

Notice is hereby given that an Extraordinary General Meeting of the members of the company will be held on Wednesday, March 19, 2014 at 11.00 a.m. at the registered office of the company at # 69, Nelveli Village, Uthiramerur block, Kancheepuram dist., Tamilnadu – 603 107 to transact the following business.

SPECIAL BUSINESS**1. Increase in the Authorised Share Capital and amendment to the Memorandum of Association of the Company**

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

"RESOLVED THAT pursuant to the provisions of Sections 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing Authorised Share Capital of the Company of Rs.15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000 Equity Shares of Rs.10/- each, be and is hereby increased to Rs. 20,00,00,000 (Rupees Twenty Crores) divided into 2,00,00,000 Equity Shares of Rs.10/- each.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V:

"V. The Share Capital of the Company is Rs. 20,00,00,000 (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores Only) Equity Shares of Rs.10/- (Rupees Ten only) each, with power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes."

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

2. Alteration in Articles of Association

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

"RESOLVED THAT pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and is hereby altered by substituting the existing Article 3 by the following new Article 3:

3. "The Authorised Share Capital of the Company is Rs.20,00,00,000 (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crores only) Equity Shares of Rs.10/- (Rupees Ten only) each, with power to the Board to decide on the extent of variation in such rights and to classify and re-classify, from time to time, such shares into any class of shares."

3. Preferential allotment of Equity Shares

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

"RESOLVED THAT pursuant to Section 81 (1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the stock Exchanges where the shares of the Company are listed and subject to any approval, consent, permission and / or sanction of the appropriate authorities (hereinafter collectively referred

to as "the appropriate authorities"), and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission and / or sanction (hereinafter referred to as "the requisite approvals"), and which may be agreed to by the Board of Directors of the company (hereinafter called 'the Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the Board be and is hereby authorized to create, offer, issue and allot on a preferential basis upto 29,50,000 Equity Shares of the face value of Rs. 10/- each to non promoters as mentioned in the explanatory statement, at an issue price of Rs. 10.00/- per equity share as determined in accordance with regulations of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

RESOLVED FURTHER THAT the pricing of the equity shares to be allotted shall be determined in accordance with the pricing provisions of Chapter VII, "Preferential Issue" of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 with reference to the 'Relevant Date'.

The 'Relevant Date' for the purpose of pricing of the resultant share is 17.02.2014 i.e. 30 days prior to the date of ensuing Extra Ordinary General Meeting in terms of Section 81(1A) of the Companies Act, 1956.

RESOLVED FURTHER THAT the equity shares to be issued and allotted in terms of this resolution shall rank pari-passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT the equity shares allotted in terms of this resolution shall be subject to lock-in requirements as per the provisions of Chapter VII of SEBI (ICDR) Regulations 2009.

RESOLVED FURTHER THAT the Company do apply for listing of the new equity shares to the Stock Exchanges where the Company is listed.

RESOLVED FURTHER THAT the Company do make an application to the Depositories for admission of the new equity shares.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any other officers of the Company to give effect to the aforesaid resolutions."

4. Re-appointment of Mr. Varun Bengani u/s. 314(1B) of the Companies Act 1956 for holding office or place of profits:

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

"RESOLVED THAT pursuant to the approval of the Remuneration Committee and the Board of Directors of the Company, provisions of Section 314(1B) read with Director's Relatives (Office or Place of Profit) Rules, 2003 and all other applicable provisions, if any, of the Companies Act, 1956 approval of the members be and is hereby accorded to the re-appointment of Mr. Varun Bengani, son of Mr. B.L. Bengani, Chairman and Managing Director of the Company, to hold and continue to hold an Office or Place of Profit as Deputy Chief (Decorative Division) (or any other designation and roles which the Board / Committee of the Board may decide from time to time) of such remuneration, increments and positions and other terms and conditions as set out in the Explanatory Statement attached to this Notice.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute/file all such papers/documents as may be required to give effect to the aforesaid resolution."

**By order of the Board
For UNIPLY INDUSTRIES LIMITED**

Place: Chennai
Date: 14.02.2014

**Jayanth Viswanathan
Company Secretary**

Notes:

1. The Explanatory Statements as required under Section 102 of the Companies Act, 2013, are annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF / HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED. THE PROXY FORM DULY STAMPED AND EXECUTED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING.**
3. M/s. C. Ramasamy & B. Srinivasan, Chartered Accountants, the Statutory Auditors of the Company, have certified that the said preferential issue is in accordance with the requirements contained in the Guidelines and the said Certificate will be placed before the Extraordinary General Meeting.
4. As per MCA Circular No. 18/2011 dated 29.04.2011 the Ministry of Corporate Affairs has taken green initiative in Corporate Governance by allowing paperless compliances by companies. As per the said circular, companies are permitted to send all communications including notice to the members through electronic mode. Your company has mailed this Notice along with explanatory statements to those shareholders whose email id is available. In case of specific request for hard copy kindly send a written letter to the registered office of the company for the same.
5. The Memorandum & Articles of Association of the Company, Auditors' Certificate and other documents referred to in the proposed resolutions and in the Explanatory Statements are open for inspection at the Registered Office of the Company on any working day except Public Holidays, Saturdays and Sundays between 3.00 p.m. and 5.00 p.m. upto the date of the Extraordinary General Meeting and will also be placed before the Extraordinary General Meeting.
6. Members / Proxy holders are requested to produce at the entrance, the attached admission slip for admission into the meeting hall. Duplicate admission slips will not be provided at the hall.

**EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice and shall be taken as forming part of the Notice.

Item No. 1 and 2

The present Authorized Share Capital of the Company is Rs.15,00,00,000/- divided into 1,50,00,000 Equity Shares of Rs.10/- each. In order to meet eventualities such as augmenting resources, it is necessary to increase Authorized Share Capital of the Company from Rs.15,00,00,000/- to Rs.20,00,00,000/- by creation of 50,00,000 (Fifty Lakhs only) Equity Shares of Rs.10/- each.

The Amendment in the Capital Clause of the Memorandum and Articles of Association can be made by way of passing an Ordinary and Special Resolution respectively at the General Meeting. The Resolutions as set out in the Notice convening the Meeting are to be considered and Members are requested to approve the said Resolutions.

None of the Directors are interested in the above resolutions.

Item No. 3:**1. Object of the Preferential Issue:-**

The objective of the issue is to provide long term funding for the ongoing business and as per the requirement stipulated by the lender bank. The proposed issue of 29,50,000 equity shares @ Rs.10.00/- each (face value of Rs.10.00/- each) to non promoters amounting to Rs. 2,95,00,000/-, will be by way of conversion of their unsecured loans as per details mentioned infra.

Non Promoters	Amount of unsecured loan to be used for proposed preferential issue of equity shares (Rs.)
S.P.Advisors Pvt Ltd	85,00,000/-
Deeksha Marketing Pvt Ltd	60,00,000/-
K N S Exports Pvt Ltd	30,00,000/-
Remex Investments Pvt Ltd	30,00,000/-
S M Mercantiles Pvt Ltd	40,00,000/-
Navsari Commodities Pvt Ltd	50,00,000/-
TOTAL	2,95,00,000/-

2. Intention of the Non Promoters to subscribe to the Equity Shares

The non promoters have advanced the money as interest bearing unsecured loan at the request of the Company. Now, again at the request of the company, the said non promoters have agreed for conversion of their loans into equity on preferential allotment basis in terms of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, including any statutory modification or reenactment thereof for the time being in force.

3. Change in control:

The allotment would not result in any change in control over the company or the management of affairs of the company.

4. Pricing of Equity Shares:-

The Equity Shares will be issued and allotted at a price not lesser than the higher of the following in terms of the SEBI (ICDR) Regulations, 2009:-

- The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date; or
- The average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date;

The average price per share calculated in accordance with the Regulations works out to less than Rs. 10/- (i.e. face value) per share.

The company's shares are listed with both National Stock Exchange and Bombay Stock Exchange. The average weekly high/low for six months preceding and two weeks preceding the relevant date falls below the face value of the shares. Thus, the company has decided to issue the shares at face value i.e. Rs.10/- per share.

5. Lock - in - period:-

The equity shares to be allotted to the proposed allottees under the proposed offering shall be subject to lock-in for a period of one year from the date of trading approval of Stock Exchanges as prescribed under the SEBI (ICDR) Regulations 2009. Further, the entire pre-allotment shareholding of proposed allottees, shall be lock-in upto a period of six months from the date of trading approval.

Identity of proposed allottees and their pre & post issue shareholdings:-

The company confirms that there are no such natural persons who are the ultimate beneficial owners and/or have ultimate control over the companies to whom the shares are proposed to be allotted, as identified under the guidelines as per SEBI Circular No. CIR/MIRSD/2/2013 dated January 24, 2013.

Names of the Proposed Allottees	Pre-Issue Share Holding		No. of Shares to be allotted	Post Issue Share holding	
	No. of shares	%		No. of shares	%
S.P.Advisors Pvt Ltd	0	0	850000	850000	4.91
Deeksha Marketing Pvt Ltd	324977	2.26	600000	924977	5.33
K N S Exports Pvt Ltd	343547	2.39	300000	643547	3.71
Remex investments Pvt Ltd	185701	1.29	300000	485701	2.80
S M Mercantiles Pvt Ltd	185701	1.29	400000	585701	3.37
Navsari Commodities Pvt Ltd	324977	2.26	500000	824977	4.75
TOTAL	1364903	9.49	2950000	4314903	24.87

6. Proposed time within which the allotment shall be completed:-

The Company shall complete the allotment in terms of the Resolution set out in the accompanying notice within 15 days from the date of Extra Ordinary General Meeting or where the allotment on preferential basis requires any approval by any regulatory authority or Central Government, the allotment of shares shall be completed within 15 days from the date of such approval.

A copy of the Auditors' Certificate certifying that the issue of the equity shares is being made in accordance with the requirements contained in the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 will be available for inspection by the members of the Company at its Registered Office between 10.00 a.m. to 12.00 noon on any working day up to the date of the ensuing Extra Ordinary General Meeting of the Company.

7. Shareholding Pattern:-

The Shareholding pattern of the company before and after the proposed issue of equity shares is given below:-

Category of Shareholder		Pre-Issue		Post-Issue	
		No. of Shares	%	No. of Shares	%
(A)	Shareholding of Promoter & Promoters Group:				
	(1) Indian				
	Individuals / HUF	4472693	31.14	4472693	25.83
	Body Corporate	1772496	12.34	1772496	10.24
	Sub Total	6245189	43.48	6245189	36.07
	(2) Foreign	-	-	-	-
	Sub Total	-	-	-	-
	Total Shareholding of Promoter & Promoters Group	6245189	43.48	6245189	36.07
(B)	Public Shareholding:				
	(1) Institutions				
	Financial Institutions / Bank	14000	0.10	14000	0.08
	Sub Total	14000	0.10	14000	0.08
	(2) Non-Institutions				
	Bodies Corporate	1902488	13.24	4852488	28.03
	Individuals	5793266	40.33	5793266	33.45
	Non Resident Indians	39199	0.27	39199	0.23
	Hindu Undivided Families	369501	2.57	369501	2.13
	Any Others	100	0.001	100	0.001
	Sub Total	8104554	56.42	11054554	63.85
	Total Public Shareholding (B)	8118554	56.52	11068554	63.93
	Total (A+B)	14363743	100.00	17313743	100.00
(C)	Shares held by Custodians & against which Depository Receipts have been issued	-	-	-	-
	TOTAL (A+B+C)	14363743	100.00	17313743	100.00

Memorandum of interest:

None of the Directors is interested in the above resolutions.
Your Directors recommend the resolution for your approval.

Item 4:

The Special Resolution relates to the re-appointment of Mr. Varun Bengani in the employment of the Company as Deputy Chief (Decorative Division). Mr. Varun Bengani is the son of Mr. B.L.Bengani, Chairman and Managing Director of the Company. He was appointed as Executive Assistant to the Chairman and Managing Director in the year 2010 and was promoted to the Senior Executive grade taking into consideration his exceptional performance. Approval of the members of the Company under Section 314(1B) of the Companies Act, 1956 was also obtained for his appointment. Now it is proposed to re-appoint him as Deputy Chief (Decorative Division). The Remuneration Committee and the Board have recommended the said re-appointment with immediate effect. Since the appointee is related to the Chairman and Managing Director of the Company, this re-appointment amounts to an Office or Place of Profit and requires the approval of the members of the Company in terms of Section 314 of the Companies Act read with Director's Relatives (Office or Place of Profit) Rules, 2003.

Mr. Varun Bengani is a B.E. Mechanical graduate. Currently he looks after company's decorative division under the guidance of the Managing Director and his performance in this field has been excellent and noteworthy. He has an experience of around 4 years in the field of plywood and Panel industries.

In view of the above, it is proposed to elevate and re-appoint Mr. Varun Bengani as the Deputy Chief (Decorative Division) with more responsibility and accountability. The said re-appointment shall be with immediate effect with a salary of Rs. 1,25,000/- (one lakh twenty five thousand only) per month in addition to such other benefits as extended to the employees of the company. Further the Board is also accorded powers to revise the said salary in terms with the market trends but in any case shall not exceed an increase of 100%.

None of the directors except Mr. B.L.Bengani, Chairman and Managing Director, are concerned or interested in the said resolution. Mr. Varun Bengani does not hold any shares in the company.

Your Board recommends the approval of the said resolution.

**By order of the Board
For UNIPLY INDUSTRIES LIMITED**

**Jayanth Viswanathan
Company Secretary**

Place: Chennai
Date: 14.02.2014