature etc. It also actively participates in relevant standards bodies and forums. This helps to increase the knowledge base within the Company and enhances the ability of the Company.

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.

3. Imported technology :

The Company has not imported any technology during the last three preceding years.

C. FOREIGN EXCHANGE EARNING & OUTGO

Earnings : ₹ 16,67,175/-

Outgo : ₹ 1,07,31,961/-

For and on behalf of the Board of Directors

Place : Bangalore
Date : 29th May, 2012

Deen Dayal Daga
Chairman

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's Core values are based on integrity, emphasis on product quality and transparency in its dealings with all stakeholders. Your Company conducts its affairs with the proper authorisation, accountability and equity.

Archidply believes that good governance generates goodwill among business partners, customers and investors. Your Company is committed to the principles of good governance.

BOARD COMPOSITION

SIZE AND COMPOSITION OF THE BOARD

The Board of Directors of the Company consists of an optimum combination of executive and non-executive directors. The Board of directors comprises 6 Directors out of which 3 Directors are Non-executive Directors as on 31st March, 2012. The Company has an Executive Chairman and not less than half of the total strength of the Board comprises of independent directors. The Company has three Independent Directors. None of the Directors on the Company's Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which he is a Director as on 31st March, 2012. All the Directors have made necessary disclosures regarding committee positions occupied by them in other Companies.

There is no pecuniary relationship or transaction of the non-executive directors with the Company.

During the year under review, 7 Board Meetings were held during the financial year ended 31st March, 2012. The dates of the Board meeting were 25th May, 2011, 13th August, 2011, 16th September, 2011, 15th October, 2011, 12th November, 2011, 10th February, 2012 and 19th March, 2012. There has not been a time gap in excess of four months between any two meetings of the Board of Directors. The requisite information as enumerated in Annexure I to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussion and consideration at Board Meetings. The composition of the Board, attendance at Board Meetings (BM) held during the financial year (FY) under review and at last Annual General Meeting (AGM) and number of directorships and Memberships / Chairmanships in other Public Companies are given below :

Name of the Director (Designation)	Category	FY 2011-12 Attendance at		No. of Other Directorships held ^	No. of Committee Positions held	
		BM	Last AGM		This Company	Other Company
Mr. Deen Dayal Daga (Chairman)	Promoter	4	No	1	Nil	Nil
Mr. Shyam Daga (Managing Director)	Promoter	7	Yes	1	1	Nil
Mr. Rajiv Daga (Joint Managing Director)	Promoter	3	No	Nil	1	Nil
Mr. K.K. Somani * (Director Technical)	Executive & Non Independent	—	No	1	Nil	Nil
Mr. K.K. Taparia (Director)	Independent	3	No	1	3	2
Mr. B.H. Rathi (Director)	Independent	3	No	Nil	3	Nil
Mr. M.S. Aftab (Director)	Independent	4	No	1	3	Nil
Mr. N.S. Adkoli # (Director)	Independent	—	No	1	3	Nil

^ Excludes directorships held in Private Companies and Companies incorporated under Section 25 of the Companies Act, 1956.

* Mr. Krishna Kant Somani has resigned from the directorship due to health grounds w.e.f. 1st May, 2011.

Sudden demise of Mr. N.S. Adkoli on 5th April, 2011.

After the resignation of Mr. K.K. Somani & death of Mr. N.S. Adkoli, the Board of directors comprises 6 Directors out of which 3 Directors are Non-executive Directors. The Company has an Executive Chairman and not less than half of the total strength of the Board comprises of independent directors. The Company has three Independent Directors.

In terms of the provisions of the Companies Act, 1956 and the Articles of Association of the Company, one-third Directors of the Company, liable to retire by rotation retires at every Annual General Meeting. Accordingly, Mr. B.H. Rathi would retire by rotation at the

ensuing Annual General Meeting of the company and being eligible he offer himself for reappointment. Information as required under Clause 49 (VI) of the Listing Agreement on director's appointed / reappointed at this Annual General Meeting is annexed to the Notice of the Annual General Meeting.

AUDIT COMMITTEE

COMPOSITION & TERMS OF REFERENCE :

i) **Brief description of terms of reference :**

The terms of reference of the Audit Committee, includes all matters as specified for Audit Committee under the Listing Agreement.

ii) **Meeting, Composition, designation, Category and Attendance thereof :**

During the year 2011-12, 4 meetings of Audit Committee were held on 25th May, 2011, 13th August, 2011, 12th November, 2011 and 10th February, 2012. The Composition and other details of Audit Committee of the Company is as follows :

Sl.	Name of Director	Designation	Category	No. of meeting attended
1	Mr. N.S. Adkoli *	Chairman	Non Executive, Independent	—
2	Mr. M.S. Aftab	Chairman	Non Executive, Independent	4
3	Mr. B.H. Rathi	Member	Non Executive, Independent	3
4	Mr. Shyam Daga	Member	Executive, Promoter	4
5	Mr. K.K. Taparia	Member	Non Executive, Independent	3
6	Mr. Rajneesh Sharma	Secretary to the Committee	Company Secretary	4

* Due to sudden demise of Mr. N.S. Adkoli on 5th April, 2011, Mr. K.K. Taparia has been appointed as the member of the Audit Committee w.e.f. 25th May, 2011 and Mr. M.S. Aftab has been elected as the Chairman of the Audit Committee w.e.f. 25th May, 2011.

REMUNERATION COMMITTEE / COMPENSATION COMMITTEE :

i) **Brief description of terms of reference :**

The Board has constituted a remuneration / Compensation Committee of the Company. The terms of reference of the Committee are to make recommendation to the Board for induction of any new Director on the Board and also help to ensure that the non Executive Director decides on appointment / re-appointment, remuneration, assessment and progression of Whole-time Directors. The Committee also review the ESOP scheme as drawn from time to time.

ii) **Meeting, Composition, designation, Category and Attendance thereof :**

During the year 2011-12, 1 meeting of Remuneration Committee was held on 25th May, 2011. The Composition and other details of Remuneration / Compensation Committee of the Company is as follows :

Sl.	Name of Director	Designation	Category	No. of meeting attended
1	Mr. N.S. Adkoli *	Chairman	Non Executive, Independent	—
2	Mr. K.K. Taparia	Chairman	Non Executive, Independent	1
3	Mr. M.S. Aftab	Member	Non Executive, Independent	1
4	Mr. B.H. Rathi	Member	Non Executive, Independent	1
5	Mr. Rajneesh Sharma	Secretary to the Committee	Company Secretary	1

* Due to sudden demise of Mr. N.S. Adkoli on 5th April, 2011, Mr. K.K. Taparia has been appointed as the member and elected as Chairman of the Remuneration Committee w.e.f. 25th May, 2011.

DETAILS OF REMUNERATION PAID TO DIRECTORS

a) Executive Directors :

All elements of remuneration package i.e. salary, benefits, bonuses, etc. paid to Executive Directors are as under :

(In ₹)

Name of Director	Basic Salary	HRA	Others	Total
Mr. Deen Dayal Daga	10,80,000	6,48,000	3,200	17,31,200
Mr. Shyam Daga	9,00,000	5,40,000	11,996	14,51,990
Mr. Rajiv Daga	7,20,000	4,32,000	—	11,52,000
Mr. K.K.Somani	56,000	31,400	3,000	90,400

- No commission is payable to the Executive Directors.
- No sitting fee is paid to Executive Directors for attending the meeting of Board of Directors of the Company or committees thereof.
- There is no separate provision for payment of severance fees.

b) Non-Executive Directors :

Non-executive Directors are paid the sitting fees for attending the Board Meetings and Committee Meetings

(In ₹)

Name of Directors	Sitting fees for Board Meeting	Sitting fees for Committee Meeting
Mr. M.S. Aftab	60,000	50,000
Mr. B.H. Rathi	45,000	40,000
Mr. K.K. Taparia	45,000	40,000

SHAREHOLDERS / INVESTORS GRIEVANCES COMMITTEE AND SHARE TRANSFER COMMITTEE :

i) Brief description of terms of reference :

The Committee reviews, records and expedite transfer of shares, issue of duplicate share certificate, rematerialization etc. and helps to resolve / attend to any grievance of Shareholders / Investors and to minimise any delays in the transfer process. Any investor grievance is referred to the Committee in the first instance, for earliest resolution of any problem. During the year 2011-12, 4 complaints / requests were received from the shareholders / investors through SEBI / Stock Exchange and directly from shareholders / Investors. All the complaints / requests were resolved to the satisfaction of the Shareholders / Investors as on 31st March, 2012, there were no pending complaints.

ii) Meeting, Composition, designation, Category and Attendance thereof :

During the year under review, the committee met on 25th May, 2011, 13th August, 2011, 12th November, 2011 & 10th February, 2012. The Composition and other details of the Shareholders / Investors Grievances Committee and Share transfer Committee of members of the Company was as follows :

Sl.	Name of Director	Designation	Category	No. of meeting attended
1	Mr. N.S. Adkoli *	Chairman	Non Executive, Independent	—
2	Mr. Rajiv Daga	Member	Executive, Promoter	1
3	Mr. B.H. Rathi	Chairman	Non Executive, Independent	3
4	Mr. M.S. Aftab	Member	Non Executive, Independent	4
5	Mr. K.K. Taparia	Member	Non Executive, Independent	3

* Due to sudden demise of Mr. N.S. Adkoli on 5th April, 2011, Mr. K.K. Taparia has been appointed as the member and Mr. B.H. Rathi as the Chairman of the Investors Grievances Committee w.e.f. 25th May, 2011.

Mr. Rajneesh Sharma, Company Secretary acts as the Compliance Officer of the Company.

The shares of the Company are being compulsorily traded in dematerialized form. Shares in physical form, received for transfer / dematerialization, are transferred / dematerialized within a period of 21 days from the date of lodgment of valid share transfer deed along with share certificate. These requests are processed through the Company's Registrar and share transfer Agent i.e. Karvy Computer Share Private Limited.

During the year half-yearly certificate(s), confirming due Compliance of the share transfer formalities by the Company (Clause 47 (c) of the listing agreement); and Secretarial audit report(s) {Under SEBI (Depositories and participant) Regulations, 1996} for reconciliation of total admitted capital with both the depositories, were obtained from a Practicing Company Secretary / Statutory Auditor and the same were submitted with the stock Exchanges within the stipulated time.

The Company has taken various steps to ensure that the shareholders-related matters are given due priority and the matters / issues raised are resolved at the earliest.

GENERAL BODY MEETINGS

Details of the location and time of the last three AGM's (Annual General Meeting) held :

Year	Location	Date	Time
2011	Ramanashree California Resort, Ananthpura Gate, Doddaballapur Road, Yelahanka, Bangalore – 560 064	29 th September, 2011	10:00 a.m.
2010	Ramanashree California Resort, Ananthpura Gate, Doddaballapur Road, Yelahanka, Bangalore – 560 064	29 th September, 2010	10:00 a.m.
2009	Ramanashree California Resort, Ananthpura Gate, Doddaballapur Road, Yelahanka, Bangalore – 560 064	2 nd September, 2009	11:00 a.m.

The following Special Resolution was taken up in the last three AGMs :

2nd September, 2009

- Revision of remuneration of Chairman, Managing Director & Joint Managing Director.
- Appointment of Mr. K.K. Somani, Director (Technical).
- Modification of ESOP.

Disclosures

- None of the transactions with any of the related party was in conflict with the interest of the Company at large. The details of related party transactions are given in the Notes to Accounts forming part of the Annual Accounts.
- No strictures / penalties have been imposed on the Company by the Stock Exchanges or the SEBI or any statutory authority on any matters related to capital markets during the last three years.
- The Company has complied with the requirements of the stock exchange or SEBI on matters related to Capital Market as applicable.
- The Company has complied with the mandatory requirements of Clause 49 of the listing agreement.

Means of Communication

In order to attain maximum shareholders – reach, the quarterly and half yearly financials results of the Company during the year 2011-12 were published in leading newspapers (English & Kannada language) The financial results are simultaneously posted on the website of the Company i.e. www.archidply.com

The "Limited Review" Reports of the Financial results for the quarter ended 30th June, 2011, 30th September, 2011 and 31st December, 2011 were obtained from statutory Auditors of the Company and filed with the stock exchange(s).

To facilitate prompt correspondence with investors / shareholders relating to their queries and grievances, the Company has a dedicated email-id viz, rsharma@archidply.com

GENERAL SHAREHOLDER INFORMATION

1. Date, Time and Venue of 17th Annual General Meeting :

Year	Location	Date	Time
2012	Ramanashree California Resort, Ananthpura Gate, Doddaballapur Road, Yelahanka, Bangalore – 560 064	29 th September, 2012	10:00 a.m.



2. Financial Year :

The Company's financial year was from 1st April, 2011 to 31st March, 2012.

3. Date of Book Closure :

23rd September, 2012 to 29th September, 2012 (Both days inclusive)

4. Dividend payment date :

No dividend declared for the year under review.

5. Listing on stock exchanges :

The Equity shares of the Company are listed at :

Bombay Stock Exchange Limited (BSE)

National Stock Exchange Limited (NSE)

The annual listing fees, for the equity shares of the Company, pertaining to the year 2011-12 has been paid to the concerned stock exchange on demand.

6. Stock code :

Stock Exchange	Stock Code	Type of security
Bombay Stock Exchange Limited (BSE)	532994	Equity Shares
National Stock Exchange Limited (NSE)	ARCHIDPLY	Equity Shares

7. Stock Market data & Performance in comparison to BSE Sensex and NSE Nifty :

Monthly closing high and low quotation of shares traded on National and Bombay Stock Exchanges for the year 2011-12 :

Year 2011-2012 Month *	BSE				NSE			
	Share Price High (₹)	Share Price Low (₹)	Sensex High	Sensex Low	Share Price High (₹)	Share Price Low (₹)	S&P CNX Nifty High	S&P CNX Nifty Low
Apr-11	19.85	16.45	19811.14	18976.19	19.90	16.50	5944.45	5693.25
May-11	17.75	14.10	19253.87	17786.13	17.95	14.00	5775.25	5328.70
Jun-11	15.70	12.60	18873.39	17314.38	15.75	12.00	5657.90	5195.90
Jul-11	16.53	13.30	19131.70	18131.86	16.40	13.00	5740.40	5453.95
Aug-11	14.49	09.55	18440.07	15765.53	15.00	09.50	5551.90	4720.00
Sep-11	19.36	10.00	17211.80	15801.01	19.60	10.00	5169.25	4758.85
Oct-11	20.20	14.00	17908.13	15745.43	20.50	14.20	5399.70	4728.30
Nov-11	16.10	11.55	17702.26	15478.69	16.95	11.60	5326.45	4639.10
Dec-11	16.70	10.62	17003.71	15135.86	16.75	10.65	5099.25	4531.15
Jan-12	14.70	11.80	17258.97	15358.02	14.35	11.50	5217.00	4588.05
Feb-12	13.94	11.71	18523.78	17061.55	13.90	11.60	5629.95	5159.00
Mar-12	12.86	09.75	18040.69	16920.61	12.90	09.80	5499.40	5135.95

* Source: Websites of Stock Exchanges, BSE and NSE

8. Registrar & Transfer Agents :

The Registrar and share Transfer Agent of the Company is Karvy Computershare Private Limited who can be contacted at the following address :

Karvy Computershare Private Limited
 Plot No. 17 to 24, Vithalrao Nagar,
 Madhapur, Hyderabad – 500 086
 Tel: 01-800-3454001
 Fax: 040-23420814
 E-mail: einward.ris@karvy.com

9. **Distribution of Shareholdings :**

The distribution of shareholding as on 31st March, 2012 is given as under :

Sl. No.	Category (Shares)		No. of Cases	% of Cases	Amount	% of Amount
	From	To				
1	01	5000	6781	75.02	11176390	5.07
2	5001	10000	1092	12.08	8010010	3.63
3	10001	20000	839	9.28	10931850	4.95
4	20001	30000	105	1.16	2601090	1.18
5	30001	40000	53	0.59	1833700	0.83
6	40001	50000	45	0.50	2122500	0.96
7	50001	100000	53	0.59	3898020	1.77
8	100001	& above	71	0.79	180076440	81.61
TOTAL			9039	100.00	220650000	100.00

The distribution of shareholding according to category as on 31st March, 2012 :

Description	Cases	Shares	% Equity
CLEARING MEMBERS	10	3886	0.02
H U F	418	297680	1.35
BODIES CORPORATES	188	1384827	6.28
NON RESIDENT INDIANS	84	125522	0.57
PROMOTER COMPANIES	7	11232463	50.91
COMPANY PROMOTERS	6	4144480	18.78
RESIDENT INDIVIDUALS	8326	4876142	22.10
TOTAL	9039	22065000	100.00

10. **Dematerialization of Shares and liquidity :**

As on 31st March, 2012, of the shareholding were held in dematerialized form as per details mentioned below :

Description	No. of Holders	Shares	% to Equity
PHYSICAL	39	15123905	68.54
NSDL	5346	4715091	21.37
CDSL	3654	2226004	10.09
TOTAL	9039	22065000	100.00

The demat ISIN of the Company's equity shares is INE877101016.

11. **Outstanding GDRs / ADRs / Warrants or any convertible instruments :**

There were no outstanding GDRs / ADRs / Warrants or any other Convertible Instruments as on 31st March, 2012.

12. **Plant locations :**

Rudrapur	Plot No. 6A, Sector 9, Pant Nagar Industrial Area, Khasra No. 210, Pool Bagh, Kichha, Udham Singh Nagar, Rudrapur Uttarakhand
Chintamani	Survey No. 19, KSSIDC Industrial Area, Katamachanahalli, Chintamani, Chickaballapur - 563125. Karnataka

13. **Address for correspondence :**

Registered Office:

ARCHIDPLY INDUSTRIES LTD

29/2, G.K. Manor, 1st Floor, Nehru Nagar Circle

Sheshadripuram, Bangalore – 560 020.

Tel: 080-2344 5607 / 4342 0000

Fax: 080-2334 8463

E-mail: info@archidply.com

Website: www.archidply.com

Non-Mandatory Requirements :

The company has not adopted any of the non-mandatory requirements as enumerated in Annexure 3 to Clause 49 of the Listing Agreement except the constitution of Remuneration Committee.



Affirmation regarding Compliance with the Code of Conduct

The Company has adopted Code of Conduct for all its employees, including the Senior Management Personnel and Board Members and these Codes are available on the Company's website (www.archidply.com).

I hereby confirm that all Board members and senior management personnel have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended 31st March, 2012.

For and on behalf of the Board
of ARCHIDPLY INDUSTRIES LIMITED

Place : Bangalore
Date : 29th May, 2012

Deen Dayal Daga
(Chairman)

CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF ARCHIDPLY INDUSTRIES LIMITED

We have examined the compliance of conditions of corporate governance by **ARCHIDPLY INDUSTRIES LIMITED**, for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 state that, there was no investor grievance pending against the company for a period exceeding one month.

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 and on behalf of
G R V & P K
Chartered Accountants
FRN : 0080995

Place : Bangalore
Date : 29th May, 2012

Kamal Kishore
Partner
M. No.: 205819

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The year witnessed the turbulent and challenging business environment. There were challenges of inflationary trends beyond RBI targets; reduced growth rate projections, depreciating rupee, etc which adversely impacted the overall business sentiment throughout the year.

Notwithstanding the current economic environment, there are strong reasons to be bullish on the country's long term growth potential. Favourable demographics, a large growing middle class with increasing disposal incomes support a strong consumption story.

2. OPPORTUNITIES & THREATS

The opening up and expansion of the economy, rising income levels and changing consumer beliefs and behaviours have led to an increase in consumption. This represents a tremendous opportunity for your Company.

Renovations of Bank Branches and opening of new branches by banks are in fullswing; Insurance and health care sector is also in growth mode indicating growing demand for Plywood, Laminates and Interior products. New hospitals and star hotels are coming up with new projects in larger way.

Dumping, cheap imports from China, competition from unorganised Sector & emergence of new entrants in organised sector may slow down the growth of the Company

Your company with good brand image and quality product is well positioned to take advantage of the opportunities in the market and overcome the threats and achieve the astonishing performance in the current year.

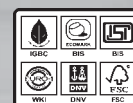
3. FINANCIAL PERFORMANCE

The following are relevant financial performance details with respect to the operational performance of the Company.

Salient features relating to the Profit & Loss Account :

(₹ In Lakhs)

Particulars	2011-12
Net Sales	17,144.56
Other Income	2,305.99
Total Revenues	19,450.55
Cost of Materials Consumed	9,424.13
Purchases of Stock in Trade	2,790.02
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade	(79.95)
Employee benefits expense	1,313.47
Finance Costs	1,347.22
Depreciation & Amortisation Expenses	496.20
Other Expenses	4045.62
Total Expenditure	19,336.71
Profit Before Tax	113.83
Tax	22.44
Profit after Tax	91.39



During the year the Company has achieved a turnover of ₹ 17,144.56 lakhs and earns profit before Depreciation, Interest and Tax (PBDIT) of ₹ 1,957.24 lakhs (margin 11.17%) and profit after taxes of ₹ 91.39 lakhs. The Segment wise performance has been given elsewhere in the Report.

4. OUTLOOK

The Company's outlook for the year ending 31st March, 2012 is to enhance the capacity utilization of the existing installed capacity across product category segment of plywood's, laminates, veneers & prelam particle boards.

5. RISKS AND CONCERNS

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

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has put in place adequate internal control systems, commensurate with the size of and scale of its operations. The Company has well defined roles, responsibilities and authorities for employees at all levels. The company has ensured a two-level Audit System with in-house review of Internal Control processes and controls and a quarterly audit of internal controls in different areas of operation by an external firm.

7. HUMAN RESOURCES

The Company's Industrial Relations at all the levels remained cordial throughout the year.

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.

For and on behalf of the Board
of ARCHIDPLY INDUSTRIES LIMITED

Deen Dayal Daga
(Chairman)

Place : Bangalore
Date : 29th May, 2012

AUDITORS' REPORT

TO THE MEMBERS OF M/s. ARCHIDPLY INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of M/s. ARCHIDPLY INDUSTRIES LIMITED as at 31st March, 2012, the Profit & Loss Account and cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) order 2004, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we give in the Annexure, a statement on the matters specified in Paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in Paragraph 3 above :
 - 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 accounts as required by Law have been kept by the Company so far as appears from our examination of such books;
 - c) The Balance Sheet, Profit & Loss Account and cash flow statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion the Balance Sheet, Profit & Loss Account and cash flow statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
 - e) In our opinion & to the best of our information & according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India :
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - ii) In the case of the Profit & Loss Account, of the Profit of the Company for the year ended on that date;
 - iii) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.
5. On the basis of written representations from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956.

For G RV & P K
Chartered Accountants
FRN : 008099S

Place : Bangalore
Date : 29th May, 2012

Kamal Kishore
Partner
M. No.: 205819

ANNEXURE TO THE AUDITORS' REPORT**(REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE)****1. In respect of its Fixed Assets :**

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- b) As explained to us, fixed assets have been physically verified by the management on regular intervals during the year and there is regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) The fixed Assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.

2. In respect of its inventories :

- a) As explained to us physical verification of the Inventory has been conducted by management at reasonable intervals.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventories and no material discrepancies noticed on physical verification.

3. The Company has not granted any Loans and Advances to party covered in the Register maintained under Section 301 of the Companies Act, 1956. Hence, the Clause 4(iii) (a), (b), (c) and Clause 4(iii) (d) not applicable to the Company.

- a) The Company has taken unsecured loan from one party covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum balance outstanding during the year was ₹ 12,53,95,310/- and the balance outstanding as on 31st March, 2012 is ₹ 2,81,54,092/-.
- b) No Interest is paid on loan taken. Other terms and conditions on which loan taken from the company listed in the Register maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.

5. 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. We have not observed any major weakness in such internal controls.

6. In respect of transactions covered under Section 301 of the Companies Act, 1956 :

- a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the Register in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at price which are reasonable having regard to prevailing market price at the relevant time.

7. In our opinion and according to the information and explanations given to us, the company has not accepted deposits in terms of Sections 58A and Section 58AA or any other relevant provisions of the Companies Act, 1956.

8. In our opinion, the Company has an adequate internal audit system commensurate with its size and nature of its business.

9. The provisions of Clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for maintenance of cost records prescribed by the Central Government is not applicable to the company.

10. In respect of Statutory dues :

- a) According to the information and explanations given to us, the company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Mandi Tax, VAT, Service Tax, Custom duty, Excise duty, Cess and any other material statutory dues with the appropriate authorities during the year.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2012 for more than six months from the date they became payable.
- c) According to the information and explanations given to us, details of disputed Sales Tax, Income Tax, Customs Duty, Service Tax, Excise duty and Cess which have not been deposited as on 31st March, 2012 on account of any dispute are given below :

Name of Statute	Nature of the dues	Disputed amount pending	Period to which the amount relates (Financial Years)	Forum where dispute is pending.
Forest department, Government of Karnataka	Additional Seigniorage	₹ 16,04,022.77	1980-1981 & 1981-1982	Representation to Forest department at that point of time.
Central Excise Act	Excise duty & Penalty	Excise duty ₹ 81,01,637 & Penalty ₹ 81,01,637	2000-2003	Commissioner of Central Excise
		Excise duty of ₹ 4,41,92,921	2011-2012	Commissioner of Customs & Central Excise, Meerut-II.
Uttaranchal Vat Tax Act	Sales Tax	₹ 51,35,004	2006-2007 & 2007-2008	The Joint Commissioner Appeal

11. The company does not have any accumulated losses at the end of this year and has not incurred cash losses in the year ending 31st March, 2012 and the immediately preceding financial Year.
12. In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of dues to the financial institutions and banks.
13. In our opinion and according to explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
14. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society.
15. In our opinion and according to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. All investments of the company are held in its own name.
16. In our opinion and according to the information and explanations given to us, the company has not given guarantees for loans taken by others from bank or financial institutions.
17. In our opinion and according to the information and explanations given to us, in our opinion, the term loans availed by the Company were prima-facie applied by the Company during the year for the purposes for which the loans were obtained.
18. According to the information and explanations given to us and on an overall examination of the Balance sheet of the Company, funds raised on short term basis have, prima facie, not been used during the year for long term investments.
19. During the year under considerations, the Company has not made preferential allotment of shares to the parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
20. In our opinion and according to the information and explanations given to us the company has not issued any secured debentures during the year covered by our audit.
21. The company has not raised any money by public issue during the financial year.
22. According to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For G RV & P K
Chartered Accountants
FRN : 008099S

Place : Bangalore
Date : 29th May, 2012

Kamal Kishore
Partner
M. No.: 205819


BALANCE SHEET as at 31st March, 2012

(Amount in ₹)

PARTICULARS	Note No.	As at 31 st March, 2012	As at 31 st March, 2011
<u>EQUITY AND LIABILITIES</u>			
1. SHAREHOLDERS' FUND			
Share Capital	1	22,06,50,000	22,05,15,000
Reserve and Surplus	2	83,65,43,053	82,43,80,744
		1,05,71,93,053	1,04,48,95,744
2. SHARE APPLICATION MONEY PENDING ALLOTMENT			
		—	—
3. NON - CURRENT LIABILITIES			
Long-term borrowings	3	11,64,16,353	15,04,23,546
Deferred Tax Liabilities (Net)	4	52,15,622	48,80,447
		12,16,31,975	15,53,03,993
4. CURRENT LIABILITIES			
Short-term borrowings	5	44,00,26,309	50,36,20,558
Trade Payables	6	36,75,42,648	34,93,02,781
Other Current Liabilities	7	7,48,90,750	13,89,41,267
Short-term provisions	8	3,47,27,024	2,28,00,060
		91,71,86,731	1,01,46,64,666
TOTAL		2,09,60,11,759	2,21,48,64,403
<u>ASSETS</u>			
1. NON CURRENT ASSETS			
Fixed Assets	9		
i) Tangible assets		50,72,76,342	54,41,78,469
ii) Intangible assets		4,32,78,988	4,63,79,422
iii) Capital work-in-progress		4,79,133	—
		55,10,34,463	59,05,57,891
Non-Current Investments	10	2,83,120	2,55,774
Long-term loans and advances	11	14,17,97,899	18,49,16,784
Other non-current assets	12	4,65,10,835	4,49,80,233
TOTAL OF NON CURRENT ASSETS		73,96,26,317	82,07,10,682
2. CURRENT ASSETS			
Inventories	13	77,69,85,556	79,16,02,050
Trade receivables	14	45,31,53,082	48,90,30,361
Cash and Bank Balances	15	9,74,40,082	8,26,18,548
Short-term loans and advances	16	2,69,90,064	2,72,90,312
Other current assets	17	18,16,658	36,12,451
TOTAL OF CURRENT ASSETS		1,35,63,85,442	1,39,41,53,721
TOTAL		2,09,60,11,759	2,21,48,64,403

NOTES ON FINANCIAL STATEMENT

1 to 37

As per our Report of even date attached here to

For and on behalf of the Board

 For G RV & P K
 Chartered Accountants
 FRN : 008099S

Deen Dayal Daga
 Chairman

Shyam Daga
 Managing Director

Kamal Kishore
 Partner
 M. No.: 205819

Rajneesh Sharma
 Company Secretary

 Place : Bangalore
 Date : 29th May, 2012

PROFIT AND LOSS ACCOUNT for the year Ended 31st March, 2012

(Amount in ₹)

PARTICULARS	Note No.	For the year ended on 31 st March, 2012	For the year ended on 31 st March, 2011
INCOME :			
Revenue from operation (Gross)	18	1,75,13,61,694	1,57,98,85,480
Less : Excise Duty		3,69,05,273	3,37,90,365
Net Sales		1,71,44,56,421	1,54,60,95,115
Other Income	19	23,05,98,931	2,88,09,731
TOTAL		1,94,50,55,352	1,57,49,04,846
EXPENDITURE :			
Cost of Material consumed	20	94,24,12,869	66,78,08,073
Purchases of Stock-in-Trade	21	27,90,02,028	28,50,18,530
Changes in Inventories of Finished Goods, Work-in-progress and stock-in-trade	22	(79,95,201)	1,37,54,884
Employee benefits expense	23	13,13,47,218	13,34,86,311
Finance Costs	24	13,47,21,961	10,87,69,991
Depreciation & Ammortisation Expenses	9	4,96,20,496	4,85,22,060
Other Expenses	25	40,45,62,285	31,42,68,333
TOTAL		1,93,36,71,656	1,57,16,28,182
PROFIT BEFORE TAXATION		1,13,83,696	32,76,664
Provision for			
Current Tax		19,09,176	12,50,000
Deferred Tax		3,35,174	20,00,000
PROFIT AFTER TAXATION		91,39,346	26,664
Earning Per Share (₹)			
Basic & diluted		0.41	0.0012

NOTES ON FINANCIAL STATEMENT

1 to 37

As per our Report of even date attached here to

For and on behalf of the Board

For G RV & P K
Chartered Accountants
FRN : 008099S

Deen Dayal Daga
Chairman

Shyam Daga
Managing Director

Kamal Kishore
Partner
M. No.: 205819

Rajneesh Sharma
Company Secretary

Place : Bangalore
Date : 29th May, 2012

CASH FLOW STATEMENT

(Amount in ₹)

PARTICULARS	For year ended 31 st March, 2012	For year ended 31 st March, 2011
A. CASH FLOWS ARISING FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax	1,13,83,695	34,75,891
Add : Depreciation & Goodwill W/o	4,96,20,496	4,85,22,060
Misc Expenses W/o	17,95,794	22,89,999
Claims & Bad Debts	12,66,91,838	—
Provision for Leave Encashment	10,46,352	3,31,879
Provision for Gratuity	12,15,184	13,65,342
Provision for Discounts & Rebate	66,49,070	3,52,74,947
Employee Compensation Expenses (ESOP)	22,963	45,927
	18,70,41,697	8,78,30,153
Less : Interest Income	2,48,84,551	2,70,22,874
Net Prior Year Adjustments	—	(1,99,227)
(Profit) / Loss on sale of Fixed Assets	20,32,70,680	1,190
	22,81,55,231	2,68,24,837
Operating profit before working capital changes	(2,97,29,839)	6,44,81,208
(Increase) / Decrease in Inventory	1,46,16,494	(2,01,49,420)
(Increase) / Decrease in Debtors	(9,08,14,560)	7,58,00,942
(Increase) / Decrease in Loans & Advances	4,57,65,463	70,77,561
Increase / (Decrease) in Trade Payables	(4,16,94,654)	(1,10,29,896)
	(10,18,57,096)	11,61,80,395
Cash flow from Operations	(10,18,57,096)	11,61,80,395
Interest & Bank Charges (Net)	13,47,21,961	10,72,20,910
Gratuity Paid	(3,046)	(40,23,837)
Leave Encashment paid	—	(9,06,748)
Payment of Income Tax	(68,82,700)	(1,19,67,052)
	12,78,36,215	9,03,23,273
Net Cash Flow from Operating Activities	2,59,79,119	20,65,03,668
B. CASH FLOWS ARISING FROM INVESTMENT ACTIVITIES		
Inflows :		
Proceeds on disposal of Fixed Assets	45,40,11,854	28,39,905
Interest Received	2,48,84,551	2,70,22,874
Outflows:		
Additions to Fixed Assets	26,03,59,109	4,32,63,679
Borrowing Cost Capitalised	—	20,32,993
Additions to Fixed Assets - Capital WIP	4,79,133	—
Additions to Investments	27,346	15,292
	21,80,30,817	(1,54,49,185)
C. CASH FLOWS ARISING FROM FINANCE ACTIVITIES		
Inflows :		
Proceeds from issue of Share Capital	1,35,000	5,15,000
Capital Subsidy Received	30,00,000	—
Borrowings - Secured Loans	(14,54,41,163)	(2,22,11,015)
Borrowings - Unsecured Loans	2,39,19,861	79,56,327
Outflows :		
Inter Corporate Deposit	(2,39,19,861)	6,72,43,440
Interest & Bank Charges	13,47,21,961	10,72,20,910
	(22,91,88,402)	(18,82,04,037)
Cash flow from all activities - (A + B + C)	1,48,21,534	28,50,445
Add : Cash & cash equivalents at beginning of the year	8,26,18,548	7,97,68,103
Cash & cash equivalents at year end of the year	9,74,40,082	8,26,18,548

As per our Report of even date attached here to

For and on behalf of the Board

 For G R V & P K
 Chartered Accountants
 FRN : 008099S

Deen Dayal Daga
 Chairman

Shyam Daga
 Managing Director

Kamal Kishore
 Partner
 M. No.: 205819

Rajneesh Sharma
 Company Secretary

 Place : Bangalore
 Date : 29th May, 2012

NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

(Amount in ₹)

PARTICULARS	As at 31 st March, 2012	As at 31 st March, 2011
-------------	---------------------------------------	---------------------------------------

NOTE - 1

SHARE CAPITAL

Authorised Capital

2,50,00,000 (P.Y. 2,50,00,000) Equity Shares of ₹ 10/- each

25,00,00,000

25,00,00,000

Issued

2,20,65,000 Equity shares of ₹ 10/- each

22,06,50,000

22,05,15,000

(Previous Year 2,20,51,500 Equity shares of ₹ 10/- each)

Subscribed and Paid Up Capital

2,20,65,000 Equity shares of ₹ 10/- fully paid up.

22,06,50,000

22,05,15,000

(Previous Year 2,20,51,500 Equity shares of ₹ 10/- each)

- The Company has only one class of equity shares having a par value of ₹ 10 per share, each Shareholder is eligible for one vote per share.
- 1,15,68,180 (Previous year 1,15,68,180) Equity shares of ₹ 10/- each issued as fully paid up for acquiring the plywood and block board and particle & laminated board (Both divisions) of the Mysore Chip Board Limited pursuant to Scheme of Arrangement sanctioned by Hon'ble High court of Karnataka without payment being received in cash in the financial year 2007-08.
- 65,000 (Previous year 51,500) Shares out of issued, subscribed and paid up capital were allotted under ESOP scheme for ₹ 10/- each. The in principle approval for the Employee stock Option scheme – "Archidply Industries Limited ESOS-2009" exercisable into not more than 2,00,000 options has been obtained by the Company. The options are vested to the eligible employees as per the scheme with effect from 1st April, 2010. The total options granted on 1st April, 2009 were 93,000 at an exercise price of ₹ 10 per option. The options vested were 72,500 and options exercised were 65,000 as on 31st March, 2012. The total number of shares arising as a result of exercise of options are 65,000 shares.
- 13,500/- (Previous year 51,500) Equity shares of ₹ 10/- each issued as fully paid up under ESOP Scheme.

A. Reconciliation of number of shares outstanding at beginning & end of the reporting period.

Outstanding as at beginning of the reporting period

2,20,51,500

2,20,00,000

Add: Shares issued during the year under ESOP

13,500

51,500

Outstanding as at end of the Reporting period

2,20,65,000

2,20,51,500

B. Details of the Shares held by shareholders holding more than 5% of the aggregate shares in the Company.

No. of Shares held	31 st March, 2012		31 st March, 2011	
	(% of holding)	No. of Shares held	(% of holding)	No. of Shares held
Assam Timber Products Pvt. Ltd.	19.41	4281150	19.41	4281150
Vanraj Suppliers Pvt. Ltd.	16.82	3712663	16.82	3712663
Ravi Marketing Services Pvt. Ltd.	12.74	2810750	12.74	2810750
Mr. Deen Dayal Daga	5.91	1303320	5.91	1303320
Mr. Shyam Daga	5.64	1244260	5.64	1244260

NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

(Amount in ₹)

PARTICULARS	As at 31 st March, 2012	As at 31 st March, 2011
NOTE - 2		
RESERVES & SURPLUS		
a) Capital Reserves		
Capital Subsidy (Received under Central capital investment subsidy scheme)	30,00,000	—
b) Securities Premium Reserve		
As per last Balance Sheet	44,22,22,130	44,21,79,385
Add : Premium on issue 13500 equity share under ESOP scheme	26,145	42,745
	44,22,48,275	44,22,22,130
c) Share Options Outstanding Account		
Employee Stock Options Outstanding	26,145	4,12,920
Add : Options Granted During the Year	—	—
	26,145	4,12,920
Less : Reversal During the year	—	3,44,030
Less : Transferred to Securities Premium on Exercise of Options	26,145	42,745
	—	26,145
Less : Deffered Employee Compensation outstanding	—	22,963
	—	3,182
d) Surplus		
Opening Balance	38,21,55,432	38,21,28,767
Add / (Less) : Transferred from Profit & Loss Account	91,39,346	26,665
	39,12,94,778	38,21,55,432
TOTAL	83,65,43,053	82,43,80,744

NOTE - 3
LONG TERM BORROWINGS
A. Secured Loans

a) Term Loans from Bank	11,57,95,592	14,84,43,214
b) Other Loans (Secured by hypothecation of vehicles purchased under the Hire Purchase Scheme)	6,20,761	71,495

B. Unsecured Loans

From Bank	—	19,08,837
TOTAL	11,64,16,353	15,04,23,546

NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

Term of repayment and nature of Security for long term secured borrowings :

- i) Term Loan amounting of ₹ 1,20,35,876/- (31st March, 2011 : ₹ 5,49,21,692) is secured by first charge on all immovable properties of Rudrapur unit of the Company present and future and hypothecation of all assets both present and future of Rudrapur unit and personal guarantee of promotor directors and repayable in 20 quarterly installments starting from April 2007 last installment due on April 2012.
- ii) Term Loan amounting of ₹ 2,98,86,558/- (31st March, 2011 : ₹ 2,97,66,492) is secured by first charge on all immovable properties of Chintamani unit of the Company present and future and hypothecation of all assets both present and future of Chintamani unit and personal guarantee of promotor directors and repayable in 41 monthly installments starting from August 2012 last installment due on December 2015.
- iii) Term Loan amounting of ₹ 10,83,09,034/- (31st March, 2011 : ₹ 10,83,00,000) is secured by first charge on all immovable properties of Chintamani unit of the Company present and future and hypothecation of all assets both present and future of Chintamani unit and personal guarantee of promoter directors and repayable in 50 monthly installments starting from August 2012 last installment due on September 2016.
- iv) Unsecured Term Loan amounting of ₹ Nil (31st March, 2011 : ₹ 19,08,837) repayable in 24 monthly installments starting from April 2011 last installment due on March 2013.
- v) Installments falling due in respect of all the above loans up to 31st March, 2013 have been grouped under "Current maturities of Long Term Debt"
(Refer Note 7)

(Amount in ₹)

PARTICULARS	As at 31 st March, 2012	As at 31 st March, 2011
NOTE - 4		
DEFERRED TAX		
Opening deferred tax liability	48,80,447	28,80,447
Deferred tax Asset / (Liability) arising in current year on account of timing difference		
1. Depreciation	(10,18,683)	(27,91,327)
2. Gratuity	3,68,492	8,87,672
3. Leave Encashment	3,15,016	(96,345)
DEFERRED TAX LIABILITIES (NET)	52,15,622	48,80,447
NOTE - 5		
A) Short Term Borrowings		
SECURED		
Working Capital loans from Banks		
₹ Loan	37,74,56,696	43,69,99,440
B) Buyer's Credit arrangements		
Foreign Currency Loan		
(Working Capital loan from Bank and buyers credit loan are secured by hypothecation of Stock, book debts and other current assets of the company both present and future and second charge on fixed assets both present and future of the company and personal guarantee of promoter directors.)	3,40,80,426	6,20,51,792
UNSECURED		
From Body Corporates	2,84,89,187	45,69,326
(Includes related party of ₹ 2,81,54,092/- [PY ₹ 45,69,327/-])		
TOTAL	44,00,26,309	50,36,20,558



NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

(Amount in ₹)

PARTICULARS	As at 31 st March, 2012	As at 31 st March, 2011
NOTE - 6		
TRADE PAYABLE		
Micro, Small & Medium Enterprises *	Nil	Nil
Others	36,75,42,648	34,93,02,781
TOTAL	36,75,42,648	34,93,02,781

* The Process of identifying the suppliers who fall within the Micro, Small & Medium Enterprises Development Act, 2006 has been initiated. In the absence of information, Company is unable to provide information regarding the principle amount outstanding & interest due thereon remaining unpaid to any supplier & other details under the Micro, Small & Medium Enterprises Development Act, 2006 as at 31st March, 2012.

NOTE - 7

OTHER CURRENT LIABILITIES

Current Maturities of Long Term Debt	3,68,16,329	10,36,12,859
Unclaimed Dividend	3,12,946	3,12,946
Unclaimed Share Application Money Refund	32,475	32,475
Statutory Dues	1,06,77,495	2,07,42,081
Other Payable *	2,70,51,505	1,42,40,906
TOTAL	7,48,90,750	13,89,41,267

* Included Expenses payable

NOTE - 8

SHORT - TERM PROVISIONS

Provision for employee benefits	1,53,78,548	1,08,45,280
Other Provisions #	1,70,48,476	1,07,04,780
Provisions for Taxation	23,00,000	12,50,000
TOTAL	3,47,27,024	2,28,00,060

Includes Provision for Discount / Claims

NOTE - 9

FIXED ASSETS ANNEXURE AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH' 2012

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	ORIGINAL COST AS ON 1st April, 2011	ADDITION 1st April, 2011 to 31st March, 2012	SALES 1st April, 2011 to 31st March, 2012	TOTAL GROSS BLOCK 31st March, 2012	UP TO 31st March, 2011	FOR THE PRD 1st April, 2011 to 31st March, 2012	DEPRECIATION ADJUSTMENT ON SALES	TOTAL DEPRECIATION 31st March, 2012	AS ON 31st March, 2011	AS ON 31st March, 2012
A) TANGIBLE ASSETS :										
FREE HOLD LAND	7,89,56,456	24,70,23,332	24,16,80,550	8,42,99,238	—	—	—	—	8,42,99,238	7,89,56,456
BUILDINGS	25,18,70,849	13,77,143	1,40,97,023	23,91,50,969	2,84,08,490	80,95,514	79,77,345	2,85,26,659	21,06,24,310	22,34,62,359
PLANT AND MACHINERES	43,37,35,453	2,05,59,795	9,72,09,555	35,70,85,693	21,71,49,793	3,48,40,674	8,49,07,929	16,70,82,537	19,00,03,155	21,65,85,661
FURNITURES AND FIXTURES	98,64,273	1,96,617	9,91,898	90,68,992	27,96,887	6,49,481	8,98,561	25,47,807	65,21,184	70,67,386
OFFICE EQUIPMENTS	41,73,102	3,00,259	14,01,601	30,71,760	15,16,183	6,96,684	14,72,719	7,40,149	23,31,612	26,56,919
COMPUTERS	57,67,846	88,500	1,90,457	56,65,889	27,56,955	9,44,205	1,90,461	35,10,699	21,55,190	30,10,891
VEHICLES	1,16,10,851	18,82,939	14,89,919	1,20,03,871	42,58,332	11,40,503	7,45,489	46,53,346	73,50,525	73,52,519
CRANE	4,37,050	—	4,37,050	—	4,37,050	—	4,37,050	—	—	—
TEMPLE	53,80,408	—	12,28,572	41,51,836	2,94,128	1,53,002	2,86,421	1,60,708	39,91,128	50,86,280
B) INTANGIBLE ASSETS :										
GOODWILL	6,18,39,228	—	—	6,18,39,228	1,54,59,807	31,00,433	—	1,85,60,240	4,32,78,988	4,63,79,420
TOTAL	86,36,35,516	27,14,28,585	35,87,26,625	77,63,37,476	27,30,77,625	4,96,20,496	9,69,15,975	22,57,82,145	55,05,55,330	59,05,57,891

NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

(Amount in ₹)

PARTICULARS	As at 31 st March, 2012	As at 31 st March, 2011
NOTE - 10		
NON - CURRENT INVESTMENTS (UNQUOTED)		
a) In government Securities NSC deposited with Government Department as security	2,58,120	2,30,774
b) In Mutual Funds Principial Services Industries Ltd. (Growth Option Face Value of ₹ 10/- NAV as on 31st March, 2012 is ₹ 12.74) Total Units 2500	25,000	25,000
TOTAL	2,83,120	2,55,774
NOTE - 11		
Long-term loans & advances Unsecured, considered good		
a) Security Deposits	1,15,12,888	1,03,79,803
b) Inter-Corp Deposit	13,02,85,011	17,45,36,981
TOTAL	14,17,97,899	18,49,16,784
NOTE - 12		
Other non-current assets Unsecured, considered goods		
Other Loans & Advances *	4,30,39,965	4,47,57,413
Advance Payment of Tax and T.D.S	34,70,870	2,22,820
TOTAL	4,65,10,835	4,49,80,233
* Includes Advances to suppliers.		
NOTE - 13		
INVENTORIES		
(As taken, valued and certified by the Management)		
a) Stores, Chemicals and Packing Materials	3,00,41,458	2,82,11,826
b) Raw Materials	37,82,87,218	40,27,28,575
c) Finished Goods	28,22,99,946	28,88,23,920
d) Finished Goods-in transit	95,56,698	55,65,706
e) Stock-in-Trade	7,68,00,236	6,62,72,023
TOTAL	77,69,85,556	79,16,02,050
NOTE - 14		
TRADE RECEIVABLE		
(Unsecured, considered Good unless otherwise stated)		
Debts outstanding for a period exceeding six months from due date	7,61,85,487	13,21,44,221
Other Debts (Includes ₹ 2,68,01,020/- [PY ₹ Nil] receivable from related parties)	37,69,67,595	35,68,86,140
TOTAL	45,31,53,082	48,90,30,361

NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

(Amount in ₹)

PARTICULARS	As at 31 st March, 2012	As at 31 st March, 2011
NOTE - 15		
CASH AND BANK BALANCES		
a) Cash and Cash Equivalents		
Cash on Hand	28,70,932	54,98,074
Cheques / Drafts in Transit	68,87,974	66,34,067
Balance with Banks	4,59,63,279	3,06,61,776
	<u>5,57,22,185</u>	<u>4,27,93,917</u>
b) Other Bank Balances		
Margin Money with Bank	4,04,56,276	3,83,60,343
Unclaimed Share Application Refund Account	32,475	32,475
Unclaimed Dividend Account	3,12,946	3,12,946
Interest accrued on Margin Money	9,16,200	11,18,867
	<u>4,17,17,897</u>	<u>3,98,24,631</u>
TOTAL A + B	<u><u>9,74,40,082</u></u>	<u><u>8,26,18,548</u></u>
NOTE - 16		
SHORT TERM LOANS AND ADVANCES		
Loans and advances to related parties (Unsecured, considered good)	2,60,000	3,48,913
Others # (Unsecured, considered good)	92,51,623	1,14,84,456
Advance Payment of Tax and T.D.S.	46,61,830	40,32,948
Balance with Revenue Authorities	1,07,84,739	94,57,691
Prepaid Expenses	20,31,872	19,66,304
TOTAL	<u><u>2,69,90,064</u></u>	<u><u>2,72,90,312</u></u>
# Includes staff advances & advance to suppliers		
NOTE - 17		
OTHER CURRENT ASSETS		
Preliminary & Demerger Expenses	—	4,94,203
Less : written off during the year	—	4,94,203
	—	—
Pre Operative Expenses	36,12,451	54,08,245
Less : written off during the year	17,95,797	17,95,794
TOTAL	<u><u>18,16,658</u></u>	<u><u>36,12,451</u></u>
NOTE - 18		
Revenue from Operations (Gross)		
Sale of Products		
Manufactured Goods	1,39,91,62,535	1,22,79,62,527
Trading Goods	34,22,62,339	33,93,48,106
Sale of Scrap / Wastage	22,27,757	50,44,766
	<u>1,74,36,52,631</u>	<u>1,57,23,55,399</u>
Other Operating Revenue		
Royalty on use of brand name	77,09,063	75,30,081
TOTAL	<u><u>1,75,13,61,694</u></u>	<u><u>1,57,98,85,480</u></u>


NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

(Amount in ₹)

PARTICULARS	As at 31 st March, 2012	As at 31 st March, 2011
NOTE - 18.1		
Particular of sale of products		
Decorative Laminate	46,76,49,603	33,20,39,115
Plain Particle Board	18,18,495	55,79,904
Pre Lamin Board	14,17,84,741	14,33,11,258
Plywood / Blockboard	88,94,64,903	83,83,94,388
Veeners	1,10,63,209	2,17,97,065
Decorative Plywood	14,52,02,002	15,22,63,013
Others	8,66,69,678	7,89,70,656
TOTAL	1,74,36,52,631	1,57,23,55,399

NOTE - 19
OTHER INCOME

Interest Received	2,48,84,551	2,70,22,874
Other non operating income	22,27,363	17,85,667
Profit / (Loss) on sale of Fixed Assets	20,32,70,680	1,190
Prior Period Income	2,16,337	—
TOTAL	23,05,98,931	2,88,09,731

NOTE - 20
COST OF MATERIALS CONSUMED
a) Raw Material Consumed

Opening Stock	40,27,28,574	35,98,88,996
Add : Purchases	91,79,71,515	71,06,47,652
Less : Closing Stock	37,82,87,220	40,27,28,575
TOTAL	94,24,12,869	66,78,08,073

b) Imported and Indigenous Raw Materials Consumed :

	Year Ended 31 st March, 2012		Year Ended 31 st March, 2011	
	%	Amount (₹)	%	Amount (₹)
Imported	22	20,84,58,525	25	16,46,24,423
Indigenous	78	73,39,54,345	75	50,31,83,650
	100	94,24,12,870	100	66,78,08,073

**c) Break up of Raw Materials Consumed
For the Year 2011-2012 (As certified by Management)**

	Year Ended 31 st March, 2012		Year Ended 31 st March, 2011	
	Qty.	Amount (₹)	Qty.	Amount (₹)
Paper in Kgs.	3262744	19,54,54,184	2479176	14,23,20,478
Timber in Cum	30017	17,04,28,758	14452	9,91,81,876
Veener (incl own production) in sq. mtr.	10290594	18,54,36,881	10058012	13,73,25,214
Chemicals in Kgs.	5064372	21,14,04,106	3639627	15,64,32,939
Plywood / Particle Boards / MDF in sq. mtr.	2894933	17,96,88,940	2875430	13,25,47,566
		94,24,12,869		66,78,08,073

NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

(Amount in ₹)

PARTICULARS	For the year ended on 31 st March, 2012	For the year ended on 31 st March, 2011
NOTE - 21		
PURCHASES OF TRADING GOODS		
Plywood	16,52,45,237	15,03,43,424
Block Board	4,86,26,433	5,54,68,518
Laminated	3,05,10,302	2,96,40,336
Others	3,46,20,056	4,95,66,252
TOTAL	27,90,02,028	28,50,18,530

NOTE - 22		
CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE		
Inventories (at close)		
Finished Goods & WIP	29,18,56,614	29,43,89,626
Stock-in-Trade	7,68,00,236	6,62,72,023
Inventories (at commencement)		
Finished Goods & WIP	29,43,89,626	29,47,35,948
Stock-in-Trade	6,62,72,023	7,96,80,585
Increase / (Decrease) in Stock	79,95,201	(1,37,54,884)

NOTE - 23		
EMPLOYEE BENEFIT EXPENSES		
Salaries, wages and bonus	12,04,35,986	12,09,12,077
Employee Compensation Expenses (ESOP)	22,963	45,927
Director Remuneration	46,90,400	63,45,357
Contribution to and provisions for provident and other funds	46,48,092	46,62,387
Staff Welfare Expenses	15,49,777	15,20,563
TOTAL	13,13,47,218	13,34,86,311

Directors Remuneration, under Section 198 read along with Section 269 of the Companies Act, 1956 are as follows :

Particulars	Year ended 31 st March, 2012 (₹)	Year ended 31 st March, 2011 (₹)
Salary & Perks	44,10,400	60,05,357
Sitting Fees	2,80,000	3,40,000
Club Membership	15,196	—

The Company has not paid any commission to the Managerial Personnel. Hence the calculation under Section 349 & 350 read with Section 309 of the Companies Act, 1956 is not applicable.

NOTE - 24		
FINANCE COST		
Interest on Term Loans	2,29,51,963	2,34,22,636
Interest on Working Capital borrowings	6,22,09,532	6,81,85,771
Interest on Other Loans & Other Interest	1,54,91,332	57,44,985
FCL Hedging Charges	88,80,035	29,33,648
Interest on Income Tax	17,653	10,76,621
Bank Charges, L C Charges & Discounting Charges	1,59,57,869	73,98,783
Foreign Exchange Fluctuation Loss	92,13,577	7,547
TOTAL	13,47,21,961	10,87,69,991


NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

(Amount in ₹)

PARTICULARS	For the year ended on 31 st March, 2012	For the year ended on 31 st March, 2011
NOTE - 25		
OTHER EXPENSES		
a) Manufacturing Expenses		
Stores and Spares consumed *	4,99,64,040	8,83,62,859
Insurance	19,30,389	20,79,241
Power and fuel consumed	1,93,69,256	1,90,59,833
Repairs to Plant and Machinery	41,38,303	15,54,136
Repairs to Building	4,19,333	3,96,647
Repairs to Others	16,98,176	22,70,343
Total - A	7,75,19,497	11,37,23,059

*** Imported and Indigenous Stores and Spare Parts Consumed :**

Particulars	Year Ended 31 st March, 2012		Year Ended 31 st March, 2011	
	%	Amount (₹)	%	Amount (₹)
Imported	0.76	3,81,160	0.04	30,022
Indigenous	99.24	4,95,82,880	99.96	8,83,32,837
	100	4,99,64,040	100	8,83,62,859

b) Selling, Distribution, Administrative and Other Expenses				
Rent	1,01,99,494		91,42,442	
Rates and Taxes	49,11,352		32,05,178	
Printing and Stationery	13,61,232		19,80,428	
Postage, Telephone and Telegram	45,76,364		48,40,798	
Insurance	9,40,820		11,02,211	
Legal, License and Professional Fees	21,92,379		25,60,200	
Auditors Remuneration	5,82,649		5,00,000	
Advertisement	64,32,268		73,22,527	
Travelling and conveyance	1,48,23,562		1,66,80,926	
Commission on sales and samples	1,33,06,031		12,28,606	
Freight, forwarding and other expenses	6,66,70,247		5,76,96,645	
Vehicle Running Expenses	23,71,010		23,77,812	
Sales Promotion Expenses	1,86,66,317		2,04,74,042	
Cash Discount & Rebates	3,38,94,961		3,02,34,864	
Claims and Bad debts written off	12,66,91,838		50,40,083	
Misc Expenses Written off	17,95,794		21,22,318	
Prior Period Expenditure	—		1,99,227	
Other Expenses	1,76,26,470		3,38,36,967	
Total - B	32,70,42,788		20,05,45,274	
GRAND TOTAL	40,45,62,285		31,42,68,333	

Auditors Remuneration :

Particulars	Year ended 31 st March, 2012 (₹)	Year ended 31 st March, 2011 (₹)
a) Statutory Audit Fee	4,00,000	4,00,000
b) Tax Audit Fee	1,00,000	1,00,000
c) For reimbursement of out of pocket expenses	82,649	28,900
TOTAL	5,82,649	5,28,900

NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

NOTE - 26

VALUE OF IMPORTS ON C.I.F. BASIS IN RESPECT OF :

Particulars	Year Ended 31 st March, 2012		Year Ended 31 st March, 2011	
	%	Amount (₹)	%	Amount (₹)
i) Raw Materials	98.00	19,64,68,006	99.00	14,46,96,988
ii) Stores and spare parts	0.19	3,81,160	0.02	30,022
iii) Capital Goods	1.51	30,28,025	0.49	7,17,680

(Amount in ₹)

PARTICULARS	For the year ended on 31 st March, 2012	For the year ended on 31 st March, 2011
-------------	--	--

NOTE - 27

EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :

a) Foreign travelling	5,85,001	40,917
b) Interest on foreign currency loan & Buyers credit	1,01,46,960	90,12,356
TOTAL	1,07,31,961	90,53,273

NOTE - 28

EARNINGS IN FOREIGN CURRENCY :

Export of Goods	16,67,175	92,79,752
TOTAL	16,67,175	92,79,752

NOTE - 29

CONTINGENT LIABILITIES AND COMMITMENTS

(TO THE EXTENT NOT PROVIDED FOR)

	As at 31 st March, 2012	As at 31 st March, 2011
1. CONTINGENT LIABILITIES :		
a) On account of Demerger of Plywood & Block Board and Particle & laminated board (both divisions) of The Mysore Chip Boards Limited in to the Company in the financial year 2007-08 :		
i) The Government of Karnataka has demanded additional seigniorage and interest towards supply of timber to the factory of The Mysore Chip Boards Limited, with effect from 23 rd February, 1981 to 28 th June, 1982. The Mysore Chip Boards Limited, being a sick company at that time, made request to the appropriate authority for waiver of this amount. However as a precautionary measure, The Mysore Chip Boards Limited has already paid an amount of ₹ 4,25,741.95 (P.Y. ₹ 4,25,741.95) against this demand.	16,04,023	16,04,023
ii) Various parties had filed a civil suit for recovery of dues / damages against The Mysore Chip Boards Limited, which has been disputed by The Mysore Chip Boards Limited and had deposited an amount of ₹ 11,46,419/- (P.Y. ₹ 11,46,419) with Hon'ble High Court of Gujarat. The said amount of ₹ 11,46,419/- (P.Y. ₹ 11,46,419)	12,28,606	12,28,606



NOTES ON FINANCIAL STATEMENT for the year ended 31st March, 2012

(Amount in ₹)

CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)	As at 31st March, 2012	As at 31st March, 2011
iii) The Company, for and on behalf of the Mysore Chip Boards Limited has given a guarantee towards a show cause notice issued by the Excise Department demanding a dues from The Mysore Chip Boards Limited. However The Mysore Chip Boards Limited had deposited an amount of ₹ 16,00,000/- (P.Y. ₹ 16,00,000) with Central Excise Department. The Mysore Chip Boards Limited had filed an appeal & disputed the said demand and the demand has been reduced to ₹ 81,01,637/- (P.Y. ₹ 81,01,637) and the penalty of the same amount by Commissioner of Central Excise, Mysore on 5 th October, 2006. The Mysore Chip Board Ltd has filed an appeal to Custom, Excise & Service Tax Appellate Tribunal, Bangalore and obtained a stay order against that demand. The tribunal has remanded back the case to the Commissioner of Central Excise for taking fresh decision after following the principles of natural justice.	1,62,03,274	1,62,03,274
b) The Company has received show cause notice issued by the Excise Department, Commissionate Meerut-II demanding ₹ 4,41,92,921/- for period from April 2006 to December 2010 for production of phenol formaldehyde resin which company is using for its own production. Hearing is going with the Excise Department, Commissionate Meerut-II.	4,41,92,921	—
c) The Deputy Commissioner of sales tax Rudrapur has demanded ₹ 49,98,317/- related to financial year 2007-08 and ₹ 1,36,687/- related to financial year 2006-07 and interest on above amount till date. The Company has deposited ₹ 11,57,615/- and filed appeal with Joint Commissioner Appeal-I, Sales Tax Uttarchand against same demand.	51,35,004	—
d) The Company has imported plant and machinery under EPCG Scheme on which it has availed Duty benefit	3,07,94,751	3,07,94,751
Raw material under Advance Licence scheme and availed a duty benefit	2,51,96,190	2,51,96,190
e) The Company has undertaken Domestic factoring facility for its trade debtors from financial institutions.	10,02,99,387	10,22,98,939
f) Guarantees given by the bank on behalf of the Company	97,38,542	1,10,11,170
2. COMMITMENTS :		
i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	—	58,00,000
ii) The Company, during the year has capitalized interest on loan (borrowing cost) amounting	—	20,32,993

II. NOTES ON ACCOUNTS

NOTE - 30

Segment Reporting : The Company has identified three segments viz a) Wood based product; b) Paper based product, which have been identified in line with Accounting Standard 17 on segment reporting taking into account organizational structure as were as differential risk and return of these segments.

Details of the Products included in each segment are as under :

- i) Wood based products : Plywood, Block Board, Veneers, Decorative Plywood, Prelaminated Particle Boards.
- ii) Paper based products : Laminated Sheets (HPL).

The segment information has been prepared in conformity with the Accounting Policies for preparing and presenting the financial statements of the Company.

Segment revenue and results includes manufacturing as well as trading activities for the same segment product. Segment current assets and liabilities are taken on the basis of the turnover of the segment.

The following table presents the information relating to profit, assets and liabilities of the business segment. (Primary Segment) of the Company.

(Amount in ₹)

Particulars	Wood Based		Paper Based		TOTAL	
	As at 31 st March, 2012	As at 31 st March, 2011	As at 31 st March, 2012	As at 31 st March, 2011	As at 31 st March, 2012	As at 31 st March, 2011
External Sales	1,27,91,58,742	1,24,54,13,296	46,44,93,889	32,69,42,103	1,74,36,52,631	1,57,23,55,399
Total Revenue	1,27,91,58,742	1,24,54,13,296	46,44,93,889	32,69,42,103	1,74,36,52,631	1,57,23,55,399
RESULTS						
Segment Results	27,79,14,537	35,69,14,745	14,04,18,439	9,44,04,887	41,83,32,976	45,13,19,633
Interest					8,91,59,543	10,72,20,910
Other Unallocable Income					21,79,17,022	3,63,39,812
Other Unallocable Expenditure					53,57,06,760	37,69,62,643
Provision for Taxation					22,44,350	32,50,000
Net Profit after tax					91,39,346	2,25,891
OTHER INFORMATION						
Assets						
Segment Assets	1,30,84,67,863	1,52,98,86,687	42,70,15,702	42,45,85,567	1,73,54,83,565	1,95,44,72,254
Unallocable Assets					36,05,28,194	26,03,92,149
Total Assets :					2,09,60,11,759	2,21,48,64,403
LIABILITIES						
Segment Liabilities	32,00,89,659	93,67,64,216	13,40,19,670	18,69,37,310	45,41,09,330	1,12,37,01,526
Unallocable Liabilities					1,64,19,02,429	1,09,11,62,877
Total Liabilities :					2,09,60,11,759	2,21,48,64,403
Capital Expenditure during the year.	39,62,281	6,01,02,546	97,43,865	1,77,27,286	1,37,06,146	7,78,29,832
Capital Expenditure during the year Unallocable					7,18,79,379	83,08,495
Depreciation and Amortization	2,42,69,655	2,77,74,956	1,15,80,800	1,10,14,056	3,58,50,455	3,87,89,011
Depreciation and Amortization (Unallocable)					1,37,70,041	97,03,174

Secondary Segment Reporting :

The Company has no reportable secondary segment.



NOTE - 31

Disclosure as per Accounting Standard 18 (AS-18) "Related Party Disclosures" Issued by the Institute of Chartered Accountants of India.

Associate Companies :

- i) The Mysore Chip Boards Ltd.
- ii) Assam Timber Products Pvt. Ltd.
- iii) Shree Shyam Tea Pvt. Ltd.
- iv) Bordhumsa Tea Company Pvt. Ltd.
- v) Vanraj suppliers Pvt. Ltd.
- vi) Ravi Marketing Services Pvt. Ltd.

Key Management Personnel :

- i) Mr. Deen Dayal Daga – Chairman
- ii) Mr. Shyam Daga – Managing Director
- iii) Mr. Rajiv Daga – Jt. Managing Director
- iv) Mr. K.K. Somani – Director Technical

The Company has entered into transactions with related parties as listed below during the year under consideration. Full Disclosure has been made and the Board of Directors considers such transactions to be in normal course of business and at rates agreed between the parties. Details of transactions with related parties are as follows :

Particulars	Year ended 31 st March, 2012	Year ended 31 st March, 2011
TRANSACTIONS WITH RELATED PARTIES :		
Associate Companies		
a) Purchase of goods	5,25,54,309	10,80,24,554
b) Receipts for facilities provided	12,00,000	—
c) Royalties Received	77,09,063	75,30,081
d) Sale of Fixed Assets	—	19,79,295
e) Purchase of Fixed Assets	—	5,95,211
f) Consignment Commission Paid	—	1,61,772
g) Freight Paid	—	4,47,216
h) Purchase of Land	23,26,92,075	—
KEY MANAGEMENT PERSONNEL		
a) Remuneration & Fees Paid	46,90,400	63,45,357
Outstanding balances on date :		
i. Payable to Related Parties		
b) Unsecured Loan	2,81,54,092	45,69,327
ii. Receivable Related Parties		
c) Receivable	2,68,01,021	47,43,151
d) Advance for Expenses to directors	80,000	3,46,813

NOTE - 32 : EARNING PER SHARE

Particulars	Year ended 31 st March, 2012 (₹)	Year ended 31 st March, 2011 (₹)
i) Net Profit After Tax (A) (₹)	91,39,346	26,664
ii) Weighted Average number of Equity Shares (B)	2,20,62,855	2,20,43,316
iii) Face Value Per Equity Share (₹)	10	10
iv) Earning Per Share (₹) – Basic & Diluted	0.41	0.0012

NOTE - 33

The Financial Statement for the year ended 31st March, 2011 has been prepared as per the then applicable, prerevised Schedule VI of the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the Financial Statement for the year ended 31st March, 2012 are prepared under revised Schedule VI. Accordingly the previous year's figures have also been classified to conform to the year's classification.

NOTE - 34 : SALE OF LAND AT MYSORE

The Company has sold the land of the Mysore Unit of 225423 sq. ft. (5 Acres 7 Guntas) area for ₹ 20,85,16,276/- only. The Company has also earned the income on the sale of land at Mysore Unit belonging to The Mysore Chipboards Limited measuring 251559 sq. ft. (5 Acres 31 Guntas) area of ₹ 4,65,38,415/-. The land was purchased from the Mysore Chipboards Limited for ₹ 740 per sq. ft. and was sold at ₹ 925 sq. ft.

NOTE - 35 : BAD DEBTS WRITTEN OFF

The Company has written off Debtors to the extent of ₹ 11.90 crore (previous year ₹ Nil) to the Bad debt which was inactive for more than 4 or more years and all avenues have been exhausted by management to collect the outstanding debt.

NOTE - 36 : UNCLAIMED SHARES

In terms of Clause 5A of the Listing Agreement with the Stock Exchange, the Company has opened the demat suspense account and has transferred the 4425 unclaimed shares of public issue to "Archidply Industries Limited Unclaimed Shares Suspense Account." The voting rights on these shares will remain frozen till the rightful owner claims the shares.

Opening Balance of the shares in the demat account	-	4425
Closing Balance of the shares in the demat account	-	4425



NOTE - 37

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING :

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principle (GAAP) and in compliance with the Accounting Standards referred to in Section 211 (3C) and other requirements of the Companies Act, 1956.

2. USE OF ESTIMATES :

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of financial statements are correct. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Actual results could differ from these estimates.

3. FIXED ASSETS : TANGIBLE & INTANGIBLE

- a) Tangible Fixed Assets are stated at cost less accumulated Depreciation and impairment loss if any. Cost comprises of purchase price and any attributable cost of bringing the assets to its working conditions for its intended use. Revenue expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production are treated as preoperative expenses and will be written off over five years.
- b) Intangible assets are stated at cost less accumulated amortization. Cost includes any directly attributable expenditure on making the asset ready for its intended use.

4. DEPRECIATION & AMORTIZATIONS :

- a) Depreciation on fixed assets has been provided for on straight line method at the rates and manner prescribed under Schedule XIV to the Companies Act, 1956, of India.
- b) Depreciation on additions / deductions is calculated prorata from / to the date of additions / deductions.
- c) Intangible assets are amortized over their estimated useful life on straight line basis over a period of 20 years.
- d) Preliminary and Demerger expenses are amortized over a period of five years.

5. IMPAIRMENT :

The carrying amounts of the assets are reviewed at each balance sheet date if there is an indication of impairment based on the internal and external factors.

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An impairment loss, if any, is charged to Profit & Loss account in the year in which the asset is identified as impaired. Reversal of impairment loss recognized in prior years is recorded when there is an indication that impairment losses recognized for the assets no longer exists or has decreased.

6. LEASES :

Lease payments under an operating lease recognized as an expense in the statement of profit and loss as per terms of lease agreement.

7. INVESTMENTS :

- a) Long term Investments are carried at cost after deducting provision, if any, for diminution in value considered to be other than temporary in nature.
- b) Current investments are stated at lower of cost and fair value.

8. INVENTORIES :

- a) Inventories related to raw materials, packing materials, stores & spares are valued at cost on weighted average basis or net realisable value whichever is lower.
- b) Waste & scraps are valued at net realizable value.
- c) Materials in transit and Semi Finished goods are valued at cost or market value whichever is lower.
- d) Finished goods and process stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- e) Finished goods are valued at cost or net realizable value whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.
- f) Obsolete, defective and unserviceable stocks are duly provided for.

9. FOREIGN CURRENCY TRANSACTIONS :

Foreign currency transactions are accounted for at the rates prevailing on the dates of the transactions / converted at contracted rate. Foreign currency assets and liabilities covered by forward contracts are stated at the forward contract rates while those not covered are restated at year end rate. Premium in respect of forward contract is recognized over the life of contracts. Exchange differences relating to fixed assets acquired from a country outside India are adjusted to the cost of the asset. Exchange differences in case of borrowed funds and liabilities in foreign currency for the acquisition of fixed

assets from a country outside India are adjusted to the cost of fixed assets. Any other exchange difference is dealt with in the Profit and Loss Account.

10. RETIREMENT BENEFITS :

Provisions for / contributions to retirement benefits schemes are made as follows :

- a) Fixed Contribution to Provident fund and other benefits are recognized in the accounts on actual cost to the Company.
- b) Liability for leave encashment & gratuity are provided based on the valuation done by the Company at the end of the year.

11. REVENUE RECOGNITION :

- a) Sales revenue is recognized on the transfer of significant risk and rewards of the ownership of goods to the buyer.
- b) Interest income and expenses and income incidental to it, are accounted for on an accrual basis.

12. BORROWING COST :

Borrowing cost directly attributable to the acquisition or construction of qualifying assets are being capitalized. Other borrowing costs are recognized as expenses in the period in which they are incurred. In determining the amount of borrowing costs eligible for capitalization during a period, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

13. TAXATION :

Provision for Current Tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions as per the Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty except for carried forward losses and unabsorbed depreciation which is recognized on virtual certainty that the assets will be realized in future.

14. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.

15. RESEARCH AND DEVELOPMENT :

Expenditure incurred during research phase is charged to revenue when no intangible asset arises from such research. Assets procured on research and development activities are generally capitalized.



NOTES

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ARCHIDPLY INDUSTRIES LIMITED

Registered Office : 29/2, 1st Floor, G.K. Manor, Seshadripuram, Nehru Nagar Circle, Bangalore - 560 020. INDIA

ATTENDANCE SLIP

Seventeenth Annual General Meeting - 29th September, 2012

Registered Folio No..... No. of Shares.....

Or

DP ID No.....

Client ID No.....

I certify that I am a Member / Proxy for the Member of the Company.

I hereby record my presence at the SEVENTEENTH ANNUAL GENERAL MEETING of the Company at Ramanashree California Resort, Ananthpura Gate, Doddaballapur Road, Yelahanka, Bangalore - 560 064.

Member's / Proxy's Name in Block Letters

Member's / Proxy's Signature

Note : Please fill in this Attendance Slip and hand it over at the Entrance of the Meeting Hall. Members are requested to bring their copies of Annual Report to the Meeting.



ARCHIDPLY INDUSTRIES LIMITED

Registered Office : 29/2, 1st Floor, G.K. Manor, Seshadripuram, Nehru Nagar Circle, Bangalore - 560 020. INDIA

PROXY FORM

Registered Folio No..... No. of Shares.....

Or

DP ID No.....

Client ID No.....

I / We.....

ofin the district of.....being members of ARCHIDPLY INDUSTRIES LIMITED.

hereby appoint.....

ofin the district of.....or failing him.....

ofin the district of.....as my / our proxy to vote for me / us on my / our behalf at the SEVENTEENTH ANNUAL GENERAL MEETING of the Company on Saturday, 29th September, 2012 at 10:00 a.m. at Ramanashree California Resort, Ananthpura Gate, Doddaballapur Road, Yelahanka, Bangalore - 560 064 and at any adjournment thereof.

Signed this day of 2012

Signature/s.....

Affix
15 Paisa
Revenue
Stamp

Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.



OUR MARKETING / REPRESENTATIVE OFFICES

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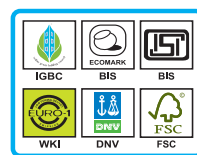
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