



SYLVAN PLYBOARD (INDIA) LIMITED

Our Company was originally incorporated as “Singh Brothers Exim Private Limited” at Kolkata, West Bengal as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated August 20, 2002 bearing Corporate Identification Number U51431WB2002PTC095027 issued by the Deputy Registrar of Companies, West Bengal. On January 01, 2004, our Company acquired the business of M/S. Singh Brothers & Co. (a Proprietorship Concern). Subsequently, to reflect the brand name “SYLVAN” and business activity, the name of our Company was changed to “Sylvan Plyboard (India) Private Limited”, pursuant to special resolution passed by the members in Extra-Ordinary General Meeting held on January 18, 2013 and consequently Fresh Certificate of Incorporation dated March 05, 2013 was issued by Registrar of Companies, West Bengal. Subsequently, our Company was converted into Public Limited Company pursuant to special resolution passed by the members in Extra-Ordinary General Meeting held on May 24, 2018 and the name of our Company was changed to “Sylvan Plyboard (India) Limited” vide a Fresh Certificate of Incorporation dated June 19, 2018, issued by the Registrar of Companies, Kolkata, West Bengal. The Corporate Identification Number of our Company is U51431WB2002PLC095027. For details of Incorporation, Change of name and Registered office of the company, please refer to chapter titled “Our History and Certain Other Corporate Matters” beginning on page 180 of this Draft Red Herring Prospectus.

Registered Office: 41, B. B. Ganguly Street, 4th Floor, Kolkata – 700 012, West Bengal, India. **Tel. No.:** 033 22117418; **Fax:** 033 22117418

Corporate Office: 5, Nimtalla Ghat Street, Kolkata – 700 006, West Bengal, India. **Tel. No.:** 033 22735182; **Fax:** NA

E-mail: info@sylvanply.com ; **Website:** www.sylvanply.com

Contact Person: Rajneesh Mishra, Company Secretary and Compliance Officer

PROMOTERS OF OUR COMPANY: ANAND KUMAR SINGH AND SINGH SUPPLIERS PRIVATE LIMITED

THE ISSUE

INITIAL PUBLIC OFFER CONSISTING OF FRESH ISSUE OF UPTO 33,64,000* EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (THE “ISSUE PRICE”) (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) AGGREGATING UP TO RS. [●] LAKHS (THE “ISSUE”), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [●], ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER [●] AND [●] EDITIONS OF THE REGIONAL NEWSPAPER, EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”, REFERRED TO AS THE “STOCK EXCHANGE”) FOR THE PURPOSE OF UPLOADING ON IT’S WEBSITE.

In case of any revisions in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the BRLM and the terminals of the Syndicate Members (defined herein below).

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 338 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus and Prospectus will be delivered for registration to the Registrar as required under Section 32 and 26 of the Companies Act, 2013.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME (“SEBI (ICDR) REGULATIONS”). FOR FURTHER DETAILS PLEASE REFER THE SECTION TITLED ‘ISSUE INFORMATION’ BEGINNING ON PAGE 328 OF THIS DRAFT RED HERRING PROSPECTUS.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”), the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process, in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (“SEBI ICDR Regulations”), wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 each. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the BRLM as stated in “Basis for Issue Price” on page 119 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 20 of this Draft Red Herring Prospectus.

COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held; and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of our Company issued through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (‘NSE EMERGE’). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time. Our Company has received an In-Principle approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Offer document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER

REGISTRAR TO THE ISSUE

 PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India Tel: +91-22 6194 6700 Fax: +91-22 2659 8690 Website: www.pantomathgroup.com Email: ipo@pantomathgroup.com Investor Grievance Id: ipo@pantomathgroup.com Contact Person: Hardik Bhuta SEBI Registration No: INM000012110	 BIGSHARE SERVICES PRIVATE LIMITED 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East Mumbai – 400 059, Maharashtra Tel: +91 22 62638200 Fax: +91 22 62638299 Email: ipo@bigshareonline.com Website: www.bigshareonline.com Investor Grievance Id: investor@bigshareonline.com Contact Person: Babu Rapheal SEBI Registration Number: INR000001385

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON: [●]

BID/ISSUE CLOSES ON: [●]

*Number of Shares may need to be adjusted for lot size upon determination of Issue Price.

**Subject to finalization of basis of allotment.

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States of America and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

SECTION I – GENERAL

DEFINITION AND ABBREVIATION

In this Draft Red Herring Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

COMPANY RELATED TERMS:

Term	Description
“Sylvan Plyboard (India) Limited” or “Sylvan”, “SPIL” or “the Company”, or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Unless the context otherwise requires, refers to Sylvan Plyboard (India) Limited, a Public Limited Company incorporated under the Companies Act, 1956 having its registered office at 41, B. B. Ganguly Street, 4 th Floor, Kolkata - 700012, West Bengal, India
AOA/ Articles/ Articles of Association	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013 <i>vide</i> Board resolution dated July 10, 2018
Auditor or Statutory Auditor	The statutory auditor of our Company, being M/s. M. Raghunath & Co., Chartered Accountants.
Bankers to the Company	Such banks which are disclosed as Bankers to the Company in the chapter titled “ <i>General Information</i> ” on page 78 of this Draft Red Herring Prospectus.
Board of Directors/ the Board / our Board/ Director(s)	The Board of Directors of our Company, as duly constituted from time to time, including Committee(s) thereof.
Chief Financial Officer (CFO)	The Chief Financial Officer of our Company being Mohit Barasia.
CIN	Corporate Identification Number U51431WB2002PLC095027
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Rajneesh Mishra.
Corporate Office	The Corporate Office of our Company is situated at 5, Nimtalla Ghat Street, Kolkata – 700 006, West Bengal, India.
Corporate Promoter	Corporate Promoter of our Company being Singh Suppliers Private Limited.
CSR Committee	The committee of Board of Directors constituted as the Company’s Corporate Social Responsibility Committee in accordance with Section 135 of the Companies Act, 2013 <i>vide</i> Board resolution dated July 10, 2018.
Director(s)	Director(s) of our Company, unless otherwise specified
Equity Shareholders/ shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each fully paid up unless otherwise specified in the context thereof
Group Companies	Such Companies as are included in the chapter titled ‘ <i>Our Group Companies</i> ’ beginning on page 207 of this Draft Red Herring Prospectus.
Individual Promoter	Individual Promoter of our Company being Anand Kumar Singh.
IPO Committee	The IPO Committee constituted by our Board, to facilitate the process of the Issue, described in “Our Management” on page 185 of this Draft Red Herring Prospectus <i>vide</i> Board resolution dated July 10, 2018.

Term	Description
ISIN	International Securities Identification Number. In this case being INE01IH01015.
KMP or Key Managerial Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013 and as identified in chapter titled “Our Management” on page 185 of this Draft Red Herring Prospectus.
Materiality Policy	The policy adopted by our Board on July 10, 2018 for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, as disclosed in chapter titled “Our Management” on page 185 of this Draft Red Herring Prospectus <i>vide</i> Board resolution dated July 10, 2018.
Peer Reviewed Auditor	Independent Auditor having a valid Peer Review Certificate in our case being M/s. N. K. Aswani & Co., Chartered Accountants.
Promoters of our Company / Promoters	Promoters of our Company being Anand Kumar Singh and Singh Suppliers Private Limited collectively referred as “our Promoters”.
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled “Our Promoter and Promoter Group” beginning on page 202 of this Draft Red Herring Prospectus.
Registered Office	The Registered office of our Company situated at 41, B. B. Ganguly Street, 4th Floor, Kolkata West Bengal – 700012, India
RoC / Registrar of Companies	The Registrar of Companies, Kolkata situated at Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata – 700020, West Bengal, India
Shareholders	Shareholders of our Company
Stakeholders Relationship Committee	The stakeholders’ relationship committee of our Company, as disclosed in chapter titled “Our Management” on page 185 of this Draft Red Herring Prospectus <i>vide</i> Board resolution dated July 10, 2018.
You, your or yours	Prospective investors in this Issue.

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Bidders
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders.
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account.

Term	Description
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai and Kolkata.
ASBA Bidders	Any Bidder except Anchor Investor
ASBA form/ Bid Cum Application	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Draft Red Herring Prospectus.
Banker(s) to the Issue/Public Issue Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 338 of this Draft Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid Cum Application Collecting Intermediaries	1. a SCSB with whom the bank account to be blocked, is maintained; 2. a syndicate member (or sub-syndicate member), If any; 3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’), if any; 4. a depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity) 5. a registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Bid cum Application form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus
Bid Lot	[●] Equity shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.

Term	Description
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidder	Any prospective Resident Indian investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied.
Bidding/collecting Centre	Centres at which the Designated Intermediaries shall accept the Bid Cum Application Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue namely Pantomath Capital Advisors Private Limited, SEBI registered Category – I Merchant Banker.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the website of National Stock Exchange of India Limited.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids (or a revision thereof) will be accepted.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM.

Term	Description
	Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders/Applicants such as their address, PAN, occupation and bank account details.
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Date	The date on which the Collection Banks transfer funds from the public issue accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Fresh Issue may give delivery instructions for the transfer of the respective Offered Shares.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Bid Cum Application Forms from the Bidders, in relation to the Issue.
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited.
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated September 18, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Eligible NRI	NRIs from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe for the Equity Shares offered herein on the basis of the terms thereof.
EMERGE Platform of NSE/ SME Exchange	The EMERGE Platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted.
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI suitably modified and included in “Issue Procedure” beginning on page

Term	Description
	338 of Draft Red Herring Prospectus.
Issue Agreement	The agreement dated August 13, 2018 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Draft Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Draft Red Herring Prospectus.
Issue Proceeds	Proceeds to be raised by our Company through this Issue being Rs. [●] lakhs, for further details please refer chapter title “Objects of the Issue” beginning on page 112 of this Draft Red Herring Prospectus.
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of Upto 33,64,000 Equity Shares of face value Rs. 10 each fully paid of our Company for cash at a price of Rs. [●] per Equity Share (the “Issue Price”) (including a premium of Rs. [●] per Equity Share) aggregating up to Rs. [●] Lakhs.
Listing Agreement	The Listing Agreement to be signed between our Company and National Stock Exchange of India Limited.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved Portion of [●] Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] for the Market Maker in this Issue.
Market Making Agreement	Market Making Agreement dated [●], 2018 between our Company, Book Running Lead Manager and Market Maker.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Fund Portion	[●] % of the QIB Portion i.e., [●] Equity Shares available for allocation to Mutual Funds, out of the QIB Portion
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, see “Objects of the Issue” on page 112 of this Draft Red Herring Prospectus
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
NSE	National Stock Exchange of India Limited
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs.
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs.

Term	Description
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Other Investors	Investors other than Retail Individual Investors. These include individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs. [●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●] and [●] edition of the Regional newspaper [●], each with wide circulation.
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price.
Prospectus	The prospectus to be filed with the ROC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Public Issue Account	The bank account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
QIB Portion	The portion of the Issue being [●] % of the Net Issue consisting of [●] Equity Shares which shall be Allotted to QIBs subject to valid Bids being received at or above the Issue Price.
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	The Red Herring Prospectus dated [●] to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI (ICDR) Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the ROC at least three days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the ROC on or after the Pricing Date

Term	Description
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registered Brokers	Individuals or companies registered with SEBI as “Trading Members” (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited situated at Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059, Maharashtra, India
Registrar Agreement	The agreement dated August 13, 2018, entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI ICDR Regulations, 2009.
Reserved Category / Categories	Categories of persons eligible for making application under reservation portion.
Resident Indian	A person resident in India, as defined under FEMA.
Retail Individual Investors / RIIs	Individual applicants (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs. 2,00,000 in this Issue.
Revision Form	The Form used by Bidders to modify the quantity of Equity Shares in any of their Application Forms or any Previous Revision Form(s).
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.

Term	Description
SME Exchange	EMERGE Platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations.
Specified Locations	Collection centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Syndicate Agreement	Agreement dated [●] entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Pvt Ltd.
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The Agreement dated [●], 2018 entered into between the Underwriter and our Company.
Working Days	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

TECHNICAL AND INDUSTRY RELATED TERMS:

TERM	DESCRIPTION
BWP	Boiling Water Proof
BWR	Boiling Water Resistant
CPI	Consumer Price Index
CSO	Central Statistics Office
EPCG	Export Promotion Capital Goods
FSC	Forest Stewardship Council
GVA	Gross Value Added
GDP	Gross Domestic Product
GST	Goods And Services Tax
IBC	Insolvency And Bankruptcy Code
IIP	Index Of Industrial Production
IMF	International Monetary Fund
LEED	Leadership in Energy and Environmental Design
MDF	Medium Density Fibre
MoU	Memorandum of Understanding
MSP	Minimum Support Price
NBFCs	Non-Banking Financial Company
NSSF	National Small Savings Fund
OMO	Open Market Operations
SFI	Sustainable Forestry Initiative
WEO	World Economic Outlook

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A.Y./AY	Assessment Year
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AoA	Articles of Association
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as - Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as - Category III foreign portfolio investors under the SEBI FPI Regulations
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Cm	Centimetre
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified Sections
CS	Company Secretary
CEO	Chief Executive Officer
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

Term	Description
EPS	Earnings Per Share
F.Y./FY	Financial Year
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under.
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FIs	Financial Institutions
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
Ft	Foot
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FV	Face Value
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GOI/ Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended.
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR	Indian National Rupee
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 185 of this Draft Red Herring Prospectus
KVA	Kilovolt-ampere

Term	Description
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
LM	Lead Manager
Ltd.	Limited
MD	Managing Director
MICR	Magnetic Ink Character Recognition
Mn	Million
MoA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non-Banking Finance Company
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
Pvt.	Private
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC	Registrar of Companies
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India

Term	Description
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations / Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sec	Section
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	Emerge platform of National Stock Exchange of India Limited
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UOI	Union of India
US/ U.S. / USA/United States	United States of America
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “Main Provisions of the Articles of Association” beginning on page 389 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

- ii. In the section titled “*Financial Statements*” beginning on page 215 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factors*” beginning on page 20 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 122 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 266 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 215 this Draft Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 215 of this Draft Red Herring Prospectus.

CURRENCY OF PRESENTATION

In this Draft Red Herring Prospectus, references to “Rupees” or “Rs.” or “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

INDUSTRY AND MARKET DATA

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Draft Red Herring Prospectus have been obtained from publically available information, Industry Sources and Government Publications.

Industry Sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change

based on various factors, including those discussed in the section titled “*Risk Factors*” beginning on page 20 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Further, the extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in the Industry which we operate;
- Factors affecting the Industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 20 and 266 respectively of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Draft Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or any part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 144 “Our Industry” beginning on page 125 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 266 respectively, of this Draft Red Herring Prospectus as well as other financial information contained herein.

Materiality:

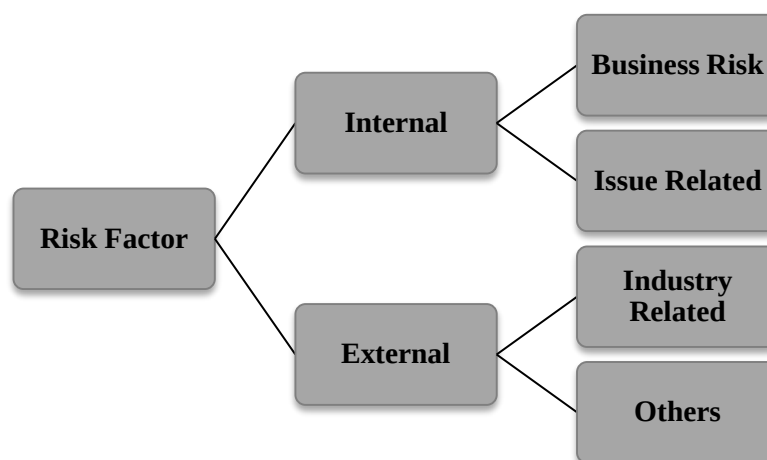
The following factors have been considered for determining the materiality of Risk Factors:

- Some events may not be material individually but may be found material collectively;*
- Some events may have material impact qualitatively instead of quantitatively; and*
- Some events may not be material at present but may have material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 3 of this Draft Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

In this Draft Red Herring Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off.

The risk factors are classified as under for the sake of better clarity and increased understanding:



INTERNAL RISK FACTORS

BUSINESS RELATED RISKS

1. *Our Company, Promoters, Directors and Group Companies are currently involved in certain litigation which is currently pending at various stages. Currently our Company is also involved in certain civil proceedings and certain other tax related proceedings; any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.*

Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors and Group Companies see the chapter titled “Outstanding Litigation and Material Developments” on page 288 of this Draft Red Herring Prospectus.

Our Company is unable to retrieve following documents w.r.t. litigation of our Company and/or Group Company –

- i. Notice dated January 14, 2015 with respect to VAT proceeding against our Company for the assessment period 2012-13, issued by Joint Commissioner of Commercial Taxes (“JCCT”) is not traceable to our Company;
- ii. Notice dated August 02, 2010 with respect to VAT proceeding against Silvertoss Industries Private Limited (“Our Group Company”) for the assessment period 2006-07, issued by Joint Commissioner of Commercial Taxes (“JCCT”) is not traceable to our Group Company;
- iii. Notice dated November 23, 2009 with respect to VAT proceeding against Silvertoss Industries Private Limited (“Our Group Company”) for the assessment period 2007-08, issued by Joint Commissioner of Sales Taxes (“JCST”) is not traceable to our Group Company;

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)
Company							
By the Company	Nil	3	Nil	Nil	Nil	Nil	Nil

Against the Company	Nil	Nil	6	Nil	Nil	Nil	630.40
Promoters							
By the Promoter	Nil	2	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	2	Nil	Nil	Nil	0.17
Group Companies							
By Group Companies	Nil	4	Nil	Nil	Nil	Nil	Nil
Against Group Companies	Nil	Nil	18	Nil	Nil	Nil	893.60
Directors other than promoters							
By the Directors	Nil	2	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	1	Nil	Nil	Nil	0.03

2. Our Company maintains high level of inventory for uninterrupted production activities.

Our inventory was Rs. 10,951.19 Lakhs and Rs. 10,341.52 Lakhs as at March 31, 2018 and March 31, 2017 respectively. While our Revenue from Operations during the Fiscal 2017-18 was Rs. 24,403.93 Lakhs implying an inventory turnover ratio of 2.29. Our requirement of maintaining inventory is high when compared to our peers in the same industry. Maintaining such high level of inventory requires extensive investments in working capital and strains our financial resources. Further, stocking high inventory may also lead to risks of scrapping of raw material, decay due to time, wear and tear. While we believe, we do maintain optimum level of inventory in consideration to our production level, our major portion of inventory is towards stocking of timber logs which are high value items. We continue to assess and maintain inventory level strategically giving importance to both operational and financial performance.

3. Our cost of production is exposed to fluctuations in the prices of raw material prices, particularly Timber.

The industry that we operate in is exposed to fluctuations in the prices of Timber and we may be unable to control factors affecting the price directly or indirectly at which we procure our raw material, particularly as we typically do not enter into any supply agreements with our suppliers and our major requirement is met in the spot market. We may at times also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our products becoming unaffordable for a particular segment of demography, if we pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our historical margins. Upward fluctuations in the prices of raw material may thereby affect our margins directly or indirectly and thereby have a direct bearing on our profitability, resulting in a material adverse effect on our business, financial condition and results of operations.

4. Business generated from certain of our top dealers fluctuate heavily on year-to-year basis.

We generate entirely of our revenue from selling plywood products (including block board and flush door), veneer, timber logs, and sawn timber to authorised dealers registered with us and traders. Revenue generated from certain of our top dealers have been fluctuating on year-to-year basis, however, total revenue generated from top dealers have been consistent. For instance, in FY 2015-16, our top 5 customers contributed Rs. 12,088.89 Lakhs to our Revenue from Operations, while in FY 2016-17, contribution was at Rs. 12,666.46 Lakhs and in FY 2017-18, revenue stood at Rs. 7,824.29 Lakhs,

however, there have been fluctuation in name of top 5 dealers in each of the 3 years. Such fluctuation of revenue generation from top dealers brings uncertainty in the business operations and our reliability on them could lead to adverse operational and financial performance. However, we believe this is a normal scenario in the plywood industry, where dealers in a particular year can be replaced with another dealer in a different year. Even though there have been fluctuation in top dealers' contribution, we have been able to maintain our total revenue consistently.

Further, we generate substantial portion of our revenue from top customers / dealers / sub-dealers, details of the same are as hereunder:

Particulars	FY 15-16	FY 16-17	FY 17-18
Top 5	51.10%	54.64%	32.06%
Top 10	59.81%	62.61%	42.07%

5. As we import majority of raw material requirement, we face the risk of losses of raw material in transit. In past two times our raw material was lost in transit.

Our Company has a policy of importing raw material, particularly timber logs owing to better availability compared to domestic market. We import our raw materials from various countries and the raw materials are shipped to our manufacturing facility after our inspection at their site. As the raw materials are shipped via sea route, we have experienced the loss of raw materials in transit in past. Further, shipment via sea route also exposes us to risks like illegal selling, theft causing financial loss to us. However, all our shipments are insured and we continue to receive insurance claims for our losses in transit. For FY 2017-18, we have received Rs. 100.53 Lakhs as insurance claim for loss in transit and For FY 2015-16, we have received Rs. 95.95 Lakhs as insurance claim for loss in transit. But we may not be able to assure that such insurance claim may be adequate and cover entirety of our financial risks. Further, insurance claim may be rejected and are subject to various checks and discretion by the insurance company.

6. In past we had experienced fire mishap in our manufacturing facility.

Our Company stocks timber logs at our manufacturing facility which is highly flammable item. In FY 2016-17, we have witnessed fire mishap at our manufacturing facility. Although, the fire has not led to any losses of life, our Company had witnessed losses of raw materials and finished goods stocks at our facility. We have received insurance claim for such losses to the extent of Rs. 72.33 Lakhs in FY 2016-17. Due to flammable nature of our raw material and finished goods, our Company continues to foresee such risks in future which may lead to substantial operational, financial and business losses. However, our manufacturing facility is now well equipped with required equipment but we may not be able to assure you that such equipment will allow us to avoid or completely curtail the happening of such accidents in future.

7. Our Company focusses on manufacturing of plywood, veneer and timber logs segment with no presence in Medium Density Fibre (MDF) products.

We are engaged in the business of manufacturing, marketing and selling of plywood (including flush door and block board), veneer, timber logs and sawn timber, in domestic market, majorly in West Bengal. We have also expanded our operations to states like, Andhra Pradesh, Odisha, Karnataka, Bihar, Maharashtra and Gujarat amongst others. We have built strong recall of "Sylvan" brand amongst the mind of our end customers and dealers. However, there has been increased focus and activity in MDF segment, considered as cheapest alternative to plywood. Certain of our competitors have set-up / in process of setting up manufacturing facility dedicated for manufacturing of MDF products. Target market for MDF products are customers who use low priced plywood mostly from unorganised players or lower segment products from established organised players. Our Company has no MDF facility currently and accordingly we continue to focus on plywood segment. In case if there is a paradigm shift of customers from plywood to MDF products, our Company stands at a risk of losing market share in MDF segment and thereby leading

to consequent loss of revenue. Further, setting up a MDF product facility is capital extensive and requires substantial amount of funding, we may not be in a position to set up such facility due to fund constraints.

8. *Our operations are concentrated in the state of West Bengal and any adverse developments affecting West Bengal could have an adverse effect on our business, results of operations and financial condition.*

Our operations are concentrated in the state of West Bengal. Our manufacturing facility is also located in Baidyabati near Kolkata, located in the state of West Bengal. We generate majority of our revenue from this state, out of Rs. 24,403.93 Lakhs in FY 2017-18, we have generated revenue of Rs. 18,293.43 Lakhs from the state of West Bengal. Consequently, any significant social, political or economic disruption, or natural calamities or civil disruptions in the state of West Bengal, or any changes in the policies of the state or local governments of this state or in the Government of India, could require us to incur significant capital expenditure and change our entire business strategy in parts or in entirety. The occurrence of, or our inability to effectively respond to any such event or adapt to the changes in such policies could have an adverse effect on our business, results of operations, financial condition and cash flows.

9. *Our Company does not manufacture Particle board, Laminates and allied products.*

We generate our revenue from selling plywood (including flush door and block board), veneer, timber logs and sawn timber. Many of our direct competitors are also engaged in the business of manufacturing and selling other products like Particle board, Laminates and other allied products. Such wider product offerings under one roof envisages greater brand recall and higher market share leading to higher revenue. We have been focussing on plywood segment owing to our expertise in the domain and accordingly we make our strategic business decisions. Owing to our focus and limited fund availability, we have not ventured into other products which may affect our business operations adversely.

10. *Our Corporate Promoter has acquired shares in 2007-08 for which consideration was paid to some other party instead of transferors.*

Certain shares were initially allotted to Pigeon Syntex Private Limited (50,000 equity shares) (“Pigeon Syntex”), Dadima Finance Private Limited (75,000 equity shares) (“Dadima Finance”), Wigwam Finance and Investment Private Limited (1,45,000 equity shares) (“WFIPL”), Delux Vyapar Private Limited (80,000 equity shares) (“DVPL”) through further allotment of shares made by the Company on September 16, 2004 and Shringar Vanijya Private Limited (40,000 equity shares) (“SVPL”) and Surlok Commodities Private Limited (1,20,000 equity shares) (“SCPL”) through further allotment of shares made by Company on March 31, 2007 (collectively Pigeon Syntex, Dadima Finance, WFIPL, DVPL, SVPL and SCPL shall be referred to as “Transferors”).

Subsequently, these shares were transferred to our Corporate Promoter i.e. Singh Suppliers Private Limited (“SSPL”) and SSPL paid consideration to Blackberry Dealcom Private Limited (“Blackberry”) instead of Transferors pursuant to letters dated March 17, 2008. However, our Company is not able to ascertain the nature of the transaction between Transferors & Blackberry and capacity in which Blackberry held the consideration amount owing to inadequate information about.”

11. *Certain bank statements of the Company and Promoters (prior to year 2008) are not traceable.*

Certain bank statements of the Company and Promoters (prior to 2008) are not traceable to our Company and Promoters. Hence, the source of the funds infused as capital by our promoters during the period prior to 2008 are not identifiable. Accordingly, the source of the fund infused by our promoters during the period prior to 2008 mentioned in the Chapter titled “Capital Structure” beginning on page 90 of this Draft Red Herring Prospectus are based on the data provided by management, certificate given by Chartered Accountant and to the best of information available.

12. Our business growth is partially dependent on the growth and development of construction real estate industry.

Our products are majorly sold to retail household customers apart from other customers. Requirement of our products arises mostly owing to set-up of new apartments, offices or renovation of them. Such activities are mostly correlated with growth and development of real estate and construction industry. Any adverse developments, government policies in relation to these industries which affect their growth will impact our business operations along with our financial performance.

13. We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of defects in our products, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

Any failure or defect in our products could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. However, our products, processes and inputs have to undergo a special quality test conducted by in house laboratory to ensure that the same is of the requisite quality. Although, we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity. Our industry has a trend of providing piece to piece warranty wherein in case of any defect during the warranty tenure, we are liable to provide a replacement of the defective one.

Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our Company, brand, or products, including those arising from a drop in quality of products / RM from our vendors, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

14. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.

Modernization and technology upgradation is essential to provide better services to customers. Although, we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing technology employed by us. Further, the costs in up grading our technology could be significant as compared to the one that our competitors might have in place in terms of costs, efficiency and timely delivery of the final products.

15. Our import operations are largely dependent on various treaties and government agreements between India and foreign nations.

Our Company purchases substantial portion of its raw material requirement from outside India. In this regards, our business with such countries are largely dependent on the business relationships between governments of countries. Signed treaties and agreements controls the rules, regulations, prohibitions among other important factors which decides the trade relations between the countries which have entered into treaties and agreements. We have been able to trade with these countries owing to liberal and favourable treaties and business relations among the nations. However, with increasing competition and escalating trade wars situations, countries may impose certain restrictions and embargo, prohibitions or imposition of unfavorable terms, which may lead to difficulties in our operational and financial performance.

16. Our dependence on few suppliers puts us at risk of interruptions in the availability of raw materials, which could adversely affect our business, financial condition and results of operations. Further, we have not entered into any long-term agreements with our suppliers for raw materials and accordingly may face disruptions in supply from our current suppliers.

We procure raw materials required for the manufacturing process from different locations. We choose to deal with suppliers on the basis of quality assurance, cost effectiveness and relationships that we share. Though we prefer to deal with suppliers with whom we have cordial relationships, there are no fixed

suppliers for our raw material purchases and independently we have also not entered into any fixed supply agreement or MoU or any other arrangement with any of our suppliers. Our top 5 and top 10 suppliers contributed 69.18% and 81.55% of our costs of material consumed for the period ended 31st March, 2018.

These suppliers have accorded their trust and service based on our operating history in the industry, our credit worthiness, and our goodwill. However, in the absence of any written agreements or contracts, our suppliers are not bound to supply goods to us and can withdraw their commitments from us at any time. There can be no assurance that there will not be a significant disruption in the supply of raw materials from current sources, or, in the event of a disruption, that we would be able to locate alternative suppliers of the raw materials of comparable quality on terms acceptable to us, or at all.

17. *The industry segments in which we operate being fragmented, we face competition from other players, which may affect our business operational and financial conditions.*

The market for our products is competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes such as technical competence, quality of products, various products line, customer base, pricing and timely delivery. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive.

Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

18. *Our Company has not complied with certain statutory provisions under Companies Act. Such non-compliances/lapses may attract penalties.*

Our Company has not complied with certain statutory provisions such as the following:

- Non-compliance with provisions of Section 185 of Companies Act, 2013 by providing Advance to related parties within the meaning of Section 2(76) of Companies Act, 2013 of Rs. 1,68,057. However, as on date the same does not exist.

No show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent. Such delay/noncompliance may in the future render us liable to statutory penalties and disallowing the resolutions, which may have consequence of violation of statutory provisions concerned.

While this could be attributed to technical lapses and human errors, our Company is in process of setting up a system to ensure that requisite filings are done appropriately with the requisite timeline.

19. *We are subject to various laws and regulations relating to the handling and disposal of wastes. If we fail to comply with such laws and regulations, we can be subjected to prosecution, including imprisonment and fines or incur costs that could have a material adverse effect on the success of our business.*

Due to the nature of our business, we expect to be or continue to be subjected to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subjected to environmental laws and regulations, including but not limited to:

- a. The Environmental Protection Act, 1986, as amended from time to time;
- b. the Air (Prevention and Control of Pollution) Act, 1981, as amended from time to time;
- c. the Water (Prevention and Control of Pollution) Act, 1974, as amended from time to time; and

d. Other rules and regulations promulgated by the Ministry of Environment and Forest and various statutory and regulatory authorities and agencies in India regulate our handling of hazardous substances and wastes.

We are required to obtain registrations from the relevant State Pollution Control Board to be able to handle and dispose wastes. We are also required to take a number of precautionary measures and follow prescribed practices in this regard. Our failure to comply with these laws could result in us being prosecuted, including our Directors and officers responsible for compliance being subjected to imprisonment and fines or both in certain cases. We may also be liable for damage caused to the environment. Any such action could adversely affect our business and financial condition.

20. Our Company faces threats of ban and restrictions on wood cutting activities by various government and other environmental authorities.

For manufacturing of plywood, one of the most important raw material are timber logs. Our Company procures these timber logs majorly from the Non-domestic markets. Due to the requirement of cutting of trees for this purpose, there has been lot of environmental concerns in regards to cutting of trees and trading in timber logs. With increased focus on sustainable environment, various countries across the globe are taking steps towards restrictions and bans on deforestation activities. Recently, few countries have banned logging activities in their country. Domestically, various 'not for profit organisation' and government taking this as a serious issue, plywood industry across the globe faces threats of availability of timber logs. Such issues may adversely impact the manufacturing operation of plywood which relies heavily on logs.

21. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.

Our business is working capital intensive. A significant portion of our working capital is utilized towards inventories and trade payables. Summary of our working capital position is given below:-

Amount (Rs. In lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
A. Current Assets					
Inventories	10,951.19	10,341.52	10,765.16	9,969.79	10,110.53
Trade Receivables	2,929.81	2,570.19	2,269.03	2,230.85	2,565.44
Cash and Cash Equivalents	84.20	57.39	252.52	1,119.18	21.45
Short Term Loans & Advances	372.15	329.36	301.33	607.20	618.10
B. Current Liabilities					
Trade Payables	4,973.01	4,885.56	5,264.56	4,685.51	7,522.14
Other Current Liabilities	373.39	968.22	448.11	962.35	857.17
Short Term Provisions	238.50	20.26	42.49	32.40	20.73
Working Capital (A-B)	8,752.45	7,424.42	7,832.88	8,246.76	4,915.48
Inventories as % of total current assets	76.38%	77.76%	79.23%	71.59%	75.93%
Trade payables as % of total current liabilities	89.04%	83.17%	91.48%	82.49%	89.55%

We intend to continue growing by reaching out to new customers and also increasing sales to the existing customers and thereby reaching to other geographical areas. This may result in increase in the quantum of current assets particularly trade receivables and trade payables. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further

details regarding working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page 112 of this Draft Red Herring Prospectus.

22. Our Company has negative cash flows from its operating, investing and financing activities in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.

Our Company had negative cash flows from our operating, investing and financing activities in the previous years as per the Restated Financial Statements and the same are summarized as under:

Amount (Rs. In lakhs)

Particulars	For the year ended March 31,				
	2018	2017	2016	2015	2014
Cash Flow from / (used in) Operating Activities	(162.54)	1,236.19	687.16	(1,269.43)	(471.68)
Cash Flow from / (used in) Investing Activities	(431.32)	(21.62)	(283.89)	(5.31)	(300.09)
Cash Flow from / (used in) Financing Activities	620.68	(1,409.70)	(1,269.93)	2,372.47	347.73

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

23. We do not have any offshore office or business place to look after our foreign operations.

We purchase our products from both domestic as well as international markets. A major portion of our purchases are conducted from international markets. However, we do not have any offshore office or branch as a result of which we may not be able to capitalize on opportunities offered by the evolving international market on timely manner. The business operations of our Company are entirely handled from our registered and corporate offices located at Kolkata. Apart from this, our Company does not have any place of business overseas either in the nature of liaison office or corporate office.

24. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture new inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture or get manufactured by third parties on our account, we may be required to write-down our inventory or pay our suppliers without new purchases or create additional vendor financing, which could have an adverse impact on our income and cash flows.

25. Conflicts of interest may arise out of common business undertaken by our Group Companies.

Few of our Group Companies are authorised to carry on similar activities as those conducted by our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company, and our Group Companies in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other company in which our Promoter has interests. There can be no assurance that our Promoter or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

For further details of the same kindly refer chapter titled “Our Group Companies” beginning on page no. 207 of this Draft Red Herring Prospectus.

26. Some of our Group Companies have incurred losses in the previous fiscal years.

Sustained financial losses by our Group Companies may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations. Some of our Group Companies, Laptop Vyapaar Private Limited, Sylvan Vincom Private Limited and Singh Suppliers Private Limited (SSPL is also our Corporate promoter) have incurred losses in previous years. Although, Laptop Vyapaar Private Limited has different business object than those of our company.

Following are the financial information of our loss making group companies on the basis of their Audited Financial Statements:

Financial Performance of Laptop Vyapaar Private Limited -

(Rs in lakhs)

Particulars	For the year ended		
	2017	2016	2015
Paid up Capital	137.24	137.24	137.24
Reserve and Surplus (Excluding Revaluation and Amalgamation reserve)	596.49	598.99	607.05
Networth	733.73	736.24	744.29
Sales and other income	7.98	7.74	2.27
Profit/loss after tax	(2.51)	(5.22)	(9.40)

Financial Performance of Sylvan Vincom Private Limited -

(Rs in lakhs)

Particulars	For the year ended		
	2017	2016	2015
Paid up Capital	297.58	297.58	297.58
Reserve and Surplus (Excluding Revaluation and Amalgamation reserve)	297.31	301.57	295.32
Networth	594.89	599.15	592.90
Sales and other income	5.41	28.48	3.82
Profit/loss after tax	(4.26)	(6.25)	(7.17)

Financial Performance of Singh Suppliers Private Limited -

(Rs in lakhs)

Particulars	For the year ended		
	2017	2016	2015
Paid up Capital	343.09	331.89	331.89
Reserve and Surplus (Excluding Revaluation and Amalgamation reserve)	1,136.56	1,115.26	1,162.18
Networth	1,479.65	1,447.14	1,494.07
Sales and other income	1,172.81	482.69	1,236.65
Profit/loss after tax	(17.89)	(46.93)	47.27

There can be no assurance that our Group Companies, will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses.

27. *The shortage or non-availability of power facilities may adversely affect our manufacturing processes and have an adverse impact on our results of operations and financial condition.*

Our manufacturing processes requires substantial amount of power facilities. The quantum and nature of power requirements of our industry and Company is such that it cannot be supplemented/ augmented by alternative/ independent sources of power supply since it involves significant capital expenditure and per unit cost of electricity produced is very high in view of increasing oil prices and other constraints. We are mainly dependent on State Government for meeting our electricity requirements. Any defaults or non-compliance of the conditions may render us liable for termination of the agreement or any future changes in the terms of the agreement may lead to increased costs, thereby affecting the profitability. Further, since we are majorly dependent on third party power supply; there may be factors beyond our control affecting the supply of power.

Any disruption / non-availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

28. *We may be unable to attract and retain employees with the requisite skills, expertise and experience, which would adversely affect our operations, business growth and financial results.*

We rely on the skills, expertise and experience of our employees to provide quality services to our customers. Our employees may terminate their employment with us prematurely and we may not be able to retain them. Experienced and skilled worker in our industry are highly sought after, and competition for talent is intense. If we experience any failure to attract and retain competent personnel's or any material increase in labour costs as a result of the shortage of skilled labour, our competitiveness and business would be damaged, thereby adversely affecting our financial condition and operating results. Further, if we fail to identify suitable replacements of our departed staff, our business and operation could be adversely affected and our future growth and expansion may inhibited.

29. *Our manufacturing facility is located at West Bengal. Any delay in production, or shutdown, or any interruption for a significant period of time, in this facility may in turn adversely affect our business, financial condition and results of operations.*

Our Company has its manufacturing facility located at Baidyabati near Kolkata in West Bengal. Our success depends on our ability to successfully manufacture and deliver our products to meet our customers demand. Our manufacturing facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below the expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. Further, our manufacturing facility is also subject to operating risk arising from compliance with the directives of relevant government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on our business, financial condition and results of operations.

30. *Our Company does not own the land on which our corporate office and branch offices are situated.*

Our corporate office at 5, Nimtalla Ghat Street, Kolkata – 700 006, West Bengal, India is not owned by our Company and is taken on rent from our director, Jai Prakash Singh. Further, our branch offices which are located in the state of Telangana and Uttar Pradesh are also not owned by us. However, these agreements can be extended and renewed, but we cannot assure you that such extension will be at terms favourable to the Company, or extendable at all. In an adverse scenario, we may have to shift our offices to different premises, the terms of which may not be suitable to the Company. Such situations may adversely impact our business operations.

For further details for our corporate and branch offices of our Company, please refer the chapter titled “Government and Other Statutory Approvals” beginning on page 303 of this Draft Red Herring Prospectus.

31. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.*

We believe that the industry in which we operate face competitive pressures in recruiting and retaining skilled and unskilled labour. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past but there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment.

We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although, our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

32. *We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of SYLVAN PLYBOARD (INDIA) LIMITED from SYLVAN PLYBOARD (INDIA) PRIVATE LIMITED pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.*

Our Company has made an application for the renewal of the consent to operate which is currently pending. Our Company is yet to apply for renewal of the certificate of registration of generating plants, certificate of enlistment for the registered office & corporate office, authorisation under Rule 5 of the Hazardous Wastes (Management, handling & Trans boundary movement) Rules 2008, certification marks license bearing no. CM/L 5634066, Certificate of Quality Management System ISO 9001:2008 bearing certificate no. 14891 and certificate of environment management system ISO 14001:2004 bearing no. 14890.

We need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course of our business Pursuant to our conversion from a private limited company to a public limited company in the year 2018, we need to take necessary steps for transferring the approvals of our company in the new name. Approvals like tan allotment certificate, employee's state insurance scheme and certificate of registration for property tax for registered office are currently not traceable by the company. Additionally, our company has not applied for change of name of the approval/s as mentioned in material licenses/ approvals for which the Company is yet to apply section of Government and Other Statutory Approvals Chapter. For more information, see chapter “Government and Other Statutory Approvals” on page 303 of this Draft Red Herring Prospectus.

33. *We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain. We have a logo which is used for our business purpose.*

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our corporate name

or logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business, financial condition, results of operations and prospects. In case of failure to renew our intellectual property on time, it may adversely affect our business operations.

Our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects.

The material approvals, licences or permits required for our business include excise and tax laws, environment laws and shops and establishment licences, among others. See “Government and other Statutory Approvals” on page 303 of this Draft Red Herring Prospectus for further details on the required material approvals for the operation of our business.

34. Our Company is dependent on third party transportation providers for transportation of raw materials and finished goods. Accordingly, any increase in transportation costs or unavailability of transportation services for our products or transportation strikes may have an adverse effect on our business.

Our Company is engaged in manufacturing of plywood products and we have our manufacturing facility situated at West Bengal. We procure raw materials from domestic suppliers and also import from various other countries. Also, our finished goods are sold and delivered to various locations across the country. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. Most of these raw material and finished products are transported to and from our manufacturing unit by third party transportation providers. Transportation strikes could have an adverse effect on our receipt of goods, raw materials and our ability to deliver our products to our customers. Non-availability of ships, barges and trucks could also adversely affect our receipt of goods, raw materials and the delivery of our products.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

35. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

36. There have been some instances of non-filing/ delays/incorrect filings in the past with certain statutory authorities. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

In the past, there have been some instances of non-filings or incorrect filings or delays in filing statutory forms with the ROC, which have subsequently been filed along with the payment of additional fees, as specified by ROC. Except as mentioned in this Draft Red Herring Prospectus, till date, there has been no penalty levied on the Company for such delays/defaults. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company or its Directors / Officers in relation to the same, our business,

financial condition and results of operations could be adversely affected. Some of the instances of non-filing or incorrect filing are follows –

- Name of Niraj Fiscal Services Private Limited was not mentioned in the list of Allottees for the further allotment of shares made on August 20, 2009;
- Non filing of the form for the alteration of Article of Association of Company approved in the Extra-Ordinary General Meeting of company held on February 28, 2013;
- Copy of the Special Resolution passed in the EGM of the Company held on February 26, 2016, authorizing preferential issue of shares was not attached in the Form MGT-14 filed with Registrar of Companies.

Further, in the past, there are instances where our company has not recorded certain transactions in the Minutes of Meetings, or have recorded the same incorrectly.

37. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.

Our Company has taken secured loan from banks by creating a charge over our immovable properties in respect of loans/facilities availed by us. The total amounts outstanding and payable by us for secured loans were Rs. 5,077.38 lakhs as on March 31, 2018. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on our business, financial condition and results of operations. For further details please refer to chapter titled Financial Indebtedness in chapter titled “Financial Indebtedness” on page 282 of this Draft Red Herring Prospectus.

38. We may not be successful in implementing our business strategies in future due to certain reasons beyond our control.

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

39. We have not entered into any technical support service for the maintenance and smooth functioning of our equipment's and machineries, which may affect our performance.

Our manufacturing processes involve daily use of technical equipment's and machineries. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. Our Company has not entered into any technical support service agreements with any competent third party. However, Company has an in-house team for maintenance and advancement of machinery. Our failure to reduce the downtime in as such events occur may adversely affect our productivity, business and results of operations.

40. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

41. The average cost of acquisition of Equity Shares by our Promoters could be lower than the floor price.

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “Capital Structure” beginning on page 90 of this Draft Red Herring Prospectus.

42. We have not entered into any definitive agreements with our customers/dealers. If our dealers choose not to buy their products from us, our business, financial condition and results of operations may be adversely affected and our business are on purchase order basis with our customers.

We have not entered into any definitive agreements with our dealers, and instead we majorly rely on past sales trend to govern the volume, pricing and other terms of sales of our products. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place. Consequently, there is no commitment on the part of the customer to continue to source their requirements from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers vendor preferences. There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. We do not have long-term contracts with our customers and there can be no assurance that we will continue to receive repeat orders from any of them, including our long-standing customers. There can be no assurance that they will be on the same terms, and the new terms may be less favourable to us than those under the present terms.

43. We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions.

Our Company has imported more than 56% of its raw material purchases from foreign markets for the year ended March 31, 2018. We import our raw material products and purchase amount is paid in foreign currency denominated in USD. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Although our exposures are hedged on judgemental basis, we are exposed to foreign currency fluctuation risk and may affect our Company’s results of operations.

44. We have issued Equity Shares in the last twelve months, the price of which may be lower than the Issue Price.

We have issued equity shares in the last twelve months at a price which may be lower than the Issue Price. Details of such issuance are given in the table below:

Date of Allotment	No. of Equity Shares	Face Value (in Rs.)	Issue Price (In Rs.)	Nature of Allotment
May 10, 2018	45,46,060	10	NA	Bonus Issue

For further details of Equity Shares issued, please refer to chapter titled, ‘Capital Structure’ beginning on page 90 of this Draft Red Herring Prospectus.

45. Our insurance coverage may not be adequate.

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies to insure our factory building such as Standard Fire and Special Perils Policy. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, losses due to terrorism, etc. Further, there can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance

claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled “Our Business” beginning on page 144 of this Draft Red Herring Prospectus.

46. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure. Further, we are required to maintain certain financial ratios.*

As on March 31, 2018, we had a total debt of Rs. 5,077.38 Lakhs. We have entered into certain understandings/arrangements for these borrowings. Some of these understandings/arrangements contain requirements to maintain certain security margins, financial ratios and contain restrictive covenants relating to issuance of new shares, changes in capital structure, making material changes to constitutional documents, implementing any expansion scheme, incurring further indebtedness, encumbrances on, or disposal of assets and paying dividends. For further details, refer page 282 “Financial Indebtedness”. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “Financial Indebtedness” on page 282 of the Draft Red Herring Prospectus. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

47. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.*

Since, the Issue size is less than Rs.10,000 lakh and as per the provisions of Regulation 16 (1) of the SEBI ICDR Regulations, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

48. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 112 of this Draft Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.*

We intend to use entire Issue Proceeds towards meeting working capital requirements and general corporate purposes. Such deployment is based on certain assumptions and strategy which our Company believes to implement in near future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” beginning on page 112 of this Draft Red Herring Prospectus. The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors.

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “Objects of the Issue” beginning on page 112 of this Draft Red Herring Prospectus, the Management of the Company will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors along with the Audit Committee will monitor the

utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue.

- 49. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page 112 of this Draft Red Herring Prospectus.

- 50. *Our Promoter and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

As on the date of this Draft Red Herring Prospectus, our Promoters and members of the Promoter Group hold 99.79% of the issued, subscribed and paid-up share capital of our Company. After completion of the Issue, our Promoters and Promoter Group will collectively own [●] % of the Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

- 51. *We have taken guarantees from Promoters and Group Companies in relation to debt facilities provided to us.***

We have taken guarantees from Promoters and Group Companies in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled “Financial Indebtedness” beginning on page 282 of this Draft Red Herring Prospectus.

- 52. *Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

53. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page 214 of this Draft Red Herring Prospectus.

54. *Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.*

Our success is substantially dependent on the expertise and services of our Directors, Promoter and our Key Managerial Personnel (“KMP”). They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for KMP in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

55. *In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.*

Our Directors and Key Managerial Personnel (“KMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 90 and 185 respectively, of this Draft Red Herring Prospectus.

56. *Certain agreements and deeds may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.*

Some of the agreements and deeds entered by us may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company and may lead to the increase in costs and reduction in revenue of the Company.

57. *Negative publicity could adversely affect our revenue model and profitability.*

Our business is dependent on the trust our customers have reposed in the quality of our products and services. Any negative publicity regarding our Company, brand, or our products due to any other unforeseen events could affect our reputation and our results from operations. Further, our business may also be affected if there is any negative publicity associated with the products and services which are being rendered by our Company which may indirectly result in erosion of our reputation and goodwill.

58. *We have in the past entered into related party transactions and may continue to do so in the future for support activities and guarantees*

Our Company has entered into various transactions with our Promoter, Directors and their Relatives and Group Company. These transactions or any future transactions with our related parties could potentially involve conflicts of interest. While we believe that all such transactions are conducted on arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter "Related Party Transactions" beginning on page 213 of the Draft Red Herring Prospectus.

59. *Industry information included in this Draft Red Herring Prospectus has been derived from industry reports commissioned by us for such purpose. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.*

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although, we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

60. *The requirements of being a public listed company may strain our resources and impose additional requirements.*

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

61. *We are subject to risks associated with expansion into new geographic regions.*

Expansion into new geographic regions, including different states in India, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face

significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including, laws and regulations, uncertainties and customer's preferences, political and economic stability.

By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

ISSUE SPECIFIC RISKS

62. There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Once listed, we would be subject to circuit breakers imposed by all stock exchange in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchange. The percentage limit on circuit breakers is set by the Stock Exchange based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchange do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

63. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- Volatility in the Indian and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors,
- Adverse media reports on Company or pertaining to the Textile Industry;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India's economic and fiscal policies; and
- Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

64. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.

The Issue Price of our Equity Shares will be determined by Book Built method. This price is be based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 119 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will

be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

65. *You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.*

The Equity Shares will be listed on the Stock Exchange. Pursuant to the applicable Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Draft Red Herring Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with Section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the Stock Exchange, we are required to refund all monies collected from investors.

66. *QIB and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid*

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

67. *Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

EXTERNAL RISK FACTORS

INDUSTRY RISKS

68. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.*

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our

business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

OTHER RISKS

69. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Red Herring Prospectus.*

As stated in the reports of the Auditor included in this Draft Red Herring Prospectus under chapter “Financial Statements as restated” beginning on page 215 the financial statements included in this Draft Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

70. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax (“STT”) is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares, except in the case of such acquisitions where STT could not have been paid, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017.

However, Finance Bill, 2018, proposes to tax such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

71. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.*

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to “Key Industry Regulations and Policies” on page 168 for details of the laws currently applicable to us. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations.

Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge currently being collected by the central and state governments. The GST is expected to increase tax incidence and administrative compliance. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules (“GAAR”) provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

72. *Financial instability in Indian financial markets could adversely affect our Company’s results of operations and financial condition.*

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors’ reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

73. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.*

The GOI has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

74. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

75. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

76. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

77. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

78. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

79. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

PROMINENT NOTES

1. Public Issue of upto 33,64,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. [●] per Equity Share ("Issue Price") aggregating upto Rs. [●] Lakhs, of which [●] Equity Shares of face value of Rs. 10/- each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of [●] Equity Shares of face value of Rs. 10/- each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute [●] % and [●] %, respectively of the post Issue paid up equity share capital of the Company.
2. Investors may contact the BRLM or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "General Information" beginning on page 78 of this Draft Red Herring Prospectus.
3. The pre-issue net worth of our Company was Rs. 7,166.87 lakhs as of March 31, 2018 and Rs. 6,755.67 Lakhs for the year ended March 31, 2017. The adjusted book value of Equity Share was Rs. 78.83 as at March 31, 2018 and Rs. 74.30 as at March 31, 2017 as per the restated financial statements of our Company after giving effect of bonus shares allotted. For more information, please refer to section titled "Financial Statements" beginning on page 215 of this Draft Red Herring Prospectus.
4. The average cost of acquisition per Equity Share by our Promoter is set forth in the table below:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Anand Kumar Singh	40,000	157.50
Singh Suppliers Private Limited	38,26,920	21.46

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled "Capital Structure" beginning on page 90 of this Draft Red Herring Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer "Related Party Transaction" under chapter titled "Financial Statements as restated" beginning on page 215 of this Draft Red Herring Prospectus.
6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "Issue Structure" beginning on page 334 of this Draft Red Herring Prospectus.
7. Except as disclosed in the chapter titled "Capital Structure", "Our Promoter and Promoter Group", "Our Management", "Related Party Transaction" and "Group Companies" beginning on pages 90, 202, 185, 213 and 207 respectively, of this Draft Red Herring Prospectus, none of our Promoter, Group Companies, Directors or Key Management Personnel has any interest in our Company.

8. Except as stated in the chapter titled “*Our Group Companies*”, beginning on page 207 and chapter titled “*Related Party Transactions*” beginning on page 213 of this Draft Red Herring Prospectus, our Group Companies have no business interest or other interest in our Company.
9. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with the Stock Exchange.
10. Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 90 of this Draft Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.
11. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
12. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 119 of the Draft Red Herring Prospectus.
13. Our Company was originally incorporated as “Singh Brothers Exim Private Limited” at Kolkata, West Bengal as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated August 20, 2002 bearing Corporate Identification Number U51431WB2002PTC095027 issued by the Deputy Registrar of Companies, West Bengal. On January 01, 2004, our Company acquired the business of M/S Singh Brothers & Co. (Proprietorship Concern of Jai Prakash Singh). Further, to reflect the brand name “SYLVAN” and business activity, the name of our Company was changed to “Sylvan Plyboard (India) Private Limited”, pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on January 18, 2013 and consequently Fresh Certificate of Incorporation dated March 05, 2013 was issued by Registrar of Companies, West Bengal. Subsequently, our Company was converted into Public Limited Company pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on May 24, 2018 and the name of our Company was changed to “Sylvan Plyboard (India) Limited” vide a Fresh Certificate of Incorporation dated June 19, 2018, issued by the Registrar of Companies, Kolkata. The Corporate Identification Number of our Company is U51431WB2002PLC095027.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 20 and 215 respectively of this Draft Red Herring Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO INDIAN PLYWOOD INDUSTRY

Before discussion of development in Plywood industries it is necessary to know "What does Plywood means". Means, Plywood is a wood base panel product. It is manufactured by gluing together a number of thin sheets of veneers or piles of soft wood or hard wood makes Plywood. There are always an odd number of veneers and each ply is at right angle to one below, this gives the material its strength. The more veneers used, the stronger the Plywood becomes. Both the type of glue and veneers determine the suitability of a sheet for a particular application.

The history of Plywood industry in India is old. It is more than 75 year that this industry was started here on a very modest scale. It was in the year 1906-1907 that Plywood was imported in India for the first time valued at Rs. 32 lacs. Imports rose steadily and by 1924-1925 it were worth Rs. 90 lacs. Tea Industry in Assam, West Bengal and Kerala was steadily developing and it was thought that Plywood industry in the form of Tea Chests production mainly for export should be developed. Accordingly two Plywood factories were started in Assam in 1923- 1924 but their development was steady and slow and not phenomenal. These were the pioneers and the resourcefulness and courage shown by them in the early stages of growth of Plywood industry was remarkable and the industry owes gratitude to these courageous entrepreneurs. With the outbreak of Second World War, necessity of manufacturing tea chests locally was very much felt and Plywood industry in from of Tea chests industry started on a large scale.

It will riot be exaggerated that Plywood industry in India is a gift of Second World War. Now those tea Chests must be produced, Forest Departments in different states started thinking in terms of finding Suitable timber for manufacturing tea chests.

After 1947-48, the industries resorted to diversification of its Marine and aircraft Plywood produced in Indian factories came into the market, which were second to none in the world in quality and diversity of its products. Industrial Licensing is governed by the Industries (Developmental and Regulation) Act, 1951 under which the wood based industry was covered.

There was no restriction of putting up Plywood Mill up to 1970, the only criteria was that the applicant was required to obtain An Industrial License, which was being considered by Ministry of Industry after Consulting various Ministries including Ministry of Environment & Forests. Forest Ministry was being consulted for ascertaining sustainable raw material of Timber for a Particular project; the Wood based Industry was more or less in Medium and Large scale. The Wood based Industry was under Compulsory Industrial Licensing from 1988 whether a small scale unit or a Large/Medium unit, new undertaking or substantial expansion would require Industrial License.

During 1970 there was clear-cut definition of small-scale sector and units having an investment of less than 7.5 Lakhs in plant and Equipment Were covered under the definition of small-scale sector, which would be registered with the respective State Director of Industries. At that particular stage some of the unit with such investment got them transferred to small-scale sectors. Meanwhile there were

Modern technology and machinery equipped Plywood units coming up in different places In India like North Eastern Zone. In 1997 the Government of India totally delicensed Wood based industry as a result more than 2000 small - scale units coming up.

(Source: *Indian Plywood Industry Analysis* - India Brand Equity Foundation - www.ibef.org)

OVERVIEW OF PLYWOOD INDUSTRY IN INDIA

The history of Plywood industry in India is old. It is more than 75 year that this industry was started here on a very modest scale. It was in the year 1906-1907 that Plywood was imported in India for the first time valued at Rs. 32 lacs. Imports rose steadily and by 1924-1925 it were worth Rs. 90 lacs. Tea Industry in Assam, West Bengal and Kerala was steadily developing and it was thought that Plywood industry in the form of Tea Chests production mainly for export should be developed. Accordingly two Plywood factories were started in Assam in 1923- 1924 but their development was steady and slow and not phenomenal. These were the pioneers and the resourcefulness and courage shown by them in the early stages of growth of Plywood industry was remarkable and the industry owes gratitude to these courageous entrepreneurs. With the outbreak of Second World War, necessity of manufacturing tea chests locally was very much felt and Plywood industry in from of Tea chests industry started on a large scale.

The potentialities of the industry can be judged from the many uses to which Plywood can be put on the base of demand for the following articles from the consumers:

- Shuttering Plywood;
- Packaging Plywood;
- Plywood drums;
- Flush doors;
- Commercial & Decorative Plywood;
- Block Boards;
- Moulded Plywood furniture's and chair seats;
- Laminated picking sticks for cotton and jute textile industry;
- Sliced decorative veneers of walnut, teak, rosewood etc.

(Source: *Indian Plywood Industry Analysis* - India Brand Equity Foundation - www.ibef.org)

GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund (IMF), the global economy is experiencing a near-synchronous recovery, the most broad-based since 2010. In 2017, roughly three-quarters of countries experienced improvements in their growth rates, the highest share since 2010. The latest World Economic Outlook (WEO) of the IMF shows global GDP growth accelerated to around 3.6 percent in 2017 from 3.2 percent in 2016, and the forecast for 2018 has been upgraded by 0.2 percentage points to 3.9 percent. Although rebounding, global growth is still well below levels reached in the 2000s.

One reason why the recovery has spread around the globe is that world trade in goods and services has finally emerged from its torpor, registering 4.7 percent real volume growth in 2017 compared with 2.5 percent in 2016. Another reason is that commodity producers such as Russia, Brazil, and Saudi Arabia, which for the past few years been suffering from depressed prices, have benefitted from the upswing in demand. Commodity prices increased smartly in 2017, led by petroleum, whose price rose by 16 percent to reach \$61 per barrel by the end of the year.

Even as global growth and commodity prices have surged, inflation has remained remarkably quiescent, remaining below 2 percent in the main advanced regions. Consequently, monetary policies in the US, Eurozone and Japan have remained highly accommodative despite a strong recovery. These unusual settings—rapid growth, ultra-low interest rates—at a late stage in the economic cycle have produced the rarest of combinations: record-high high bond prices and stock market valuations, both at the same time.

The consensus forecast calls for these conditions to be sustained in 2018, as companies respond to buoyant demand conditions by stepping up investment, some governments (such as the US) embark on expansionary fiscal policies, while advanced country monetary policies remain stimulative and world trade continues to grow briskly.

What are the risks? Of course, there are the usual geo-political and geo-economic risks: war in the Korean peninsula; political upheaval in the Middle East; aggressive output cuts by Saudi Arabia (and Russia) in advance of the planned listing of the Saudi Arabian oil company, Aramco, which could force oil prices even higher; a final reckoning from China's unprecedented credit surge in the form of capital controls, slowdown in growth, and a sharply depreciating currency with consequences for the global economy (Economic Survey, 2016-17, Chapter 1); and trade tensions that could lead to skirmishes, and then spiral out of control. But perhaps the main risks lie on the macro-finance front in advanced economies. These stem from three, inter-related, sources:

- Asset valuations (price-equity ratios) tend to revert to their mean. And the faster and higher they climb, especially so late in the economic cycle, the greater the risk of sharp corrections.
- Simultaneously high valuations of both bonds and equities tend to be briefly lived because they suffer from an acute tension: if future earnings and economic growth are so bright, justifying high equity prices, interest rates cannot be forever so low.
- And if interest rates rise—or if markets even sense that central banks will need to shift their stance—both bond and equity prices could correct sharply. A plausible scenario would be the following. The IMF is now forecasting that advanced country output gaps will close in 2018 for the first time since the Global Financial Crisis. As this occurs, wages would start rising, eating into profits (which would prick equity valuations); and as inflation rises in tandem, policy makers would be forced into raising rates, deflating bond valuations and further undermining share prices.

What would happen to growth if asset prices correct? Surely, the impact would be far smaller than it was in 2007-09, because advanced countries are far less vulnerable than they were a decade ago. In particular, the leverage tied to these assets is much lower, which would minimize contagious propagation; while banks are much better buffered, with higher levels of capital and core deposits, and lower levels of risky assets.

Even so, there would be some consequences. For one, a large decline in wealth would force advanced country consumers to cut back on their spending, which in turn would lead firms to curtail their investments. And if this happens, monetary and fiscal policies would have much less room for expansionary manoeuvre since interest rates are already low while government debts are high. And the political implications of yet another decline in asset prices, the second in a decade, could also be significant, with effects that are difficult to imagine.

In sum, assessing future risks hinges on two calls: interest rate policy and asset valuations. On policy, extraordinarily low rates have, to paraphrase Paul Krugman, become “an obsession in search of a justification.” Initially justified by the dislocations caused by the Global Financial Crisis, then by large output gaps, they are now defended on the grounds that inflation remains weak, even as the slack in product and labor markets is disappearing rapidly. Will the gathering new evidence on closing output gaps and rising employment dispel that obsession?

On valuations, the prognosticator must navigate a narrow strait: steering clear of the “Cry of Wolf” trap (bond prices will finally, finally correct, having defied the prediction of correction in each of the last several years), without succumbing to the siren call of “This Time is Different” (stock valuations are sustainable this time because interest rates will remain at historic lows).

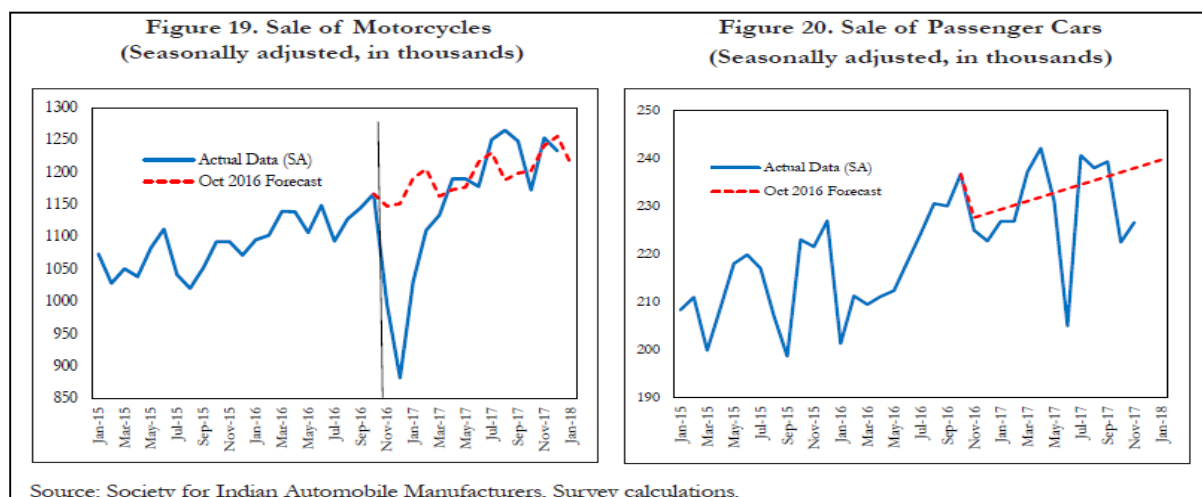
(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OVERVIEW OF INDIA'S ECONOMIC PERFORMANCE IN 2017-18

Economic activity

The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation (Figure 17) and exports.

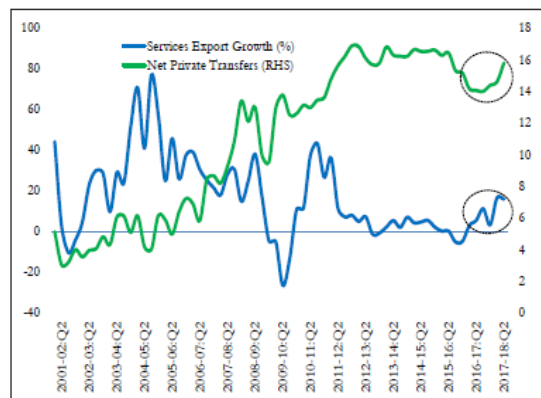
Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating (Figure 18). Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased by 43 percent (April-December 2017 compared to the same period a year ago), substituting in part for weak bank credit. Rural demand, proxied by motor cycle sales, and auto sales, while not yet back to its pre-demonetization trend, are recovering (Figures 19 and 20).



Perhaps most significantly, the behaviour of manufacturing exports and imports in the second and third quarters of this fiscal year has started to reverse. The re-acceleration of export growth to 13.6 percent in the third quarter of FY2018 and deceleration of import growth to 13.1 percent, in line with global trends, suggest that the demonetization and GST effects are receding. Services export and private remittances are also rebounding (Figure 21).

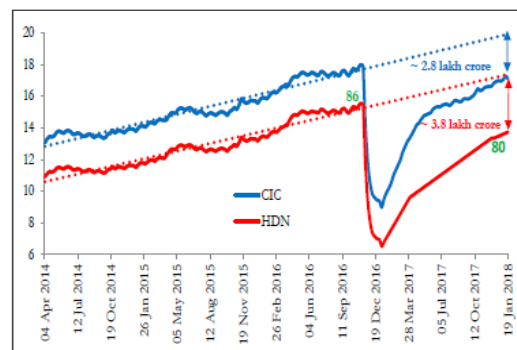
On demonetization specifically, the cash-to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization (Figure 22). The stabilization also permits estimation of the impact of demonetization: about Rs. 2.8 lakh Crores less cash (1.8 percent of GDP) and about Rs. 3.8 lakh Crores less high denomination notes (2.5 percent of GDP).

Figure 21. Services Export Growth (percent) and Net Private Remittances (in US\$ billion)



Source: RBI, Survey calculations.

Figure 22. Currency in Circulation (CIC) and High Denomination Notes (HDN) (In Rs. lakh crore)



Source: RBI, Survey calculations; Numbers in green denote HDN as share of CIC.

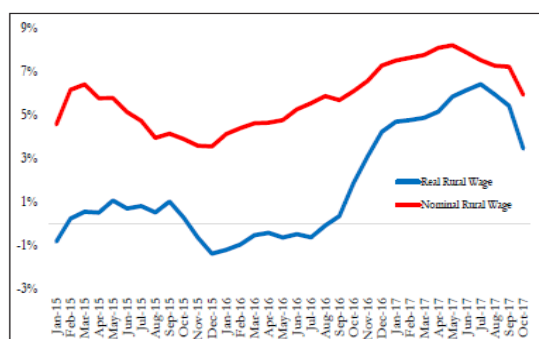
A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporates have not raised commensurate amounts of capital, suggesting that their investment plans remain modest (Box 6). In other words, the twin engines that propelled the economy's take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

Meanwhile, developments in the agriculture sector bear monitoring. The trend acceleration in rural wages (agriculture and non-agriculture), which had occurred through much of 2016 because of increased activity on the back of a strong monsoon, seems to have decelerated beginning just before the kharif season of 2017-18 (Figure 23) but it is still greater than much of the last three years. Three crop-specific developments are evident. Sowing has been lower in both kharif and rabi, reducing the demand for labor. The acreage for kharif and rabi for 2017-18 is estimated to have declined by 6.1 percent and 0.5 percent, respectively. Pulses and oilseeds have seen an increase in sowing, but this has translated into unusually low farmgate prices (below their minimum support price, MSP), again affecting farm revenues. The so-called TOP perishables (tomatoes, onions, and potatoes) have meanwhile fluctuated between high and low prices, engendering income uncertainty for farmers.

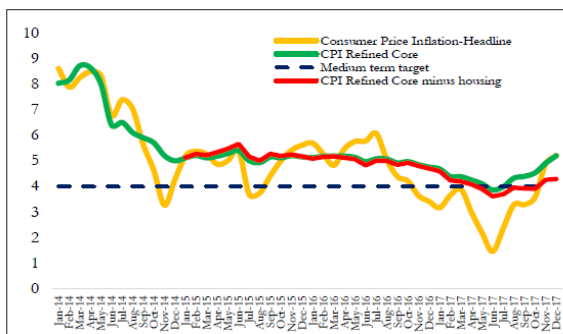
The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO-forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6 3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favourable base effects, especially in the fourth quarter.

Figure 23. Real and Nominal Rural Wages Growth
(percent, 3 month moving average)



Source: Labour Bureau, Survey calculations.

Figure 24. Inflation: CPI and Variants*
(percent, year-on-year)



Source: MoSPI, Survey calculations.

*CPI Refined Core is obtained by stripping out the volatile food and fuel components.

Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. This implies average CPI inflation in the last quarter of 5 percent, in line with the RBI's forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

Macroeconomic indicators

After 13 months of continuously under-shooting the inflation target by an average of 130 basis points, headline inflation for the first time crossed the RBI's 4 percent target in November, posting a rate of 5.2 percent in December 2017 (Figure 24). The recent upswing in inflation stems from rising global oil prices (not all of which has been passed on to consumers), unseasonal increases in the prices of fruits and vegetables, and the 7th Pay Commission housing rent allowances, which mechanically increase inflation. Stripped of all these factors, underlying inflation has been increasing at a more modest pace, reaching 4.3 percent at end-December—in part because firms are passing the incidence of GST on to final consumers only gradually.

The current account deficit has also widened in 2017-18 and is expected to average about 1.5-2 percent of GDP for the year as a whole. The current account deficit can be split into a manufacturing trade deficit, an oil and gold deficit, a services deficit, and a remittances deficit (Figure 25). In the first half of 2017-18, the oil and gold balance has improved (smaller deficit of \$47 billion) but this has been offset by a higher trade deficit (\$18 billion) and a reduced services surplus (\$37 billion), the latter two reflecting a deterioration in the economy's competitiveness.

Despite these developments, the overall external position remains solid. The current account deficit is well below the 3 percent of GDP threshold beyond which vulnerability emerges. Meanwhile, foreign exchange reserves have reached a record level of about \$432 billion (spot and forward) at end-December 2017, well above prudent norms.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OUTLOOK FOR 2018-19

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.

Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by

more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up, and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private capex cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending—assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices requires tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, re-instating India as the world's fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India's exports and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another ½ percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise. One eventuality to guard against is a classic emerging market “sudden stall” induced by sharp corrections to elevated stock prices. (Box 9 suggests that India's stock price surge is different from that in other countries but does not warrant sanguine-ness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the resurgence of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation—especially in a pre-election year—based on optimistic forecasts that carry a high risk of not being realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

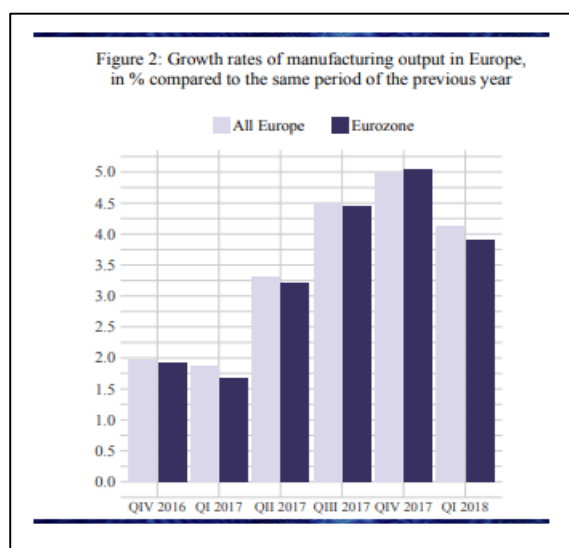
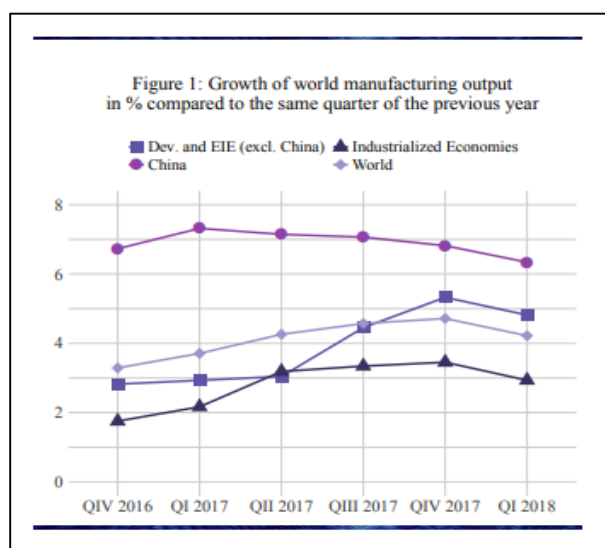
GLOBAL MANUFACTURING SECTOR

World Manufacturing Growth

Following the improved growth rate of global manufacturing in 2017 both in industrialized as well as in developing and emerging industrial economies, the year 2018 set off with major downturn risks caused by a new wave of protectionism. This development has not yet had an impact on the dynamics of manufacturing growth. New tariffs and economic sanctions announced by the United States as well as uncertainties related to Brexit are considered impending threats of another slowdown of global industrial growth. The improved growth conditions in industrialized economies in 2016-2017 continue to have a positive impact on global manufacturing. As a result, world manufacturing output maintained an impressive growth rate of 4.2 per cent in the first quarter of 2018.

Industrialized economies, accounting for more than half of world industrial output, played a major role in this development. New fiscal stimuli — above all, in the United States, but in Germany as well — are expected to further boost short-term growth. This and other factors according to the OECD will continue to drive and strengthen world manufacturing output.⁶ As already mentioned above, increased trade tensions may, however, have detrimental effects on production growth and jobs. Data for the first quarter of 2018 generally indicate that year-over-year manufacturing growth has only decreased marginally (Figure 1). Data for China is to the extent possible presented separately from the country groups due to the size of the country's economy.

Industrialized economies continued to maintain the higher growth rates attained at the end of 2017. In the first quarter of 2018, this country group's manufacturing output rose by 2.9 per cent compared to the same period in 2017. This growth was attributable to the dynamic recovery of Europe's manufacturing sector, which increased by 4.1 per cent in the first quarter of 2018. At the same time, North America's manufacturing output rose by 2.6 per cent. The growth rate of East Asia's industrialized economies remained below 2.0 per cent due to the poor performance of the Republic of Korea, where manufacturing output dropped by 3.1 per cent in the first quarter of 2018.



China, the world's largest manufacturer, maintained a robust year-over-year growth rate of about 6.3 per cent despite the import restrictions announced by the United States against Chinese products. The manufacturing output of developing and emerging industrial economies (excluding China) registered the most dynamic growth rate in recent quarters and achieved an overall growth rate of 4.8 per cent compared to the same quarter of 2017. Developing economies in Asia and Pacific recorded a high growth rate of 5.5 per cent in the first quarter of 2018, supported in particular by India with an impressive growth rate of 7.0 per cent. An even higher increase of 7.7 per cent was observed in the group of developing economies in the Eastern Europe region.

Latin America continued its recovery and expanded its manufacturing output by 2.7 per cent compared to the first quarter of 2017. The year-over-year growth rate of Brazil's economy of 4.4 per cent has had a considerable impact on Latin America's strong performance. Growth estimates based on limited data also showed a positive growth rate of nearly 2 per cent for Africa's manufacturing output. In short, manufacturing production expanded across all industrialized and developing regions in the first quarter of 2018 compared to the same period of the previous year, which confirms manufacturing's sustained recovery at the global level.

(Source: World Manufacturing Production- Statistics for Quarter I, 2018; United Nations Industrial Development Organisation - www.unido.org)

MANUFACTURING SECTOR IN INDIA

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020*.

Market Size

The Gross Value Added (GVA) at basic current prices from the manufacturing sector in India grew at a CAGR of 4.34 per cent during FY12 and FY18 as per the second advance estimates of annual national income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Road Ahead

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

Exchange Rate Used: INR 1 = US\$ 0.015 as on March 30, 2018

Notes: * - According to the Global Manufacturing Competitiveness Index published by Deloitte

(Source: Indian Manufacturing Industry Analysis - India Brand Equity Foundation - www.ibef.org)

TIMBER AND PLYWOOD SECTOR IN INDIA

Introduction

Wood consumption in India is growing fast, and although the country has more than 250 commercial timbers – including some of the most highly prized tropical hardwoods like teak, rosewood, padouk, red sanders and sandalwood – a strict conservation policy limits harvesting. This means India is a net importer of wood and wood-based panel products.

Plywood has got several advantages over the natural wood. Ordinary wood has the tendency to Shrink and swell at varying humidity and temperature conditions. Further, it has got certain other Defects also, such as, knots, irregular grains etc. These defects are removed in Plywood. It is dimensionally stable in changing atmospheric conditions due to cross lamination or the veneers.

Plywood can be prepared in larger and requisite sized also. Its appearance can also be made more that it is used for making furniture, packing cases, and bodies of cars, buses and wagons. It is also used for making ships, boats, aircrafts, sports goods, and textile accessories and for hundreds of other uses.

Decorative Plywood and block board with decorative face veneers is still popular for panelling and partitions with Interior Designers. Interior of offices, shops, reception areas in buildings and banks are the main locations for wide use of Plywood block board. Pre-finished and pre-laminated and veneered particleboards are now being widely used in construction with aluminium framing for interiors. However, where resistance to moisture, decay and insects are needed preservative treated Plywood and fire retardant Plywood may be preferable to these newly introduced materials.

(Source: Indian Plywood Industry Analysis - India Brand Equity Foundation - www.ibef.org)

WOOD CONSUMPTION IN INDIA

India abounds in several tree species whose wood is used for making furniture. Apart from indigenous material available in India, many species of wood are also imported to make up for the shortfall in domestic supply. Popular wood types used in India include walnut, sandalwood, teak, sheesham, deodar, ebony, redwood, rosewood, red cedar and sal.

Teak accounts for almost 50% of the total wood consumption for furniture; sal and deodar account for another 20% and the balance includes mahogany, cedar and other species. India also has an abundant supply of rubber wood: natural rubber plantations cover 520,000 hectares, with an additional 6,000 hectares being replanted almost every year since 1994. The southern state of Kerala produces 95% of the total supply of rubber wood in India. Economic and population growth have dramatically increased wood demand in India, and this trend is expected to continue. Total consumption is projected to rise from 58 million cubic metres in the year 2005 to 153 million cubic metres in 2020. As consumption rises and domestic supply remains static, imports have grown to fill the gap.

India is the second-largest importer of tropical logs in the world. At any given time, around 30% of all tropical logs in trade are destined for India. Import of logs represent over 74% of the total imports of forest products in the country. Among the reasons for importing logs into India are the simple and cost-effective 23,000-odd saw mills in the country, 98% of which are small units with an annual log intake of only 3,000 cubic metres. The total production capacity is estimated at around 27.12 million cubic metres per annum.

(Source: India Wood Sector Market Study, – AHEC, www.woodzone.com)

HISTORY OF PLYWOOD

Thin sheets of wood veneer put together gives the structure of a wooden panel which is termed as plywood. Plywood is manufactured from medium density fiberboard called as MDF and particle board known as chipboard. The layers of plywood are pasted together with adjacent plies having their wood grain rotated relative to adjacent layers up to 90 degrees. History dates back to 1797, when a British naval engineer named Samuel Bentham applied for patent rights for machineries which are to be used for producing veneers. In his application he gave a brief description about the theory of laminating several layers of veneer with glue to form a thicker piece which is now called as plywood. Samuel Bentham did lot of inventions in the ship building industry.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

READY-MADE ARTIST BOARDS ARE MADE OF PLYWOOD

During the ancient period the veneers were available as flat sawn, rift sawn or quarter sawn which meant that the log was either cut across or along in varying angles to the grain restricted in width and length. Nearly after 50 years from the theory of Samuel Bentham, it was described by Immanuel Nobel, father of Alfred Nobel that instead of a single thick layer of wood several thin layers of wood when bonded together proved much stronger than the former. Immanuel Nobel also invented the rotary lathe for the production of laminated wood. Though there are not many records about the further set of the rotary lathe and the commercialization of plywood but still from the French dictionary of the 1870 edition there are mentions about the process of rotary lathe veneer manufacturing in its entry Deroulage. With this we can arrive at the fact that it was in the year 1860 in France the rotary lathe plywood manufacture center was established. Followed by this plywood was introduced in USA in the year 1865 which slowly led to industrial production. The first fixed or the standard sized plywood sheets were first introduced by the United States in the year 1928 which was used as a building material. Even much before it was used as a building material the plywood was used for various other purposes like as a support for easel paintings which replaced traditional canvas or cardboards. There are articles which states that in 1880 ready-made artist boards for oil painting in three-layered plywood (3-ply) were produced.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

BUILDERS USE PLYWOOD AS THE MAJOR BUILDING MATERIAL

Today almost all the builders in India use plywood as the major and common building material. Plywood has become an absolutely necessary part of construction or building material. Thin sheets of wood or veneer are pressed to give strong, adaptable, pliable featured plywood. All these characteristic features have become the prime attraction of the builders for them to be used in the construction of building. However the plywood can be graded based on the usage of different bonding agents and brand of wood used in the production. In the composite plywood material the main specialty is the cross graining which is the alteration of the grain. This feature is highly beneficiary for it decreases the likelihood of the wood to split when the edges are nailed. It also helps in the reduction and the shrinkage of the wood thereby increasing the dimensional stability. With increase in the stability the strength of the panel is the same in all directions. To reduce distortion and twist, the sheets are piled in odd numbers aiding in balancing. Because plywood is bonded with grains running against one another and with an odd number of composite parts, it is very hard to bend it perpendicular to the grain direction of the surface ply.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

TYPES OF PLYWOODS

The plies or the layers are arranged at right angles to each other in those plywoods which are comparatively thin and of low quality. The next immediate better quality of plywood has their plies arranged in steps of 45 degrees which gives durability in number of axes. But however the best quality plywood is said to have plies arranged at 30 degrees in seven layers or have nine layers with two layers of 45 and 135 degrees in the sandwich. The process of manufacturing gets difficult when the step rotation

is small which in turn would result in increased manufacturing cost and thereby also the retail price. Structurally the plywood panels are characterized by face veneers of a higher grade than the fundamental veneers. The core layers' primary function is to increase the panel resistance to bending by extending the separation between the outer layers because the stress is highest in this area of bending

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

USES OF PLYWOOD

In major Plywood producing countries USA, Canada and Australia- Plywood is mainly used for load bearing applications and building construction, as already explained strength properties of 20 Plywood and its moisture resistance characteristics make it particularly suitable for sheathing in wood framed houses. Here Plywood is used as well, roof and floor sheathing providing high over all rigidity to wood frames against wind and even earthquakes.

The efficiency of sheathing or diaphragm action depends upon how Plywood is fastened to wood. As explained earlier Plywood is either nailed or nail glued to wood. For our country where wood frame construction is not the usual way of constructing houses, use of Plywood for structural purposes mainly for secondary elements like web beams, arch panel, folded plate roof, rigid frames, etc. may be considered. These components can be used either as roof supporting elements or roofing itself. Flexibility and high strength or Plywood also makes it suitable for cylindrical bins for rain storage.

It is interesting to note that the bulk of structural Plywood in the world is manufactured from softwood, although mixed hardwoods are now being used in limited quantities. Obviously for us structural Plywood has to be necessarily made from mixed hardwood.

Further Plywood has been successfully used as stressed skin panels as wall and roof elements in prefabs, where 6 mm thick Plywood is glue nailed to longitudinal wooden runners. The composite action between Plywood and wood in these panels results in multiple T beam action leading to considerable saving of wood raw material.

Use of preservative treated Plywood with edges properly sealed in glued Plywood structures makes them practically maintenance free. Besides structural grade Plywood, which has definite assigned strength values, shuttering, marine and BWP grade Plywood can also be used in construction. Present experience has shown that preservative treated and shuttering grade Plywood has given more than 15 years of trouble free service. Normally use of Plywood for roofing requires further protection with membrane or mastic coatings.

(Source: Indian Plywood Industry Analysis - India Brand Equity Foundation - www.ibef.org)

PLYWOOD IS COST EFFECTIVE AND DURABLE

Thus the thick panels can stretch to a greater extent under the same weight. The maximum strain and pressure occurs in the outermost layers during bending. The stress during bending decreases from the maximum at the face layers to nearly zero at the central layer. Shear stress, by contrast, is higher in the center of the panel, and zero at the outer fibers. The more layers in a plywood the more strongly and durable it is giving a high strength- and stiffness-to-weight ratios. Plywood is very cost effective and it is graded based on the quality of the face material on a scale of A to D where the high graded is expensive than the rest. The plywood can withstand any weather be it a freezing cold or sharp sun provided it should be protected by a coating on its top with a layer of paint. Plywood has the quality of able to adapt or be adapted to many different functions or activities. Though it has many layers it is easy to be nailed and to cut when proper equipment is used.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

PLYWOODS ARE EASY TO WORK FOR IT IS OF LOW WEIGHT

Plywoods are easy to work with for it is relatively of low weight when compared to other wood for all it needs is basic carpentry skills. There are different types of plywood available in the market based on for

what purpose or application it is used for. Medium density fiber which is commercially known as MDF is made from heat-pressed wood dust. It is very heavy when compared to the other types and is usually covered with wood veneer. The next type is the medium and high density overlay plywood which consists of a core, and then a pressed fiber material is laid over that core. This is supposed to weigh less than the MDF and also more stable than the other types. The most common type of plywood used in building construction is CDX plywood which is very common for the use on the walls and roof sheathing. Today, the market for plywood and allied products in India is estimated to be about Rs. 12,000 crores (US\$ 2.50 billion) with 70% dominated by a multitude of motley players in the unorganized sector.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

GROWTH AREAS

Foreign Direct Investment

FDI is an important driver of economic growth as it leads to productivity enhancement and is a major source of non-debt financial resources and employment generation. FDI inflows are critical for sustaining a high growth rate. The government is playing a proactive role in investment promotion through a liberal FDI policy.

Furniture Retailing

The Indian Furniture Industry is estimated to be worth US\$ 17,922 million. Of this, wooden furniture accounts for US\$ 5,358 million. More and more wooden furniture is imported and imports are growing at 60% year-on-year. The Indian furniture market offers attractive growth options for multinational players looking at the Indian market, which is moving more towards the organised segment.

Institutional Furniture

Office space absorption is increasing in India's seven major cities as corporates look at expanding businesses. With a share of 41% the IT/ITes sector would be an important player in the office space segment in India. The banking, financial services and insurance (BFSI) sector accounts for 14% of office space occupancy.

Flooring

Flooring is one area in the construction industry that has been witnessing rapid changes over the past two decades. The advent of several new technologies and the increased use of specialised machinery have meant that the field has changed beyond recognition. Today, about 500 million square metres of laminate flooring and another 120 million square metres of engineered wood flooring are consumed annually.

(Source: India Wood Sector Market Study – AHEC, www.woodzone.com)

MAJOR CONCERNS IN THE PRODUCTION PROCESS OF PLYWOOD

The major concern in the production process of plywood is the glue used because both the urea formaldehyde and phenol formaldehyde are highly carcinogenic when used in high concentrations. So most of the manufactures uses only the "E" rated adhesive which is the low formaldehyde-emitting glue system. Plywood produced to "E0" has effectively zero formaldehyde emissions. Apart from the glue factor the other major outlook in the production field is the wood resources which are a major concern of the natural resources and thereby the energy conservation. The manufacturers in the plywood production industry have several certification programs like Forest Stewardship Council (FSC), Leadership in Energy and Environmental Design (LEED), Sustainable Forestry Initiative (SFI), and Green guard which ensures the production and construction practices are to be maintained at a certain rate or level.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

SUMMARY OF OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page 19 of this Draft Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” beginning on pages 20 and 215 respectively.

OVERVIEW OF THE BUSINESS

Incorporated in the year 2002, our Company is engaged into manufacturing of various wood products such as veneer, sawn timber, plywood, block board, flush door and flexi door across various grades and thickness. In the year 1971, Jai Prakash Singh (Whole Time Director of our company and father of our promoter) through his proprietorship concern, M/S Singh Brothers & Co., started the business as a trading concern of indigenous timber logs through imports and subsequent to it selling the same in Indian market. Leveraging the knowledge of timber products and domestic market, in 2002 our Company was incorporated as a Private Limited company with the objective of acquiring ongoing business of M/S Singh Brothers & Co amongst other objects. Over the period, after establishing ourselves as a reputed brand for trading in timber products in Eastern India, we expanded our activities to manufacturing activities by setting up an integrated manufacturing facility in Baidyabati, West Bengal located near Kolkata for which entire land was acquired over the period of year 2009-2012 which is spreading over an area of approx. 4,50,000 sq. ft. In line with objectives of expansion, recently we have entered into Memorandum of Understanding (MoU) with Uttar Pradesh government in UP Investors Summit held in February 2018 to set up a plywood manufacturing unit with a proposed investment of Rs. 7,500 Lakhs.

We have 15 numbers of plywood products in our basket, thickness ranging from 4 mm to 40 mm. Plywood segment contributes approx. 42% of our revenue from operations. Our Company has large range of product offering to wide range of customers, “Sylvan Z+” is the most premium plywood product of our Company amongst other offerings in premium segment. Recently, we have also added another product to our portfolio, “Sylvan Blu” which is aimed at lower and lower middle class segment with a view of addressing the growing demand of cheaper plywood and their alternatives. We also offer Boiling Water Proof (BWP) and Boiling Water Resistant (BWR) plywood. Our range of plywood products caters to various customers across various segments majorly in household, ship building and offices area.

Our Company also generates approx. 43% of its revenue from operations from its 2 other products, namely, Veneer and Sawn timber. Company is catering to this segment leveraging its experience and knowledge of timber product. Company imports timber logs in bulk quantity which are then used in production of veneer and plywood.

Our manufacturing facility set up in year 2009 has been strategically located in proximity to Kolkata Port Trust leading to easier imports. The facility has an integrated manufacturing process in which entire activity of the production process is carried out in-house avoiding the dependency on third parties for the manufacturing activity. The manufacturing facility has sufficient number of ponds required for

moisturising of timber logs, in-house resin/glue production unit, boiler unit among other facilities which ensures cost minimization and in-house production of entire product range.

Our strength has been the quality and the diverse range of products which we offer to our customers, since we procure timber logs ourselves, we ensure in that the quality of logs we procure which ultimately defines the quality of finished products is maintained. Our Company has been upgrading the machineries in its facility on certain intervals with a view of achieving better operational efficiency. Recently we have replaced old pressing machine with newer machine that has expanded our pressing capacity at a cost of Rs. 25.96 Lakhs. Our Company has been certified as IS 710:2010, IS 2202:1999, IS 1659:2004 ISO 14001: 2004, ISO 9001: 2008, OHSAS 18001: 2007, and IS 303:1989.

Our Company markets its products under the brand name of “Sylvan”, through its network of Branch offices, Authorized Dealers and Authorized Sub Dealers. As on the date of this Draft Red Herring Prospectus, our Company has 361 Authorized Dealers present across 14 states.

We believe role of management is equally important as to that of our employees for growth of our business, and accordingly we have placed an experienced management team to look after various facets of operations. Our Company is promoted by Anand Kumar Singh who has an experience of more than 25 years in the timber and related industry. Further, our management team comprises of individuals having adequate experience in their respective fields. The team has helped us to professionally manage our business operations.

OUR PRODUCTS:

Product segments of our Company are as under:

Product Segment	Image	Description
Plywood (including Flush Door and Block Board)		Plywood is a sheet material manufactured from multiple thin layers or "plies" of wood veneer that are glued together with adjacent layers which are then used for manufacturing various plywood products. A type of strong thin wooden board consisting of two or more layers glued and pressed together with the direction of the grain alternating.

Veneer		A veneer is a thin piece of hardwood that is placed over a piece of manufactured wood. It may be attached using an adhesive, nails or screws. Veneers are frequently used on cabinets, furniture and floors. a thin decorative covering of fine wood applied to a coarser wood or other material
Sawn Timber		Sawn timber is timber that is cut from logs into different shapes and sizes. Sawn timber is generally cut into varying rectangular widths and lengths, but may also be wedge shaped. Common sawn timber products include solid timber beams and rectangular timber sections.

Some of our major product offerings in the plywood segment are as under:

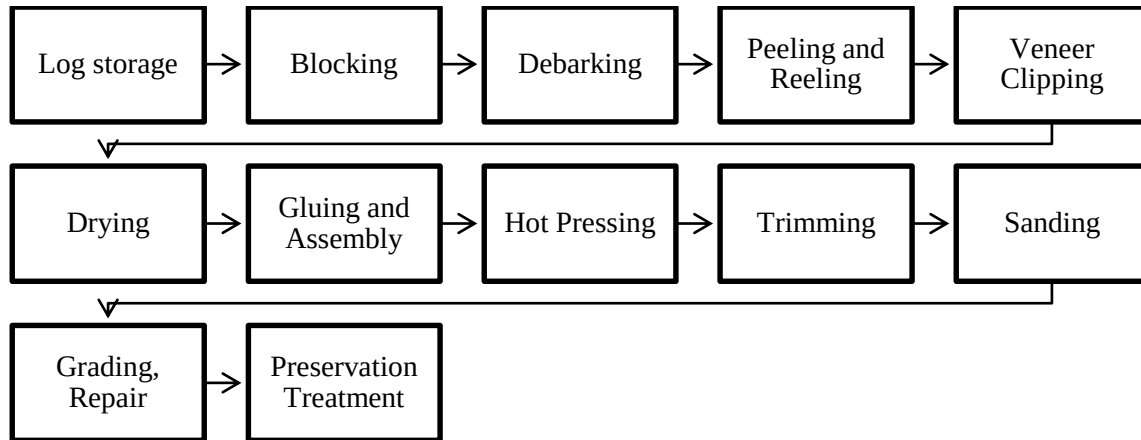
Product	Description	Uniqueness	End Users
Sylvan Z+	One of the most premium product of our Company which provides high durability and strength with the use of high density timber. It is a borer and termite free product.	• High-density Timber • Face thickness of 1 mm • Long panels for better durability • Borer and termite resistant	• Ship floor • Boat building • Paneling in bulkheads • Lining for refrigerated ships • Cooling towers
Sylvan Oceanic Premium	Ply product for extensive use in water bodies. The undiluted phenol formaldehyde resin provides a unique glue line protection to each layer, keeping the bonds strong. It can resist the salty marine water and the microorganisms in the water.	• Tenderized composed core • More number of plies for more strength • Undiluted phenol formaldehyde resin as adhesive • High density Timber	• Ship floor • Boat building • Paneling in bulkheads • Lining for refrigerated ships • Cooling towers
Sylvan Block Board	Sylvan BWP grade block board is an ideal product for home and office furniture, partitions and	• Imported pine wood • Chemically treated and seasoned	• Household furniture • Office • Doors and gates

	shutters made up of imported pine wood.	• High dimensional stability strength • Moisture content of 10 to 12%	
Sylvan Elasto Flexi Ply	Sylvan Elasto Flexi Ply is a product which is preferred for its flexibility as well as durable quality. This product can be bended due to the type of quality imported hardwood used and manufacturing process it undergoes.	• Selected imported hardwood • Tenderised composed core • Unique glue line protection formula	• Curved designs • Rounded tables • Household • Designer furniture
Sylvan Gateway Flushdoor Premium Plywood	Sylvan gateway (Flush Door) a quality product is a premium product made from high density and high fibrous pinewood and selected core veneers. The layers are boned with Phenol Formaldehyde resin and glue lines protector.	• 100 % chemical treated & seasoned as per BIS specification. • High dimensional stability strength. • No warping and bending. • Smooth surface	• Doors
Sylvan Builder Shuttering Ply	Sylvan Builder is a BWP grade shuttering ply used in civil construction activities. Carefully selected hardwood and imported Gurjan wood are utilised in the manufacturing of this cost-effective plywood. The advantage of this product is that it can repeatedly be used for a good number of times in comparison to other varieties	• Imported Gurjan wood • Tenderised composed core • More number of plies for more strength • Undiluted phenol formaldehyde resin as adhesive	• Construction • Repair & maint. of buildings & bridges etc. • Civil work • Beams • Roofing
Sylvan BWP Grade Fire Retardant Ply	The Sylvan Ply product of Sylvan BWP grade fire retardant ply is a perfect blend of fire-retardant and non-leachable properties, which has made among the top favourite products. This commercial ply is also resistant to fungi, insects as well as pin-hole borers.	• Resists fungi, termites, and borers • Resists for ignition, surface spread, and penetration • Leach-resistant: fire retardant chemical will not wash out	• Room and wall lining • Public food stalls • Boiler houses • Railway coaches • Auditoriums • Office Cubicles

OUR MANUFACTURING PROCESS:

Detail of our manufacturing process for each of the 3 segments, viz, Plywood, Veneer and Sawn Timber are as under:

A. Manufacturing Process of Plywood



- **Log Storage**

Logs imported and brought from the port are stored in ponds/yards because only green logs yields better quality and quantity. Some species of timber are gloating by nature, for which sprinkler are used to keep the submerged portion wet. Generally logs are stored in as much length as possible to avoid losses from splits etc. Before starting the manufacturing operation, each log is inspected for texture and defects etc. to ensure best output.

- **Blocking**

The logs are then blocked according to the required sizes such as 8ft, 7ft and 6ft. keeping at least 6 inches margin for processing logs. The logs are then blocked by electrically operated chain saw machine for further processing.

- **Debarking**

The logs are debarked manually by an axe and made ready for use after washing with water discharged with force to remove dust, sand or any foreign hard body on the logs, which may cause damages to the peeling knife.

- **Peeling and Reeling**

Cut logs are then peeled into thin layered belts of required size known as Veneers in a peeling lathe which clamps both ends of the log with the attached chucks and rotates the log. The attached knife stack cuts the rotating log into long Veneer belts. Peeling is done by rotating the log against the knife with the Veneer being peeled off in a continuous belt. During peeling process it is important to ensure smooth Veneer of even thickness is produced.

- **Veneer Clipping**

Rolls of veneer from the peeling machine are then unrolled and cut to desired length by an automatic veneer clipper machine. The veneers thus clipped are stacked size wise. Veneers of small width are also produced. The clipped veneers are stacked in bundles in such a manner that it can be counted easily. The veneers different thicknesses are being separated with different segregation mark.

- **Drying**

The green veneer contains 30-70% moisture. The moisture content of the veneers is the most important factor for gluing. Hence, in order to ensure maximum jointing strength of adhesives, it is necessary to dry the veneers before gluing. The veneer is therefore sent through a Dryer for its drying. The dryer is generally composed of a heat insulated steam thermo fluid heated chamber and hot air circulating devices. Hot air blows across the drier and vertically on the surface of the veneer. Veneers are moved forward

progressively by pairs of rollers or by belt conveyor and veneers are dried up by circulating hot air of around 120 degree Centigrade. Dried veneers with moisture content of around 6-8% comes out which is then ready for plywood, block board & flush door manufacturing. Besides the full size veneer required for plywood, block board and door, the remaining portions are cut off because of defective segments or cracks. These parts of the veneers are accurately shaped straight for the perfect joining and simultaneously spread with glue.

- **Gluing and Assembly**

For uniform building, Glue spreader uniformly spreads glue over the core veneers. For Gluing, generally Urea & Phenol formaldehyde resins are used. These resins are mixed with other components like wheat, Rice and Flour in water, which acts as filler or adhesive. The mixture is done in Glue mixture and then sent to the glue spreader by a pump or manually. Glue Spreading in both the surface of the core veneer is done by passing the core veneer through glue spreader which consists of one or two pairs of glue rolls covered with high grade rubber and grooved to control the amount of glue deposits. Core veneers applied with glue are then laid to the face veneers. The glued assemblies are then stacked to around 3 ft. in height with aluminium plates interspersed alternatively.

- **Hot Pressing**

Hot pressing leads to ultimate consolidation and permanent bonding between veneers and thus makes plywood from veneers. The assembly is then inserted separately into the multiple openings of the hydraulic hot press. In the hot press, the plywood is clamped by steam/thermo fluid heated plates at the pressure of about 37kg/cu. mt at a temperature of around 120 degree centigrade. After a certain time the glue setting is completed. Hot pressed plywood are usually hot stacked in piles for a period of 1 to 2 hours to cure the glue joints fully. By the process, it reduces the moisture content.

- **Trimming**

The hot pressed plywood are then sized in the Double Dimension saw Machine where both sides and ends are cut to the required specifications. The machine consists of a pair of double saw, one for length wise cutting and the other for cross wise Cutting.

- **Sanding**

After the plywood is cut to the required sizes, the finishing of the surface of the plywood is done in the wide belt sander. In the belt sander, the plywood is fed between two sanding belts running on rubber contract rollers in opposite direction at a high speed to which adjustable sanding pressure is applied. In wide Belt Sander, finishing of both sides of the plywood can be done at a time.

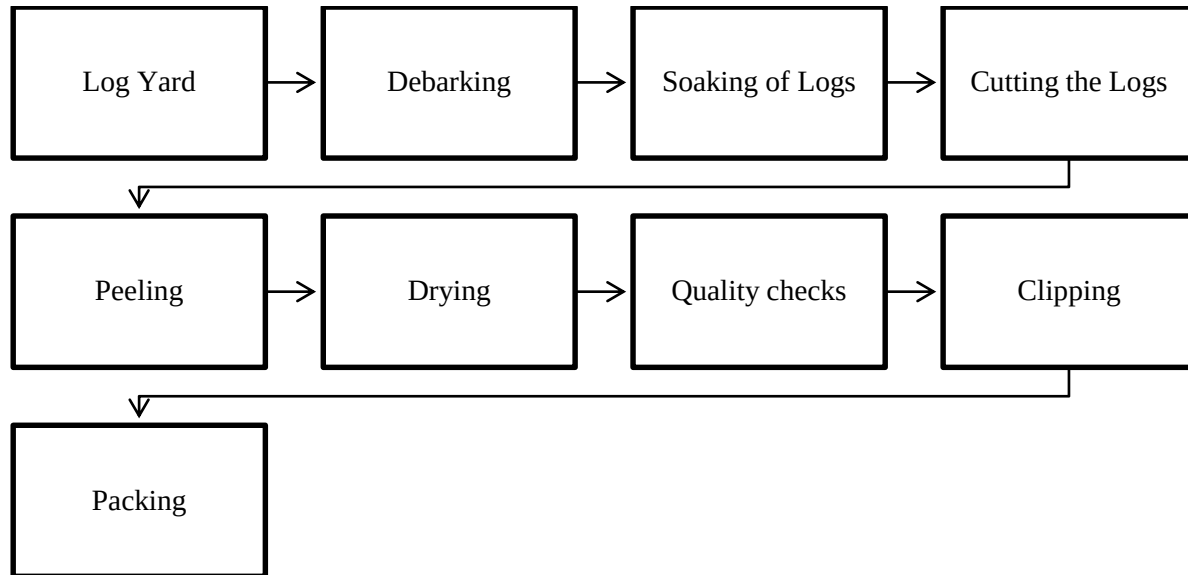
- **Grading, Repair and Rejection**

The final product is then carefully inspected and then graded according to manufactures/buyers' specifications. Any manufacturing defect found is cut to next size and if the same is a major one then the total plywood is rejected.

- **Preservation Treatment**

The better grade plywood after sanding and quality checking are treated with preservative chemicals. The name of the chemical is Acid Cooper Chrome. This is done as per ISI standard. The plywood sheets are dipped into hot chemical solution and are kept there for few minutes for absorption of chemicals. It is then dried into a drying chamber under controlled temperature. The treated sheets are again rechecked and passed through Quality Control Section. Here random samples are drawn for laboratory test. The checked sheets are then finally ready for stamping for onward dispatch.

B. Manufacturing Process of Veneer



- **Log Yard**

As soon as the log arrives in the log yard, they are classified by species and kept under conditions of optimal humidity by spraying water or by soaking in water ponds. This is done to prevent the tree log from degrading which usually occurs as a result of drying.

- **Debarking**

The next step is debarking. Taking care not to damage the tree log the bark is peeled off with evenness.

- **Soaking of Logs**

The next step involves soaking the log to soften the fiber. It is necessary for uniform slicing.

- **Cutting the logs**

The key operation of how and where a tree log should be cut depends on the slicing method used to produce veneer. For peeling, the tree log will be cut in half or quarters part. These logs are called peeler blocks or peeler billets.

- **Peeling**

In this step, the tree logs are sliced to veneer sheets. There are distinct methods to slice a veneer from hardwood logs.

- **Drying**

The veneer sheets remains in the natural order as they emerge such that all parts of the original log are kept together. One by one the slices of veneer carefully enter the dryer, where they are dried evenly within a few minutes. Air temperature of up to 320°F at high velocity is blasted on the surface. The veneer must be dried in such a way that it has at least 8-12% of moisture content.

- **Quality checks**

As veneer slices leave the dryer, they are again reassembled to reconstruct the log which never separates. The identification is subjected to several verifications. It involves examining and classifying the wood veneer. An expert carefully inspects each log to make sure customers receive quality veneers having strict standards.

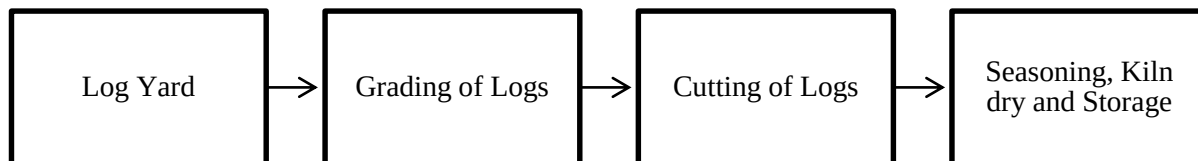
- **Clipping**

It is the initial step in the splicing process. They are cut with clipper to obtain sheets that are even in length. A similar clipping or cutting process is performed to acquire sheets of a proper width. The quality of the veneer panel depends on the precision and angle of the cut. Panels are then headed to the glue machine, which bonds the edges of the veneer sheets.

- **Packing**

The veneer sheets are finally measured, packed and labels are stuck with an indication of length, width, etc. Ready flitches are put into pallets. Each pallet is packed into protective polyethylene and is tightened with a packing tape. They are now ready to be transported.

C. **Manufacturing Process of Sawn timber**



- **Log Yard**

Logs are unloaded at our log yard. Logs are physically segregated according to its species, status of certification and sizes.

- **Grading of Logs**

Our Quality control team (QC) grades all logs, verify its species and check for defects on each logs.

- **Cutting of Logs**

Selected log is debarked, and loaded into the head rig (Head Saw) to be split into workable sections. At each band saw, defects on logs are carefully avoided to maximize recovery. Timber produced here is then delivered to our sorting plant for grading, sorting and cross cutting.

- **Seasoning, Kiln dry & Storage**

Timber is then "stickered" to allow adequate air circulation within the bundle and placed under shelter for seasoning before being loaded into kiln dry rooms. Seasoning and Kiln drying will take about 1-4 weeks depending on the size and species of the timber to reach optimum working moisture content of 9-13%. Dried timber is then checked again by our QC team to ensure its quality. Dried timber is then documented and labelled to ensure traceability of each bundle. Labelled timber bundle is then moved to our sheltered storage area, awaiting further processing.

OUR COMPETITIVE STRENGTHS:

- **Brand Recognition**

For success and growth in consumer facing industries, recognition of brand name in the mind of customers is vital. Accordingly, we have continuously focussed on creating and improving on the brand image of "Sylvan". Our products are sold under the brand name of "Sylvan". To capitalise on the established brand name, we continue to introduce newer products under the same brand name. Our industry experience and strong presence in Eastern India have positioned our brand with quality products. Our business operation in West Bengal have generated approx. 75% of our Revenue from Operations. Our Company follows various marketing and branding activity such as hoarding, wall painting, banners, leaflets, shop display, newspaper, etc. We spend on marketing activity on continuous basis, our Company have spent approx. 1.1%, 1.0% and 1.5% of our total expenses for Fiscal 2018, 2017 and 2016 respectively on marketing activity.

- **Wide dealers' network**

For deeper market penetration, establishment of strong dealers' network is an integral part of our business operations. We have been working effortlessly on expanding our dealers' network. At present, our Company has an extensive network of 361 Authorised dealers present across 14 states across India with around 110 dealers in West Bengal, 62 dealers in Odisha and 42 dealers in Uttar Pradesh. Our dealers network are spread in other states like Karnataka, Andhra Pradesh, Tamil Nadu, Kerala, Maharashtra, Goa to name a few. Further, these dealers also have certain sub-dealers under them which look after the operation at retail level. As we continue to introduce newer product in our product range, we need to maintain strong distribution network enabling us to achieve market penetration of those products in shorter turnaround time.

- **Large & Integrated manufacturing facility**

Our Company has its manufacturing facility at Baidyabati, Kolkata which is spread over an area of approx. 4,50,000 sq. ft. The entire land area is used for the facility which has vacant space for further expansion. Our Company currently has 12,49,784 sq. mtr. under plywood manufacturing capacity which can be further expanded within the same facility. Manufacturing unit is an integrated facility where each process in the manufacturing activity is carried out by the Company in-house without any outsourcing. Our facility has ample space for storage of timber log and machineries for sawing of logs which allows us to procure quality logs without relying on third party timber log product suppliers. Further, the manufacturing unit has facilities such as pond, timber unit, veneer unit, resin unit, boiler and all other machineries required for manufacturing of plywood. Further, the scraps generated during the entire process of manufacturing are used in other processes, like boiler operations which reduces our fuel cost.

- **Locational Advantage**

Our facility is strategically located at Baidyabati which is approx. 45 kms from Kolkata. As the Company imports majority of its raw material, particularly timber logs from foreign nations, it is vital for us to keep a check on our transportation and freight costs. Owing to our strategic location, Kolkata Port Trust is closest to our facility which aids us to control the overall freight costs. Further, due to our presence in the eastern region, we have been able to build a strong brand image within the region, particularly West Bengal. Our regional presence allows us to focus on our established region while at the same time continue to expand geographically in different regions systematically. With the presence of facility in outskirts of Kolkata and it being a labour intensive industry, we are able to attract cheap labourers from nearby villages ensuring us low attrition rate.

- **Entry barrier**

The Hon'ble Supreme Court had restricted the issue of new licenses for the manufacture of plywood & other wood based products. As per the Hon'ble Supreme Court's order dated October 29, 2002, no State or Union Territory shall permit any unlicensed saw-mills, veneer, plywood industry to operate and they are directed to close all such unlicensed unit forthwith. No State Government or Union Territory will permit the opening of any saw-mills, veneer or plywood industry without prior permission of the Central Empowered Committee. The Chief Secretary of each State has to ensure strict compliance and shall be given no relaxation of rules with regard to the grant of license without previous concurrence of or grant of licenses. Complexity in getting licence makes difficult the entry of new players in the industry. Further, the industry is capital intensive with requirement of large land area and machineries apart from employing large number of labourers in the facility which is both time consuming as well as expensive.

- **Specialised product portfolio**

With growing demography of population in different segments, demand for various types of plywood products are increasing. Accordingly, our Company continue to introduce newer products in each segment to penetrate into each segment. In premium segment plywood, we have "Sylvan Z+" and "Sylvan Oceanic

Premium” while for lower-middle segment, we have launched “*Sylvan Blu*”. Thickness of our products ranges from 4 mm to 40 mm with different grades with features like BWR and BWP. We continue to introduce varieties of products in order to compete with bigger established players in terms of their product offerings. Further, most of our products are fire redundant, borer and termite resistant. Given the range of product offerings, we strive to provide satisfactory after-sales service and warranty for most of our products.

- ***Experienced management team***

Our directors i.e. Jai Prakash Singh and Anand Kumar Singhare experienced professionals in the timber and plywood industry with prior experience of managing a timber trading proprietorship firm. Leveraging the experience, They incorporated the Company for full-fledged manufacturing of plywood and timber products. Further, we have appointed an experienced management team for each of its domain, where finance, secretarial, sales and marketing team is headed by personnel with requisite technical knowledge and professional qualifications. Promoter demonstrates his experience in timber trading by procuring quality timber logs himself along with his team which ultimately results in good quality products meeting the BIS standards.

OUR BUSINESS STRATEGY:

- ***Increasing plywood production***

We currently operate at around 76.70% of our overall plywood production capacity. We have manufactured 9.58 Lakhs sq. mtr. of plywood during the FY 2017-18. With shift of focus from trading to manufacturing, our Company intends to increase its capacity utilisation and focus more on plywood manufacturing activity. With increased production, we will be able to reduce our overhead costs which will be spread over greater number of products. Further, in advent of post-GST era and implementation of e-way bill, plywood industry which is largely dominated by unorganised players will witness some shift towards organised and established players. To further expand its capacity, our Company has entered into Memorandum of Understanding (MoU) with Uttar Pradesh government in recently concluded UP Investors Summit in February 2018 to set up a plywood manufacturing unit with a proposed investment of Rs. 7,500 Lakhs. With increased production activity, we will be in a position to meet the growing demand.

- ***Increasing focus on lower-middle class segment***

With an established presence in premium segment with few quality products, we intend to increase our presence in lower-middle class segment. Products in this segment are to be introduced acknowledging the fact of growing usage of Medium Density Fibreboard (MDF) products and increasing penetration of bigger established players in the segment. Low cost plywood forms a good alternative to the MDF products with marginal price difference providing better quality. Further, unorganised players have been catering to lower-middle class segment which is expected to shift to organised players with introduction of GST and e-way bill implementation. Addressing this, our Company has already launched “*Sylvan Blu*” in this segment and we continue to research and develop more products in this segment strengthening our presence at the early stage of this shift.

- ***Increasing dealership network***

As we plan to increase our production and launch of newer products in various segments, we understand the need of setting up a strong distribution network which will enable us to efficiently market the product to the right set of customers at the right time. We believe to penetrate into newer market, establishment of strong network of dealers and sub-dealers are vital in the industry. Such network will in turn help us to generate more sales with increased customer base and market reach. We will continue our present focus of catering to Tier-1 cities while at the same time increasing our presence in Tier-2 and Tier-3 cities from where demand for most of the lower-middle segment products are received.

- ***Cost reduction initiative***

We have always strived to reduce our cost of operations and accordingly we have set up an integrated manufacturing facility without requirement of any outsourcing activity. Such in-house manufacturing activity aids to keep a check on overall costs. As a plan of reducing our costs further, we are planning to capitalise the benefit of large land area available with us to set-up a solar panel facility which will help us reduce our electricity costs which forms approx. 1.3% of our total expenses. Also, we have started self-inspection of timber logs at the supplier's place by our team before those are dispatched to us helping us to reduce poor quality timber logs consequently reducing wastage and scraps.

- ***Increasing marketing activity***

Plywood industry in general has to regularly expend on advertisement and marketing related activity in order to brand building exercise. With plans of launching newer products, increasing production in a steady manner and maintain the brand image we have created over the years, we need to aggressively put efforts on brand building through media, events, seminars, wall painting, hoarding and direct marketing. Further, we have always believed investing in our dealers are the most efficient way of brand building for our Company and as such we will continue to introduce attractive offers, plans and incentives to our dealers which will help in building brand at ground level in the mind of end customers.

- ***Automation of manufacturing facility***

Our industry is largely labour intensive with lot of manual activity involved to smoothly operate the machineries. However, as we scale up our business operations, we acknowledge the fact, relying on labour will limit the production. Accordingly, we intend to automate our facility even more so as to minimise the labour involvement in the manufacturing process. Although we plan to automate the facility, we plan to do it in a phase manner and go slow and steady for the same, as has been our formula for growth. We plan to keep replacing older machineries with newer ones having more capacity and advanced features in intervals leading to optimization in manufacturing process and minimization of costs. This will avoid us to incur huge capital investment in any particular year which may lead to financial crunch in future. Following the automation route in a phased manner will also avoid major issues w.r.t retrenchment of employees in bulk numbers.

SUMMARY OF FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE-I

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES					
1. Shareholders' funds					
(a) Share capital	454.61	454.61	454.61	447.36	411.11
(b) Reserves and surplus	6,712.26	6,301.07	6,109.73	5,752.48	5,211.09
Sub-Total	7,166.87	6,755.68	6,564.34	6,199.84	5,622.20
2. Share application money pending allotment					
Sub-Total					
3. Non-current liabilities					
(a) Long-term borrowings	33.26	28.27	48.29	95.72	145.56
(b) Deferred tax liabilities (Net)	0.43	3.21	25.24	42.56	75.15
(c) Other Non Current Liabilities	-	-	-	-	-
(d) Long-term Provisions	1.28	4.42	3.28	2.06	1.54
Sub-Total	34.97	35.90	76.81	140.34	222.25
4. Current liabilities					
(a) Short-term borrowings	5,012.46	3,824.05	4,529.60	5,266.74	2,666.12
(b) Trade payables	4,973.01	4,885.56	5,264.56	4,685.51	7,522.14
(c) Other current liabilities	373.39	968.22	448.11	962.35	857.17
(d) Short-term provisions	238.50	20.26	42.49	32.40	20.73
Sub-Total	10,597.36	9,698.09	10,284.76	10,947.00	11,066.16
TOTAL	17,799.20	16,489.67	16,925.91	17,287.18	16,910.61
II. ASSETS					
1. Non-current assets					
(a) Fixed assets	1,977.80	1,991.58	2,207.63	2,215.20	2,460.54
(i) Tangible Assets	1,977.36	1,991.05	2,207.02	2,195.17	2,459.75
(ii) Intangible Assets	0.44	0.53	0.61	0.70	0.79
(iii) Capital Work in Progress	-	-	-	19.33	-
(iv) Intangible assets Under Development	-	-	-	-	-
(b) Non-current investments	1,371.37	1,087.24	1,097.24	1,111.96	1,102.27
(c) Deferred tax assets (net)	-	-	-	-	-
(d) Long-term loans and advances	112.68	112.39	33.00	33.00	32.28
(e) Other Non Current Assets	-	-	-	-	-
Sub-Total	3,461.85	3,191.21	3,337.87	3,360.16	3,595.09
2. Current assets					
(a) Current investments	-	-	-	-	-

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
(b) Inventories	10,951.1 9	10,341.5 2	10,765.16	9,969.79	10,110.5 3
(c) Trade receivables	2,929.81	2,570.19	2,269.03	2,230.85	2,565.44
(d) Cash and cash equivalents	84.20	57.39	252.52	1,119.18	21.45
(e) Short-term loans and advances	372.15	329.36	301.33	607.20	618.10
(f) Other current assets	-	-	-	-	-
Sub-Total	14,337.3 5	13,298.4 6	13,588.04	13,927.0 2	13,315.5 2
TOTAL	17,799.2 0	16,489.6 7	16,925.89 91	17,287.1 8	16,910.6 1

STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE-II

(Amount in Lakhs)

Particulars	For the Year ended March 31,2018	For the Year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
I.Revenue from operations					
Revenue from Sales of Products(Gorss)	24,708.02	24,164.41	24,643.62	22,651.00	24,569.63
Less: Exceise Duty	304.09	982.48	988.41	861.74	767.64
Net Revenue from Operations	24,403.93	23,181.93	23,655.21	21,789.26	23,801.99
II.Other income	149.73	229.27	116.02	105.19	107.38
III. Total Revenue (I + II)	24,553.66	23,411.18	23,771.23	21,894.45	23,909.37
IV. Expenses:	-	-	-	-	-
Cost of Material Consumed	14,726.95	13,964.20	15,229.34	11,134.67	11,714.66
Purchases of Stock-in-Trade	2,751.80	4,504.19	867.56	8,914.63	11,728.21
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(489.95)	(652.47)	2,505.45	(2,397.39)	(3,935.29)
Employee benefits expense	1,089.28	671.84	576.66	469.91	469.71
Finance costs	584.32	586.91	647.50	676.30	492.68
Depreciation and amortization expense	229.92	250.35	275.51	311.28	225.21
Other expenses	5,042.35	3,742.11	3,270.96	2,664.34	3,145.94
Total expenses	23,934.67	23,067.13	23,372.98	21,773.74	23,841.12
V. Profit before exceptional and extraordinary items and tax (III-IV)	618.99	344.05	398.25	120.71	68.25
VI. Exceptional items	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	618.99	344.05	398.25	120.71	68.25
VIII. Extraordinary Items-	-	27.40	-	-	-
IX. Profit before tax (VII-VIII)	618.99	316.65	398.25	120.71	68.25
X. Tax expense:	-	-	-	-	-
(1) Current tax	210.58	147.33	151.07	74.30	15.43
(2) MAT Credit	-	-	-	-	-
(2) Deferred tax	(2.78)	(22.03)	(17.32)	(32.59)	10.84
(3) Current tax expense relating to prior years	-	-	-	-	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)	411.19	191.34	264.50	79.00	41.98

Particulars	For the Year ended March 31,2018	For the Year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-
XV. Profit (Loss) for the period (XI + XIV)	411.19	191.34	264.50	79.00	41.98
XVI Earnings per equity share:					
(1) Basic & Diluted	4.52	2.10	2.93	0.89	0.49

STATEMENT OF CASH FLOW AS RESTATED
ANNEXURE-III

(Amount in Lakhs)

Particulars	For the Yearende d March 31, 2018	For the Yearende d March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	Forthe year ended March 31, 2014
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>					
Restated Net profit Before Tax	618.99	316.65	398.25	120.71	68.25
Adjustments For:					
Depreciation	229.92	250.35	275.51	311.28	225.21
Preliminary Expenses	-	-	-	-	-
(Interest Received)	(68.93)	(83.78)	(100.38)	(90.45)	(98.01)
Dividend Received	-	-	-	-	-
Net (gain) / loss on Forward Booking	-	-	132.41	15.84	1.97
Net (gain) / loss on Sale of Fixed assets	0.26	1.71	(1.36)	1.95	1.75
Rental income	(0.56)	-	-	-	-
Interest and Finance Charges	584.32	586.91	647.50	676.30	492.68
Operating Profit before working capital changes	1,364.00	1,071.84	1,351.93	1,035.64	691.85
Adjustment For:					
Decrease/(Increase) in Inventories	(609.67)	423.64	(795.37)	140.75	(2,448.05)
Decrease/(Increase) in Trade receivables	(359.62)	(301.16)	(38.17)	334.58	678.25
Decrease/(Increase) in Other Current Assets	-	-	-	-	-
Decrease/(Increase) in Other Non-Current Assets	-	-	-	-	-
(Decrease)/Increase in Trade Payables	87.45	(379.00)	579.05	(2,836.64)	569.55
(Decrease)/Increase in Other CurrentLiabilities	(606.43)	617.33	(576.38)	107.45	371.14
(Decrease)/Increase in Short Term Provisions	218.24	(22.23)	10.08	11.68	(84.05)
Decrease/(Increase) in Short- term loans and advances	(42.79)	(28.04)	305.88	10.91	(236.45)
(Decrease)/Increase in Other Non current Provisions	(3.14)	1.15	1.22	0.52	1.52
(Decrease)/Increase in Other Non current liabilities	-	-	-	-	-
Cash Generated from Operations	48.04	1,383.52	838.23	(1,195.13)	(456.25)
Taxes Paid	210.58	147.33	151.07	74.30	15.43
Net Cash From /(Used In) Operating Activities (A)	(162.54)	1,236.19	687.16	(1,269.43)	(471.68)

Particulars	For the Yearende d March 31, 2018	For the Yearende d March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	Forthe year ended March 31, 2014
Cash Flow From Investing Activities					
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	(216.15)	(34.30)	(267.93)	(67.56)	(316.57)
Decrease/(Increase) in Non Current investments	(284.13)	10.00	14.71	(9.69)	(46.05)
Decrease/(Increase) in Long Term Loans and Advances	(0.29)	(79.39)	-	(0.72)	(31.77)
Other Statutory Adjustments	-	-	-	-	-
Net gain / loss on Forward Booking	-	-	(132.41)	(15.84)	(1.97)
Net gain / loss on Sale of Fixed assets	(0.26)	(1.71)	1.36	(1.95)	(1.75)
Interest Received	68.93	83.78	100.38	90.45	98.01
Dividend Received	-	-	-	-	-
Rental income	0.56	-	-	-	-
Net Cash From /(Used In) Investing Activities (B)	(431.32)	(21.62)	(283.89)	(5.31)	(300.09)
Cash Flow From Financing Activities					
Proceeds from Issue of Shares	-	-	7.25	36.25	13.16
Security Premium	-	-	92.75	464.00	133.84
Proposed Dividend	-	-	-	-	-
Interest and Finance Charges	(584.32)	(586.91)	(647.50)	(676.30)	(492.68)
Proceeds / (Repayments) of Share Application Money	-	-	-	-	-
(Decrease)/Increase in Short Term Borrowing	1,188.41	(705.55)	(737.14)	2,600.62	771.28
(Decrease)/Increase in Long Term Borrowing	16.59	(117.24)	14.71	(52.10)	(77.87)
Share Issue Expenses	-	-	-	-	-
Preliminary Expenses	-	-	-	-	-
Net Cash From Financing Activities (c)	620.68	(1,409.70)	(1,269.93)	2,372.47	347.73
Net Increase / (Decrease) in Cash(A)+(B)+(C)	26.81	(195.13)	(866.66)	1,097.73	(424.04)
Cash and Cash equivalents at the beginning of the year	57.39	252.52	1,119.18	21.45	445.49
Cash and Cash equivalents at the end of the year	84.20	57.39	252.52	1,119.18	21.45

- I. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"
- II. Figures in Brackets represent outflows
- III. The above statement should be read with the Restated Statement of Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure I, II, and IV (A) respectively.

THE ISSUE

The following table summarizes the details of the Issue:

Particulars	Details of Equity Shares
Public Issue of Equity Shares by Our Company ^[1]	Issue of upto 33,64,000* Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating to Rs. [●] Lakhs ^[2]
Of Which:	
Market Maker Reservation Portion	[●] Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating to Rs. [●] Lakhs
Net Issue to Public	[●] Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at a price of Rs. [●]/- per share aggregating Rs. [●] Lakhs
Of Which:	
QIB Portion ^{[3]&[4]}	QIB Portion being [●] % of the Net Issue aggregating upto [●] Equity shares shall be available for allocation
Of which:	
Available for allocation to Mutual Funds only (5% % of the QIB Portion)	[●] Equity Shares of face value of Rs. 10/- each
Balance of all QIBs including Mutual Funds	[●] Equity Shares of face value of Rs. 10/- each
Retail Portion ^{[3]&[4]}	[●] Equity Shares of face value of Rs. 10/- each fully paid of the Company at a cash price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs will be available for allocation to Investors applying with application value of up to Rs. 2.00 Lakhs
Non-Institutional Portion ^{[3]&[4]}	[●] Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of [●]/- per Equity Share aggregating Rs. [●] lakhs will be available for allocation to Investors applying with application value of above Rs. 2.00 Lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	90,92,120 Equity Shares of face value of Rs.10/- each
Equity Shares outstanding after the Issue	Upto 1,24,56,120 Equity Shares of face value of Rs.10/- each
Use of proceeds of this Issue	For further details please refer chapter titled “Objects of the Issue” beginning on page 112 of this Draft Red Herring Prospectus for information on use of Issue Proceeds.

**Number of shares may need to be adjusted for lot size upon determination of the Issue price*

Notes:-

1. This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.
2. The Issue has been authorized by the Board of Directors of the Company vide a resolution passed at its meeting held on June 20, 2018 and by the shareholders of our Company vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on June 25, 2018.

3. *In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company, wherein not more than 50% of the Net Issue will be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Category”). 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.*
4. *In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*

For further details please refer to section titled ‘Issue Information’ beginning on page 328 of this Draft Red Herring Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated as “Singh Brothers Exim Private Limited” at Kolkata, West Bengal as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated August 20, 2002 bearing Corporate Identification Number U51431WB2002PTC095027 issued by the Deputy Registrar of Companies, West Bengal. On January 01, 2004, our Company acquired the business of M/S Singh Brothers & Co. (Proprietorship Concern of Jai Prakash Singh). Further, to reflect the brand name “**SYLVAN**” and business activity, the name of our Company was changed to “**Sylvan Plyboard (India) Private Limited**”, pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on January 18, 2013 and consequently Fresh Certificate of Incorporation dated March 05, 2013 was issued by Registrar of Companies, West Bengal. Subsequently, our Company was converted into Public Limited Company pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on May 24, 2018 and the name of our Company was changed to “Sylvan Plyboard (India) Limited” vide a Fresh Certificate of Incorporation dated June 19, 2018, issued by the Registrar of Companies, Kolkata. The Corporate Identification Number of our Company is U51431WB2002PLC095027.

For details of Incorporation, Change of Name and Registered Office of our Company, please refer to chapter titled ‘*Our History and Certain Other Corporate Matters*’ beginning on page 180 of this Draft Red Herring Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Sylvan Plyboard (India) Limited

41, B. B. Ganguly Street,
4th Floor, Kolkata – 700 012,
West Bengal, India.

Tel.: 033 22117418

Fax: 033 22117418

Email: info@sylvanply.com

Website: www.sylvanply.com

Corporate Identification Number: U51431WB2002PLC095027

CORPORATE OFFICE OF OUR COMPANY

Sylvan Plyboard (India) Limited

5, Nimtalla Ghat Street,
Kolkata – 700 006,
West Bengal, India.

Tel: 033 22735182

Fax: 033 22718920

Pursuant to a board resolution dated September 30, 2010, our Company is maintaining its books of accounts and other relevant books & papers and financial statement at its corporate office w.e.f. September 30, 2010.

REGISTRAR OF COMPANIES

Registrar of Companies, Kolkata

Nizam Palace, 2nd MSO Building,
2nd Floor, 234/4, A.J.C.B. Road,
Kolkata - 700020, West Bengal, India
Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

National Stock Exchange of India Limited

Exchange Plaza, C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai - 400 051,
Maharashtra, India.

Website: www.nseindia.com

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age (in Years)	DIN	Address	Designation
1	Anand Kumar Singh	47	00651384	Classica Apartment, Flat – 3B 2/8B, Sarat Bose Road, Kolkata – 700020, West Bengal, India.	Managing Director
2	Jai Prakash Singh	70	00655886	2/8B, Sarat Bose Road, Ballygunge, Kolkata – 700020, West Bengal, India	Chairman & Whole Time Director
3	Shakuntala Singh	64	00656073	2/8B, Sarat Bose Road, Ballygunge, Kolkata – 700020, West Bengal, India	Executive Director
4	Subir Chakrabarti	68	08139749	311/15/4 , Prince Anwar Shaha Road, Golfgreen, Kolkata-700095 West Bengal, India	Independent Director
5	Rathin Kumar Ray	72	08139761	16 No Ramkamal Street, Khiddirpore, Kolkata – 700023, West Bengal, India	Independent Director
6	Pallab Samajdar	57	08157892	54/C, Hem Chandra Lane, Bhadrakali, Hooghly - 712232, West Bengal, India	Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 185 of this Draft Red Herring Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Rajneesh Mishra

Sylvan Plyboard (India) Limited

5, Nimtalla Ghat Street, Kolkata – 700006,
West Bengal, India.

Tel: 033 22735182

Fax: 033 22718920

Email: cs@sylvanply.com

Website: www.sylvanply.com

CHIEF FINANCIAL OFFICER

Mohit Barasia

Sylvan Plyboard (India) Limited

5, Nimtalla Ghat Street, Kolkata – 700006,
West Bengal, India.

Tel: 033 22735182

Fax: 033 22718920

Email: cfo@sylvanply.com

Website: www.sylvanply.com

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

For all issue related queries and for redressal of complaints, bidders may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

STATUTORY AUDITOR

M. Raghunath & Co.,

Chartered Accountants

Asoka Chambers, First Floor,
6. Garstin Place, Kolkata – 700001,
West Bengal, India

Tel No: 033 22305574

Fax No.: 033 40056231

Email: mraghunathcokolkata@gmail.com

Website: www.mraghunathco.in

Contact Person: Mayank Poddar

Firm Registration No.: 003347S

Membership No.: 305638

PEER REVIEWED AUDITOR

N. K. Aswani & Co.

Chartered Accountants

701/A, Wall Street-II, Opp. Orient Club,
Nr. Gujarat College Crossing, Ellisbridge,
Ahmedabad – 380006, Gujarat, India

Tel No.: 079-26402552

Fax No.: 079-26402553

Email: narainkaswani@yahoo.co.in

Contact Person: Narian Aswani

Firm Registration No.: 100738W

Membership No.: 033278

M/s N.K. Aswani & Co., Chartered Accountant holds a peer reviewed certificate dated January 19, 2018 issued by the Institute of Chartered Accountants of India.

BOOK RUNNING LEAD MANAGER**Pantomath Capital Advisors Private Limited**

406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East),
Mumbai- 400051, Maharashtra, India

Tel: +91 22 6194 6700

Fax: + 91 22 2659 8690

Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com

Contact Person: Hardik Bhuta

SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE**Bigshare Services Private Limited**

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri (East), Mumbai – 400 059, Maharashtra, India

Tel: 022-62638200

Fax: 022-62638299

Email: ipo@bigshareonline.com

Investor Grievance Id: investor@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Babu Raphel

SEBI Registration No: INR000001385

LEGAL ADVISOR TO THE ISSUE**M V Kini, Law Firm**

Kini House, Near Citi Bank,
D.N. Road, Fort, Mumbai - 400 001, Maharashtra, India

Tel: +91 22 22612527/28/29

Fax: +91 22 22612530

E-mail: vidisha@mvkini.com

Contact Person: Vidisha Krishan

Website: www.mvkini.com

BANKER TO THE COMPANY

[•]

Tel: [•]

Fax: [•]

E-mail: [•]

Contact Person: [•]

Website: [•]

PUBLIC ISSUE BANK / BANKER TO THE ISSUE/ REFUND BANKER**ICICI Bank Limited**

Capital Market Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road, Backbay Reclamation,
Churchgate, Mumbai – 400 020,
Maharashtra, India

Tel: +91 22 2266818923/924/933

Fax: +91 22 22611138

Email: meghana.aval@icicibank.com
Contact Person: Meghana Avala
Website: www.icicibank.com
SEBI Registration Number: INBI00000004

SYNDICATE MEMBER*

[●]
Tel: [●]
Fax: [●]
Email: [●]
Investor Grievance Id: [●]
Website: [●]
Contact Person: [●]
SEBI Registration No: [●]

**The syndicate member(s) will be appointed prior to registering of the Red Herring Prospectus with the RoC.*

DESIGNATED INTERMEDIARIES

Self Certified Syndicate Banks

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on [http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBsfor- Syndicate-ASBA](http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBsfor-Syndicate-ASBA). For details on Designated Branches of SCSBs collecting the Application Form, please refer to the above-mentioned SEBI link.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the National Stock Exchange of India Limited, as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Registrar to Issue and Share Transfer Agents

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Stock Exchange at National Stock Exchange of India Limited, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at National Stock Exchange of India Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CREDIT RATING

This being an issue of Equity Shares, credit rating is not required.

IPO GRADING

Since the Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading agency.

TRUSTEE

As this Issue is an Issue of Equity Shares, the appointment of trustee is not required.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

APPRAISAL AND MONITORING AGENCY

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. [●] lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor, M/s. N. K. Aswani & Co., Chartered Accountants, on statement of tax benefits and report on restated financials for the year ended March 31, 2018, 2017, 2016, 2015, and 2014 as included in this Draft Red Herring Prospectus, our Company has not obtained any expert opinion.

BOOK BUILDING PROCESS

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the BRLM in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper, all editions of a widely circulated Hindi Newspaper and a widely circulated [●] Newspaper, [●] being the regional language of West Bengal, where our registered office is situated at least five working days prior to the Bid/ Issue Opening date. The Issue Price shall be determined by our Company, in consultation with the BRLM in accordance with the Book Building Process after the Bid/Issue Closing Date. Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Pantomath Capital Advisors Private Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;
- The Registrar to the Issue and;
- The Designated Intermediaries

The Issue is being made through the Book Building Process, in accordance with chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended the (“SEBI ICDR Regulations”) wherein not more than 50 % of the Net Issue will be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Category”), 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional

Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any in the QIB portion will not be allowed to be met with spill over from the categories or combination of categories.

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 338 of this Draft Red Herring Prospectus

Illustration of Book Building and Price Discovery Process (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue) Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per equity share, Issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Bid Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to Issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the Issue price at or below such cut-off price, i.e., at or below Rs. 22/-. All bids at or above this Issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 338 of this Draft Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the

Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims

5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

BID / ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue Opening Date	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds	[●]
Credit of Equity Shares to Demat Accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Bids and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Non Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the Pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our

Company withdraws the Offer after the Issue Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.”

UNDERWRITER

Our Company and Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●], 2018 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name and Address of the Underwriter	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
Pantomath Capital Advisors Private Limited 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India Tel: +91 22 61946700 Fax: +91 22 26598690 Email: ipo@pantomathgroup.com Contact Person: Hardik Bhuta SEBI Registration Number: INM000012110	[●]*	[●]	100%
Total	[●]	[●]	100%

*Includes [●] Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager has entered into an agreement dated [●] with the following Market Maker, duly registered with EMERGE Platform of National Stock Exchange of India Limited to fulfil the obligations of Market Making:-

Pantomath Stock Brokers Private Limited

406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India

Tel: +91 22 6194 6774

Fax: +91 22 2659 8690

Email: broking@pantomathgroup.com

Contact Person: Mahavir Toshniwal

SEBI Registration Number: INZ000068338

Pantomath Stock Brokers Private Limited registered with EMERGE Platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time and the same shall be updated in Prospectus. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of National Stock Exchange of India Limited and SEBI from time to time.
3. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of [●]/- the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be Rs. [●]/- until the same, would be revised by National Stock Exchange of India Limited.
4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the [●] Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Offer over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
5. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
7. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.
8. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in SPOS and would remain in **Trade for Trade settlement** for 10 days from the date of listing of Equity share on the Stock Exchange.
9. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on EMERGE Platform of National Stock Exchange of India Limited and market maker will remain present as per the guidelines mentioned under National Stock Exchange of India Limited and SEBI circulars.
10. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for offer size up to Rs.250 Crores, the applicable price bands for the first day shall be:

- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the offer price.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange/ Platform of National Stock Exchange of India.

11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
12. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

13. EMERGE Platform of National Stock Exchange of India Limited will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.
14. National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

15. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the issue size and as follows:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to Rs. 20 Crore	25%	24%
Rs. 20 crore to Rs. 50 crore	20%	19%
Rs. 50 to Rs. 80 crore	15%	14%
Above Rs. 80 crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / NSE from time to time.

CAPITAL STRUCTURE

Certain bank statements of the Company and Promoters (prior to year 2008) are not traceable to our Company and Promoters. Hence, the source of the funds infused as capital by our promoters during the period prior to 2008 are not identifiable. Accordingly, this chapter is prepared based on the data provided by management, certificate given by Chartered Accountant and to the best of information available.

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus and after giving effect to the Issue is set forth below:

Amount (Rs.in lakhs except share data)

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	1,35,00,000 Equity Shares of face value of Rs. 10/- each	1,350.00	
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	90,92,120 Equity Shares of face value of Rs. 10/- each	909.21	
C.	Present Issue in terms of this Draft Red Herring Prospectus		
	Issue of upto 33,64,000 Equity Shares of face value of Rs.10 each at a price of Rs. [●]/- per Equity Share	Upto 336.40	[●]
	Consisting:		
	Reservation for Market Maker – [●]Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. [●]/- per Equity Share	[●]	[●]
	Net Issue to the Public – [●]Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share	[●]	[●]
	Of the Net Issue to Public:		
	QIB Portion being [●] % of the Net Issue aggregating up to [●] Equity Shares	[●]	[●]
	Non – Institutional Portion of not less than 15 % of the Net Issue aggregating to not less than [●] Equity Shares.	[●]	[●]
	Retail Portion of not less than 35 % of the Net Issue aggregating to not less than [●] Equity Shares.	[●]	[●]
D.	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	Upto 1,24,56,120 Equity Shares of face value of Rs. 10/- each	Upto 1,245.61	
E.	Securities Premium Account		
	Before the Issue		4,429.81
	After the Issue		[●]

The Issue has been authorized by the Board of Directors of our Company vide a resolution passed at its meeting held on June 20, 2018 and by the shareholders of our company vide a Special Resolution passed pursuant to Section 62 (1) (c) of Companies Act, 2013 at the Extra Ordinary General Meeting held on June 25, 2018.

The Company has only one class of share capital as on the date of Draft Red Herring Prospectus i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Details of changes in Authorised Share Capital:

Since the Incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
Increased / Reclassified From	Increased / Reclassified To		
The authorised share capital of our Company on incorporation comprised of Rs.25,00,000 divided into 2,50,000 Equity Shares of Rs. 10 each		On Incorporation	-
Rs. 25,00,000 consisting of 2,50,000 Equity shares of Rs. 10 each	Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10 each	January 10, 2004	EGM
Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10 each	Rs. 1,70,00,000 consisting of 17,00,000 Equity shares of Rs. 10 each	September 16, 2004	EGM
Rs. 1,70,00,000 consisting of 17,00,000 Equity shares of Rs. 10 each	Rs. 1,80,00,000 consisting of 18,00,000 Equity shares of Rs. 10 each	March 30, 2006	EGM
Rs. 1,80,00,000 consisting of 18,00,000 Equity shares of Rs. 10 each	Rs. 2,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each	March 19, 2007	EGM
Rs. 2,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each	Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs. 10 each	January 12, 2008	EGM
Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs. 10 each	Rs. 4,00,00,000 consisting of 40,00,000 Equity shares of Rs. 10 each	March 11, 2009	EGM
Rs. 4,00,00,000 consisting of 40,00,000 Equity shares of Rs. 10 each	Rs. 4,10,00,000 consisting of 41,00,000 Equity shares of Rs. 10 each	March 24, 2014	EGM
Rs. 4,10,00,000 consisting of 41,00,000 Equity shares of Rs. 10 each	Rs. 4,30,00,000 consisting of 43,00,000 Equity shares of Rs. 10 each	March 28, 2014	EGM
Rs. 4,30,00,000 consisting of 43,00,000 Equity shares of Rs. 10 each	Rs. 4,50,00,000 consisting of 45,00,000 Equity shares of Rs. 10 each	September 15, 2014	EGM
Rs. 4,50,00,000 consisting of 45,00,000 Equity shares of Rs. 10 each	Rs. 4,70,00,000 consisting of 47,00,000 Equity shares of Rs. 10 each	February 26, 2016	EGM
Rs. 4,70,00,000 consisting of 47,00,000 Equity shares of Rs. 10 each	Rs. 13,50,00,000 consisting of 1,35,00,000 Equity shares of Rs. 10 each	May 05, 2018	EGM

2. History of Equity Share Capital of our Company

Date of Allotment/ Fully Paid up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative no. of Equity Shares	Cumulative Paid-up Capital (Rs.)
On Incorporation	10,000	10	10	Cash	Subscription to MOA ⁽¹⁾	10,000	1,00,000
March 29, 2003	1,00,000	10	20	Cash	Further Allotment ⁽²⁾	1,10,000	11,00,000
January 01, 2004	5,95,000	10	20	Other than Cash	Allotment pursuant to acquisition of Business of M/s. Singh Brothers & Co. ⁽³⁾	7,05,000	70,50,000
March 01, 2004	1,98,900	10	20	Cash	Further Allotment ⁽⁴⁾	9,03,900	90,39,000
September 16, 2004	6,90,000	10	20	Cash	Further Allotment ⁽⁵⁾	15,93,900	159,39,000
March 31, 2006	1,90,000	10	20	Cash	Further Allotment ⁽⁶⁾	17,83,900	178,39,000
March 31, 2007	2,15,000	10	50	Cash	Further Allotment ⁽⁷⁾	19,98,900	199,89,000
March 30, 2008	4,21,000	10	50	Cash	Further Allotment ⁽⁸⁾	24,19,900	241,99,000
February 09, 2009	5,50,000	10	100	Cash	Further Allotment ⁽⁹⁾	29,69,900	296,99,000
August 20, 2009	4,80,000	10	150	Cash	Further Allotment ⁽¹⁰⁾	34,49,900	344,99,000
March 11, 2010	1,36,300	10	500	Cash	Further Allotment ⁽¹¹⁾	35,86,200	358,62,000
March 31, 2010	72,000	10	500	Cash	Further Allotment ⁽¹²⁾	36,58,200	365,82,000
January 05, 2011	1,61,200	10	500	Cash	Further Allotment ⁽¹³⁾	38,19,400	381,94,000
December 15, 2011	1,60,100	10	500	Cash	Further Allotment ⁽¹⁴⁾	39,79,500	397,95,000
March 27, 2014	70,000	10	100	Cash	Further Allotment ⁽¹⁵⁾	40,49,500	404,95,000
March 31, 2014	61,600	10	125	Cash	Further Allotment ⁽¹⁶⁾	41,11,100	411,11,000
September 30, 2014	3,62,500	10	138	Cash	Right Issue ⁽¹⁷⁾	44,73,600	447,36,000
March 29, 2016	72,460	10	138	Cash	Preferential Allotment ⁽¹⁸⁾	45,46,060	454,60,600
May 10, 2018	45,46,060	10	NA	Other than cash	Bonus Issue ⁽¹⁹⁾	90,92,120	909,21,200

- 1) Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10/-each fully paid at par as per the details given below:

Sr. No.	Name of Allottees	No. of shares subscribed
1.	Jai Prakash Singh	5,000
2.	Shakuntala Singh	5,000
	Total	10,000

- 2) Further allotment of 1,00,000 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 10 per Equity Share on March 29, 2003 as per the details given below:

Sr. No.	Name of Allottees	No. of shares subscribed
1.	South Central Financial Services Private Limited	50,000
2.	Pigeon Syntex Private Limited	50,000
	Total	1,00,000

- 3) Issue of 5,95,000 Equity Shares pursuant to acquisition of Business of M/s. Singh Brothers & Co. of face value of Rs. 10 each fully paid at a premium of Rs. 10 per Equity Share against the capital in the proprietorship firm on January 01, 2004 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Jai Prakash Singh	5,95,000
	Total	5,95,000

- 4) Further allotment of 1,98,900 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 10 per Equity Share on March 01, 2004 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Archana Singh	10,000
2.	Gayatri Singh	8,000
3.	Priti Singh	11,000
4.	Siddharta Sheet	2,900
5.	Dadima Finance Private Limited	50,000
6.	Concord Aquatic Private Limited	1,00,000
7.	Bhadohi Carpet Private Limited	17,000
	Total	1,98,900

- 5) Further Allotment of 6,90,000 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 10 per Equity Share on September 16, 2004 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Pigeon Syntex Private Limited	1,60,000
2.	Dadima Finance Private Limited	75,000
3.	Rosewood Dealers Private Limited	90,000
4.	Wig Wam Finance & Investment Private Limited	1,65,000
5.	Chirag Dealcomm Private Limited	1,00,000
6.	Deluxe Vyapar Private Limited	1,00,000
	Total	6,90,000

- 6) Further Allotment of 1,90,000 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 10 per Equity Share on March 31, 2006 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Jai Prakash Singh	70,000
2.	Shakuntala Singh	10,000
3.	Rosewood Dealers Private Limited	1,05,000

Sr. No.	Name of Allottees	No. of shares Allotted
4.	Kalyani Singh	5,000
	Total	1,90,000

- 7) Further Allotment of 2,15,000 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 40 per Equity Share on March 31, 2007 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Bhaneshwari Dealcom Private Limited	20,000
2.	Mateshwari Vanijya Private Limited	20,000
3.	Remahay Store Private Limited	15,000
4.	Shingar Vanijya Private Limited	40,000
5.	Surlok Commodities Private Limited	1,20,000
	Total	2,15,000

- 8) Further Allotment of 4,21,000 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 40 per Equity Share on March 30, 2008 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Remahay Store Private Limited	25,000
2.	Cubitex Marketing Private Limited	40,000
3.	Ganapati Dealcom Private Limited	20,000
4.	Hole Finance & Leasing Private Limited	30,000
5.	Jaymin Investment Private Limited	16,000
6.	Poddar Agro Co. Private Limited	60,000
7.	Proedge Fitness Private Limited	80,000
8.	Rameshwar Finvest Private Limited	50,000
9.	Remedy Tracom Private Limited	20,000
10.	Sahashi Jyoti Textiles Private Limited	40,000
11.	Sairam Dealcomm Private Limited	20,000
12.	Swagatam Financial Consultants Private Limited	20,000
	Total	4,21,000

- 9) Further Allotment of 5,50,000 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 90 per Equity Share on February 09, 2009 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Shakuntala Singh	45,000
2.	Wig Wam Finance & Investment Private Limited	13,000
3.	Kalyani Singh	50,000
4.	Remahay Store Private Limited	20,000
5.	Hole Finance & Leasing Private Limited	10,000
6.	Poddar Agro Co. Private Limited	20,000
7.	Rameshwar Finvest Private Limited	25,000
8.	Aditya Financial Consultants Private Limited	10,000
9.	Ajnabi Vanijya Private Limited	25,000
10.	Angoora Tradefin Private Limited	30,000
11.	Anupam Advisory Private Limited	35,000
12.	Bikysales and Services Private Limited	35,000
13.	Calypso Tie - Up & Finco Private Limited	10,000
14.	Evernew Suppliers Private Limited	10,000
15.	Godhuli Sales Private Limited	10,000
16.	Grihalakshmi Vanijya Private Limited	10,000

Sr. No.	Name of Allottees	No. of shares Allotted
17.	Laptop Vyapaar Private Limited	75,000
18.	Mentor Dealcom Private Limited	27,000
19.	Naman Impex Private Limited	25,000
20.	Pushpanjali Projects Private Limited	10,000
21.	Anand Kumar Singh	45,000
22.	Shreyas Holding Private Limited	10,000
	Total	5,50,000

- 10) Further Allotment of 4,80,000 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 140 per Equity Share on August 20, 2009 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Dadima Finance Private Limited	12,000
2.	Wig Wam Finance & Investment Private Limited	19,000
3.	Jaymin Investment Private Limited	14,000
4.	Anupam Advisory Private Limited	10,000
5.	Advance Suppliers Private Limited	45,000
6.	Alliance Tradecom Private Limited	10,000
7.	Emerald Tradecom Private Limited	10,000
8.	Ganapati Tradewings Private Limited	20,000
9.	Haldaur Leasing & Finance Co. Private Limited	27,000
10.	Mayukh Vinimay Private Limited	10,000
11.	Micro Commotrade Private Limited	10,000
12.	Netra Agency Private Limited	41,000
13.	Pacific Commotrade Private Limited	6,000
14.	Prism Tradecom Private Limited	10,000
15.	Radix Merchantile Private Limited	10,000
16.	Scroll Vinimay Private Limited	78,000
17.	Shakambari Suppliers Private Limited	10,000
18.	Vrindavan Tie - up Private Limited	40,000
19.	Plano Vinimay Private Limited	13,000
20.	Swarnim Tie up Private Limited	46,000
21.	Gangabase Barter Private Limited	12,000
22.	Ratanmani Consultant Private Limited	9,000
23.	Himgiri Suppliers Private Limited	4,000
24.	Marina Vanijya Private Limited	4,000
25.	Niraj Fiscal Services Private Limited	10,000
	Total	4,80,000

- 11) Further Allotment of 1,36,300 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 490 per Equity Share on March 11, 2010 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Rameshwar Finvest Private Limited	4,000
2.	Angoor Tradefin Private Limited	2,100
3.	Naman Impex Private Limited	7,000
4.	Albatross Consultants Private Limited	8,100
5.	Anurodh Commercial Private Limited	4,000
6.	Century Devcons Private Limited	2,100
7.	Chariot Agency Private Limited	6,000
8.	Dipnarayan Vyapaar Private Limited	6,000

Sr. No.	Name of Allottees	No. of shares Allotted
9.	Fly King Suppliers Private Limited	900
10.	Jindal Tradecom Private Limited	2,100
11.	Jindal Merchantile Private Limited	2,100
12.	Jaymala Agency Private Limited	4,200
13.	Mahesh Media Services Private Limited	4,800
14.	Niraj Fiscal Services Private Limited	7,200
15.	Orchid Merchants Private Limited	2,100
16.	Prism Commercial Private Limited	7,200
17.	Parmatma Developers Private Limited	2,000
18.	Primary Commercial Private Limited	21,000
19.	Purple Commercial Private Limited	13,800
20.	Rajshree Devcons Private Limited	2,100
21.	Rajshree Vinimay Private Limited	3,000
22.	Sidlaw Commercial Private Limited	7,500
23.	Sri Ram Dealcom Private Limited	2,100
24.	Sakshi Commercial Private Limited	900
25.	Silversons Sales Private Limited	6,000
26.	Tirupati Mansion Private Limited	4,000
27.	Victor Projects Private Limited	4,000
	Total	1,36,300

- 12) Further Allotment of 72,000 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 490 per Equity Share on March 31, 2010 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Himgiri Suppliers Private Limited	4,000
2.	Dipnarayan Vyapaar Private Limited	6,000
3.	Primary Commercial Private Limited	5,000
4.	Purple Commercial Private Limited	10,000
5.	Silversons Sales Private Limited	10,000
6.	Cosmat Commotrade Private Limited	5,010
7.	Dreamland Vintrade Private Limited	4,990
8.	Express Dealers Private Limited	12,000
9.	Reward Dealcom Private Limited	11,000
10.	Yatan Traders Private Limited	4,000
	Total	72,000

- 13) Further Allotment of 1,61,200 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 490 per Equity Share on January 05, 2011 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Cosmat Commotrade Private Limited	11200
2.	Dreamland Vintrade Private Limited	3550
3.	Express Dealers Private Limited	34200
4.	Reward Dealcom Private Limited	5000
5.	Alankar Dealtrade Private Limited	32400
6.	Flora Tie-up Private Limited	4950
7.	Fort Vinimay Private Limited	64900
8.	Jainex Securities Private Limited	5000
	Total	1,61,200

- 14) Further Allotment of 1,60,100 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 490 per Equity Share on December 15, 2011 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Cosmat Commotrade Private Limited	2000
2.	Express Dealers Private Limited	13000
3.	Bhumi Distributors Private Limited	4000
4.	Comfort Dealmark Private Limited	52300
5.	Coral Suppliers Private Limited	3400
6.	kotriwal Commercial Private Limited	8000
7.	Manohar Tie-up Private Limited	11600
8.	Radiant Equity Management Private Limited	7000
9.	Roshni Dealmark Private Limited	25800
10.	Truthful Dealmark Private Limited	28400
11.	Vipasa Agency Private Limited	2000
12.	Wonderland Barter Private Limited	2600
	Total	1,60,100

- 15) Further Allotment of 70,000 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 90 per Equity Share on March 27, 2014 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Laptop Vyapaar Private Limited	70,000
	Total	70,000

- 16) Further Allotment of 61,600 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 115 per Equity Share on March 31, 2014 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Laptop Vyapaar Private Limited	25,600
2.	Sylvan Vincom Private Limited	36,000
	Total	61,600

- 17) Right Issue of 3,62,500 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 128 per Equity Share on September 30, 2014 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Singh Suppliers Private Limited	3,62,500
	Total	3,62,500

- 18) Preferential Allotment of 72,460 Equity Shares of face value of Rs. 10 each fully paid at a premium of Rs. 128 per Equity Share on March 29, 2016 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Singh Suppliers Private Limited	72,460
	Total	72,460

- 19) Bonus Issue of 45,46,060 Equity Shares of face value of Rs. 10 each fully paid in the ratio of 1:1 i.e. one equity share for every one equity share held, allotted on May 10, 2018, as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Jai Prakash Singh	7,61,700
2.	Shakuntala Singh	2,73,200
3.	Archana Singh	9,500
4.	Kalyani Singh	65,000
5.	Jai Prakash Singh - HUF	52,300

Sr. No.	Name of Allottees	No. of shares Allotted
6.	Singh Suppliers Private Limited	19,13,460
7.	Laptop Vyapaar Private Limited	11,93,900
8.	Anand Kumar Singh	20,000
9.	Sylvan Vincom Private Limited	1,60,500
10.	Prithvi Singh	24,500
11.	Anand Kumar Singh - HUF	72,000
	Total	45,46,060

3. We have not issued any Equity Shares as Bonus Issue or for consideration other than cash except as follows:

Date of Allotment/ Fully paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits accrued to our Company	Allottees	No. of Shares allotted
January 01, 2004	5,95,000	10	20	Allotment pursuant to acquisition of business of M/S. Singh Brothers & Co.	Expansion of the Business	Jai Prakash Singh	5,95,000
May 10, 2018	45,46,060	10	NA	Bonus Issue	Capitalisation of Reserves	Jai Prakash Singh	7,61,700
						Shakuntala Singh	2,73,200
						Archana Singh	9,500
						Kalyani Singh	65,000
						Jai Prakash Singh - HUF	52,300
						Singh Suppliers Private Limited	19,13,460
						Laptop Vyapaar Private Limited	11,93,900
						Anand Kumar Singh	20,000
						Sylvan Vincom Private Limited	1,60,500
						Prithvi Singh	24,500
						Anand Kumar Singh - HUF	72,000

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-240 of the Companies Act, 2013.
5. Our Company has not revalued its assets since incorporation and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. Except as mentioned below, no shares have been issued at price below Issue Price within last one year from the date of this Draft Red Herring Prospectus.

Date of Allotment/ Fully paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits accrued to our Company	Allottees	No. of Shares allotted
May 10, 2018	45,46,060	10	NA	Bonus Issue	Capitalisation of Reserves	Jai Prakash Singh	7,61,700
						Shakuntala Singh	2,73,200
						Archana Singh	9,500
						Kalyani Singh	65,000
						Jai Prakash Singh - HUF	52,300
						Singh Suppliers Private Limited	19,13,460
						Laptop Vyapaar Private Limited	11,93,900
						Anand Kumar Singh	20,000
						Sylvan Vincom Private Limited	1,60,500
						Prithvi Singh	24,500
						Anand Kumar Singh - HUF	72,000

20) Build-up of Promoters' shareholding, Promoters' contribution and lock-in

i. Build Up of Promoter's shareholdings

As on the date of this Draft Red Herring Prospectus, our Promoters Anand Kumar Singh and Singh Suppliers Private Limited together hold 38,66,920 Equity Shares of our Company.

1) Anand Kumar Singh

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Pledge
February 09, 2009	45,000	10	100	Further Allotment	0.49%	[●]	No
October 30, 2014	(45,000)	10	NA	Transfer by way of Gift	(0.49%)	[●]	No
October 26, 2017	8,000	10	NA	Acquisition by way of Gift	0.09%	[●]	No
March 28, 2018	12,000	10	150	Acquisition by way of Transfer	0.13%	[●]	No
May 10, 2018	20,000	10	NA	Bonus Issue	0.22%	[●]	No
Total	40,000				0.44 %		

*Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment

2). Singh Suppliers Private Limited

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Pledge
October 27, 2005	1,55,000	10	6.15	Acquisition by way of Transfer	1.70%	[●]	No
October 27, 2005	2,87,500	10	20	Acquisition by way of Transfer	3.16%	[●]	No
December 17, 2005	37,500	10	20	Acquisition by way of Transfer	0.43%	[●]	No
December 21, 2005	11,000	10	20	Acquisition by way of Transfer	0.12%	[●]	No
July 23, 2007	1,60,000 ⁽¹⁾	10	10	Acquisition by way of Transfer	1.76%	[●]	No
March 17, 2008	3,50,000 ⁽²⁾	10	4	Acquisition by way of Transfer	3.85%	[●]	No
November 30, 2008	4,32,500	10	13.18	Transfer of shares pursuant to Scheme of Amalgamation between Rose Wood Dealers Private Limited and Singh Suppliers Private Limited	4.76%	[●]	No
September 30, 2014	3,62,500	10	138	Right Issue	3.99%	[●]	No
July 17, 2015	45,000	10	127	Acquisition by way of Transfer	0.49%	[●]	No

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Pledge
March 29, 2016	72,460	10	138	Preferential Allotment	0.80%	[●]	No
May 10, 2018	19,13,460	10	NA	Bonus Issue	21.05%	[●]	No
Total	38,26,920				42.09%	[●]	

*Cost of acquisition excludes stamp duty and the shares were made fully paid on the date of allotment.

(1) These shares were initially allotted to Shringar Vanijya Private Limited (40,000 equity shares) (“**SVPL**”) and Surlok Commodities Private Limited (1,20,000 equity shares) (“**SCPL**”) through further allotment of shares made by Company on March 31, 2007 (collectively SVPL and SCPL shall be referred to as “**Transferors**”).

Subsequently, these shares were transferred to our Corporate Promoter i.e. Singh Suppliers Private Limited (“**SSPL**”) and SSPL paid consideration to Blackberry Dealcom Private Limited (“**Blackberry**”) instead of Transferors pursuant to letters dated March 17, 2008. However, our Company is not able to ascertain the nature of the transaction between Transferors & Blackberry and capacity in which Blackberry held the consideration amount owing to inadequate information about.

(2) These shares were initially allotted to Pigeon Syntex Private Limited (50,000 equity shares) (“**Pigeon Syntex**”), Dadima Finance Private Limited (75,000 equity shares) (“**Dadima Finance**”), Wigwam Finance and Investment Private Limited (1,45,000 equity shares) (“**WFIPL**”) and Delux Vyapar Private Limited (80,000 equity shares) (“**DVPL**”) through further allotment of shares made by the Company on September 16, 2004 (collectively Pigeon Syntex, Dadima Finance, WFIPL and DVPL shall be referred to as “**Transferors**”).

Subsequently, these shares were transferred to our Corporate Promoter i.e. Singh Suppliers Private Limited (“**SSPL**”) and SSPL paid consideration to Blackberry Dealcom Private Limited (“**Blackberry**”) instead of Transferors pursuant to letters dated March 17, 2008. However, our Company is not able to ascertain the nature of the transaction between Transferors & Blackberry and capacity in which Blackberry held the consideration amount owing to inadequate information about.

ii. Details of Promoter's Contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI ICDR Regulations, an aggregate of 20% of the post-Issue capital held by our Promoters shall be considered as Promoter's Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting [●] % of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ made fully paid up	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Issue shareholding	Lock in Period
Anand Kumar Singh						
[●]	[●]	[●]	[●]	[●]	[●]	[●]
Singh Suppliers Private Limited						
[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]	[●]	[●]	[●]	[●]	[●]

The Minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI (ICDR) Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of the SEBI ICDR Regulations. In connection, we confirm the following:

- The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus at a price lower than the Issue Price;
- No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the issue price.
- The Equity Shares held by the Promoter and offered for minimum Promoters' contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in the process of being dematerialized; and
- The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

iii. Details of Share Capital locked in for one year

Other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

iv. Other requirements in respect of lock-in:

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been

granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Further, pursuant to Regulation 40 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI (ICDR) Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI (ICDR) Regulations has ended, subject to compliance with the Takeover Code, as applicable.

1. We further confirm that our Promoters' Contribution of [●] % of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund. Except as mentioned below, no shares were purchased/sold by the Promoters, Promoter Group, directors of the Corporate Promoter, Directors of the issuer and their immediate relatives within last six months from the date of filing of Draft Red Herring Prospectus.

Date of Allotment / Transfer	Name of the Allottees / Transferee/ Transferor	Party Category	No. of Shares Allotted/ Transferred	Face Value	Allotment / Transfer Price	Nature of Allotment
March 28, 2018	Anand Kumar Singh	MD, Promoter & Director of Corporate Promoter	12,000	10	150	Acquisition by way of transfer
March 28, 2018	Jai Prakash Singh	Promoter Group	13,300	10	150	Acquisition by way of transfer
March 28, 2018	Shakuntala Singh	Promoter Group	13,200	10	150	Acquisition by way of transfer
March 28, 2018	Kalyani Singh	Director of Corporate Promoter & Promoter Group	10,000	10	150	Acquisition by way of transfer
March 28, 2018	Jai Prakash Singh - HUF	Promoter Group	52,300	10	150	Acquisition by way of transfer
March 28, 2018	Prithvi Singh	Promoter Group	24,000	10	150	Acquisition by way of transfer
March 28, 2018	Anand Kumar Singh - HUF	Promoter Group	72,000	10	150	Acquisition by way of transfer
May 10, 2018	Jai Prakash Singh	Promoter Group	7,61,700	10	NA	Bonus Issue
May 10, 2018	Shakuntala Singh	Promoter Group	2,73,200	10	NA	Bonus Issue
May 10, 2018	Kalyani Singh	Promoter Group	65,000	10	NA	Bonus Issue
May 10, 2018	Jai Prakash Singh - HUF	Promoter Group	52,300	10	NA	Bonus Issue
May 10, 2018	Singh Suppliers Private Limited	Corporate Promoter	19,13,460	10	NA	Bonus Issue

Date of Allotment / Transfer	Name of the Allottees / Transferee/ Transferor	Party Category	No. of Shares Allotted/ Transferred	Face Value	Allotment /Transfer Price	Nature of Allotment
May 10, 2018	Laptop Vyapaar Private Limited	Promoter Group	11,93,900	10	NA	Bonus Issue
May 10, 2018	Anand Kumar Singh	Promoter	20,000	10	NA	Bonus Issue
May 10, 2018	Sylvan Vincom Private Limited	Promoter Group	1,60,500	10	NA	Bonus Issue
May 10, 2018	Prithvi Singh	Promoter Group	24,500	10	NA	Bonus Issue
May 10, 2018	Anand Kumar Singh - HUF	Promoter Group	72,000	10	NA	Bonus Issue

1. Our Shareholding Pattern

The table below presents the shareholding pattern of our Company as per Regulation 31, of the SEBI Listing Regulations, 2015

1. Summary of Shareholding Pattern as on the date of this Draft Red Herring Prospectus:-

C a t e g o r y	Category of Shareholder	No s. of sha reh old ers	No. of fully paid up equity shares held	No. of Pa rtl y pai d- up equi ty sha res hel d	No. of sha res un der lyi ng De posi tor y Re cei pts	Total nos. shares held	Share holdin g as a % of total no. of shares (calcu lated as per SCRR , 1957) As a % of (A+B +C2)	Number of Voting Rights held in each class of securities*		No. of Shar es Und erlyi ng Outs tand ing conv ertib le secu rities (incl udin g War rant s)	Sharehol ding , as a % assuming full conversio n of convertib le securities (as a percenta ge of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumber ed		Numb er of equity shares held in demat erializ ed form* **
								No of Voting Rights	Total as a % of (A+ B+C)			N o. (a)	As a % of total Sha res hel d (b)	N o. (a)	As a % of total Share s held (b)	
I	II	III	IV	V	VI	VII = IV + V+ VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	10	90,73,120	-	-	90,73,120	99.79	90,73,120	99.79	-	99.79	-	-	-	-	[●]
B	Public	1	19,000	-	-	19,000	0.21	19,000	0.21	-	0.21	-	-	-	-	[●]
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category	Category of Shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form**
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	11	90,92,120	-	-	90,92,120	100.00	90,92,120	100.00	-	100.00	-	-	-	-	[●]

*As on the date of this Draft Red Herring Prospectus 1 Equity Shares holds 1 vote.

**All Equity Shares of our Company outstanding prior to the issue will be locked in as mentioned above prior to Listing of Shares on NSE EMERGE.

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of National Stock Exchange of India Limited before commencement of trading of such Equity Shares.

***In terms of SEBI Listing Regulations, our Company shall ensure that the Equity Shares held by the Promoters / members of the Promoter Group shall be dematerialised prior to listing of Equity shares.

2. The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoters, Promoter Group and Directors of Promoters, where the promoter is a body corporate, are as under:

Sr. No.	Name of the Shareholders	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoters				
1.	Anand Kumar Singh*	40,000	0.44 %	40,000	[●]
2.	Singh Suppliers Private Limited	38,26,920	42.09 %	38,26,920	[●]
	Subtotal (A)	38,66,920	42.53 %	38,66,920	[●]
	Promoter Group				
3.	Jai Prakash Singh	15,23,400	16.76%	15,23,400	[●]
4.	Shakuntala Singh	5,46,400	6.01%	5,46,400	[●]
5.	Kalyani Singh*	1,30,000	1.43%	1,30,000	[●]
6.	Prithvi Singh	49,000	0.54%	49,000	[●]
7.	Jai Prakash Singh – HUF	1,04,600	1.15%	1,04,600	[●]
8.	Anand Kumar Singh – HUF	1,44,000	1.58%	1,44,000	[●]
9.	Laptop Vyapaar Private Limited	23,87,800	26.26%	23,87,800	[●]
10.	Sylvan Vincom Private Limited	3,21,000	3.53%	3,21,000	[●]
	Subtotal (B)	52,06,200	57.26%	52,06,200	[●]
	Total (A+B)	90,73,120	99.79%	90,73,120	[●]

*Anand Kumar Singh is Promoter of our company and Kalyani Singh is Member of Promoter group, and both are the Directors of our Corporate Promoter.

11. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Anand Kumar Singh	40,000	157.50
Singh Suppliers Private Limited	38,26,920	21.46

12. There is no persons belonging to the category “Public” who holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.
13. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Draft Red Herring Prospectus are set forth below:

- a) Particulars of the top ten shareholders as on the date of filing this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Singh Suppliers Private Limited	38,26,920	42.09%
2.	Laptop Vyapaar Private Limited	23,87,800	26.26%
3.	Jai Prakash Singh	15,23,400	16.76%
4.	Shakuntala Singh	5,46,400	6.01%
5.	Sylvan Vincom Private Limited	3,21,000	3.53%
6.	Anand Kumar Singh - HUF	1,44,000	1.58%
7.	Kalyani Singh	1,30,000	1.43%
8.	Jai Prakash Singh - HUF	1,04,600	1.15%
9.	Prithvi Singh	49,000	0.54%
10.	Anand Kumar Singh	40,000	0.44%

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
	Total	90,73,120	99.79%

- b) Particulars of the top ten shareholders as at ten days prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Singh Suppliers Private Limited	38,26,920	42.09%
2.	Laptop Vyapaar Private Limited	23,87,800	26.26%
3.	Jai Prakash Singh	15,23,400	16.76%
4.	Shakuntala Singh	5,46,400	6.01%
5.	Sylvan Vincom Private Limited	3,21,000	3.53%
6.	Anand Kumar Singh - HUF	1,44,000	1.58%
7.	Kalyani Singh	1,30,000	1.43%
8.	Jai Prakash Singh - HUF	1,04,600	1.15%
9.	Prithvi Singh	49,000	0.54%
10.	Anand Kumar Singh	40,000	0.44%
	Total	90,73,120	99.79%

- c) Particulars of the top ten shareholders two years prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Singh Suppliers (P) Limited	19,13,460	42.09%
2.	Laptop Vyapaar (P) Limited	11,93,900	26.26%
3.	Jai Prakash Singh	7,48,400	16.46%
4.	Shakuntala Singh	2,60,000	5.72%
5.	Sylvan Vincom Private Limited	1,60,500	3.53%
6.	Fort Vinimay Private Limited	64,900	1.43%
7.	Kalyani Singh	55,000	1.21%
8.	Comfort Dealmark Private Limited	52,300	1.15%
9.	Express Dealers Private Limited	47,200	1.04%
10.	Alankar Dealtrade Private Limited	32,400	0.71%
	Total	45,28,060	99.60%

14. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
15. Neither the Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus.
16. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the EMERGE Platform of National Stock Exchange of India Limited.
17. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
18. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
19. There are no Equity Shares against which depository receipts have been issued.

20. Other than the Equity Shares, there is no other class of securities issued by our Company.
21. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
22. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
23. Our Company, our Promoters, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
24. There are no safety net arrangements for this public issue.
25. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
26. In case of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price.
27. As on date of this Draft Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
28. All the Equity Shares of our Company are fully paid up as on the date of the Draft Red Herring Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
29. As per RBI regulations, OCBs are not allowed to participate in this Issue.
30. Our Company has not raised any bridge loans against the proceeds of the Issue.
31. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
33. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
34. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
35. Our Company has 11 (Eleven) shareholders as on the date of filing of this Draft Red Herring Prospectus.
36. Our Promoters and the members of our Promoter Group will not participate in this Issue.
37. Our Company has not made any public issue since its incorporation.

38. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
39. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2018, 2017, 2016, 2015, 2014 please refer to paragraph titled “Details of Related Parties Transactions as Restated” in the chapter titled “*Financial Statements as restated*” on page 215 of this Draft Red Herring Prospectus.
40. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “Our Management” beginning on page 185 of this Draft Red Herring Prospectus.

OBJECTS OF THE ISSUE

Requirement of Funds:

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be Rs. [●] lakhs (the “Net Proceeds”).

We intend to utilize the Net Proceeds from Issue towards the following objects:

1. Funding the Working Capital requirements of our Company; and
2. General Corporate Purposes

(Collectively referred to as “Objects”)

Also, we believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

ISSUE PROCEEDS

Particulars	Amount (Rs. in lakhs)
Gross Proceeds from the Issue	[●]
Less- Issue related expenses	[●]
Net Proceeds	[●]

UTILIZATION OF NET PROCEEDS

The net proceeds are proposed to be used in manner as set out below:

Sr. No.	Particulars	Amount to be financed from Net Proceeds (Rs. in lakhs)	Percentage of Gross Proceeds	Percentage of Net Proceeds
1.	Funding the Working Capital Requirements of our Company	1,960.00	[●]	[●]
2.	General Corporate Purposes*	[●]	[●]	[●]

**To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.*

SCHEDULE OF IMPLEMENTATION & DEPLOYMENT OF FUNDS:

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. As on the date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards the objects of the Issue.

(Rs. in lakhs)

Sr. No	Particulars	Amount to be funded from the Net Proceeds(In Lakhs)	Estimated Utilization of Net Proceeds (Financial Year 2019)
1.	Funding the Working Capital Requirements of our Company	1,960.00	1,960.00
2.	General Corporate Purposes*	[●]	[●]

**To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.*

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

MEANS OF FINANCE

The working capital requirements will be met through the Net Proceeds to the extent of Rs. 1,960.00 lakhs and balance through internal accruals/ net worth and short term bank finance. Further details of funding of the Objects is given below:

(Rs in lakhs)

Objects of the Issue	Amount Required	IPO Proceeds	Internal Accruals/ Net worth	Short Term Cash Credit Facility from Banks
Funding the Working Capital Requirements of our Company	10,718.52	1,960.00	4,758.52	4,000.00
General Corporate Purposes*	[●]	[●]	-	-

**To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.*

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2) (g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

Details of the Objects

1. Funding the working capital requirements of our Company:

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and financing from banks. As on March 31, 2017 and March 31, 2018, the amount outstanding on our Company's working capital facility was Rs. 3,824.05 lakhs and Rs. 5,012.46 lakhs respectively as per the restated financial statements. As on March 31, 2018, our sanctioned working capital facilities comprised fund based limit of Rs. 4,000.00 lakhs and non-fund based limit of Rs. 6,925.00 lakhs. For further details, please refer to the chapter titled "*Financial Indebtedness*" beginning on page 282 of this Draft Red Herring Prospectus.

Our Company's existing working capital requirement and funding on the basis of Restated Financial Information as of March 31, 2017 and March 31, 2018 are as stated below:

(Rs. in lakhs)

Particulars	March 31, 2017	March 31, 2018
Current Assets		
Inventories		
Raw materials	6,378.36	8,731.34
Work in Progress	771.74	312.49
Stock-in-trade	2,789.45	-
Finished goods	247.43	1,805.28
Stores & Spares	154.55	102.08
Trade Receivables	2,570.19	2,929.81
Cash and Bank Balances	57.39	84.21
Short term Loans & Advances and Other Current Assets	329.35	372.15
Total (A)	13,298.46	14,337.36
Current Liabilities		
Trade Payables	4,885.56	4,973.01
Other Current Liabilities & Short Term Provisions	988.48	611.88
Total (B)	5,874.04	5,584.89
Total Working Capital (A)-(B)	7,424.42	8,752.47
Existing Funding Pattern		
Working Capital funding from Banks	3,824.05	5,012.46
Internal accruals/Net Worth	3,600.37	3,740.01

Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated August 27, 2018 has approved the business plan for the Fiscals 2019 and for the Fiscal 2020. The projected working capital requirements for Fiscal 2019 is stated below:

(Rs. in lakhs)

Particulars	March 31, 2019 (Estimated)
Current Assets (A)	
Inventories	
Raw materials	8,818.31
Work in Progress	349.55
Stock-in-trade	955.99
Finished goods	2,320.07
Stores & Spares	132.70
Trade Receivables	3,355.41
Cash and Bank Balances	91.97
Short term Loans & Advances and Other Current Assets	450.19
Total (A)	16,474.19
Current Liabilities (B)	
Trade Payables	4,792.12
Other Current Liabilities & Short term Provision	963.55
Total (B)	5,755.67

Particulars	March 31, 2019 (Estimated)
Total Working Capital (A)-(B)	10,718.52
Funding Pattern	
IPO Proceeds	1,960.00
Working capital loans from bank	4,000.00
Internal Accruals/Net worth	4,758.52

Assumption for working capital requirements

(In months)

Particulars	Holding Level for March 31, 2017	Holding Level for March 31, 2018	Holding Level for March 31, 2019 (Estimated)
Current Assets			
Inventories			
Raw materials	5.48	7.11	7.66
Work in Progress	0.47	0.19	0.20
Stock-in-trade	10.06	-	2.16
Finished goods	0.16	1.07	1.24
Trade Receivables	1.33	1.44	1.50
Current Liabilities			
Trade Payables	2.20	3.39	2.85

Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

Assets- Current Assets	
Inventories	Raw Materials- We have assumed raw material inventory holding period of 7.66 months in financial year 2018-19 against 7.11 months in financial year 2017-18 which is higher than previous year’s holding period as we expect increase in growth of our business operations during the year. Work-in-Progress- We have assumed work-in-progress holding period of 0.20 month in financial year 2018-19 against 0.19 month in financial year 2017-18 which is in line with previous year’s holding period. Stock-in-trade (in respect of goods acquired for trading)- At the end of financial year 2017-18, we did not hold inventory of stock-in-trade but for the financial year 2018-19 we intend to hold stock-in-trade inventory. We assumed 2.16 months holding period level of stock-in-trade for the financial year 2018-19. Going forward our Company intends to reduce its trading activity and therefore will hold lower level of stock in trade inventory as compared to previous financial years. Finished Goods- We have assumed finished goods inventory holding period of 1.24 months in financial year 2018-19 as against 1.07 months in financial year 2017-18 which is slightly higher than previous year’s holding period as we expect increase in growth of our business operations during the year.
Trade receivables	We have assumed trade receivables holding period level of 1.50 months in financial year 2018-19 as against 1.44 months in financial year 2017-18 which is higher than previous financial year’s holding period level as

Assets- Current Assets	
	we are expecting to allow more lenient credit period to our clients. Further we intend to tap new customers and provide liberal credit facility to our trade receivables for expanding our sales.
Liabilities-Current Liabilities	
Trade Payables	In financial year 2018-19, we expect our payable's credit period to be 2.85 months as against 3.39 months in financial year 2017-18 as our company going forward to prune our creditor's days by infusing funds towards working capital from the net issue proceeds.

Our Company proposes to utilize Rs. 1960.00 lakhs of the Net Proceeds in FY 2018-19 towards our working capital requirements and the balance portion of our working capital requirement will be arranged from existing Bank loans and Internal Accruals/ Net Worth.

2. General Corporate Purposes:

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) strategic initiatives
- (ii) brand building and strengthening of marketing activities; and
- (iii) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "General Corporate Purposes" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. [●] Lakhs.

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	[●]	[●]	[●]
Regulatory fees	[●]	[●]	[●]
Marketing and Other Expenses	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

**As on August 31, 2018, our Company has incurred Rs. 10.87 Lakhs towards Issue Expenses out of internal accruals.*

***Selling commission payable to the members of the Syndicate, CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:*

Portion for RIIs	[●] % ^ (exclusive of Goods and Service Tax)
Portion for NIIs	[●] % ^ (exclusive of Goods and Service Tax)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price)

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of Rs 10 (plus applicable Goods and Service Tax) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

***Registered Brokers, will be entitled to a commission of Rs. [●] (plus applicable Goods and Service Tax) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker, on valid bids, which are eligible for allotment, procured from Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSB for processing.

**** SCSBs would be entitled to a processing fee of Rs. [●] (plus Goods and Service Tax) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to SCSBs on valid bids for processing the Bid cum Application Form procured by the members of the Syndicate or the Registered Brokers or the CDPs or RTAs and submitted to them.

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance project requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance project requirements will be repaid from the Net Proceeds of the Issue.

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs 10,000 lakhs in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue

Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Draft Red Herring Prospectus.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the Net Proceeds will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Management Personnel or Group Companies, except in the normal course of business and in compliance with applicable law.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager, on the basis of an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares is Rs. 10/- each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to the sections titled “*Risk Factors*” and “*Financial Statements*” beginning on pages 20, 215 respectively and chapter titled “*Our Business*”, beginning on page 144 of this Draft Red Herring Prospectus, to have an informed view before making an investment decision. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

- Experienced Management team;
- Brand recognition;
- Wide dealer network;
- Large and integrated manufacturing facility;
- Locational Advantage
- Entry barrier; and
- Specified product portfolio.

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 144 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below is based on the restated financial statements of the Company for the Financial Years ended March 31, 2018, 2017 and 2016 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20 as adjusted for changes in capital:

Year Ended	EPS(Rs.)	Weight
March 31, 2018	4.52	3
March 31, 2017	2.10	2
March 31, 2016	2.93	1
Weighted Average		3.45

Notes:

1. The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the year. Earnings per share has been computed as per AS-20. The face value of each Equity Share is Rs. 10/-
2. On May 10, 2018, our Company issued 45,46,060 Equity Shares to the existing shareholders as fully paid bonus shares. For calculating the Weighted Average Number of Equity Shares for EPS above, these bonus shares have been considered in all the periods reported.

2. Price to Earnings (P/E) ratio in relation to Price Band of Rs. [●] to Rs. [●] per Equity Share of Rs. 10/- each fully paid up:

Particulars	P/E Ratio on Cap Price	P/E on Floor Price
P/E ratio based on Basic EPS for FY 2017-18	[●]	[●]
P/E ratio based on Weighted Average EPS	[●]	[●]
*Industry P/E		

Particulars	P/E Ratio on Cap Price	P/E on Floor Price
Highest		49.25
Lowest		10.91
Average		26.77

*Industry Composite comprises of Greenply Industries Limited, Archidply Industries Limited, Uniply Industries Limited and Century Plyboards (India) Limited.

3. Return on Net worth (RoNW):

Return on Net Worth ("RoNW") as per restated financial statements:

Year Ended	RoNW (%)	Weight
March 31, 2018	5.74	3
March 31, 2017	2.83	2
March 31, 2016	4.03	1
Weighted Average (%)		4.48

Notes:

1. The RONW has been computed by dividing net profit after tax (excluding exceptional income, if any) as restated by net worth (excluding exceptional income, if any) as restated as at year end.
2. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2018:

To maintain pre-issue basic & diluted EPS

- a. At the floor price – [●]%
- b. At the cap price – [●]%

5. Net Asset Value (NAV) per share:

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2018	78.83
Net Asset Value per Equity Share after the Issue- At Cap Price	[●]
Net Asset Value per Equity Share after the Issue- At Floor Price	[●]
Issue Price per equity share	[●]

Notes:

1. Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares at the end of the year.
2. On May 10, 2018, our Company issued 45,46,060 Equity Shares to the existing shareholders as fully paid bonus shares. For calculating the NAV above, these bonus shares have been considered in all the periods reported.

6. Comparison with listed industry peers:

Companies	CMP*	Basic and Diluted EPS	PE Ratio	RON W (%)	NAV (per share)	Face Value (per share)	Total Income (Rs. in Lakhs)
Sylvan Plyboard (India) Limited	[●]	4.52	[●]	5.74	78.83	10	24,553.66
Peer Group**							
Greenply Industries Limited	194.15	11.07	17.54	14.83	74.62	1	1,70,791.75
Archidply Industries Limited	56.15	1.14	49.25	1.90	59.79	10	31,166.22
Uniply Industries Limited	68.00	6.23	10.91	9.52	65.51	10	14,037.35
Century Plyboards (India) Limited	207.00	7.05	29.36	18.69	37.72	1	2,00,872.43

* CMP for our Company is considered as Issue Price

**Source: www.nseindia.com.

Notes:

1. Considering the nature and size of business of the Company, the peers are not strictly comparable. However same have been included for broad comparison.
2. The figures for Sylvan Plyboard (India) Limited are based on the restated financial statements for the year ended March 31, 2018.
3. The figures for the peer group are based on the standalone audited results for the year ended March 31, 2018.
4. Current Market Price (CMP) is the closing price of peer group scripts as on September 07, 2018. However, CMP for our Company is the Final Price that will be determined on completion of the Book Building Process and will be updated at the time of filing Final Prospectus with the ROC.
5. NAV is computed as the closing net worth divided by the closing outstanding number of paid up equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off).
6. P/E Ratio has been computed based on the closing market price of peer group's equity shares on September 07, 2018 as divided by the Basic EPS provided.
7. RoNW is computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve less miscellaneous expenditure not written off).
8. Sylvan Plyboard (India) Limited is a Book Built issue and price band for the same shall be published 5 working days before opening of the issue in English and Hindi National newspapers and one regional newspaper with wide circulation.

For further details see section titled “Risk Factors” beginning on page 20 of this Draft Red Herring Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled “Financial Statements” beginning on page 215 of this Draft Red Herring Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Sylvan Plyboard (India) Limited
41, B.B. Ganguly Street, 4th Floor,
Kolkata, West Bengal - 700012, India

Dear Sirs,

Subject : Statement of Possible Special Tax Benefits available to Sylvan Plyboard (India) Limited and its shareholders prepared in accordance with the requirements under Schedule VIII – Clause (VII) (L) of the SEBI (ICDR) Regulations, 2009 as amended (the ‘Regulations’)

We hereby report that the enclosed annexure prepared by **Sylvan Plyboard (India) Limited**, states the possible special tax benefits available to **Sylvan Plyboard (India) Limited** (‘the Company’) and the shareholders of the Company under the Income Tax Act, 1961 (‘Act’), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company’s management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares (“the Offer”) by the Company.

We do not express any opinion or provide any assurance as to whether:

- The Company or its Equity Shareholders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits have been / would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For , N.K. Aswani & Co.

Chartered Accountants

Firm Registration No. 100738W

N.K. Aswani

Proprietor

M No. 033278

Date: August 02, 2018

Place: Ahmedabad

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

A. SPECIAL TAX BENEFITS TO THE COMPANY

The Company is not entitled to any special tax benefits under the Act

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

The Shareholders of the Company are not entitled to any special tax benefits under the Act

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 20 and 215 respectively of this Draft Red Herring Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO INDIAN PLYWOOD INDUSTRY

Before discussion of development in Plywood industries it is necessary to know "What does Plywood means". Means, Plywood is a wood base panel product. It is manufactured by gluing together a number of thin sheets of veneers or piles of soft wood or hard wood makes Plywood. There are always an odd number of veneers and each ply is at right angle to one below, this gives the material its strength. The more veneers used, the stronger the Plywood becomes. Both the type of glue and veneers determine the suitability of a sheet for a particular application.

The history of Plywood industry in India is old. It is more than 75 year that this industry was started here on a very modest scale. It was in the year 1906-1907 that Plywood was imported in India for the first time valued at Rs. 32 lacs. Imports rose steadily and by 1924-1925 it were worth Rs. 90 lacs. 'Tea Industry in Assam, West Bengal and Kerala was steadily developing and it was thought that Plywood industry in the form of Tea Chests production mainly for export should be developed. Accordingly two Plywood factories were started in Assam in 1923- 1924 but their development was steady and slow and not phenomenal. These were the pioneers and the resourcefulness and courage shown by them in the early stages of growth of Plywood industry was remarkable and the industry owes gratitude to these courageous entrepreneurs. With the outbreak of Second World War, necessity of manufacturing tea chests locally was very much felt and Plywood industry in from of Tea chests industry started on a large scale.

It will riot be exaggerated that Plywood industry in India is a gift of Second World War. Now those tea Chests must be produced, Forest Departments in different states started thinking in terms of finding Suitable timber for manufacturing tea chests.

After 1947-48, the industries resorted to diversification of its Marine and aircraft Plywood produced in Indian factories came into the market, which were second to none in the world in quality and diversity of its products. Industrial Licensing is governed by the Industries (Developmental and Regulation) Act, 1951 under which the wood based industry was covered.

There was no restriction of putting up Plywood Mill up to 1970, the only criteria was that the applicant was required to obtain An Industrial License, which was being considered by Ministry of Industry after Consulting various Ministries including Ministry of Environment & Forests. Forest Ministry was being consulted for ascertaining sustainable raw material of Timber for a Particular project; the Wood based Industry was more or less in Medium and Large scale. The Wood based Industry was under Compulsory Industrial Licensing from 1988 whether a small scale unit or a Large/Medium unit, new undertaking or substantial expansion would require Industrial License.

During 1970 there was clear-cut definition of small-scale sector and units having an investment of less than 7.5 Lakhs in plant and Equipment Were covered under the definition of small-scale sector, which would be registered with the respective State Director of Industries. At that particular stage some of the unit with such investment got them transferred to small-scale sectors. Meanwhile there were

Modern technology and machinery equipped Plywood units coming up in different places in India like North Eastern Zone. In 1997 the Government of India totally delicensed Wood based industry as a result more than 2000 small - scale units coming up.

(Source: Indian Plywood Industry Analysis - India Brand Equity Foundation - www.ibef.org)

OVERVIEW OF PLYWOOD INDUSTRY IN INDIA

The history of Plywood industry in India is old. It is more than 75 years that this industry was started here on a very modest scale. It was in the year 1906-1907 that Plywood was imported in India for the first time valued at Rs. 32 lacs. Imports rose steadily and by 1924-1925 it was worth Rs. 90 lacs. Tea Industry in Assam, West Bengal and Kerala was steadily developing and it was thought that Plywood industry in the form of Tea Chests production mainly for export should be developed. Accordingly two Plywood factories were started in Assam in 1923-1924 but their development was steady and slow and not phenomenal. These were the pioneers and the resourcefulness and courage shown by them in the early stages of growth of Plywood industry was remarkable and the industry owes gratitude to these courageous entrepreneurs. With the outbreak of Second World War, necessity of manufacturing tea chests locally was very much felt and Plywood industry in form of Tea chests industry started on a large scale.

The potentialities of the industry can be judged from the many uses to which Plywood can be put on the basis of demand for the following articles from the consumers:

- Shuttering Plywood;
- Packaging Plywood;
- Plywood drums;
- Flush doors;
- Commercial & Decorative Plywood;
- Block Boards;
- Moulded Plywood furniture's and chair seats;
- Laminated picking sticks for cotton and jute textile industry;
- Sliced decorative veneers of walnut, teak, rosewood etc.

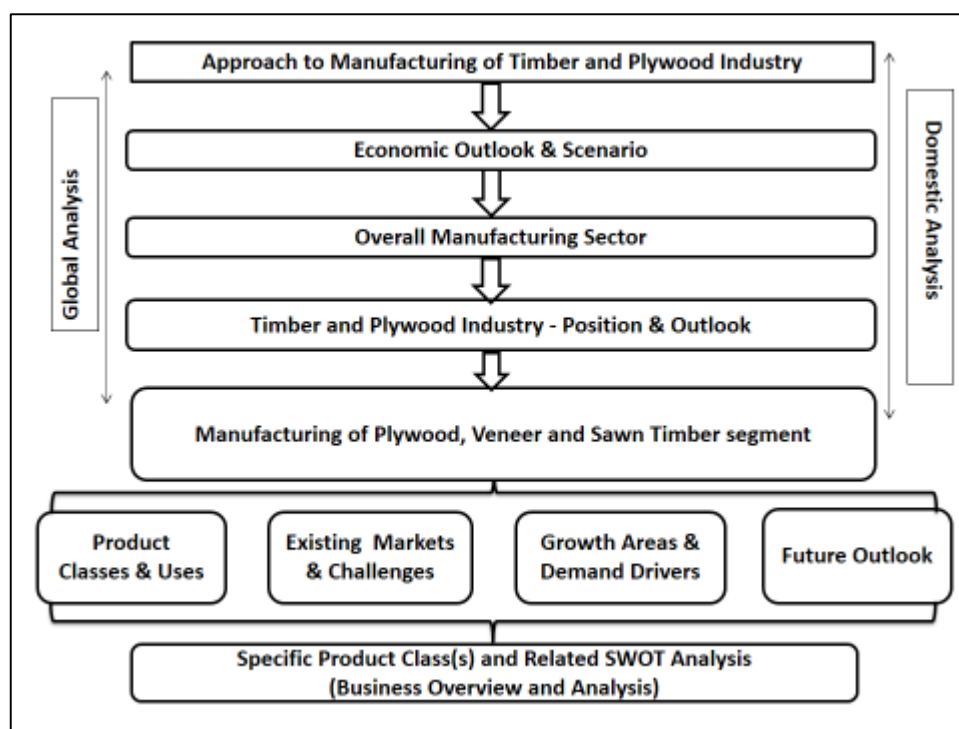
(Source: Indian Plywood Industry Analysis - India Brand Equity Foundation - www.ibef.org)

APPROACH TO MANUFACTURING OF TIMBER AND PLYWOOD INDUSTRY

Analysis of Manufacturing of Timber and Plywood Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Manufacturing of Timber and Plywood Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Manufacturing of Timber and Plywood Industry.

Manufacturing Sector comprises various industries, which in turn, have numerous sub-classes or products. One of the industries in the overall Manufacturing Sector is "Manufacturing Timber and Plywood Industry", which in turn encompasses various segments such as Manufacturing of Plywood, Veneer and Sawn Timber etc.

Thus, the Timber and Plywood manufacturing industry should be analysed in the light of "Manufacturing Sector" at large. An appropriate view on Manufacturing of Plywood, Veneer and Sawn Timber Segment, then, calls for the overall economic outlook, performance and expectations of Manufacturing Sector, position of Timber and Plywood Products Manufacturing Industry and micro analysis thereof.



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GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund (IMF), the global economy is experiencing a near-synchronous recovery, the most broad-based since 2010. In 2017, roughly three-quarters of countries experienced improvements in their growth rates, the highest share since 2010. The latest World Economic Outlook (WEO) of the IMF shows global GDP growth accelerated to around 3.6 percent in 2017 from 3.2 percent in 2016, and the forecast for 2018 has been upgraded by 0.2 percentage points to 3.9 percent. Although rebounding, global growth is still well below levels reached in the 2000s.

One reason why the recovery has spread around the globe is that world trade in goods and services has finally emerged from its torpor, registering 4.7 percent real volume growth in 2017 compared with 2.5 percent in 2016. Another reason is that commodity producers such as Russia, Brazil, and Saudi Arabia, which for the past few years been suffering from depressed prices, have benefitted from the upswing in demand. Commodity prices increased smartly in 2017, led by petroleum, whose price rose by 16 percent to reach \$61 per barrel by the end of the year.

Even as global growth and commodity prices have surged, inflation has remained remarkably quiescent, remaining below 2 percent in the main advanced regions. Consequently, monetary policies in the US, Eurozone and Japan have remained highly accommodative despite a strong recovery. These unusual settings—rapid growth, ultra-low interest rates—at a late stage in the economic cycle have produced the rarest of combinations: record-high high bond prices and stock market valuations, both at the same time. The consensus forecast calls for these conditions to be sustained in 2018, as companies respond to buoyant demand conditions by stepping up investment, some governments (such as the US) embark on expansionary fiscal policies, while advanced country monetary policies remain stimulative and world trade continues to grow briskly.

What are the risks? Of course, there are the usual geo-political and geo-economic risks: war in the Korean peninsula; political upheaval in the Middle East; aggressive output cuts by Saudi Arabia (and Russia) in advance of the planned listing of the Saudi Arabian oil company, Aramco, which could force oil prices even higher; a final reckoning from China's unprecedented credit surge in the form of capital controls, slowdown in growth, and a sharply depreciating currency with consequences for the global

economy (Economic Survey, 2016-17, Chapter 1); and trade tensions that could lead to skirmishes, and then spiral out of control. But perhaps the main risks lie on the macro-finance front in advanced economies. These stem from three, inter-related, sources:

- Asset valuations (price-equity ratios) tend to revert to their mean. And the faster and higher they climb, especially so late in the economic cycle, the greater the risk of sharp corrections.
- Simultaneously high valuations of both bonds and equities tend to be briefly lived because they suffer from an acute tension: if future earnings and economic growth are so bright, justifying high equity prices, interest rates cannot be forever so low.
- And if interest rates rise—or if markets even sense that central banks will need to shift their stance—both bond and equity prices could correct sharply. A plausible scenario would be the following. The IMF is now forecasting that advanced country output gaps will close in 2018 for the first time since the Global Financial Crisis. As this occurs, wages would start rising, eating into profits (which would prick equity valuations); and as inflation rises in tandem, policy makers would be forced into raising rates, deflating bond valuations and further undermining share prices.

What would happen to growth if asset prices correct? Surely, the impact would be far smaller than it was in 2007-09, because advanced countries are far less vulnerable than they were a decade ago. In particular, the leverage tied to these assets is much lower, which would minimize contagious propagation; while banks are much better buffered, with higher levels of capital and core deposits, and lower levels of risky assets.

Even so, there would be some consequences. For one, a large decline in wealth would force advanced country consumers to cut back on their spending, which in turn would lead firms to curtail their investments. And if this happens, monetary and fiscal policies would have much less room for expansionary manoeuvre since interest rates are already low while government debts are high. And the political implications of yet another decline in asset prices, the second in a decade, could also be significant, with effects that are difficult to imagine.

In sum, assessing future risks hinges on two calls: interest rate policy and asset valuations. On policy, extraordinarily low rates have, to paraphrase Paul Krugman, become “an obsession in search of a justification.” Initially justified by the dislocations caused by the Global Financial Crisis, then by large output gaps, they are now defended on the grounds that inflation remains weak, even as the slack in product and labor markets is disappearing rapidly. Will the gathering new evidence on closing output gaps and rising employment dispel that obsession?

On valuations, the prognosticator must navigate a narrow strait: steering clear of the “Cry of Wolf” trap (bond prices will finally, finally correct, having defied the prediction of correction in each of the last several years), without succumbing to the siren call of “This Time is Different” (stock valuations are sustainable this time because interest rates will remain at historic lows).

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OVERVIEW OF INDIA'S ECONOMIC PERFORMANCE IN 2017-18

Economic activity

The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation (Figure 17) and exports.

Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating (Figure 18). Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased by 43 percent (April-December 2017 compared to the same period a year ago), substituting in part for weak bank credit. Rural demand, proxied by motor cycle sales, and auto sales, while not yet back to its pre-demonetization trend, are recovering (Figures 19 and 20).

Figure 19. Sale of Motorcycles
(Seasonally adjusted, in thousands)

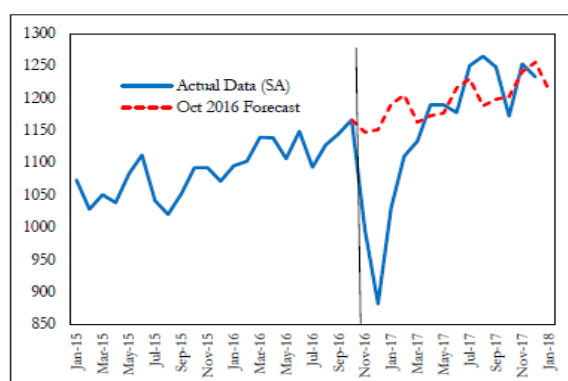
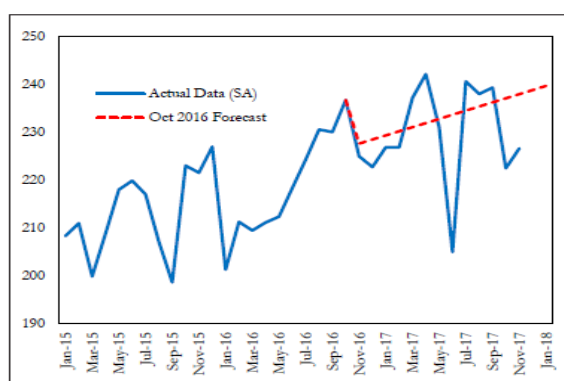


Figure 20. Sale of Passenger Cars
(Seasonally adjusted, in thousands)

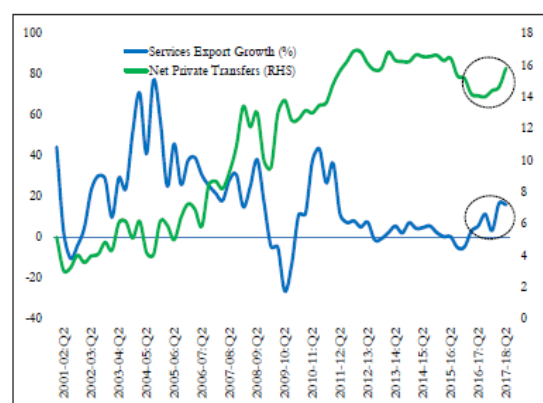


Source: Society for Indian Automobile Manufacturers, Survey calculations.

Perhaps most significantly, the behaviour of manufacturing exports and imports in the second and third quarters of this fiscal year has started to reverse. The re-acceleration of export growth to 13.6 percent in the third quarter of FY2018 and deceleration of import growth to 13.1 percent, in line with global trends, suggest that the demonetization and GST effects are receding. Services export and private remittances are also rebounding (Figure 21).

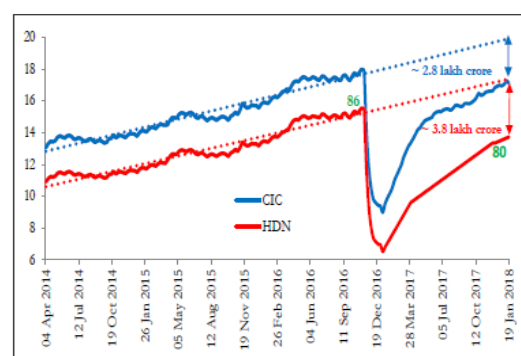
On demonetization specifically, the cash-to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization (Figure 22). The stabilization also permits estimation of the impact of demonetization: about Rs. 2.8 lakh Crores less cash (1.8 percent of GDP) and about Rs. 3.8 lakh Crores less high denomination notes (2.5 percent of GDP).

Figure 21. Services Export Growth (percent) and Net Private Remittances (in US\$ billion)



Source: RBI, Survey calculations.

Figure 22. Currency in Circulation (CIC) and High Denomination Notes (HDN) (In Rs. lakh crore)



Source: RBI, Survey calculations; Numbers in green denote HDN as share of CIC.

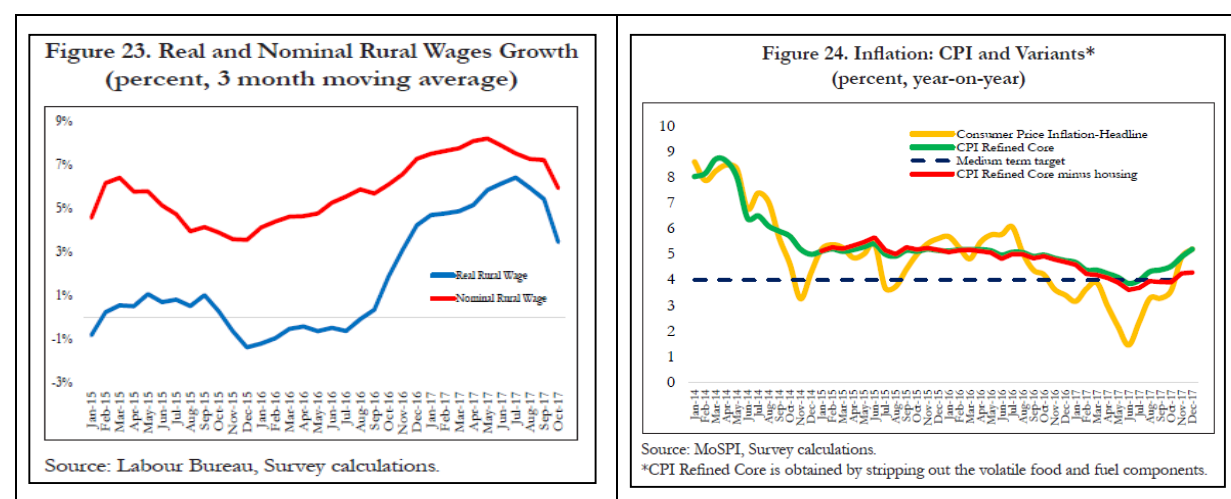
A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporates have not raised commensurate amounts of capital, suggesting that their investment plans remain modest (Box 6).

In other words, the twin engines that propelled the economy's take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

Meanwhile, developments in the agriculture sector bear monitoring. The trend acceleration in rural wages (agriculture and non-agriculture), which had occurred through much of 2016 because of increased activity on the back of a strong monsoon, seems to have decelerated beginning just before the kharif season of 2017-18 (Figure 23) but it is still greater than much of the last three years. Three crop-specific developments are evident. Sowing has been lower in both kharif and rabi, reducing the demand for labor. The acreage for kharif and rabi for 2017-18 is estimated to have declined by 6.1 percent and 0.5 percent, respectively. Pulses and oilseeds have seen an increase in sowing, but this has translated into unusually low farmgate prices (below their minimum support price, MSP), again affecting farm revenues. The so-called TOP perishables (tomatoes, onions, and potatoes) have meanwhile fluctuated between high and low prices, engendering income uncertainty for farmers.

The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO-forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6 3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favourable base effects, especially in the fourth quarter.



Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. This implies average CPI inflation in the last quarter of 5 percent, in line with the RBI's forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

Macroeconomic indicators

After 13 months of continuously under-shooting the inflation target by an average of 130 basis points, headline inflation for the first time crossed the RBI's 4 percent target in November, posting a rate of 5.2 percent in December 2017 (Figure 24). The recent upswing in inflation stems from rising global oil prices (not all of which has been passed on to consumers), unseasonal increases in the prices of fruits and vegetables, and the 7th Pay Commission housing rent allowances, which mechanically increase inflation. Stripped of all these factors, underlying inflation has been increasing at a more modest pace, reaching 4.3 percent at end-December—in part because firms are passing the incidence of GST on to final consumers only gradually.

The current account deficit has also widened in 2017-18 and is expected to average about 1.5-2 percent of GDP for the year as a whole. The current account deficit can be split into a manufacturing trade deficit, an oil and gold deficit, a services deficit, and a remittances deficit (Figure 25). In the first half of 2017-18, the oil and gold balance has improved (smaller deficit of \$47 billion) but this has been

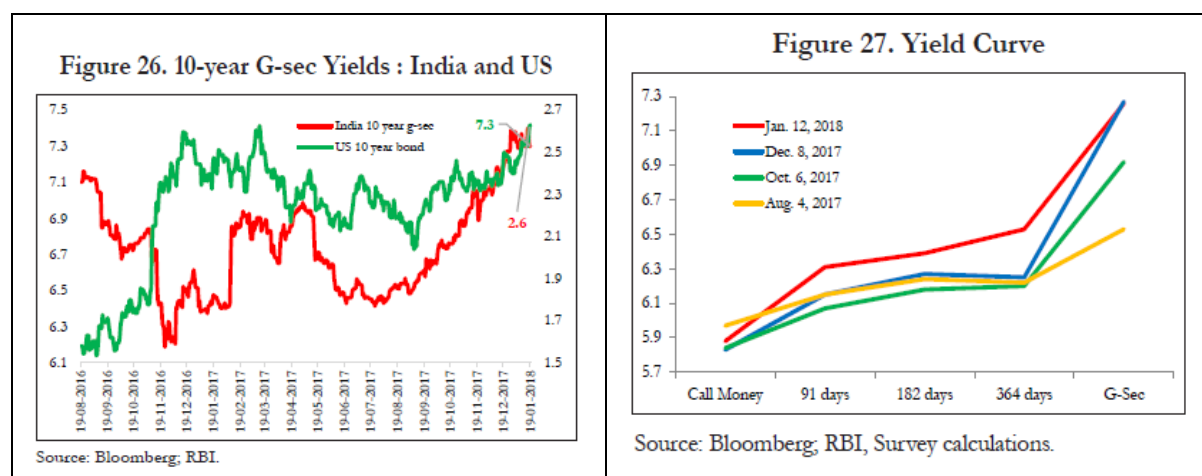
offset by a higher trade deficit (\$18 billion) and a reduced services surplus (\$37 billion), the latter two reflecting a deterioration in the economy's competitiveness.

Despite these developments, the overall external position remains solid. The current account deficit is well below the 3 percent of GDP threshold beyond which vulnerability emerges. Meanwhile, foreign exchange reserves have reached a record level of about \$432 billion (spot and forward) at end-December 2017, well above prudent norms.

Fiscal developments

Bond yields have increased sharply (Figure 26) since August 2017, reflecting a variety of factors, including concerns that the fiscal deficit might be greater-than-budgeted, expectations of higher inflation, a rebound in activity that would narrow the output gap, and expectations of rate increases in the US. As a result, the yield curve has become unusually steep (Figure 27).

The fiscal deficit for the first eight months of 2017-18 reached 112 percent of the total for the year, far above the 89 percent norm (average of last 5 years), largely because of a shortfall in non-tax revenue, reflecting reduced dividends from government agencies and enterprises. Expenditure also progressed at a fast pace, reflecting the advancing of the budget cycle by a month which gave considerable leeway to the spending agencies to plan in advance and start implementation early in the financial year. Partially offsetting these trends will be disinvestment receipts which are likely to exceed budget targets.



GST revenue collections are surprisingly robust given that these are early days of such a disruptive change (See Box 7). Government measures to curb black money and encourage tax formalization, including demonetization and the GST, have increased personal income tax collections substantially (excluding the securities transactions tax). From about 2 percent of GDP between 2013-14 and 2015-16, they are likely to rise to 2.3 percent of GDP in 2017-18, a historic high. Precise estimates of the government's contribution to this improvement vary depending on the methodology used. An econometric exercise yields an estimate of Rs. 40,000 Crores over the two fiscal years of 2016-17 and 2017-18.³ Another based on comparing the difference in actual tax buoyancy in 2016-17 and 2017-18 over the previous seven-years' average buoyancy, yields an estimate of about Rs. 65,000 Crores (both exclude the 25,000 Crores collected under the Income Disclosure Scheme and Pradhan Mantri Garib Kalyan Yojana). Thus, the sum of all government efforts increased income tax collections, thus far, between Rs. 65,000 and Rs. 90,000 Crores. These numbers imply a substantial increase in reported incomes (and hence in formalization) of about 1.5 percent to 2.3 percent of GDP.

As a result of the budget overruns, the central government's fiscal deficit until November 2017 was Rs. 6.1 lakh crore compared to the budgeted Rs. 5.5 lakh crore. In contrast, state governments seem to be hewing closely to their targeted fiscal consolidation – in part because the centre has guaranteed them a large increase in their indirect tax take, as part of the GST agreement.

Reflecting largely fiscal developments at the centre, a pause in general government fiscal consolidation relative to 2016-17 cannot be ruled out. In addition, the measured deficit for 2017-18 will include Rs. 80,000 crore (0.5 percent of GDP) in capital provided to public sector banks. But this will not affect

aggregate demand, as reflected in international accounting practice which deems such operations as financing (“below-the-line”) rather than expenditure.

In the case of borrowing by the states, markets have perhaps inadequately taken into account the fact that higher market borrowings by them does not reflect higher deficits; rather about Rs. 50,000 crore or 0.3 percent of GDP of market borrowings is due to changes in the composition of financing, away from higher cost NSSF borrowings toward lower cost market borrowings. This lack of strict correspondence between the deficit and borrowings at the central and state levels (Figure 28) is discussed in greater detail in Box 8. For general government, about Rs. 40,000 Crores represents greater market borrowings that is not due to deficits—a fact which markets apparently have not internalized.

Another factor contributing to the rise in bond yields has been stepped-up Open Market Operations (OMO) by the RBI. This amounted to a net sale of about Rs. 90,000 Crores during April-December 2017-18 (compared to a net redemption of Rs. 1.1 lakh Crores during the same period in 2016-17) to sterilize the impact of foreign flows, themselves induced by high interest rates.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OUTLOOK FOR 2018-19

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.

Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up, and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private capex cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending—assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices requires tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, re-instating India as the world’s fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India’s exports and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another ½ percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing

process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise. One eventuality to guard against is a classic emerging market “sudden stall” induced by sharp corrections to elevated stock prices. (Box 9 suggests that India’s stock price surge is different from that in other countries but does not warrant sanguine-ness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the resurgence of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation—especially in a pre-election year—based on optimistic forecasts that carry a high risk of not being realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

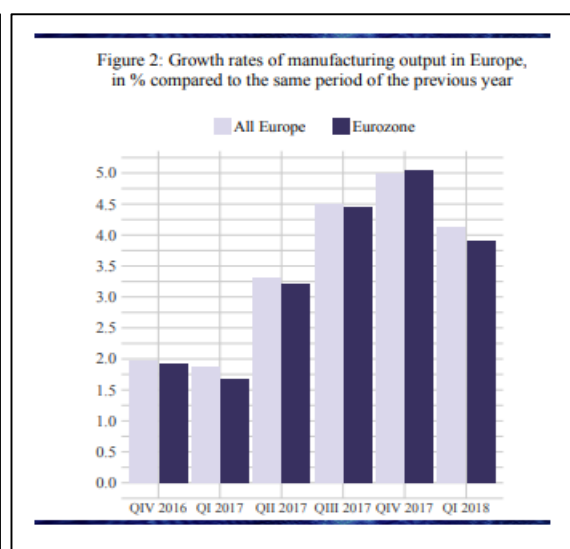
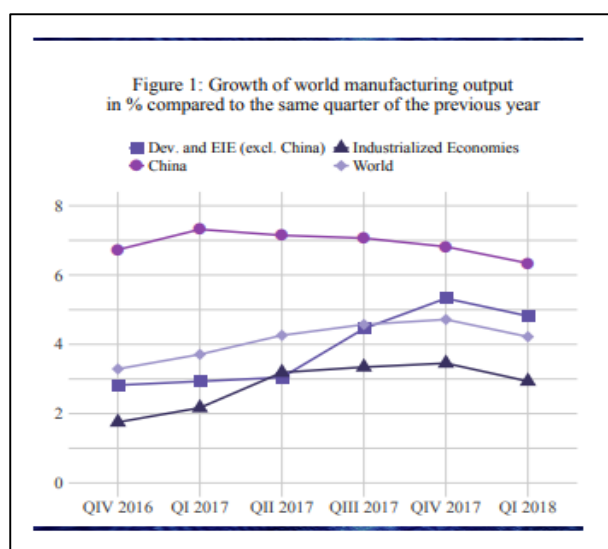
(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

GLOBAL MANUFACTURING SECTOR

World Manufacturing Growth

Following the improved growth rate of global manufacturing in 2017 both in industrialized as well as in developing and emerging industrial economies, the year 2018 set off with major downturn risks caused by a new wave of protectionism. This development has not yet had an impact on the dynamics of manufacturing growth. New tariffs and economic sanctions announced by the United States as well as uncertainties related to Brexit are considered impending threats of another slowdown of global industrial growth. The improved growth conditions in industrialized economies in 2016-2017 continue to have a positive impact on global manufacturing. As a result, world manufacturing output maintained an impressive growth rate of 4.2 per cent in the first quarter of 2018.

Industrialized economies, accounting for more than half of world industrial output, played a major role in this development. New fiscal stimuli — above all, in the United States, but in Germany as well — are expected to further boost short-term growth. This and other factors according to the OECD will continue to drive and strengthen world manufacturing output.⁶ As already mentioned above, increased trade tensions may, however, have detrimental effects on production growth and jobs. Data for the first quarter of 2018 generally indicate that year-over-year manufacturing growth has only decreased marginally (Figure 1). Data for China is to the extent possible presented separately from the country groups due to the size of the country’s economy.



Industrialized economies continued to maintain the higher growth rates attained at the end of 2017. In the first quarter of 2018, this country group's manufacturing output rose by 2.9 per cent compared to the same period in 2017. This growth was attributable to the dynamic recovery of Europe's manufacturing sector, which increased by 4.1 per cent in the first quarter of 2018. At the same time, North America's manufacturing output rose by 2.6 per cent. The growth rate of East Asia's industrialized economies remained below 2.0 per cent due to the poor performance of the Republic of Korea, where manufacturing output dropped by 3.1 per cent in the first quarter of 2018.

China, the world's largest manufacturer, maintained a robust year-over-year growth rate of about 6.3 per cent despite the import restrictions announced by the United States against Chinese products. The manufacturing output of developing and emerging industrial economies (excluding China) registered the most dynamic growth rate in recent quarters and achieved an overall growth rate of 4.8 per cent compared to the same quarter of 2017. Developing economies in Asia and Pacific recorded a high growth rate of 5.5 per cent in the first quarter of 2018, supported in particular by India with an impressive growth rate of 7.0 per cent. An even higher increase of 7.7 per cent was observed in the group of developing economies in the Eastern Europe region.

Latin America continued its recovery and expanded its manufacturing output by 2.7 per cent compared to the first quarter of 2017. The year-over-year growth rate of Brazil's economy of 4.4 per cent has had a considerable impact on Latin America's strong performance. Growth estimates based on limited data also showed a positive growth rate of nearly 2 per cent for Africa's manufacturing output. In short, manufacturing production expanded across all industrialized and developing regions in the first quarter of 2018 compared to the same period of the previous year, which confirms manufacturing's sustained recovery at the global level.

(Source: World Manufacturing Production- Statistics for Quarter I, 2018; United Nations Industrial Development Organisation - www.unido.org)

Industrialized economies

All industrialized regions, namely East Asia, Europe and North America, recorded positive growth rates and the overall upward trend in industrialized economies continued in the first quarter of 2018. After the strong growth at the end of 2017, reaching 5.0 per cent in the fourth quarter, some moderation in Europe's pace of growth was observed (4.1 per cent in the first quarter of 2018) compared to the same period of the previous year. The rate of growth in the eurozone countries fell more noticeably to slightly under 4.0 per cent. Overall, however, economic growth is expected to remain solid and broad-based according to the European Central Bank, implying a strengthening of business investments building on very favourable financing conditions, rising corporate profitability and robust demand.⁷ A closer look at the leading eurozone economies reveals that year-over-year manufacturing output increased by 4.6

per cent in Italy, 4.2 per cent in Germany and 3.0 per cent in Spain. French manufacturing output, however, experienced its worst quarterly drop since 2012 (-1.8 per cent compared to the fourth quarter of 2017), but was able to maintain a positive growth rate of 2.0 per cent compared to the first quarter of the previous year. With the exception of Malta, the manufacturing production of other eurozone economies continued to witness positive growth figures. Remarkable growth was achieved by Slovenia (9.3 per cent), Lithuania (7.0 per cent) and Austria (6.4 per cent). A fairly robust growth rate was furthermore observed in Estonia and Luxembourg (5.8 per cent each), the Netherlands (4.9 per cent) and Finland (4.1 per cent).

Beyond the eurozone, the United Kingdom and Denmark, in particular, experienced a rather moderate year-over-year growth rate (2.6 and 2.0 per cent, respectively), while Sweden (+7.0 per cent) and Czechia (+6.2 per cent) successfully extended their periods of high growth already witnessed over the last quarters. Among non-EU economies, Belarus, which in accordance with UNIDO criteria has recently been added to the group of industrialized economies, showed strong growth in the first quarter of 2018 (9.9 per cent). This high growth rate was driven by the production of machinery and equipment, petroleum refineries and the manufacturing of transport vehicles and equipment.

The growth rate of the Russian Federation turned positive again, with an estimated 0.8 per cent rise of manufacturing output. The country's performance, however, lagged far behind that of other industrialized countries. North America's overall manufacturing production grew by 2.6 per cent compared to the same period of the previous year, with an increase in output of 2.5 per cent in the United States and even 3.8 per cent in Canada. It remains to be seen whether the tax reforms in the United States and the expected stimulus for investment will result in further growth, as an increase in the reshoring of manufacturing activities is very likely. However, protectionist policies threaten to disrupt an otherwise promising economic outlook.

Japan's manufacturing output rose by 2.6 per cent, the seventh straight quarter of year over-year growth of manufacturing production. Industrial momentum remains strong in the world's third-largest manufacturer. The country's manufacturing output was boosted by the rapid growth of machinery and equipment.

By contrast, the manufacturing output of the Republic of Korea dropped by 3.1 per cent due to the weak performance of motor vehicles and machinery, which also had significant ripple effects in various materials and components industries. It is the second consecutive quarter of negative economic growth of more than 1.0 per cent. Among other East Asian economies, Singapore and Malaysia showed a strong performance with a growth rate of 9.8 per cent and 5.2 per cent, respectively.

(Source: World Manufacturing Production- Statistics for Quarter I, 2018; United Nations Industrial Development Organisation - www.unido.org)

Developing and Emerging Industrial Economies

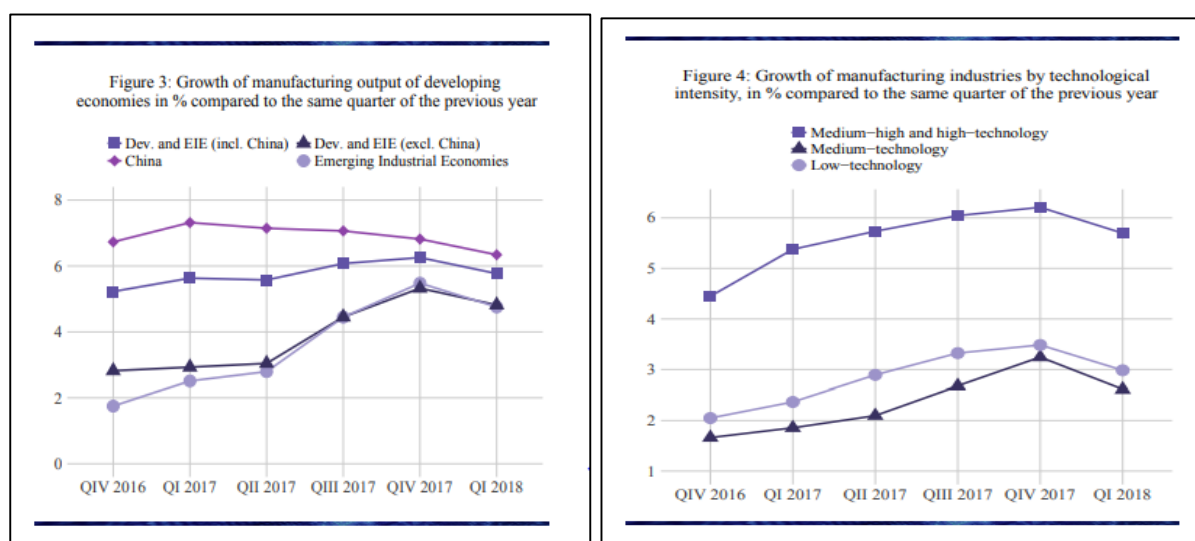
Earlier quarterly reports included China in the group of emerging industrial economies. However, due to the size and new characteristics of the economy, China is presented separately from the other country groups. Moreover, China is rapidly transforming into an industrialized economy owing to the country's extended high growth period.

China

China's manufacturing output rose by 6.3 per cent in the first quarter of 2018. The country's growth was slightly lower than in the previous quarter, when it reached 6.8 per cent. The strongest growth performance was observed in computer electronics (12.1 per cent). The production of motor vehicles and pharmaceuticals increased by about 10.0 per cent each. The combined growth of medium-high- and high technology-industries was estimated at 9.0 per cent, indicating a significant shift of Chinese manufacturing from low- to high-tech-sectors.

Developing and emerging industrial economies (excl. China)

Manufacturing output in China and in developing and emerging industrial economies (excluding China) remained strong overall, but there is clear evidence that the latter group comprising emerging industrial economies has been more dynamic since the third quarter of 2017 (Figure 3).



The growth performance of the Asia and Pacific region, in particular, increased by 5.5 per cent compared to the same period of the previous year. As regards another large Asian economy, India's manufacturing output grew by 7.0 per cent, leading to the expectation that India is on a sustained recovery path. Compared to the same quarter of the previous year, manufacturing output in Mongolia rose by 11.9 per cent and by 5.5 per cent in both Indonesia and Viet Nam. The manufacturing of electronics, computers and optical products as well as steel production strongly contributed to the growth observed in Viet Nam.

Latin America prolonged the phase of expanding the region's manufacturing output with a year-over-year growth rate of 2.7 per cent. Not only the rise in Brazil's manufacturing output by 4.4 per cent indicates continued recovery from the downturn in 2016. Argentina, Chile and Uruguay's manufacturing sectors grew around 3.0 per cent, while Mexico was slightly less dynamic with a growth rate of 1.3 per cent compared to the first quarter of 2017. The discussions surrounding the re-negotiation of the North American Free Trade Agreement might trigger uncertainty in Mexico, in particular, considering its close trade links with the U.S. economy, which is one of the main importers of Mexican manufactured products.

Growth estimates based on limited data for African countries generally indicated a moderate rise in manufacturing output. Manufacturing production in Egypt rose by 1.1 per cent, by 2.0 per cent in Nigeria, 1.5 per cent in South Africa and 2.8 per cent in Tunisia. Cote d'Ivoire reported a 9.6 per cent growth rate in manufacturing output. This was primarily attributable to a strong development of the agro-industrial sector, including the manufacturing of food and beverages.

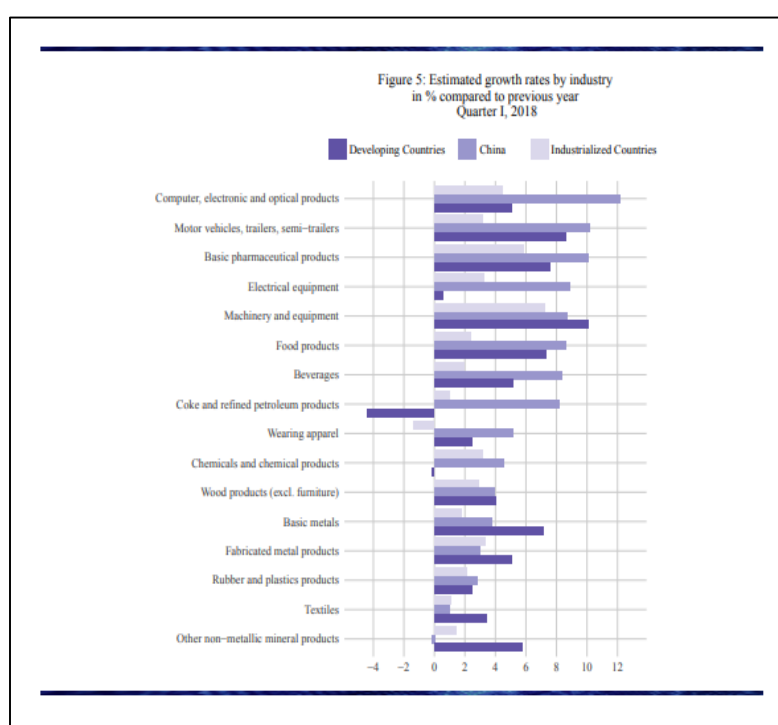
Among the developing and emerging industrial economies of Europe, Turkey registered an impressive growth figure of 9.9 per cent compared to the first quarter of 2017. Experts mainly attribute this growth to the inflow of foreign short-term investments as well as government policies, including the rise in bank lending, tax cuts and other incentives. Higher growth rates were also observed in other countries of the region. Cyprus's manufacturing output rose by 10.1 per cent that of the Republic of Moldova by 9.1 per cent and Romania's by 7.6 per cent. Albania, FYR Macedonia, Latvia, Poland and Serbia attained growth rates of more than 5.0 per cent.

(Source: World Manufacturing Production- Statistics for Quarter I, 2018; United Nations Industrial Development Organisation - www.unido.org)

Findings by Industry Groups

Industries grouped according to technological intensity have seen fairly similar growth patterns in recent periods. Growth in manufacturing output has decelerated in all industry groups since the beginning of 2018, with differences in the level of growth. While the growth rate of medium-high- and high-technology manufacturing industries at the global level was above 5.0 per cent, medium- and low-technology industries consistently performed lower. Despite some remarkable developments, the data underscores that investment in high-technology industries is a key component in the generation of innovation, leading to significant economic growth. Overall, medium-high- and high technology manufacturing industries reached a year-over-year growth rate of 5.7 per cent in the first quarter of 2018. This was largely driven by strong growth of about 9.0 per cent in China. India and Brazil's contributions are noteworthy as well, with a growth rate of 10.8 per cent and 8.1 per cent, respectively. Europe and Japan reported again more than solid rates, reaching 5.3 respectively 5.1 per cent. North America could not quite keep the pace with a year-over-year growth of 3.4 per cent. As potential tariffs were also pronounced for high tech products, it will of course be interesting to observe the respective development in the following quarters.

A decomposition of medium high- and high-technology industries reveals that the global production of machinery and equipment witnessed the highest growth rate at 7.9 per cent, followed by computers, electronics and optical products, which maintained a consistent year-over-year growth rate of over 7.2 per cent since the first quarter of 2017. The production of basic pharmaceutical products ranked third, achieving a growth rate of 7.1 per cent compared to the same quarter of the previous year. The global production of basic metals increased by 3.6 per cent, followed by rubber and plastic products at 2.3 per cent and non-metallic mineral products at 1.8 per cent. Food products rose by 4.8 per cent, making an essential contribution to global food supply. With a population growth of 1.2 per cent, an increased rate of growth in food products implies an improvement in per capita food consumption worldwide. Among other consumer goods, wearing apparel rose by 3.0 per cent and leather products by 3.7 per cent. Consumer goods generally increased at a much higher pace in developing and emerging industrial economies than in industrialized economies. Figure 5 illustrates the growth rates for various industries in detail. While most of the growth rates are positive, wearing apparel has declined in industrialized countries whereas coke and refined petroleum products decreased in developing countries (excluding China). Additional data on growth rates in the first quarter of 2018 are available in the Statistical Tables.



(Source: World Manufacturing Production- Statistics for Quarter I, 2018; United Nations Industrial Development Organisation - www.unido.org)

MANUFACTURING SECTOR IN INDIA

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020*.

Market Size

The Gross Value Added (GVA) at basic current prices from the manufacturing sector in India grew at a CAGR of 4.34 per cent during FY12 and FY18 as per the second advance estimates of annual national income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.

As per Labour Bureau's Quarterly Report on Employment Scenario, manufacturing sector added an estimated 89,000 jobs in the second quarter of 2017-18. Cumulative Foreign Direct Investment (FDI) in India's manufacturing sector reached US\$ 73.70 billion during April 2000-December 2017. India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- As of May 2018, The Chatterjee Group (TCG) is planning to set up a Continuous Polymerisation (CP) unit and a spinning unit, which will act as forward integrated units for its petrochemicals subsidiary MCPI.
- As of April 2018, Rallis India, a subsidiary of Tata Chemicals, is planning to undertake backward integration as its inputs have become costlier and the move will help the company to ease pressure on its profit margins.
- For its Commercial Vehicles, Ashok Leyland is utilising machine learning algorithms and its newly created telematics unit to improve the performance of the vehicle, driver and so on.

Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- As of March 2018, Government of India is in the process of coming up with a new industrial policy which envisions development of a globally competitive Indian industry.
- In Union Budget 2018-19, the Government of India reduced the income tax rate to 25 per cent for all companies having a turnover of up to Rs 250 crore (US\$ 38.75 million).
- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Government of India increased export incentives available to labour intensive MSME sectors by 2 per cent.

- The Government of India has launched a phased manufacturing programme (PMP) aimed at adding more smartphone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The Government of India is in talks with stakeholders to further ease foreign direct investment (FDI) in defence under the automatic route to 51 per cent from the current 49 per cent, in order to give a boost to the Make in India initiative and to generate employment.
- The Ministry of Defence, Government of India, approved the “Strategic Partnership” model which will enable private companies to tie up with foreign players for manufacturing submarines, fighter jets, helicopters and armoured vehicles.
- The Union Cabinet has approved the Modified Special Incentive Package Scheme (M-SIPS) in which, proposals will be accepted till December 2018 or up to an incentive commitment limit of Rs 10,000 crore (US\$ 1.5 billion).

Road Ahead

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

Exchange Rate Used: INR 1 = US\$ 0.015 as on March 30, 2018

Notes: * - According to the Global Manufacturing Competitiveness Index published by Deloitte

(Source: Indian Manufacturing Industry Analysis - India Brand Equity Foundation - www.ibef.org)

TIMBER AND PLYWOOD SECTOR IN INDIA

Introduction

Wood consumption in India is growing fast, and although the country has more than 250 commercial timbers – including some of the most highly prized tropical hardwoods like teak, rosewood, padouk, red sanders and sandalwood – a strict conservation policy limits harvesting. This means India is a net importer of wood and wood-based panel products.

Plywood has got several advantages over the natural wood. Ordinary wood has the tendency to Shrink and swell at varying humidity and temperature conditions. Further, it has got certain other Defects also, such as, knots, irregular grains etc. These defects are removed in Plywood. It is dimensionally stable in changing atmospheric conditions due to cross lamination or the veneers.

Plywood can be prepared in larger and requisite sized also. Its appearance can also be made more that it is used for making furniture, packing cases, and bodies of cars, buses and wagons. It is also used for making ships, boats, aircrafts, sports goods, and textile accessories and for hundreds of other uses.

Decorative Plywood and block board with decorative face veneers is still popular for panelling and partitions with Interior Designers. Interior of offices, shops, reception areas in buildings and banks are the main locations for wide use of Plywood block board. Pre-finished and pre-laminated and veneered particleboards are now being widely used in construction with aluminium framing for interiors.

However, where resistance to moisture, decay and insects are needed preservative treated Plywood and fire retardant Plywood may be preferable to these newly introduced materials.

(Source: Indian Plywood Industry Analysis - India Brand Equity Foundation - www.ibef.org)

WOOD CONSUMPTION IN INDIA

India abounds in several tree species whose wood is used for making furniture. Apart from indigenous material available in India, many species of wood are also imported to make up for the shortfall in domestic supply. Popular wood types used in India include walnut, sandalwood, teak, sheesham, deodar, ebony, redwood, rosewood, red cedar and sal.

Teak accounts for almost 50% of the total wood consumption for furniture; sal and deodar account for another 20% and the balance includes mahogany, cedar and other species. India also has an abundant supply of rubber wood: natural rubber plantations cover 520,000 hectares, with an additional 6,000 hectares being replanted almost every year since 1994. The southern state of Kerala produces 95% of the total supply of rubber wood in India. Economic and population growth have dramatically increased wood demand in India, and this trend is expected to continue. Total consumption is projected to rise from 58 million cubic metres in the year 2005 to 153 million cubic metres in 2020. As consumption rises and domestic supply remains static, imports have grown to fill the gap.

India is the second-largest importer of tropical logs in the world. At any given time, around 30% of all tropical logs in trade are destined for India. Import of logs represent over 74% of the total imports of forest products in the country. Among the reasons for importing logs into India are the simple and cost-effective 23,000-odd saw mills in the country, 98% of which are small units with an annual log intake of only 3,000 cubic metres. The total production capacity is estimated at around 27.12 million cubic metres per annum.

(Source: India Wood Sector Market Study, – AHEC, www.woodzone.com)

HISTORY OF PLYWOOD

Thin sheets of wood veneer put together gives the structure of a wooden panel which is termed as plywood. Plywood is manufactured from medium density fiberboard called as MDF and particle board known as chipboard. The layers of plywood are pasted together with adjacent plies having their wood grain rotated relative to adjacent layers up to 90 degrees. History dates back to 1797, when a British naval engineer named Samuel Bentham applied for patent rights for machineries which are to be used for producing veneers. In his application he gave a brief description about the theory of laminating several layers of veneer with glue to form a thicker piece which is now called as plywood. Samuel Bentham did lot of inventions in the ship building industry.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

READY-MADE ARTIST BOARDS ARE MADE OF PLYWOOD

During the ancient period the veneers were available as flat sawn, rift sawn or quarter sawn which meant that the log was either cut across or along in varying angles to the grain restricted in width and length. Nearly after 50 years from the theory of Samuel Bentham, it was described by Immanuel Nobel, father of Alfred Nobel that instead of a single thick layer of wood several thin layers of wood when bonded together proved much stronger than the former. Immanuel Nobel also invented the rotary lathe for the production of laminated wood. Though there are not many records about the further set of the rotary lathe and the commercialization of plywood but still from the French dictionary of the 1870 edition there are mentions about the process of rotary lathe veneer manufacturing in its entry Deroulage. With this we can arrive at the fact that it was in the year 1860 in France the rotary lathe plywood manufacture center was established. Followed by this plywood was introduced in USA in the year 1865 which slowly led to industrial production. The first fixed or the standard sized plywood sheets were first introduced by the United States in the year 1928 which was used as a building material. Even much before it was used as a building material the plywood was used for various other purposes like as a support for easel paintings which replaced traditional canvas or cardboards. There are articles which states that in 1880 ready-made artist boards for oil painting in three-layered plywood (3-ply) were produced.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

BUILDERS USE PLYWOOD AS THE MAJOR BUILDING MATERIAL

Today almost all the builders in India use plywood as the major and common building material. Plywood has become an absolutely necessary part of construction or building material. Thin sheets of wood or veneer are pressed to give strong, adaptable, pliable featured plywood. All these characteristic features have become the prime attraction of the builders for them to be used in the construction of building. However the plywood can be graded based on the usage of different bonding agents and brand of wood used in the production. In the composite plywood material the main specialty is the cross graining which is the alteration of the grain. This feature is highly beneficiary for it decreases the likelihood of the wood to split when the edges are nailed. It also helps in the reduction and the shrinkage of the wood thereby increasing the dimensional stability. With increase in the stability the strength of the panel is the same in all directions. To reduce distortion and twist, the sheets are piled in odd numbers aiding in balancing. Because plywood is bonded with grains running against one another and with an odd number of composite parts, it is very hard to bend it perpendicular to the grain direction of the surface ply.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

TYPES OF PLYWOODS

The plies or the layers are arranged at right angles to each other in those plywoods which are comparatively thin and of low quality. The next immediate better quality of plywood has their plies arranged in steps of 45 degrees which gives durability in number of axes. But however the best quality plywood is said to have plies arranged at 30 degrees in seven layers or have nine layers with two layers of 45 and 135 degrees in the sandwich. The process of manufacturing gets difficult when the step rotation is small which in turn would result in increased manufacturing cost and thereby also the retail price. Structurally the plywood panels are characterized by face veneers of a higher grade than the fundamental veneers. The core layers' primary function is to increase the panel resistance to bending by extending the separation between the outer layers because the stress is highest in this area of bending

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

USES OF PLYWOOD

In major Plywood producing countries USA, Canada and Australia- Plywood is mainly used for load bearing applications and building construction, as already explained strength properties of 20 Plywood and its moisture resistance characteristics make it particularly suitable for sheathing in wood framed houses. Here Plywood is used as well, roof and floor sheathing providing high over all rigidity to wood frames against wind and even earthquakes.

The efficiency of sheathing or diaphragm action depends upon how Plywood is fastened to wood. As explained earlier Plywood is either nailed or nail glued to wood. For our country where wood frame construction is not the usual way of constructing houses, use of Plywood for structural purposes mainly for secondary elements like web beams, arch panel, folded plate roof, rigid frames, etc. may be considered. These components can be used either as roof supporting elements or roofing itself. Flexibility and high strength or Plywood also makes it suitable for cylindrical bins for rain storage.

It is interesting to note that the bulk of structural Plywood in the world is manufactured from softwood, although mixed hardwoods are now being used in limited quantities. Obviously for us structural Plywood has to be necessarily made from mixed hardwood.

Further Plywood has been successfully used as stressed skin panels as wall and roof elements in prefabs, where 6 mm thick Plywood is glue nailed to longitudinal wooden runners. The composite action between Plywood and wood in these panels results in multiple T beam action leading to considerable saving of wood raw material.

Use of preservative treated Plywood with edges properly sealed in glued Plywood structures makes them practically maintenance free. Besides structural grade Plywood, which has definite assigned strength values, shuttering, marine and BWP grade Plywood can also be used in construction. Present

experience has shown that preservative treated and shuttering grade Plywood has given more than 15 years of trouble free service. Normally use of Plywood for roofing requires further protection with membrane or mastic coatings.

(Source: Indian Plywood Industry Analysis - India Brand Equity Foundation - www.ibef.org)

PLYWOOD IS COST EFFECTIVE AND DURABLE

Thus the thick panels can stretch to a greater extent under the same weight. The maximum strain and pressure occurs in the outermost layers during bending. The stress during bending decreases from the maximum at the face layers to nearly zero at the central layer. Shear stress, by contrast, is higher in the center of the panel, and zero at the outer fibers. The more layers in a plywood the more strongly and durable it is giving a high strength- and stiffness-to-weight ratios. Plywood is very cost effective and it is graded based on the quality of the face material on a scale of A to D where the high graded is expensive than the rest. The plywood can withstand any weather be it a freezing cold or sharp sun provided it should be protected by a coating on its top with a layer of paint. Plywood has the quality of able to adapt or be adapted to many different functions or activities. Though it has many layers it is easy to be nailed and to cut when proper equipment is used.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

PLYWOODS ARE EASY TO WORK FOR IT IS OF LOW WEIGHT

Plywoods are easy to work with for it is relatively of low weight when compared to other wood for all it needs is basic carpentry skills. There are different types of plywood available in the market based on for what purpose or application it is used for. Medium density fiber which is commercially known as MDF is made from heat-pressed wood dust. It is very heavy when compared to the other types and is usually covered with wood veneer. The next type is the medium and high density overlay plywood which consists of a core, and then a pressed fiber material is laid over that core. This is supposed to weigh less than the MDF and also more stable than the other types. The most common type of plywood used in building construction is CDX plywood which is very common for the use on the walls and roof sheathing. Today, the market for plywood and allied products in India is estimated to be about Rs. 12,000 crores (US\$ 2.50 billion) with 70% dominated by a multitude of motley players in the unorganized sector.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

IMPORTED PLYWOOD IS CHEAPER THAN DOMESTIC PLYWOOD

The organized sector has been growing at between 25% and 30%. Imported plywood is cheaper than domestic Plywood due to high electricity cost, raw material cost etc. Because of this effect, most of the plywood industries have been vanishing. Two large companies are major players in this field, one by the Birla group, Mangalam Timber and Nuchem Plastics are the three major companies in the plywood industry. The production of plywood requires a huge good quality log known as peeler. The peeler is supposed to be straight with a large diameter than the one required for processing into dimensioned lumber by a saw mill. The selected log is then placed horizontally and made to rotate at its long axis. As this takes place the log is pressed by a long blade resulting in a thin layer of wood to peel like a continuous sheet of paper from a bundle. The main part of the production instrument is the nose bar which can be adjusted. As the log rotates the adjustable nose bar is made to run or press against the log so that a gap is created for veneer to pass through between the knife and the nose bar.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

WOOD IS PEELED AND ALSO SIMULTANEOUSLY COMPRESSED

As the wood is peeled it is also simultaneously compressed by the nose bar. The vibration of the peeling knife is in check by the nose bar and aids in keeping the veneer being peeled to an accurate thickness. Thus by this process of peeling, sheets of veneer is got and then cut into the required size and dimension, after which it is allowed to dry and shrink. The plywood panel is arrived when the sheets are made to patch, grade and then glued together. After it is glued the plywood is baked in a press at a temperature set up for about 140 °C (284 °F), and at a pressure of up to 1.9 MPa which is 280 psi. Once the plywood

is ready from the press they are checked for minor defects like spits or small knot holes which are then filled, re-sized, sanded or otherwise refinished, depending on the market for which the product is going to be supplied. Generally urea formaldehyde glue is the glue is used in case of indoor plywood and they are featured with less resistance for water. Whereas in case of plywood used for outdoor and marine purposes water resistant glue like phenol-formaldehyde which generally prevent delamination and to retain strength in high humidity is used.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

GROWTH AREAS

Foreign Direct Investment

FDI is an important driver of economic growth as it leads to productivity enhancement and is a major source of non-debt financial resources and employment generation. FDI inflows are critical for sustaining a high growth rate. The government is playing a proactive role in investment promotion through a liberal FDI policy.

Furniture Retailing

The Indian Furniture Industry is estimated to be worth US\$ 17,922 million. Of this, wooden furniture accounts for US\$ 5,358 million. More and more wooden furniture is imported and imports are growing at 60% year-on-year. The Indian furniture market offers attractive growth options for multinational players looking at the Indian market, which is moving more towards the organised segment.

Institutional Furniture

Office space absorption is increasing in India's seven major cities as corporates look at expanding businesses. With a share of 41% the IT/ITes sector would be an important player in the office space segment in India. The banking, financial services and insurance (BFSI) sector accounts for 14% of office space occupancy.

Flooring

Flooring is one area in the construction industry that has been witnessing rapid changes over the past two decades. The advent of several new technologies and the increased use of specialised machinery have meant that the field has changed beyond recognition. Today, about 500 million square metres of laminate flooring and another 120 million square metres of engineered wood flooring are consumed annually.

(Source: India Wood Sector Market Study – AHEC, www.woodzone.com)

MAJOR CONCERNS IN THE PRODUCTION PROCESS OF PLYWOOD

The major concern in the production process of plywood is the glue used because both the urea formaldehyde and phenol formaldehyde are highly carcinogenic when used in high concentrations. So most of the manufactures uses only the "E" rated adhesive which is the low formaldehyde-emitting glue system. Plywood produced to "E0" has effectively zero formaldehyde emissions. Apart from the glue factor the other major outlook in the production field is the wood resources which are a major concern of the natural resources and thereby the energy conservation. The manufacturers in the plywood production industry have several certification programs like Forest Stewardship Council (FSC), Leadership in Energy and Environmental Design (LEED), Sustainable Forestry Initiative (SFI), and Green guard which ensures the production and construction practices are to be maintained at a certain rate or level.

(Source: Plywood Report– Indian Mirror - www.indianmirror.com)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “*Forward-Looking Statements*” beginning on page 19 of this Draft Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “*Risk Factors*” beginning on page 20 of this Draft Red Herring Prospectus, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI ICDR Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Financial Information*” beginning on pages 20 and 215 respectively.

In this section only, any reference to “Sylvan”, “Company”, or “our Company” are to Sylvan Plyboard (India) Limited, and references to “we”, “us”, or “our” are to the Company. .

OVERVIEW OF THE BUSINESS

Our Company was originally incorporated as “Singh Brothers Exim Private Limited” at Kolkata, West Bengal as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated August 20, 2002 bearing Corporate Identification Number U51431WB2002PTC095027 issued by the Deputy Registrar of Companies, West Bengal. On January 01, 2004, our Company has acquired the business of M/S Singh Brothers & Co. (Proprietorship Concern of Jai Prakash Singh). Further, to reflect the brand name “SYLVAN” and business activity, the name of our Company was changed to “Sylvan Plyboard (India) Private Limited”, pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on January 18, 2013 and consequently Fresh Certificate of Incorporation dated March 05, 2013 was issued by Registrar of Companies, West Bengal. Subsequently, our Company was converted into Public Limited Company pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on May 24, 2018 and the name of our Company was changed to “Sylvan Plyboard (India) Limited” vide a Fresh Certificate of Incorporation dated June 19, 2018, issued by the Registrar of Companies, Kolkata. The Corporate Identification Number of our Company is U51431WB2002PLC095027.

Incorporated in the year 2002, our Company is engaged into manufacturing of various wood products such as veneer, sawn timber, plywood, block board, flush door and flexi door across various grades and thickness. In the year 1971, Jai Prakash Singh (Whole Time Director of our company and father of our promoter) through his proprietorship concern, M/S Singh Brothers & Co., started the business as a trading concern of indigenous timber logs through imports and subsequent to it selling the same in Indian market. Leveraging the knowledge of timber products and domestic market, in 2002 our Company was incorporated as a Private Limited company with the objective of acquiring ongoing business of M/S Singh Brothers & Co amongst other objects. Over the period, after establishing ourselves as a reputed brand for trading in timber products in Eastern India, we expanded our activities to manufacturing activities by setting up an integrated manufacturing facility in Baidyabati, West Bengal located near Kolkata for which entire land was acquired over the period of year 2009-2012 which is spreading over an area of approx. 4,50,000 sq. ft. In line with objectives of expansion, recently we have entered into Memorandum of Understanding (MoU) with Uttar Pradesh government in UP Investors Summit held in February 2018 to set up a plywood manufacturing unit with a proposed investment of Rs. 7,500 Lakhs.

We have 15 numbers of plywood products in our basket, thickness ranging from 4 mm to 40 mm. Plywood segment contributes approx. 42% of our revenue from operations. Our Company has large range of product offering to wide range of customers, “Sylvan Z+” is the most premium plywood

product of our Company amongst other offerings in premium segment. Recently, we have also added another product to our portfolio, “Sylvan Blu” which is aimed at lower and lower middle class segment with a view of addressing the growing demand of cheaper plywood and their alternatives. We also offer Boiling Water Proof (BWP) and Boiling Water Resistant (BWR) plywood. Our range of plywood products caters to various customers across various segments majorly in household, ship building and offices area.

Our Company also generates approx. 43% of its revenue from operations from its 2 other products, namely, Veneer and Sawn timber. Company is catering to this segment leveraging its experience and knowledge of timber product. Company imports timber logs in bulk quantity which are then used in production of veneer and plywood.

Our manufacturing facility set up in year 2009 has been strategically located in proximity to Kolkata Port Trust leading to easier imports. The facility has an integrated manufacturing process in which entire activity of the production process is carried out in-house avoiding the dependency on third parties for the manufacturing activity. The manufacturing facility has sufficient number of ponds required for moisturising of timber logs, in-house resin/glue production unit, boiler unit among other facilities which ensures cost minimization and in-house production of entire product range.

Our strength has been the quality and the diverse range of products which we offer to our customers, since we procure timber logs ourselves, we ensure that the quality of logs we procure which ultimately defines the quality of finished products is maintained. Our Company has been upgrading the machineries in its facility on certain intervals with a view of achieving better operational efficiency. Recently we have replaced old pressing machine with newer machine that has expanded our pressing capacity at a cost of Rs. 25.96 Lakhs. Our Company has been certified as IS 710:2010, IS 2202:1999, IS 1659:2004, ISO 14001:2004, ISO 9001:2008, OHSAS 18001:2007 and IS 303:1989.

Our Company markets its products under the brand name of “Sylvan”, through its network of Branch offices, Authorized Dealers and Authorized Sub Dealers. As on the date of this Draft Red Herring Prospectus, our Company has 361 Authorized Dealers present across 14 states.

We believe role of management is equally important as to that of our employees for growth of our business, and accordingly we have placed an experienced management team to look after various facets of operations. Our Company is promoted by Anand Kumar Singh who has an experience of more than 25 years in the timber and related industry. Further, our management team comprises of individuals having adequate experience in their respective fields. The team has helped us to professionally manage our business operations.

LOCATIONAL PRESENCE

Registered Office – 41, B.B. Ganguly Street, Central Plaza, 4th Floor, Kolkata – 700012, West Bengal, India

Corporate Office – 5, Nimtalla Ghat Street, Kolkata – 700006, West Bengal, India

Manufacturing facility – NH-2, Delhi Road, China More, Baidyabati, Hooghly – 712124, West Bengal, India

Sales and Marketing Offices –

(i) **Telangana:** No: 247/3RT, Flat No- 403, S.R Nagar, Hyderabad - 500038, Telangana, India

(ii) **Lucknow:** Shop No- S-6, Building No-102/50, Shree Vimal Plaza, Shivaji Marg, Lucknow- 226001, Uttar Pradesh, India

FINANCIAL SNAPSHOT:

Details of Revenue, EBITDA and PAT from FY 2015-16 to FY 2017-2018:

<i>(Amount in Rs. Lakhs)</i>			
Particulars	F.Y. 2015-16	F.Y 2016-17	F.Y 2017-18
Revenue from Operations	23,655.21	23,181.93	24,403.93

EBITDA	1,321.26	1,181.31	1,433.24
PAT	264.50	191.35	411.19
Networth	6,564.33	6,755.68	7,166.87

Segmental break-up of our Revenue from Operation is as under:

(Amount in Rs. Lakhs)

Particulars	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2017-18
Manufacturing	19,300.46	19,115.21	20,270.28
Trading	4,354.75	4,066.71	4,133.64
Revenue from Operations	23,655.21	23,181.93	24,403.93

Product wise break-up of our Revenue from Operation is as under:

(Amount in Rs. Lakhs)

Particulars	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2017-18
Plywood	6,301.03	6,671.72	10,194.16
Sawn Timber	12,329.48	12,214.88	8,199.24
Logs	3,317.67	2,576.79	3,351.16
Veneer	1,619.06	1,668.95	2,296.30
Miscellaneous	87.96	49.59	363.06
Revenue from Operations	23,655.21	23,181.93	24,403.93

Geographical break-up of our Revenue from Operation is as under:

(Amount in Rs. Lakhs)

Particulars	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2017-18
Domestic			
West Bengal	19,437.87	19,620.35	18,293.43
Odisha	795.37	712.75	1,561.10
Uttar Pradesh	1,087.32	619.47	1,181.85
Haryana	778.19	627.63	664.12
Maharashtra	433.49	391.66	597.86
Bihar	273.62	363.06	528.83
Karnataka	-	43.97	317.27
Jharkhand	177.19	138.98	314.10
Tamil Nadu	19.01	49.55	180.37
Andhra Pradesh	53.20	53.13	177.27
Others	549.51	543.87	587.72
Export			
Nepal	12.63	20.77	-
Singapore	37.82		
Revenue from Operations	23,655.21	23,181.93	24,403.93

OUR PRODUCTS:

Product segments of our Company are as under:

Product Segment	Image	Description
Plywood (including Flush Door and Block Board)		Plywood is a sheet material manufactured from multiple thin layers or "plies" of wood veneer that are glued together with adjacent layers which are then used for manufacturing various plywood products. A type of strong thin wooden board consisting of two or more layers glued and pressed together with the direction of the grain alternating.
Veneer		A veneer is a thin piece of hardwood that is placed over a piece of manufactured wood. It may be attached using an adhesive, nails or screws. Veneers are frequently used on cabinets, furniture and floors. a thin decorative covering of fine wood applied to a coarser wood or other material
Sawn Timber		Sawn timber is timber that is cut from logs into different shapes and sizes. Sawn timber is generally cut into varying rectangular widths and lengths, but may also be wedge shaped. Common sawn timber products include solid timber beams and rectangular timber sections.

Some of our major product offerings in the plywood segment are as under:

Product	Description	Uniqueness	End Users
Sylvan Z+	One of the most premium product of our Company which provides high durability and strength with	• High-density Timber • Face thickness of 1 mm	• Ship floor • Boat building

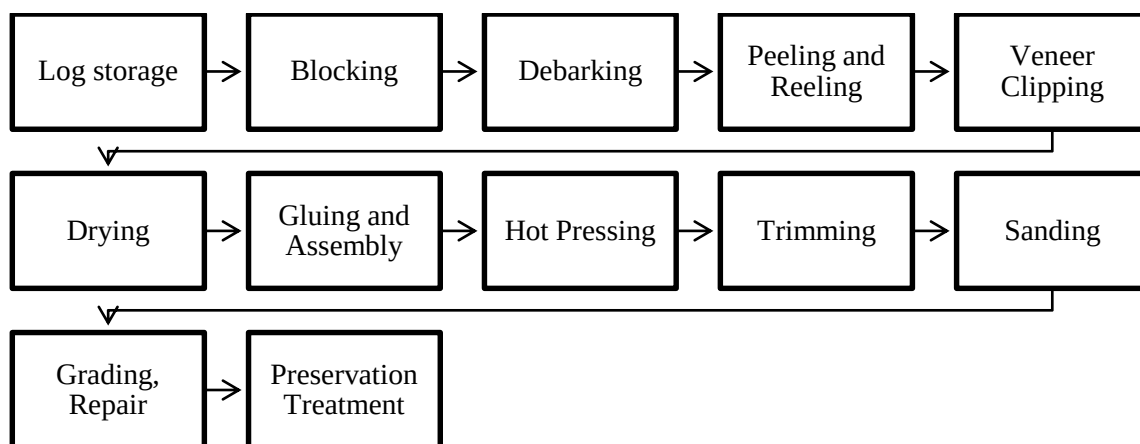
	the use of high density timber. It is a borer and termite free product.	• Long panels for better durability • Borer and termite resistant	• Paneling in bulkheads • Lining for refrigerated ships • Cooling towers
Sylvan Oceanic Premium	Ply product for extensive use in water bodies. The undiluted phenol formaldehyde resin provides a unique glue line protection to each layer, keeping the bonds strong. It can resist the salty marine water and the microorganisms in the water.	• Tenderized composed core • More number of plies for more strength • Undiluted phenol formaldehyde resin as adhesive • High density Timber	• Ship floor • Boat building • Paneling in bulkheads • Lining for refrigerated ships • Cooling towers
Sylvan Block Board	Sylvan BWP grade block board is an ideal product for home and office furniture, partitions and shutters made up of imported pine wood.	• Imported pine wood • Chemically treated and seasoned • High dimensional stability strength • Moisture content of 10 to 12%	• Household furniture • Office • Doors and gates
Sylvan Elasto Flexi Ply	Sylvan Elasto Flexi Ply is a product which is preferred for its flexibility as well as durable quality. This product can be bended due to the type of quality imported hardwood used and manufacturing process it undergoes.	• Selected imported hardwood • Tenderised composed core • Unique glue line protection formula	• Curved designs • Rounded tables • Household • Designer furniture
Sylvan Gateway Flushdoor Premium Plywood	Sylvan gateway (Flush Door) a quality product is a premium product made from high density and high fibrous pinewood and selected core veneers. The layers are boned with Phenol Formaldehyde resin and glue lines protector.	• 100 % chemical treated & seasoned as per BIS specification. • High dimensional stability strength. • No warping and bending. • Smooth surface	• Doors
Sylvan Builder Shuttering Ply	Sylvan Builder is a BWP grade shuttering ply used in civil construction activities. Carefully selected hardwood and imported Gurjan wood are utilised in the manufacturing of this cost-effective plywood. The advantage of this product is that it can repeatedly be used for a good	• Imported Gurjan wood • Tenderised composed core • More number of plies for more strength • Undiluted phenol formaldehyde resin as adhesive	• Construction • Repair & maint. of buildings & bridges etc. • Civil work • Beams • Roofing

	number of times in comparison to other varieties		
Sylvan BWP Grade Fire Retardant Ply	The Sylvan Ply product of Sylvan BWP grade fire retardant ply is a perfect blend of fire-retardant and non-leachable properties, which has made among the top favourite products. This commercial ply is also resistant to fungi, insects as well as pin-hole borers.	• Resists fungi, termites, and borers • Resists for ignition, surface spread, and penetration • Leach-resistant: fire retardant chemical will not wash out	• Room and wall lining • Public food stalls • Boiler houses • Railway coaches • Auditoriums • Office Cubicles

OUR MANUFACTURING PROCESS:

Detail of our manufacturing process for each of the 3 segments, viz, Plywood, Veneer and Sawn Timber are as under:

D. Manufacturing Process of Plywood



• Log Storage

Logs imported and brought from the port are stored in ponds/yards because only green logs yields better quality and quantity. Some species of timber are gloating by nature, for which sprinkler are used to keep the submerged portion wet. Generally logs are stored in as much length as possible to avoid losses from splits etc. Before starting the manufacturing operation, each log is inspected for texture and defects etc. to ensure best output.

• **Blocking**

The logs are then blocked according to the required sizes such as 8ft, 7ft and 6ft. keeping at least 6 inches margin for processing logs. The logs are then blocked by electrically operated chain saw machine for further processing.

• **Debarking**

The logs are debarked manually by an axe and made ready for use after washing with water discharged with force to remove dust, sand or any foreign hard body on the logs, which may cause damages to the peeling knife.

• **Peeling and Reeling**

Cut logs are then peeled into thin layered belts of required size known as Veneers in a peeling lathe which clamps both ends of the log with the attached chucks and rotates the log. The attached knife stack cuts the rotating log into long Veneer belts. Peeling is done by rotating the log against the knife

with the Veneer being peeled off in a continuous belt. During peeling process it is important to ensure smooth Veneer of even thickness is produced.

- **Veneer Clipping**

Rolls of veneer from the peeling machine are then unrolled and cut to desired length by an automatic veneer clipper machine. The veneers thus clipped are stacked size wise. Veneers of small width are also produced. The clipped veneers are stacked in bundles in such a manner that it can be counted easily. The veneers different thicknesses are being separated with different segregation mark.

- **Drying**

The green veneer contains 30-70% moisture. The moisture content of the veneers is the most important factor for gluing. Hence, in order to ensure maximum jointing strength of adhesives, it is necessary to dry the veneers before gluing. The veneer is therefore sent through a Dryer for its drying. The dryer is generally composed of a heat insulated steam thermo fluid heated chamber and hot air circulating devices. Hot air blows across the drier and vertically on the surface of the veneer. Veneers are moved forward progressively by pairs of rollers or by belt conveyor and veneers are dried up by circulating hot air of around 120 degree Centigrade. Dried veneers with moisture content of around 6-8% comes out which is then ready for plywood, block board & flush door manufacturing. Besides the full size veneer required for plywood, block board and door, the remaining portions are cut off because of defective segments or cracks. These parts of the veneers are accurately shaped straight for the perfect joining and simultaneously spread with glue.

- **Gluing and Assembly**

For uniform building, Glue spreader uniformly spreads glue over the core veneers. For Gluing, generally Urea & Phenol formaldehyde resins are used. These resins are mixed with other components like wheat, Rice and Flour in water, which acts as filler or adhesive. The mixture is done in Glue mixture and then sent to the glue spreader by a pump or manually. Glue Spreading in both the surface of the core veneer is done by passing the core veneer through glue spreader which consists of one or two pairs of glue rolls covered with high grade rubber and grooved to control the amount of glue deposits. Core veneers applied with glue are then laid to the face veneers. The glued assemblies are then stacked to around 3 ft. in height with aluminium plates interspersed alternatively.

- **Hot Pressing**

Hot pressing leads to ultimate consolidation and permanent bonding between veneers and thus makes plywood from veneers. The assembly is then inserted separately into the multiple openings of the hydraulic hot press. In the hot press, the plywood is clamped by steam/thermo fluid heated plates at the pressure of about 37kg/cu. mt at a temperature of around 120 degree centigrade. After a certain time the glue setting is completed. Hot pressed plywood are usually hot stacked in piles for a period of 1 to 2 hours to cure the glue joints fully. By the process, it reduces the moisture content.

- **Trimming**

The hot pressed plywood are then sized in the Double Dimension saw Machine where both sides and ends are cut to the required specifications. The machine consists of a pair of double saw, one for length wise cutting and the other for cross wise Cutting.

- **Sanding**

After the plywood is cut to the required sizes, the finishing of the surface of the plywood is done in the wide belt sander. In the belt sander, the plywood is fed between two sanding belts running on rubber contract rollers in opposite direction at a high speed to which adjustable sanding pressure is applied. In wide Belt Sander, finishing of both sides of the plywood can be done at a time.

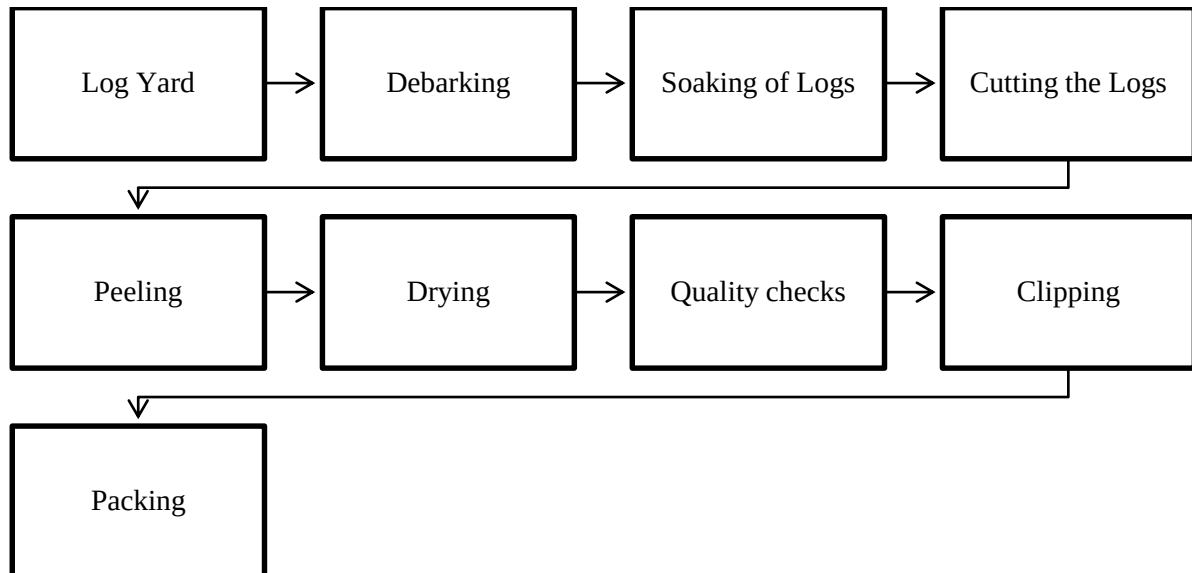
- **Grading, Repair and Rejection**

The final product is then carefully inspected and then graded according to manufactures/buyers' specifications. Any manufacturing defect found is cut to next size and if the same is a major one then the total plywood is rejected.

- **Preservation Treatment**

The better grade plywood after sanding and quality checking are treated with preservative chemicals. The name of the chemical is Acid Cooper Chrome. This is done as per ISI standard. The plywood sheets are dipped into hot chemical solution and are kept there for few minutes for absorption of chemicals. It is then dried into a drying chamber under controlled temperature. The treated sheets are again rechecked and passed through Quality Control Section. Here random samples are drawn for laboratory test. The checked sheets are then finally ready for stamping for onward dispatch.

E. **Manufacturing Process of Veneer**



- **Log Yard**

As soon as the log arrives in the log yard, they are classified by species and kept under conditions of optimal humidity by spraying water or by soaking in water ponds. This is done to prevent the tree log from degrading which usually occurs as a result of drying.

- **Debarking**

The next step is debarking. Taking care not to damage the tree log the bark is peeled off with evenness.

- **Soaking of Logs**

The next step involves soaking the log to soften the fiber. It is necessary for uniform slicing.

- **Cutting the logs**

The key operation of how and where a tree log should be cut depends on the slicing method used to produce veneer. For peeling, the tree log will be cut in half or quarters part. These logs are called peeler blocks or peeler billets.

- **Peeling**

In this step, the tree logs are sliced to veneer sheets. There are distinct methods to slice a veneer from hardwood logs.

- **Drying**

The veneer sheets remains in the natural order as they emerge such that all parts of the original log are kept together. One by one the slices of veneer carefully enter the dryer, where they are dried evenly within a few minutes. Air temperature of up to 320°F at high velocity is blasted on the surface. The veneer must be dried in such a way that it has at least 8-12% of moisture content.

- **Quality checks**

As veneer slices leave the dryer, they are again reassembled to reconstruct the log which never separates. The identification is subjected to several verifications. It involves examining and classifying the wood veneer. An expert carefully inspects each log to make sure customers receive quality veneers having strict standards.

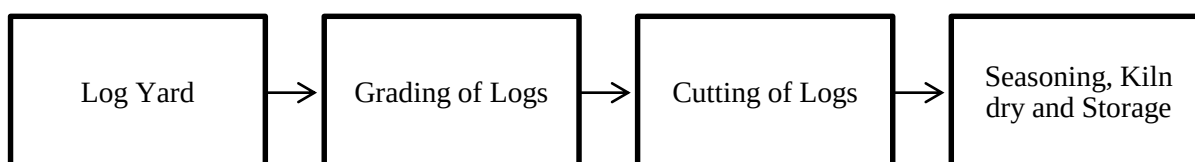
- **Clipping**

It is the initial step in the splicing process. They are cut with clipper to obtain sheets that are even in length. A similar clipping or cutting process is performed to acquire sheets of a proper width. The quality of the veneer panel depends on the precision and angle of the cut. Panels are then headed to the glue machine, which bonds the edges of the veneer sheets.

- **Packing**

The veneer sheets are finally measured, packed and labels are stuck with an indication of length, width, etc. Ready fitches are put into pallets. Each pallet is packed into protective polyethylene and is tightened with a packing tape. They are now ready to be transported.

F. Manufacturing Process of Sawn timber



- **Log Yard**

Logs are unloaded at our log yard. Logs are physically segregated according to its species, status of certification and sizes.

- **Grading of Logs**

Our Quality control team (QC) grades all logs, verify its species and check for defects on each logs.

- **Cutting of Logs**

Selected log is debarked, and loaded into the head rig (Head Saw) to be split into workable sections. At each band saw, defects on logs are carefully avoided to maximize recovery. Timber produced here is then delivered to our sorting plant for grading, sorting and cross cutting.

- **Seasoning, Kiln dry & Storage**

Timber is then "stickered" to allow adequate air circulation within the bundle and placed under shelter for seasoning before being loaded into kiln dry rooms. Seasoning and Kiln drying will take about 1-4 weeks depending on the size and species of the timber to reach optimum working moisture content of 9-13%. Dried timber is then checked again by our QC team to ensure its quality. Dried timber is then documented and labelled to ensure traceability of each bundle. Labelled timber bundle is then moved to our sheltered storage area, awaiting further processing.

OUR COMPETITIVE STRENGTHS:

- **Brand Recognition**

For success and growth in consumer facing industries, recognition of brand name in the mind of customers is vital. Accordingly, we have continuously focussed on creating and improving on the brand image of "Sylvan". Our products are sold under the brand name of "Sylvan". To capitalise on the established brand name, we continue to introduce newer products under the same brand name. Our industry experience and strong presence in Eastern India have positioned our brand with quality products. Our business operation in West Bengal have generated approx. 75% of our Revenue from Operations. Our Company follows various marketing and branding activity such as hoarding, wall

painting, banners, leaflets, shop display, newspaper, etc. We spend on marketing activity on continuous basis, our Company have spent approx. 1.1%, 1.0% and 1.5% of our total expenses for Fiscal 2018, 2017 and 2016 respectively on marketing activity.

- ***Wide dealers' network***

For deeper market penetration, establishment of strong dealers' network is an integral part of our business operations. We have been working effortlessly on expanding our dealers' network. At present, our Company has an extensive network of 361 Authorised dealers present across 14 states across India with around 110 dealers in West Bengal, 62 dealers in Odisha and 42 dealers in Uttar Pradesh. Our dealers network are spread in other states like Karnataka, Andhra Pradesh, Tamil Nadu, Kerala, Maharashtra, Goa to name a few. Further, these dealers also have certain sub-dealers under them which look after the operation at retail level. As we continue to introduce newer product in our product range, we need to maintain strong distribution network enabling us to achieve market penetration of those products in shorter turnaround time.

- ***Large & Integrated manufacturing facility***

Our Company has its manufacturing facility at Baidyabati, Kolkata which is spread over an area of approx. 4,50,000 sq. ft. The entire land area is used for the facility which has vacant space for further expansion. Our Company currently has 12,49,784. sq. mtr. under plywood manufacturing capacity which can be further expanded within the same facility. Manufacturing unit is an integrated facility where each process in the manufacturing activity is carried out by the Company in-house without any outsourcing. Our facility has ample space for storage of timber log and machineries for sowing of logs which allows us to procure quality logs without relying on third party timber log product suppliers. Further, the manufacturing unit has facilities such as pond, timber unit, veneer unit, resin unit, boiler and all other machineries required for manufacturing of plywood. Further, the scraps generated during the entire process of manufacturing are used in other processes, like boiler operations which reduces our fuel cost.

- ***Locational Advantage***

Our facility is strategically located at Baidyabati which is approx. 45 kms from Kolkata. As the Company imports majority of its raw material, particularly timber logs from foreign nations, it is vital for us to keep a check on our transportation and freight costs. Owing to our strategic location, Kolkata Port Trust is closest to our facility which aids us to control the overall freight costs. Further, due to our presence in the eastern region, we have been able to build a strong brand image within the region, particularly West Bengal. Our regional presence allows us to focus on our established region while at the same time continue to expand geographically in different regions systematically. With the presence of facility in outskirts of Kolkata and it being a labour intensive industry, we are able to attract cheap labourers from nearby villages ensuring us low attrition rate.

- ***Entry barrier***

The Hon'ble Supreme Court had restricted the issue of new licenses for the manufacture of plywood & other wood based products. As per the Hon'ble Supreme Court's order dated October 29, 2002, no State or Union Territory shall permit any unlicensed saw-mills, veneer, plywood industry to operate and they are directed to close all such unlicensed unit forthwith. No State Government or Union Territory will permit the opening of any saw-mills, veneer or plywood industry without prior permission of the Central Empowered Committee. The Chief Secretary of each State has to ensure strict compliance and shall be given no relaxation of rules with regard to the grant of license without previous concurrence of or grant of licenses. Complexity in getting licence makes difficult the entry of new players in the industry. Further, the industry is capital intensive with requirement of large land area and machineries apart from employing large number of labourers in the facility which is both time consuming as well as expensive.

- ***Specialised product portfolio***

With growing demography of population in different segments, demand for various types of plywood products are increasing. Accordingly, our Company continue to introduce newer products in each

segment to penetrate into each segment. In premium segment plywood, we have “Sylvan Z+” and “Sylvan Oceanic Premium” while for lower-middle segment, we have launched “Sylvan Blu”. Thickness of our products ranges from 4 mm to 40 mm with different grades with features like BWR and BWP. We continue to introduce varieties of products in order to compete with bigger established players in terms of their product offerings. Further, most of our products are fire redundant, borer and termite resistant. Given the range of product offerings, we strive to provide satisfactory after-sales service and warranty for most of our products.

- ***Experienced management team***

Our directors i.e. Jai Prakash Singh and Anand Kumar Singhare experienced professionals in the timber and plywood industry with prior experience of managing a timber trading proprietorship firm. Leveraging the experience, They incorporated the Company for full-fledged manufacturing of plywood and timber products. Further, we have appointed an experienced management team for each of its domain, where finance, secretarial, sales and marketing team is headed by personnel with requisite technical knowledge and professional qualifications. Promoter demonstrates his experience in timber trading by procuring quality timber logs himself along with his team which ultimately results in good quality products meeting the BIS standards.

OUR BUSINESS STRATEGY:

- ***Increasing plywood production***

We currently operate at around 76.70% of our overall plywood production capacity. We have manufactured 9.58 Lakhs sq. mtr. of plywood during the FY 2017-18. With shift of focus from trading to manufacturing, our Company intends to increase its capacity utilisation and focus more on plywood manufacturing activity. With increased production, we will be able to reduce our overhead costs which will be spread over greater number of products. Further, in advent of post-GST era and implementation of e-way bill, plywood industry which is largely dominated by unorganised players will witness some shift towards organised and established players. To further expand its capacity, our Company has entered into Memorandum of Understanding (MoU) with Uttar Pradesh government in recently concluded UP Investors Summit in February 2018 to set up a plywood manufacturing unit with a proposed investment of Rs. 7,500 Lakhs. With increased production activity, we will be in a position to meet the growing demand.

- ***Increasing focus on lower-middle class segment***

With an established presence in premium segment with few quality products, we intend to increase our presence in lower-middle class segment. Products in this segment are to be introduced acknowledging the fact of growing usage of Medium Density Fibreboard (MDF) products and increasing penetration of bigger established players in the segment. Low cost plywood forms a good alternative to the MDF products with marginal price difference providing better quality. Further, unorganised players have been catering to lower-middle class segment which is expected to shift to organised players with introduction of GST and e-way bill implementation. Addressing this, our Company has already launched “Sylvan Blu” in this segment and we continue to research and develop more products in this segment strengthening our presence at the early stage of this shift.

- ***Increasing dealership network***

As we plan to increase our production and launch of newer products in various segments, we understand the need of setting up a strong distribution network which will enable us to efficiently market the product to the right set of customers at the right time. We believe to penetrate into newer market, establishment of strong network of dealers and sub-dealers are vital in the industry. Such network will in turn help us to generate more sales with increased customer base and market reach. We will continue our present focus of catering to Tier-1 cities while at the same time increasing our presence in Tier-2 and Tier-3 cities from where demand for most of the lower-middle segment products are received.

- **Cost reduction initiative**

We have always strived to reduce our cost of operations and accordingly we have set up an integrated manufacturing facility without requirement of any outsourcing activity. Such in-house manufacturing activity aids to keep a check on overall costs. As a plan of reducing our costs further, we are planning to capitalise the benefit of large land area available with us to set-up a solar panel facility which will help us reduce our electricity costs which forms approx. 1.3% of our total expenses. Also, we have started self-inspection of timber logs at the supplier's place by our team before those are dispatched to us helping us to reduce poor quality timber logs consequently reducing wastage and scraps.

- **Increasing marketing activity**

Plywood industry in general has to regularly expend on advertisement and marketing related activity in order to brand building exercise. With plans of launching newer products, increasing production in a steady manner and maintain the brand image we have created over the years, we need to aggressively put efforts on brand building through media, events, seminars, wall painting, hoarding and direct marketing. Further, we have always believed investing in our dealers are the most efficient way of brand building for our Company and as such we will continue to introduce attractive offers, plans and incentives to our dealers which will help in building brand at ground level in the mind of end customers.

- **Automation of manufacturing facility**

Our industry is largely labour intensive with lot of manual activity involved to smoothly operate the machineries. However, as we scale up our business operations, we acknowledge the fact, relying on labour will limit the production. Accordingly, we intend to automate our facility even more so as to minimise the labour involvement in the manufacturing process. Although we plan to automate the facility, we plan to do it in a phase manner and go slow and steady for the same, as has been our formula for growth. We plan to keep replacing older machineries with newer ones having more capacity and advanced features in intervals leading to optimization in manufacturing process and minimization of costs. This will avoid us to incur huge capital investment in any particular year which may lead to financial crunch in future. Following the automation route in a phased manner will also avoid major issues w.r.t retrenchment of employees in bulk numbers.

SWOT ANALYSIS:

Strengths

- **Experienced Management** – Our Company has an experienced promoter in the timber and plywood industry assisted by an experienced and professional management team which leads the operational decisions for the Company.
- **Product offering in multiple segment** – Our Company manufactures products which caters to all the 3 segments, premium, middle and lower. Such product offerings with range of thickness and grades enables us to cater to wider market which not only adds value to us but to our dealers as well.
- **Integrated manufacturing facility** – With the ample land area, our Company has set up an integrated manufacturing facility which has the capability of complete in-house manufacturing avoiding the reliance on any third party outsourcing. From timber logs procurement to packaging of the finished goods, all activities are conducted in-house.
- **Strong regional presence** – Our Company is widely known in West Bengal and the Eastern India region. Our presence for around a decade in plywood manufacturing has created an established brand image of “Sylvan” due to quality of products we offer apart from satisfactory after sales services.

Weaknesses

- **Unutilized capacity utilisation** – Our Company is operating at around 76.7% of its installed plywood manufacturing capacity. This leads to higher fixed costs per unit of product. To bring operational efficiency, our Company needs to increase its capacity utilisation.

- **Stagnant revenue growth** – Our Company have witnessed stagnant growth of revenue over the last 5 years. For FY 2017-18, our Total Revenue stood at Rs. 24,553.66 Lakhs as compared to Rs. 23,909.36 Lakhs for FY 2013-14.

Opportunities

- **Shift of demand from unorganised sector** – With the implementation of GST and e-way bill, plywood industry which is largely dominated by unorganized sector with presence of numerous small units stands to shift towards organised and established players owing to reduction in tax benefits and other cost advantages. Such shift of market from unorganised players to organized players will lead to incremental revenue and larger customer base.
- **Large untapped market** – Our Company till date have focused its presence majorly in Eastern belt of India. Recently, our Company has started expanding its operations in certain regions of Western and Southern India. Accordingly, our Company is yet to tap many regions, area of India which will help us generate more sales and market reach.
- **Rising commercial and residential activity** – With government focus on affordable housing and growth of economy on an overall basis, we are witnessing increasing commercial and residential construction activity. Since the demand of plywood is grossly related with construction activity in the country, such positive economic scenario will lead to boost in overall plywood industry.

Threats

- **Competition from established players** – There are few established players in the organised sector which are larger in size and experience in plywood industry. Their market reach, dealers' network and financial resources are stronger than our Company which may pose as a potential threat to our business.
- **Increasing focus on MDF products** – Recently many large companies have forayed into manufacturing of MDF given the fact of growing demand of low cost product. MDF is considered to be the cheapest alternative to low cost plywood. Setting up MDF facility requires huge capital investment which larger competitors can afford pushing us behind the competition if cannibalization of MDF with low cost plywood happens.

COLLABORATIONS/ TIE UPS/ JOINT VENTURES:

As on the date of this Draft Red Herring Prospectus, our Company has not entered into any technical or other collaboration/ tie ups/ joint ventures with any third parties.

CAPACITY AND CAPACITY UTILIZATION:

Detail of product wise manufacturing capacity and its utilisation of our Company is as under:

Product Segment	Units	Actual			Projected		
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Plywood							
Installed Capacity	Sq. mtrs.	10,83,333	10,83,333	12,49,784	14,53,333	15,54,000	16,54,000
Actual Production	Sq. mtrs.	9,93,560	9,72,271	9,58,600	11,19,066	12,43,200	13,56,280
Capacity Utilisation	%	91.71	89.75	76.70	77.00	80.00	82.00
Veneer							

Installed Capacity	CBM	13,000	13,000	14,950	14,950	14,950	14,950
Actual Production	CBM	10,507	9,729	9,672	10,500	10,800	11,100
Capacity Utilisation	%	80.82	74.83	64.70	70.23	72.24	74.25
Sawn Timber							
Installed Capacity	CFT	9,90,000	9,90,000	9,90,000	13,50,000	13,50,000	14,85,000
Actual Production	CFT	8,72,162	8,48,111	8,74,008	9,99,000	10,80,000	12,62,250
Capacity Utilisation	%	88.10	85.67	88.28	74.00	84.00	85.00

For industry wide data, please refer chapter titled - *Our Industry* beginning Page no. 125 of this Draft Red Herring Prospectus.

EXPORT AND EXPORT OBLIGATION:

As on date of this Draft Red Herring Prospectus, Our Company does not have any Export Obligation under Export Promotion Capital Goods (EPCG) Scheme or any other scheme of Government of India.

COMPETITION:

Our Company is into plywood manufacturing business which is dominated by unorganised players in India. Further, we are also competing with certain organised established players in the industry which has better financial position, market share, product ranges, human and other resources. Branding and marketing is a key in the industry where larger players are in a better position to market their products.

We have continued competing vigorously to capture more market share and manage our growth in an optimal way. In effect to that, we have been launching newer products across different grades and quality in the market to cater and penetrate into newer geographical region.

In the Industry, our competitors have certain products such as Laminates, MDF and certain other allied products in which as on date we do not have presence and as such we do not plan to cater to these products in near future.

For our Plywood and Veneer segment, we compete with large number of unorganized players and organized players like:

- Century Plyboards India Limited
- Greenply Industries Limited
- Archidply Industries Limited
- Unply Industries Limited

END USERS:

Our products are sold via dealers and sub-dealers. Our Company directly sells the products to its authorised dealers while the dealers in turn sells these products to their authorised sub-dealers. Final products are ultimately sold to households, offices, studios, shipbuilding firms, etc. Our Company has 361 Authorised dealers who sells the products to their sub-dealers.

Details of our top 5 / top 10 customers / dealers / sub-dealers as a % of revenue from operations are as under:

Particulars	FY 15-16	FY 16-17	FY 17-18
Top 5	51.10%	54.64%	32.06%
Top 10	59.81%	62.61%	42.07%

UTILITIES & INFRASTRUCTURE FACILITIES:

Infrastructure Facilities

Our **registered office and corporate office** are situated at Kolkata, West Bengal and while we have **sales and marketing offices** at Telanagana and Lucknow. The offices are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly. We also have data centre and call centre in our office to serve our customers.

Our **manufacturing facility** is located at Baidyabati near Kolkata. It is equipped with requisite utilities and facilities including the following:

Power

Our Company meets its power requirements by procuring Electricity from West Bengal State Electricity Distribution Ltd. with a contractual demand of 850 KVA at its manufacturing facility. While, our Registered Office and Corporate office require electricity for basic purposes which is met by procuring electricity from CESC Limited.

Water –

Adequate arrangements with respect to water requirements for drinking purpose are made at the offices of the Company.

Further, we also have staff quarter within the facility for our staffs. In the facility, we have boiler unit, resin unit for all in-house manufacturing process.

MAJOR PLANT & MACHINERY:

Following is the list of major plant & machineries owned by our Company:

Name of Machineries	Quantity
1 TON ELECTRIC TROLLY	1
12" PLANNER MACHINE	1
18" SHAPING MACHINE	1
18" PLANNER MACHINE	1
3 TON ELECTRIC HOIST	1
5 TON CHAIN PULLY	1
5 TON CAPACITY CHAIN PULLY	1
54" GLUE SPREADER	2
56" PNEUMATIC CLIPPER	1
8" PEELING MACHINE	1
8 SECTION 3 DECK	1
AIR COMPRESSOR 15 HP	1
AIR COMPRESSOR MACHINE	1
AIR COMPRESSOR MACHINE- 15HP	1
AQUA GUARD HI FLOW	1
BANDSAW MACHINE	1
BELT SANDING MACHINE	1
BOILER 35KC	1

Name of Machineries	Quantity
BOOSTER PUMP	1
BRUSH ROLLER FINISHING MACHINE	1
C.I ROLLER	1
CAR WASHING SPRAY MACHINE	1
CARRIAGE RAIL LINE	1
CHAIN ASSEMBLY GANGSAW	1
CHAIN SAW SHARPEX MACHINE	2
CHIMNEY FOR THERMIC FLUID HEATER	1
CIRCULAR SAW MACHINE	2
COMPRESSOR MACHINE	1
COOLING RACK	3
CORE CUTTING MACHINE	1
CORE DRY MACHINE	2
CORE DRYER SPARES	2
CORE JOINTER MACHINE	1
CORE JOINTER MACHINE ACCS	1
CORE SANDER MACHINE	3
CORE VENEER SANDER	1
CUTTING MACHINE	1
DIESEL PUMP WITH MOTOR	1
DIESEL TANK 3KL	1
DIESEL TANK FOUNDATION	1
DIGITAL ELECTRONIC SCALE	1
DISTRIBUTION PANEL BOARD	1
DRYER ROLLER & CONNECTOR	1
DUST COLLECTOR UNIT	4
DUST EXTRACTION SYSTEM	1
EDDY CURRENT DRIVE	1
EFFLUENT TREATMENT PLANT	1
ELECTRIC MOTOR	2
ELECTRIC MOTOR 3 HP (1 PCS)	1
ELECTRIC MOTOR 30 HP (2 PCS)	1
ELECTRIC MOTOR 5 HP (1 PCS)	3
ELECTRONIC MOTOR	1
ELECTRONIC WEIGHING MACHINE	1
FILTER AND SOFTNER	1
FINGER JOINTER MACHINE	1
FORKLIFT – 3 TON	2
FOUR SIDE MOULDER MACHINE	1
GLUE MIXER MACHINE	1
GLUE SPREADER MACHINE	3
GRINDING MACHINE	3
GUILLOTINE JOINTER	1
HAND TROLLY	1
HOIST 2 TON CAPACITY	1
HOT PRESS	1
HOT PRESS FOUNDATION	1
HUMIDITY CABINET SPW	1
HYDRAULIC CRANE	1
HYDRAULIC CRANE- 15 TONS	1
HYDRAULIC EXCAVATOR	1
HYDRAULIC PALLET	1

Name of Machineries	Quantity
HYDRAULIC PRESS	2
HYDRAULIC PRESS ACCS	1
HYDRAULIC SCISSOR LIFT	2
HYDRAULIC SCISSOR LIFT - 8' X	1
HYDRAULIC TAILOR OF TRACTOR	2
JET VENEER ROLLER DRYER	1
KNIFE GRINDING MACHINE	1
LATHE MACHINE	2
LETH MACHINE WITH ALL ACCESSORIES	1
LOADER ATTACHMENT	1
LOADER ATTAQCHMENT OF (BULL M	1
LOG PEELING MACHINE	4
MIDI ROLLER DRYER 4 SECTION 3 DECK	1
MISC P& M	1
MONOBLOUE PUMP	1
MONORAIL TROLLY	1
MOTORISED CONTROL VALVE	2
PADDLE CHOPPER	4
PADDLE CHOPPING MACHINE	9
PANEL BOARD FINGER JOINT MACHINE	1
PANEL BOARD WITH ACCS	1
PANEL SAW MACHINE	1
PANEL SIZER SANDER	2
PEELING KNIFE	1
PEELING LATHE MACHINE	1
PEELING MACHINE	2
PEELING MACHINE 4'	1
PEELING MACHINE 8 FT	1
PEELING MACHINE- 8FT	1
PLY PACKAGING MACHINE	1
PLYBOARD FINISHER	1
PLYWOOD MFG MACHINE	1
PNEUMATIC CLIPPER	1
PRESSURE TREATMENT MACHINE	1
PRINTING MACHINE PLY	1
PUMP & PIPE FITTINGS	1
PVC WATER TANK 10000 KL	1
RAIL LINE	1
RAILING TROLLY	1
RECIPROCATING AIR COMPRESSOR	1
RESIN KETTLE	4
RIP SAW MACHINE	6
RIPSAW MACHINE	1
SAW MACHINE	1
SAWING MACHINE (POLAND)	1
SAWING MACHINE PART	3
SAWING MACHINE PARTS (POLAND)	1
SAWING MACHINE(POLAND)	2
SDLG WHEEL LOADER	1
SEASONING CHAMBER MACHINE	2
STAMPING MACHINE AUTOMATIC	1
STORAGE TANK	1

Name of Machineries	Quantity
SUBMERSIBLE PUMP	2
TENDILISER MACHINE	1
TESTING EQUIPMENT	1
THERMIC FLUID HEATER	3
TROLLY	2
TROLLY OF SEASONING CHAMBER	1
UMISONS CUTTER/GRINDER/PRESS	1
UNITHERM THERMIC FLUID HEATER	1
UNIVERSAL TESTING MACHINE	2
VEENER CLIPPER	1
VEENER ROLLER DREGER	2
VEENER ROLLER DRYER	2
VEENER CLIPPER	1
VEENER CUTTER	1
VEENER DRYER WITH ACC	4
VEENER ROLLER DRYER	3
VEENER SPLICING MACHINE	1
VEENER TROLLY	2
VENNER CLIPPER	1
WINDING ATTACHMENT	1

HUMAN RESOURCES

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets as well as semi-skilled and unskilled.

As on 30th June, 2018 we had 785 employees including contractual labourers, who look after our day to day business operations, administrative, secretarial, legal, marketing and accounting functions in accordance with their respective designated goals. Our manpower is a prudent mix of the experienced, skilled, semi-skilled which gives us the dual advantage of stability and growth. Our Company does not have any Employee Unions.

Department wise bifurcation of our employee is as under:

Department	Number of Employees
Sales & Marketing	91
Production	49
Accounts & Finance	10
Operations	10
Human Resource	5
Purchases	5
Information Technology	1
Research & Development	2
Casual Labour (Production)	438
Labour under contractors	174
Total	785

MARKETING

Our Company's strong marketing and branding activity has been the reason behind widely known brand image of "Sylvan". Our Company also conducts its marketing activities through its dealers and marketing staffs. We have 361 dealers and 91 employees for sales & marketing related activities.

To promote & consolidate the brand image of *Sylvan Ply* along with the Company image in order to assist other divisions, we have been emphasising on qualitative selling rather than quantitative selling.

The strategy is to avoid entering into price war & the main selling proposition is to highlight the quality products we offer. We have been pricing our products based on prevailing market conditions depending upon the pricing & promotions of various competitors. Our objective has been to maximize sales with better realization. We have been striving to render prompt services & ensure maximum availability of stocks with in the short period to our dealers through a strong channel network. We also strive to concentrate on project sales by developing direct relations with Contractors, Architects, Interior Decorator, Government & Semi Government institutions.

To have a recall of our brand amongst the consumer segment, we have been advertising in newspaper, hoardings, wall paintings, etc. Our brand gives customer satisfaction by giving them the proposition of long durability and design driven products and also value for money proposition which gives the support in marketing of our product.

INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. We have taken insurance policies with different schemes and benefits covering our employees. Our policies are subject to customary exclusions and customary deductibles. We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage is maintained.

Policy No.	Risk Covered	Sum Assured	Name of the Insurer	Policy Period	
				From	To
100300111710000875	Standard Fire & Special Perils	Rs. 150 Lakhs	National Insurance Company Limited	February 13, 2018	February 12, 2019
100300111810000215	Standard Fire & Special Perils	Rs. 3,500 Lakhs	National Insurance Company Limited	June 04, 2018	June 03, 2019
100300111710000532	Standard Fire & Special Perils	Rs. 3,800 Lakhs	National Insurance Company Limited	October 01, 2017	September 30, 2018
100300111810000317	Standard Fire & Special Perils	Rs. 6,000 Lakhs	National Insurance Company Limited	July 28, 2018	July 27, 2018

LAND AND PROPERTY

Owned Properties

Our Company has the following own properties under its own name. The details of the same are hereunder:

S. No.	Address of the Property	Area of the Property	Current Usage
1.	41, B.B. Ganguly Street, Central Plaza, 4 th Floor, Kolkata – 700012, West Bengal, India	2,626 sq. mtrs.	Registered Office
2.	NH-2, Delhi Road, China More, Baidyabati, Hooghly – 712124, West Bengal, India	4,50,000 sq. ft.	Manufacturing Facility

Rented Properties

Our Company operates following properties on rental basis, details for the same are hereunder:

S. N o.	Address of the Property	Owner	Rental Consideration	Rent Period	Current Usage
1	5, Nimtalla Ghat Street, Kolkata – 700006, West Bengal, India	Jai Prakash Singh	Rs. 5,000 per month	April 01, 2018 to March 31, 2023	Corporate Office
2	247/3RT, Flat No- 403, S.R Nagar, Hyderabad - 500038, Telangana, India	U.A.V.R.K. Raju	Rs. 25,000 per month	January 01, 2018 to December 31, 2020	Sales and Marketing Office
3	Shop No- S-6, Building No-102/50, Shree Vimal Plaza, Shivaji Marg, Lucknow- 226001, Uttar Pradesh, India	Usha Agarwal	Rs. 16,000 per month	June 01, 2018 to March 31, 2019	Sales and Marketing Office
4	Flat No 1B, First Floor, Classica Apartment, 2/8B, Sarat Bose Road, Kolkata – 700020, West Bengal	Srishti Singh	Rs. 82,500 per month	April 01, 2016 to March 31, 2019	Guest House

INTELLECTUAL PROPERTY RIGHTS

We have applied for registration of the following Trademarks with the Trademarks Registry, Government of India. The details of trademark applications are as under:

Sr. No.	Trademark	Trademark Type	Classes	Applicant	Application No.	Date of Application	Validity/Renewal	Registration status
1.		Device	35	Sylvan Plyboard (India) Private Limited	2715950	April 10, 2014	April 10, 2024	Registered
2.		Device	19	Sylvan Plyboard (India) Private Limited	2645001	December 18, 2013	December 18, 2023	Registered
3.		Device	35	Sylvan Plyboard (India) Private Limited	2645002	December 18, 2013	December 18, 2023	Registered
4.		Device	19	Sylvan Plyboard (India) Private Limited	2568692	July 23, 2013	July 23, 2023	Registered
5.		Device	35	Sylvan Plyboard (India) Private Limited	2568693	July 23, 2013	July 23, 2023	Registered
6.	NATIVE	Device	19	Singh Brothers Exim Private Limited	1789100	February 24, 2009	February 24, 2019	Registered [Due for Renewal]
7.	FORTIS	Word	19	Singh Brothers Exim Private Limited	1789098	February 24, 2009	February 24, 2019	Registered [Due for Renewal]

8.		Device	35	Singh Brothers Exim Private Limited	2357753	July 03, 2012	July 03, 2022	Registered
9.		Device	19	Singh Brothers Exim Private Limited	2357752	July 03, 2012	July 03, 2022	Registered
10.	SYLVAN	Device	42	Singh Brothers Exim Private Limited	1984330	June 24, 2010	June 24, 2020	Registered
11.	A E X	Word	19	Singh Brothers Exim Private Limited	1797354	March 19, 2009	March 19, 2019	Registered [Due for Renewal]
12.		Device	37	Singh Brothers Exim Private Limited	2066476	December 10, 2010	December 10, 2020	Registered
13.	<i>Rista Zindagi Ka</i>	Device	19	Singh Brothers Exim Private Limited	1908949	January 14, 2010	January 14, 2020	Registered
14.		Device	19	Singh Brothers Exim Private Limited	2066478	December 10, 2010	December 10, 2020	Registered
15.		Device	42	Singh Brothers Exim Private Limited	2066477	December 10, 2010	December 10, 2020	Registered
16.		Device	35	Singh Brothers Exim Private Limited	2066479	December 10, 2010	December 10, 2020	Registered

17.		Device	19	Singh Brothers Exim Private Limited	2071846	December 21, 2010	December 21, 2020	Registered
18.		Device	19	Singh Brothers Exim Private Limited	2071848	December 21, 2010	December 21, 2020	Registered
19.		Device	37	Singh Brothers Exim Private Limited	1984329	June 24, 2010	June 24, 2020	Registered
20.		Device	42	Singh Brothers Exim Private Limited	1984331	June 24, 2010	June 24, 2020	Registered
21.	Sylvan	Word	35	Singh Brothers Exim Private Limited	1984332	June 24, 2010	June 24, 2020	Registered
22.	SYLVAN	Device	37	Singh Brothers Exim Private Limited	1984333	June 24, 2010	June 24, 2020	Registered
23.	Sylvan	Word	19	Singh Brothers Exim Private Limited	1921923	February 15, 2010	February 15, 2020	Registered
24.		Device	19	Singh Brothers Exim Private Limited	1904242	January 01, 2010	-	Accepted & Advertised
25.		Device	19	Singh Brothers Exim Private Limited	1919461	February 08, 2010	-	Objected

26.	SYLVAN	Device	19	Singh Brothers Exim Private Limited	1789099	February 24, 2009	-	Accepted & Advertised
27.		Device	19	Singh Brothers Exim Private Limited	2071847	December 21, 2010	-	Opposed
28.	SYLVAN	Word	35	Singh Brothers Exim Private Limited	1984328	June 24, 2010	-	Opposed
29.	Sylvan blu	Device	19	Sylvan Plyboard (India) Private Limited	2715949	April 10, 2014	-	Objected

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Draft Red Herring Prospectus, the Companies Act, 1956 / the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of manufacturing of Plywood, Block Board, Flush Door, & Veneer and Traders and Importers of Timber Logs/woods from all over the world industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 303 of this Draft Red Herring Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise”, where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Anti-Trust Laws

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during

such failure subject to maximum of Rupees One Crore. The central government vide notification dated March 04, 2016 increased the threshold limits for the purpose of combinations under Competition Act, 2002.

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and the Companies Act, 2013

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with Sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors' payable by the companies is under Part II of the said schedule.

Further, The Companies Amendment act, 2015 is passed on May 25, 2015 also The Companies Amendment Act, 2017 is passed on January 3, 2018. The Companies Amendment Act, 2017 includes major amendments in the definition, financial statement, corporate social responsibility, disclosure under board's report, general meeting, and disclosure in prospectus.

EMPLOYMENT AND LABOUR LAWS

Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA")

The Contract Labour (Regulation and Abolition) Act, 1970 has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed

percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952. The Ministry of Labour and Employment, Government of India with effect from September 01, 2014 introduced certain amendments to the scheme. The key amendment includes amendment in provident fund scheme, pension scheme and insurance scheme.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under Section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees' Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Employees' State Insurance Act, 1948 (the "ESI Act")

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. Provided that nothing contained in this Sub-Section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity. The Payment of Bonus Act, 2015 is passed on December 31, 2015. The amendment includes increase in wage threshold for determining applicability of the Act from INR Rs. 10,000/- to Rs. 21,000/- per month and wage ceiling for calculation of bonus has been increased from INR Rs. 3,500/- to Rs. 7,000/- per month.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment

after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Minimum Wages Act, 1948 (“MWA”)

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed. The Payment of Wages (Amendment) Act, 2017 is passed on February 15, 2017 and it has repealed The Payment of

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise. The Maternity Benefit (Amendment) Act, 2017 received the assent of president on the March 27, 2017. The amendment act results in increasing duration of the paid maternity leave, surrogacy leave.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule. The Child Labour (Prohibition and Regulation) Amendment Act, 2016 has come into force on July 30, 2016.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a

period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

The West Bengal Labour Welfare Fund Act, 1974

This act has been enacted primarily to provide for the constitution of a fund for promoting activities connected with the welfare of labour in West Bengal and for matters connected therewith. Also, where it is expedient to constitute a fund for promoting activities connected with the welfare of labour in West Bengal and for matters connected therewith has been dealt with in the Act. The Act requires the State Government of West Bengal to constitute a Labour welfare fund which shall consist of : (a) all unpaid accumulations of wages to the Board at such intervals and in such manner as may be prescribed, (b) all fines realized from the employees, (c) all fines imposed on employers by the courts for contravention of statutory provisions, (d) any contribution paid under Sec. 9, (e) any penal interest paid under Sec.10, (f) any voluntary donations, (g) any fund transferred under sub Section 5 of Sec. 11, (h) any loan, grants-in-aid or subsidy paid by the Central or State Government or any local authority, and (i) any sum borrowed under Sec. 12. The Act also provides for the constitution of a Board to be called the West Bengal Labour Welfare Board consisting of not more than 20 members appointed by the State Government from amongst employees and independent members. The Board shall have the powers to borrow and invest the fund and to appoint such number of officers and other employees as may be necessary for carrying out its functions under this Act and to constitute one or more committees for the purpose of advising the Board in the discharge of its functions and promoting labour welfare facilities. The fund shall vest in the Board as Trustees and shall be applied for promoting labour welfare activities such as – (a) Community and social education centres including reading rooms and libraries, (b) Games and sports, (c) Excursions, tours and holiday homes, (d) Entertainment and other forms of recreations, (e) Home industries and subsidiary occupations for women and unemployed persons, (f) Corporate activities as would in the opinion of the State Government improve the standard of living and ameliorate the social conditions of labour. The Act also empowers the State Government to appoint a Welfare Commissioner who shall be the principal executive officer of the Board, and Inspectors for carrying out the purposes of the Act.

Payment of Wages Act, 1936

The Payment of Wages Act, 1936 is a central legislation which has been enacted to regulate the payment of wages to workers employed in certain specified industries and to ensure a speedy and effective remedy to them against unauthorized deductions and/or unjustified delay caused in paying wages to them. It applies to the persons employed in a factory, industrial or other establishment or in a railway, whether directly or indirectly, through a sub-contractor. In order to bring the law in uniformity with other labour laws and to make it more effective and practicable, the payment of wages Act was last

amended in 2005. The amendment enhancing the wage ceiling per Month with a view to covering more employed persons and substitute the expressions “the Central Government” or “a State Government” by the expression “appropriate Government”. Amendment also strengthening compensation and penal provisions made more stringent by enhancing the quantum of penalties by amending of the Act. The Central Government is responsible for enforcement of the Act in railways, mines, oilfields and air transport services, while the State Governments are responsible for it in factories and other industrial establishments.

TAX RELATED LEGISLATIONS

Value Added Tax (“VAT”)

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

West Bengal Value Added Tax Act, 2003 (“WBVAT”)

West Bengal Value Added Tax, 2003 (WBVAT Act) was made effective in the state of West Bengal from 27th December, 2004. Goods which are governed by the WBVAT Act, shall not be governed by West Bengal Sales Tax Act, 1994. However, any liability or obligation acquired, any penalty imposed, any investigation initiated, any proceedings pending under the latter, in respect of any transaction effected before 27th December, 2004 or in respect of any action relating to such transaction, shall remain unaffected by the provisions of the WBVAT Act and shall survive. The basic requirement of charging tax under WBVAT Act is that where any sale or purchase in the course of business is affected, in the State of West Bengal, VAT is payable under WBVAT Act. Transactions made in the course of business only are covered under the WBVAT Act. The basis of levy of tax is the value added to such goods at each stage of sale of such goods and on purchases of certain goods in West Bengal in specified circumstances. In order to comply with the provisions of the WBVAT Act, the Company needs to follow the procedures laid down under the West Bengal Value Added Tax Rules, 2005.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979. And The West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979

Profession Tax is a tax levied on a person engaged in any profession, trade, calling and employment in West Bengal. The West Bengal State Legislature enacted the “West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979” and Rules of 1979, and these came into effect on and from April 1, 1979. Under the said Act and Rules, Person means any person who is engaged in any profession, trade and calling or employment in West Bengal and include (i) a Hindu Undivided Family, Firm, Company, Corporation or other Corporate body, any Society, Club or Association; & (ii) every branch or office of such firm, company, corporation or other corporate body, any society, club or association, so engaged. Employer means the person or the officer who is responsible for disbursement of salary or wages, and includes the head of the office or any establishment as well as the manager or

agent of the employer. An Employer requires Certificate of Registration, monthly payment of tax and filing of annual Return. Every Employer is liable to deduct profession tax from the salary or wages payable to his employee(s), as per the slab mentioned in Serial No.1 of the Schedule. Profession Tax is payable at the rates specified in the Profession Tax Schedule. Such employer (not being an officer of Government) is required to apply and secure a Certificate of Registration. An employer who is liable to pay tax shall apply for registration on-line through PT Registration module. The application is to be made within 90 days from the date of liability. All registered Employers are required to submit returns electronically through PT Return module. The hard copy of the return, as electronically transmitted, along with the acknowledgement and tax paid challan(s) are also required to be furnished within 15 days of the following month to the prescribed authority. The return period is annual. Commissioner of Profession Tax or Additional Commissioner of Profession Tax may accord permission, on the application of a registered employer having more than one place of work under the jurisdiction of different authorities, for furnishing a “consolidated return and to pay tax centrally (in respect of all such places of work) from his principal place of business.

Central Sales Tax Act, 1956 (“CST”)

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) when a sale or purchase takes place outside a State (c) when a sale or purchase takes place in the course of imports into or export from India, to provide for levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taking out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administered by Central Board of Excise and Customs under the Ministry of Finance.

The Central Excise Act, 1944

The Central Excise Act, 1944 (“Central Excise Act”) consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods

and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 5 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 1 crore (75 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on some precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. The rate of tax for CGST and SGST/UTGST shall not exceed –

- a) 5% in case of restaurants etc.
- b) 1% of the turnover in case of manufacturer
- c) 1% turnover of taxable supplies of goods, in case of other supplier

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

OTHER LAWS

The Factories Act, 1948 (“Factories Act”)

The Factories Act, 1948 aims at regulating labour employed in factories. A “factory” is defined as “any premises, whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on.”. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the “occupier”, being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the

offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

West Bengal Shops & Establishment Act, 1963

The West Bengal Shops and Establishments Act, 1963 has been enacted primarily with the object of regulating holidays, hours of the work, payment of wages and leave of persons that are employed in shops and establishments. Every shop or establishment is compulsorily required to register under this Act within thirty days of commencement of work to the registered authority in such form along with the fees as may be prescribed. This Act seeks to impose certain obligations upon the owner of a shop or an establishment to protect the workers employed and to secure for them employment in conditions conducive to their welfare of the persons employed in shops and establishments in Calcutta and other notified areas of West Bengal. An adult person, whether male or female employed in an establishment shall not be employed or permitted to work for than eight hours and half in any day or more than forty eight hours in any week. An adult person is not permitted to work for more than five hours and a half unless he is allowed for rest for at least one hour during that day. The daily working hours should be adjusted in such manner that they are not spread over more than ten hours and half on any day. This limit may be extended up to 12 hours by the Chief Inspector for reasons to be specified in writing. A young person employed in an establishment shall not be employed or permitted to work for more than seven hours in any day or for more than forty hours in any one week. A young person is not permitted to work for more than four hours before he had a rest for at least one hour. The Act also makes provisions regarding employment of women and young, annual leave with wages, overtime, specific working hours, prescribed opening and closing hours of the Shops & Establishments. The Act is applicable to the whole of West Bengal and covers all the areas and the classes of shops and establishments in Calcutta.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 ("Environment Protection Act")

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to (a) prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Air Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Air Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Water Act prohibits the discharge of toxic and poisonous matter

in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Water Act.

Hazardous Waste (Management and Handling) Rules, 1989 (“Hazardous Waste Rules”)

The Hazardous Waste Rules, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process

producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999 (“TM Act”)

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

OTHER LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (“DGFT”) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Exchange Management Act, 1999 (“FEMA”)

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market

conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), has issued consolidated FDI Policy Circular of 2017 ("**FDI Policy 2017**"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India ("**RBI**") also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings and reporting to RBI.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

CORPORATE PROFILE AND BRIEF HISTORY

Our Company was originally incorporated as “Singh Brothers Exim Private Limited” at Kolkata, West Bengal as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated August 20, 2002 bearing Corporate Identification Number U51431WB2002PTC095027 issued by the Deputy Registrar of Companies, West Bengal. On January 01, 2004, our Company acquired the business of M/S Singh Brothers & Co. (Proprietorship Concern of Jai Prakash Singh). Further, to reflect the brand name “**SYLVAN**” and business activity, the name of our Company was changed to “**Sylvan Plyboard (India) Private Limited**”, pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on January 18, 2013 and consequently Fresh Certificate of Incorporation dated March 05, 2013 was issued by Registrar of Companies, West Bengal. Subsequently, our Company was converted into Public Limited Company pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on May 24, 2018 and the name of our Company was changed to “Sylvan Plyboard (India) Limited” vide a Fresh Certificate of Incorporation dated June 19, 2018, issued by the Registrar of Companies, Kolkata. The Corporate Identification Number of our Company is U51431WB2002PLC095027.

Jai Prakash Singh and Shakuntala Singh were the initial subscribers to the Memorandum of Association of our Company. For further information, please refer to the chapter titled “*Capital Structure*” on page 90 of this Draft Red Herring Prospectus.

Anand Kumar Singh is the individual promoter and Singh Suppliers Private Limited is the corporate promoter of Our Company. Our current promoters were first associated with our company as below:

Promoters	Association
Anand Kumar Singh	First acquired shares on February 09, 2009 by way of allotment, however, he transferred his entire shareholding on October 30, 2014 by way of gift. Further, he acquired shares on October 26, 2017 by way of gift.
Singh Suppliers Private Limited	First acquired shares on October 27, 2005, by way of transfer.

Our Company is engaged in the Business of the manufacturing of Plywood, Block Board, Flush Door, & Veneer and Traders and Importers of Timber Logs/woods. For information on our Company’s profile, activities, market, products, etc., market of each segment, capacity built-up, exports and profits due to foreign operations together with country wise analysis, standing of our Company in comparison with prominent competitors, with reference to its products, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to chapters titled “*Our Business*”, “*Financial Statements as Restated*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*”, “*Government and Other Statutory Approvals*” beginning on page 144, 215, 266 and 303 respectively of this Draft Red Herring Prospectus.

CHANGES IN OUR REGISTERED OFFICE

At present the Registered office of our Company is situated at 41, B. B. Ganguly Street, 4th Floor, Kolkata - 700012, West Bengal, India. The details of changes in the address of our Registered Office are set forth below:

Effective Date	From	To	Reason
December 14, 2009	5, Nimtalla Ghat Street, Kolkata-700006, West Bengal, India	41, B. B. Ganguly Street, 4th Floor, Kolkata-700012, West Bengal, India	Administrative Convenience

KEY EVENTS AND MILESTONES

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

YEAR	EVENTS
2002	Incorporation of our Company in the name and style of "Singh Brothers Exim Private Limited".
2004	Acquisition of M/s Singh Brothers & Co. (Proprietorship concern of Jai Prakash Singh)
2013	Change in name from "Singh Brothers Exim Private Limited" to "Sylvan Plyboard (India) Private Limited"
2016	Certified as an ISO - 14001:2004 company
	Certified as an ISO - 9001:2008 company
	Certified as an OHSAS 18001:2007 company
2018	Conversion of company from Private Limited to Public Limited
	Entered into MOU with Government of Uttar Pradesh during UP Investors Summit, 2018 for establishing manufacturing unit of Plywood

MAIN OBJECTS OF OUR COMPANY

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

1. *To take over entire business of the Proprietorship Firm Under the name & style of "Singh Brothers & Co." of 5, Nimtalla Ghat Street, Kolkata – 700 006 as a going concern with all its assets, goodwill & liabilities.*
2. *To carry on in India or elsewhere to produce, prepare, project, preserve, process, and turn to account, grow, cultivate, commercialize, cut to size, season, press, manipulate, dry, disinfect, grade, handle, transport, import, export, buy, sell, store, auction and to act as broker, agent, merchant, traders, stockiest, distributors, saw mill owners, forest owner, farm owner or otherwise to deal in all types of commercial and non-commercial timbers, wood, bamboos, logs, ply, plywood and similar material used for respect of all shapes, sizes and varieties of timber and wood products, articles, monuments or things, in finish, semi-finished knock or semi knock down conditions.*

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION

Since incorporation, the following Changes have been made to our Memorandum of Association

DATE OF AGM / EGM	CHANGES
January 10, 2004	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 25,00,000 consisting of 2,50,000 Equity Shares of Rs.10/- each to Rs. 1,00,00,000 consisting of 10,00,000 Equity Shares of Rs.10/- each.
September 16, 2004	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 1,00,00,000 consisting of 10,00,000 Equity Shares of Rs.10/- each to Rs. 1,70,00,000 consisting of 17,00,000 Equity Shares of Rs.10/- each.
March 30, 2006	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 1,70,00,000 consisting of 17,00,000 Equity Shares of Rs.10/- each to Rs. 1,80,00,000 consisting of 18,00,000 Equity Shares of Rs.10/- each.
March 19, 2007	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 1,80,00,000 consisting of 18,00,000 Equity Shares of Rs.10/- each to Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs.10/- each.
January 12, 2008	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs.10/- each to Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs.10/- each.

DATE OF AGM / EGM	CHANGES
March 11, 2009	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs.10/- each to Rs. 4,00,00,000 consisting of 40,00,000 Equity Shares of Rs.10/- each.
March 23, 2011	Amendment in Clause I of the MOA to reflect change in name of our company from “Singh Brothers Exim Private Limited” to “Sylvan Plyboard (India) Private Limited”.
March 24, 2014	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 4,00,00,000 consisting of 40,00,000 Equity Shares of Rs.10/- each to Rs. 4,10,00,000 consisting of 41,00,000 Equity Shares of Rs.10/- each.
March 28, 2014	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 4,10,00,000 consisting of 41,00,000 Equity Shares of Rs.10/- each to Rs. 4,30,00,000 consisting of 43,00,000 Equity Shares of Rs.10/- each.
September 15, 2014	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 4,30,00,000 consisting of 43,00,000 Equity Shares of Rs.10/- each to Rs. 4,50,00,000 consisting of 45,00,000 Equity Shares of Rs.10/- each.
February 26, 2016	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 4,50,00,000 consisting of 45,00,000 Equity Shares of Rs.10/- each to Rs. 4,70,00,000 consisting of 47,00,000 Equity Shares of Rs.10/- each.
May 05, 2018	Amendment in Clause V of the MOA pursuant to increase in Authorised Share Capital from Rs. 4,70,00,000 consisting of 47,00,000 Equity Shares of Rs.10/- each to Rs. 13,50,00,000 consisting of 1,35,00,000 Equity Shares of Rs.10/- each.
	Amendment in Clause III i.e. Object Clause of the MOA pursuant to change in ancillary objects of the MOA*
May 24, 2018	Amendment in Clause I of the MOA to reflect change in name of our company from “Sylvan Plyboard (India) Private Limited” to “Sylvan Plyboard (India) Limited” pursuant to conversion of Company from Private Limited Company to Public Limited Company vide fresh Certificate of Incorporation dated June 19, 2018.

**Details w.r.t. change in Object Clause has not been mentioned specifically in Form MGT - 14 filed for amendment in MOA dated May 05, 2018. Further, no effect has been given in resolution and minutes for the same. However due effect of the amendment has been given in the updated MOA.*

COUNTRY WISE EXPORT SALES

Our company has no export sales for the period ended March 31, 2018.

OUR HOLDING COMPANY

As on the date of filing of this DRHP, Laptop Vyapaar Private Limited (“Laptop Vyapaar”) is a Holding Company of our company on the basis of control. However, Laptop Vyapaar is not holding majority of shares of our company (currently it holds only 23,87,800 equity shares aggregating to 26.26% of paid share capital of our company). Following are the details of our holding company:

Laptop Vyapaar Private Limited was incorporated on October 24, 2007, under the provisions of Companies Act, 1956 as a Private Limited Company. Its registered office is situated at 5, Nimtalla Ghat Street, Kolkata – 700 006, West Bengal, India. The Corporate Identification Number of Laptop Vyapaar is U51109WB2007PTC119992.

The authorised share capital of Laptop Vyapaar Private Limited is Rs. 150.00 Lakhs divided 15,00,000 equity shares of Rs. 10/- each and current paid up share capital of Laptop Vyapaar is Rs. 137.24 Lakhs.

Board of Directors of Laptop Vyapaar –

1. Anand Kumar Singh
2. Kalyani Singh

In terms of its Memorandum of Association, it is, *inter alia*, authorised to carry on the business as buyer, seller, suppliers, traders, merchants, commission agents, indenters, brokers, agents, stockists of all kinds of machinery items and man-made fibres, textiles, of all types of all kinds of yarn, cloths, oil and oilseeds, tea, coffee, spices, dry fruits, drugs, leather goods, garments, jewellery and silver utensils and ornaments and hosiery, textiles, iron and steel and all steel based products G.I sheets and other related items, jute and jute product, automobiles spares, coal, hard coke, soft coke, vegetable oil, machine parts, aluminium, electrical parts, electronic parts and device metal pipes, hardware items, earthmoving equipment and all kind of domestic commercial and industrial goods.

For further details regarding the same kindly refer the chapter titled “*Our Group Company*” beginning on page 207 of this DRHP.

OUR SUBSIDIARY COMPANY

Our Company does not have any Subsidiary Company, as on date of filing of this Draft Red Herring Prospectus.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details in relation to our capital raising activities through equity and debt, please refer to the chapters titled “*Financial Statements as Restated*” and “*Capital Structure*” beginning on page 215 and 90 respectively, of this Draft Red Herring Prospectus.

REVALUATION OF ASSETS

Our Company has not revalued its assets since its incorporation.

CHANGES IN THE ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

There has been no change in the activities being carried out by our Company in the last five years.

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order.

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

There has been no merger or acquisition of businesses or undertakings in the history of our Company. However, our Company has acquired the business of the M/s. Singh Brothers & Co. a sole proprietorship concern of Jai Prakash Singh, Father of our Individual Promoter i.e. Anand Kumar Singh vide Business Succession / acquisition agreement dated January 01, 2004.

SHAREHOLDERS’ AGREEMENTS

Our Company has not entered into any shareholders’ agreement as on date of filing of this Draft Red Herring Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any agreements/ arrangements except under normal course of business of the Company, as on date of filing of this Draft Red Herring Prospectus.

STRIKES AND LOCK-OUTS

There have been no strikes or lockouts in our Company since incorporation.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Draft Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

STRATEGIC PARTNERS

Our Company does not have any strategic partner(s) as on the date of this Draft Red Herring Prospectus.

CONVERSION OF LOANS INTO EQUITY SHARES

There has been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Draft Red Herring Prospectus.

FINANCIAL PARTNERS

As on the date of this Draft Red Herring Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

There have been no defaults or rescheduling of borrowings with any financial institutions / banks as on the date of this Draft Red Herring Prospectus.

NUMBER OF SHAREHOLDERS

Our Company has 11 shareholders as on date of this Draft Red Herring Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association, Our Company is required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act, 2013. Our Company currently has six (6) directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Other Directorship
1.	Name: Anand Kumar Singh Age: 47 Years Father's Name: Jai Prakash Singh Designation: Managing Director Address: Classica Apartment, Flat – 3B 2/8B, Sarat Bose Road, Kolkata – 700020, West Bengal, India. Occupation: Business Nationality: Indian Date of appointment/last reappointment / re designation and terms – Appointed as Managing Director w.e.f May 05, 2018 for Five (5) years and not liable to retire by rotation DIN: 00651384	Public Limited Company: NIL Private Limited Company: 1. Shree Krishna Timber Co. Private Limited 2. Silvertoss Industries Private Limited 3. Laptop Vyapaar Private Limited 4. Singh Suppliers Private Limited 5. Sylvan Vincom Private Limited Limited Liability Partnership: NIL
2.	Name: Jai Prakash Singh Age: 70 Years Father's Name: Sri Krishna Singh Designation: Chairman & Whole Time Director Address: 2/8B, Sarat Bose Road, Ballygunge, Kolkata – 700020, West Bengal, India Occupation: Business Nationality: Indian Date of appointment/last reappointment / re designation and terms – Designated as Whole Time Director w.e.f. May 05, 2018 for Five (5) years and liable to retire by rotation DIN: 00655886	Public Limited Company: NIL Private Limited Company: NIL Limited Liability Partnership: NIL
3.	Name: Shakuntala Singh Age: 64 Years Husband's Name: Jai Prakash Singh Designation: Executive Director	Public Limited Company: NIL Private Limited Company: NIL Limited Liability Partnership: NIL

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Other Directorship
	Address: 2/8B, Sarat Bose Road, Ballygunge, Kolkata – 700020, West Bengal, India Occupation: Business Nationality: Indian Date of appointment/last reappointment / re designation and terms – Re-appointed as Executive Director on May 05, 2018 for five (5) years DIN: 00656073	
4.	Name: Subir Chakrabarty Age: 68 Years Father's Name: Biswanath Chakraborty Designation: Independent Director Address: 311/15/4 , Prince Anwar Shah Road, Golfgreen, Kolkata - 700095, West Bengal, India Occupation: Business Nationality: Indian Date of appointment/last reappointment /re-designation and terms – Appointed as Additional Director (Independent) on June 16, 2018 and Regularised as Independent Director w.e.f June 25, 2018 for Five (5) years beginning from June 16, 2018 DIN: 08139749	Private Limited Company - NIL Public Limited Company - NIL Limited Liability Partnership - NIL
5.	Name: Rathin Kumar Ray Age: 72 Years Father's Name: Rabindra Nath Ray Designation: Independent Director Address: 16 No Ramkamal Street, Khidirpore, Kolkata - 700023, West Bengal, India Occupation: Business Nationality: Indian Date of appointment /last reappointment /re-designation and terms - Appointed as Additional Director (Independent) on June 16, 2018 and Regularised as Independent Director w.e.f June 25, 2018 for Five (5) years beginning from June 16, 2018 DIN: 08139761	Public Limited Company - NIL Private Limited Company - NIL Limited Liability Partnership - NIL

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Nationality, Term and DIN	Other Directorship
6.	Name: Pallab Samajdar Age: 57 Years Father's Name: Phani Bhusan Samajdar Designation: Independent Director Address: 54/C Hem Chandra Lane, Bhadrakali, Hooghly - 712232, West Bengal, India Occupation: Professional Nationality: Indian Date of appointment /last reappointment /re-designation and terms - Appointed as Additional Director (Independent) on June 16, 2018 and Regularised as Independent Director w.e.f June 25, 2018 for Five (5) years beginning from June 16, 2018 DIN: 08157892	Public Limited Company – NIL Private Limited Company – NIL Limited Liability Partnership - NIL

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Anand Kumar Singh

Anand Kumar Singh, aged 47 years, is the **Promoter** and **Managing Director** of our Company. He has been appointed as Managing Director w.e.f. May 05, 2018 for Five (5) years. He has completed his Bachelors of Commerce from Calcutta University. He has experience of more than 20 years in Plywood & Timber Industry. He is responsible for day to day business operations and entrusted with the responsibility of the looking after the overall management of the Company.

Jai Prakash Singh

Jai Prakash Singh, aged 70 years, is the **Chairman** and **Whole Time Director** of our Company. He has been associated with the Company since its inception. He was appointed as first director of our Company on August 20, 2002 and has been re-designated as Whole-Time Director w.e.f. May 05, 2018 for Five (5) years. He has completed his Bachelors of Commerce and has an experience of more than 45 years in the Timber Industry. He is guiding force behind all strategic decisions.

Shakuntala Singh

Shakuntala Singh, aged 64 years, is an **Executive Director** of our Company. She has been associated with the Company since its inception. She was appointed as first director of our Company on August 20, 2002 and has been re-appointed as Executive Director w.e.f. May 05, 2018 for Five (5) years. She has completed her Higher Secondary education and has an experience of more than 15 years in the Timber Industry. Currently, she is looking after day to day functioning of the Company.

Subir Chakrabarti

Subir Chakrabarti, aged 68 years, is an **Independent Director** of our Company. He was appointed as Additional Director (Independent) on June 16, 2018 and has been regularised as Independent Director w.e.f June 25, 2018 for Five (5) years (from the original appointment). He has completed his Bachelors of Science (Physics) and Masters of Science (Physics) from University of Calcutta. He is also an Associate of the Indian Institute of Bankers. He is a retired General Manager of India Overseas Bank (IOB) and has worked as Branch Manager, Regional head, Field General Manager and General Manager in Charge of credit monitoring department within IOB.

Rathin Kumar Ray

Rathin Kumar Ray, aged 72 years, is an **Independent Director** of our Company. He was appointed as Additional Director (Independent) on June 16, 2018 and has been regularised as Independent Director w.e.f. June 25, 2018 for Five (5) years (from the original appointment). He is a Member of The Institute of Chartered Accountants of India since 1986 and is assisting various corporates in the Government subsidy related matters.

Pallab Samajdar

Pallab Samajdar, aged 57 years is an **Independent Director** of our Company. He was appointed as Additional Director (Independent) on June 16, 2018 and has been regularised as Independent Director w.e.f. June 25, 2018 for Five (5) years (from the original appointment). He has completed his Bachelors of Law from Ranchi University in the year 1997. He is enrolled as an advocate with Bar Council of west Bengal since 1999. He has specialisation in Company matters, Amalgamation, Acquisition, Takeover, all other ROC & NCLT matters.

CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus:

1. Except as mention below, None of the Directors of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

Name of Director	Name of other Director	Relation
Jai Prakash Singh	Shakuntala Singh	Spouse
	Anand Kumar Singh	Father - Son
Shakuntala Singh	Anand Kumar Singh	Mother - Son

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) Suspended from trading by stock exchange(s) or (b) Delisted from the stock exchanges during the term of their directorship in such companies in preceding five years from the date of filing of Draft Red Herring Prospectus.
6. None of the Promoter, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

REMUNERATION/COMPENSATION PAID TO DIRECTORS

Except as mentioned below, no other current Directors have received remuneration during the year ended on March 31, 2018.

Name of the Directors	Amount (in Lakhs)
Jai Prakash Singh	29.00
Shakuntala Singh	24.00

Compensation to our Managing Director

We have not entered into any service agreement with our Managing Director providing for benefits upon termination of employment. However, the compensation payable to our Managing Director will be governed as per the terms of his appointment and Agreement dated May 05, 2018 entered between our Company and Managing Director. and shall be subject to the provisions of Sections 196, 197 and 203 and any other applicable provisions of the Companies Act, 2013 the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with schedule V to the Companies Act, 2013 and Articles of Association of the Company.

Terms and conditions of employment of our Managing Director:

1. Anand Kumar Singh, Managing Director

Anand Kumar Singh, aged 47 years, is the **Managing Director** of our Company. He has been appointed as Managing Director w.e.f. May 05, 2018 for Five (5) years and not liable to retire by rotation. The terms and conditions of his employment as per the agreement dated May 05, 2018 entered between our company and managing director are as follows:

Remuneration	Rs. 1.20 Lakhs per month subject to such periodical increment as may be decided by the Board of Directors or with recommendation of the Nomination & Remuneration committee in this behalf subject to the aggregate remuneration on account of salary shall not exceed Rs. 20.00 Lakhs per month.
Term of appointment	Five (5) Years commencing from May 05, 2018 to May 04, 2023
Perquisites	In addition to salary, the Managing Director shall be entitled to such perquisites as may be decided by the Board of Directors on recommendation of the Nomination & Remuneration committee in this behalf in future subject to the aggregate remuneration on account of such perquisites shall not exceed. 1,00,000/- per month. In addition to above, the following facilities, if provided, shall not be considered as perquisites: <i>I.</i> Provision of car for use on Company's business. Use of car for personal purpose shall be billed by the Company to him. <i>II.</i> Mobile phone and telephone facilities at the residence for official use. Personal long distance calls shall be billed by the Company to him. <i>III.</i> Reimbursement of entertainment and other expenses actually incurred in connection with the business of the Company.

Terms and conditions of employment of our Whole-Time Director:

2. Jai Prakash Singh, Chairman and Whole Time Director

Jai Prakash Singh, aged 70 years, is the **Chairman and Whole Time Director** of our Company. He has been associated with the Company since its inception. He was appointed as first director of our Company on August 20, 2002 and has been re-designated as Whole-Time director w.e.f. May 05, 2018 for Five (5) years and liable to retire by rotation. The terms and conditions of his employment as per the agreement dated May 05, 2018 entered between our company and Whole Time Director are as follows:

Remuneration	Rs. 3.00 Lakhs per month subject to such periodical increment as may be decided by the Board of Directors or with recommendation of the Nomination & Remuneration committee in this behalf subject to the aggregate remuneration on account of salary shall not exceed Rs. 20.00 Lakhs per month.
Term of appointment	Five (5) Years commencing from May 05, 2018 to May 04, 2023

Perquisites	In addition to salary, the Whole Time Director shall be entitled to such perquisites as may be decided by the Board of Directors on recommendation of the Nomination & Remuneration committee in this behalf in future subject to the aggregate remuneration on account of such perquisites shall not exceed. 1,00,000/- per month. In addition to above, the following facilities, if provided, shall not be considered as perquisites: <i>I.</i> Provision of car for use on Company's business. Use of car for personal purpose shall be billed by the Company to him. <i>II.</i> Mobile phone and telephone facilities at the residence for official use. Personal long distance calls shall be billed by the Company to him. <i>III.</i> Reimbursement of entertainment and other expenses actually incurred in connection with the business of the Company.

Terms and conditions of employment of our Executive Director:

3. Shakuntala Singh, Executive Director

Shakuntala Singh, aged 64 years, is an **Executive Director** of our Company. She has been associated with the Company since its inception. She was appointed as first director of our Company on August 20, 2002 and has been re-appointed as Executive Director w.e.f. May 05, 2018 for Five (5) years. The terms and conditions of her employment as per the agreement dated May 05, 2018 entered between our company and Executive Director are as follows:

Remuneration	Rs. 2.00 Lakhs per month subject to such periodical increment as may be decided by the Board of Directors or with recommendation of the Nomination & Remuneration committee in this behalf subject to the aggregate remuneration on account of salary shall not exceed Rs. 20.00 Lakhs per month.
Term of appointment	Five (5) Years commencing from May 05, 2018 to May 04, 2023
Perquisites	In addition to salary, the Executive Director shall be entitled to such perquisites as may be decided by the Board of Directors on recommendation of the Nomination & Remuneration committee in this behalf in future subject to the aggregate remuneration on account of such perquisites shall not exceed. 1,00,000/- per month. In addition to above, the following facilities, if provided, shall not be considered as perquisites: <i>I.</i> Provision of car for use on Company's business. Use of car for personal purpose shall be billed by the Company to him. <i>II.</i> Mobile phone and telephone facilities at the residence for official use. Personal long distance calls shall be billed by the Company to him. <i>III.</i> Reimbursement of entertainment and other expenses actually incurred in connection with the business of the Company.

Terms and conditions of employment of our Independent Directors

Non-Executive Director and Independent Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

OTHER CONFIRMATIONS

As on the date on this Draft Red Herring Prospectus:

1. There is no contingent or deferred compensation payable to any Director, Managing Director which has accrued for this year and payable in current or any future period.
2. No compensation was paid to any Director pursuant to bonus or profit sharing plan.

SHAREHOLDING OF DIRECTORS IN THE COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. Except as stated below no other directors have shareholding of our Company

The following table details the shareholding of our Directors as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Anand Kumar Singh	40,000	0.44%	[●]
2.	Jai Prakash Singh	15,23,400	16.76%	[●]
3.	Shakuntala Singh	5,46,400	6.01%	[●]
	Total	21,09,800	23.21 %	[●]

INTERESTS OF DIRECTORS

Interest in promotion of our Company

Some of our Directors may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them, if any and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled “Related Party Transactions” beginning on page 213 of this Draft Red Herring Prospectus.

Interest in the property of our Company

Our Directors do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on date of filing of this Draft Red Herring Prospectus.

Interest as member of our Company

As on date of this Draft Red Herring Prospectus, our Directors together hold 21,09,800 Equity Shares in our Company i.e. 23.21 % of the pre - issue paid up equity share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared and other distributions, if any, by our Company.

Interest as a Creditor of our Company

As on the date of this Draft Red Herring Prospectus, except as stated in the chapter titled “Financial Indebtedness” and Annexure titled “Related Party Transactions” under chapter titled “Financial Statements as Restated” our Company has not availed loans from Directors of our Company.

Interest as Director of our Company

Except as stated above and in the chapters titled “*Financial Statements as Restated*” and “*Capital Structure*” beginning on pages 215 and 90 respectively of this Draft Red Herring Prospectus our Directors, may deemed to be interested to the extent of remuneration, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and AOA of our Company.

Interest as Key Managerial Personnel of our Company

Anand Kumar Singh, Managing Director, Jai Prakash Singh, Chairman and Whole Time Director and Shakuntala Singh, Executive Director are the Key Managerial Personnel of the Company and may deemed to be interested to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreement entered into with our Company, if any and AOA of our Company and to the extent of Equity Shares held by them in our

Company. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. Other than as disclosed above, no other Director is interested as Key Managerial Personnel of the Company. For further details, please refer to heading titled “*Related Party Transactions*” under chapter titled “*Financial Statements as Restated*” beginning on page 215 of this Draft Red Herring Prospectus.

Interest in transactions involving acquisition of land

Our Directors / Promoter are not currently interested in any transaction with our Company involving acquisition of land. Except as stated/referred to under the heading titled “*Land and Property*” under chapter titled “*Our Business*” beginning on page 144 of this Draft Red Herring Prospectus, our Directors/Promoters have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Promoters are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Other Indirect Interest

Except as stated in chapter titled “*Financial Statements as Restated*” beginning on page 215 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Interest in the Business of Our Company

Except as stated in “*Related Party Transactions*” in the chapter titled “*Financial Statements as Restated*” beginning on page 215 of this Draft Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have any Subsidiary or Associate Company as on the date of this Draft Red Herring Prospectus.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Draft Red Herring Prospectus:

Name	Date of event	Nature of event	Reason
Shakuntala Singh	May 05, 2018	Re-appointment	Re-appointed as Executive Director
Anand Kumar Singh	May 05, 2018	Appointment	Appointed as Managing Director
Jai Kumar Singh	May 05, 2018	Change in Designation	Designated as Chairman & Whole Time Director
Subir Chakrabarti	June 06, 2018	Appointment	Appointed as Additional Director (Independent)
Rathin Kumar Ray	June 06, 2018	Appointment	Appointed as Additional Director (Independent)
Pallab Samajdar	June 06, 2018	Appointment	Appointed as Additional Director (Independent)
Subir Chakrabarti	June 25, 2018	Regularisation	Regularised as Independent Director
Rathin Kumar Ray	June 25, 2018	Regularisation	Regularised as Independent Director
Pallab Samajdar	June 25, 2018	Regularisation	Regularised as Independent Director

BORROWING POWERS OF THE BOARD

Pursuant to a board resolution passed at the Board Meeting of our Company held on July 10, 2018 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, and rules made there under and the Board of Directors (including such other officer as may be authorised by the Board) of the Company be and is hereby authorized to borrow money on such terms and conditions as may be considered and suitable by the Board of Directors, such sum or sums of monies, in any manner from time to time from anyone or more of the Company's banker or other persons, firms, bodies corporate or financial institutions, whether in India or abroad and whether unsecured or secured and to provide security in respect of such loans by way of mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties and all or any of the undertakings of the Company provided that the aggregate borrowings (apart from temporary loans obtained from the Company's Bankers in the Ordinary course of business) at any point of time shall not exceed the limits permissible under Section 180(1)(c) of the Companies Act 2013.

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The Corporate governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Draft Red Herring Prospectus, there are Six (6) Directors on our Board out of which one half are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, the Listing Agreements and the Companies Act, 2013 to the extent applicable

The following committees have been constituted in terms of SEBI Listing Regulations and the Companies Act, 2013.

- A. Audit Committee;
- B. Stakeholders Relationship Committee;
- C. Nomination and Remuneration Committee;
- D. Corporate Social Responsibility Committee;
- E. IPO committee.

A) Audit Committee

Our Company has constituted an Audit committee ("**Audit Committee**"), as per Section 177 of the Companies Act 2013, vide resolution passed at the meeting of the Board of Directors held on July 10, 2018.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013. The committee presently comprises the following three (3) directors:

Name of the Directors	Status	Nature of Directorship
Rathin Kumar Ray	Member	Independent Director
Subir Chakrabarti	Member	Independent Director
Pallab Samajdar	Member	Independent Director

The chairman of the committee shall be decided by the members of the committee.

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference;
- b. To seek information from any employee;
- c. To obtain outside legal or other professional advice; and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of Sub-Section 3 of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.

5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/DRHP/RHP/Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board.
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Meeting of Audit Committee and relevant Quorum

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of two members present.

B) Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on July 10, 2018.

The Stakeholders' Relationship Committee comprises the following Directors:

Name of the Directors	Status	Nature of Directorship
Subir Chakrabarty	Chairperson	Independent Director
Pallab Samajdar	Member	Independent Director
Rathin Kumar Ray	Member	Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

A. Tenure: The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

B. Meetings: The Stakeholder's Relationship Committee shall meet as and when required and shall report to the Board on quarterly basis regard the status of Redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

C. Role of the Stakeholder's Relationship Committee:

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Efficient transfer of shares including review of cases for refusal of transfer/transmission of shares and debentures;
2. Redressal of security holder's/investor's complaints efficient transfer of shares; including review of cases for refusal of transfer/transmission of shares and debentures;
3. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5. Allotment and listing of shares;
6. Reference to statutory and regulatory authorities regarding investor grievances;
7. To otherwise ensure proper and timely attendance and Redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company.

C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act 2013 vide a Meeting of the Board of Directors held on July 10, 2018.

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Pallab Samajdar	Chairperson	Independent Director
Rathin Kumar Ray	Member	Independent Director
Subir Chakrabarty	Member	Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

1) Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

2) Meetings: The committee shall meet as and when the need arise for review of Managerial Remuneration or any other activity as the committee deems fit. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven days' notice in advance.

3) Role of the Nomination and Remuneration Committee not limited to but includes:

1. Formulation of the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, Key Managerial personnel and other employees.
2. Formulation of criteria for evaluation independent directors and Board of Directors
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on board diversity; and
5. Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

D) Corporate Social Responsibility Committee:

Our Company has constituted a Corporate Social Responsibility committee ("**CSR Committee**") in accordance to Section 135 of the Companies Act, 2013 vide a resolution passed at the meeting of the Board of Directors held on July 10, 2018.

The CSR Committee comprises the following Directors:

Name of the Directors	Status	Nature of Directorship
Jai Prakash Singh	Chairman	Whole-time Director
Anand Kumar Singh	Member	Managing Director
Rathin Kumar Ray	Member	Independent Director

Terms of Reference of CSR Committee:

- To formulate, revise and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

E) IPO Committee:

Our Company has constituted an IPO committee vide a resolution passed at the meeting of the Board of Directors held on July 10, 2018.

The IPO Committee comprises with the following Directors:

Name of the Directors	Status	Nature of Directorship
Anand Kumar Singh	Chairman	Managing Director

Jai Prakash Singh	Member	Whole Time Director
Shakuntala Singh	Member	Executive Director
Rathin Kumar Ray	Member	Independent Director

Terms and reference of IPO Committee:

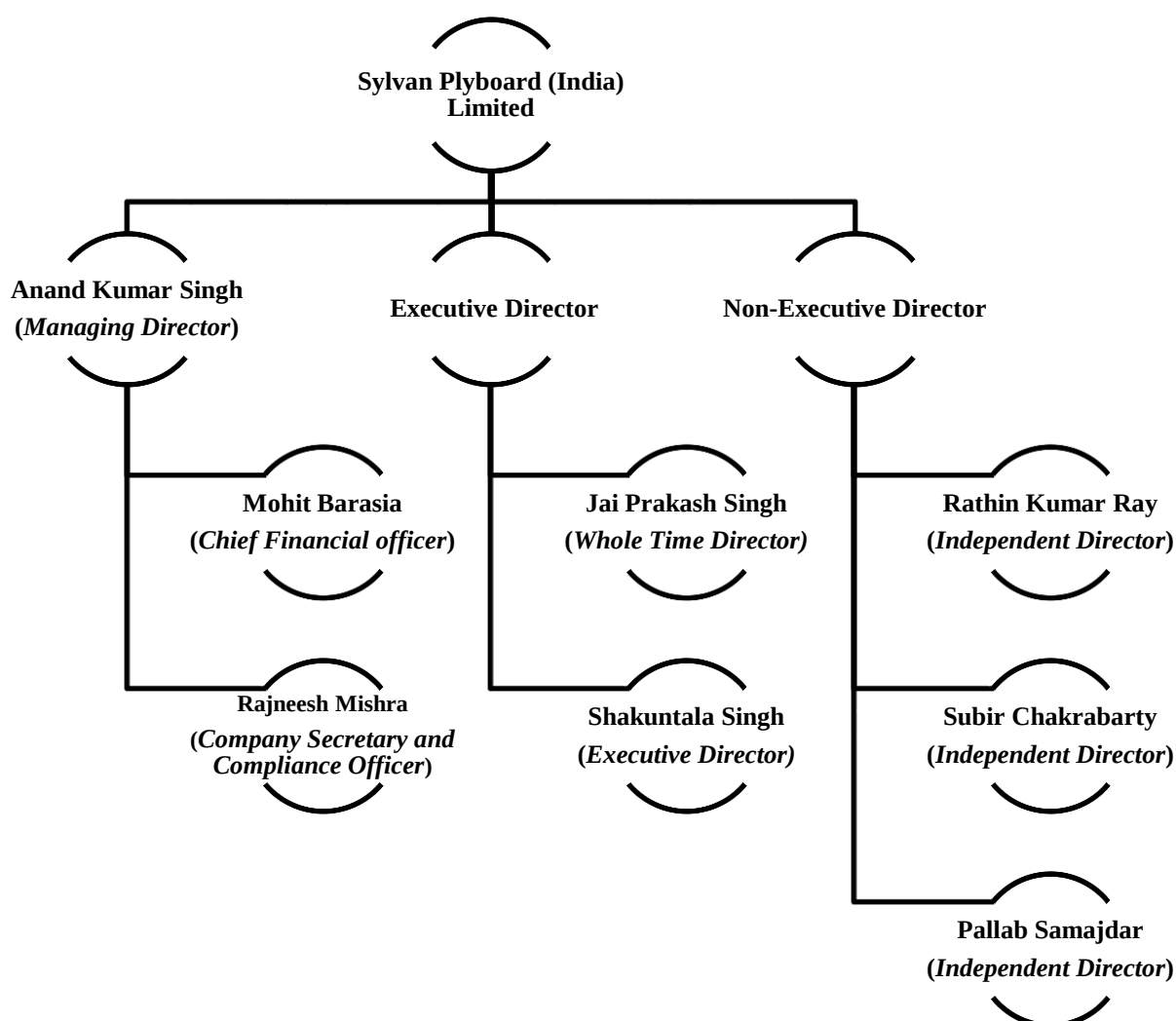
1. the IPO Committee has been constituted to decide the terms and conditions of the Issue, finalization and filing of the Draft Red Herring Prospectus and this Red Herring Prospectus with SEBI, the Stock Exchanges and other regulatory bodies as may be required;
2. handle all matter relating to appointment of intermediaries and advisors in relation to the IPO;
3. deciding on allocation of the equity shares to specific categories of persons;
4. opening of bank accounts, securities account, escrow or custodian accounts, submitting applications and seeking listing of Equity Shares with the Stock Exchanges;
5. determining and finalizing the price band, bid opening and closing date of this Issue, approving and finalizing the 'Basis of Allocation';
6. determining the price at which the Equity Shares are to be offered to the investors;
7. settling difficulties and doubts arising in relation to the IPO;
8. empowering the authorized officers to enter into and execute any agreements or arrangements in relation to the IPO; and
9. Carry out all acts and take all decisions as may be necessary for the purposes of the IPO and listing.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading:

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the EMERGE Platform of National Stock Exchange of India Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on July 10, 2018 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Rajneesh Mishra, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

ORGANISATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

Set forth below are the details of our Key Management Personnel as prescribed under the Companies Act, 2013, in addition to Anand Kumar Singh, Managing Director, Jai Prakash Singh, Whole-time Director and Shakuntala Singh, Executive Director as on the date of filing of this Draft Red Herring Prospectus. For details of Anand Kumar Singh, Jai Prakash Singh and Shakuntala Singh, see – “Brief Profile of our Directors” on page 187 of this Draft Red Herring Prospectus.

The details of our Key Managerial Personnel are set out below:

Mohit Barasia, Chief Financial Officer

Mohit Barasia, aged 30 years, is the Chief Financial Officer of our Company. He has been appointed as Chief Financial Officer of the company w.e.f. June 01, 2018. He is a Member of The Institute of Chartered Accountants of India. He has worked with Indian Oil Corporation Limited from November 19, 2010 to September 05, 2014 as Manager (Accounts) and with Sylvan Plyboard (India) Limited (“Our Company”) since September 08, 2014 and has been designated as CFO of our Company w.e.f. June 01, 2018. He is responsible for looking after accounting, finance and taxation of our company.

Rajneesh Mishra, Company Secretary and Compliance Officer

Rajneesh Mishra, aged 33 years, is the Company Secretary and Compliance Officer of our company. He has been appointed as the Company Secretary & Compliance Officer of our Company w.e.f. June 01, 2018. He has completed his Bachelors of Commerce from University of Calcutta. He is an Associate member of the Institute of Company Secretaries of India. He has worked with Riga Sugar Company Limited from July 20, 2007 to July 31, 2015 as Assistant Manager and Mansa BPO Services Private Limited from August 01, 2015 to May 31, 2018 as Company Secretary. He is entrusted with the responsibility of legal, secretarial and statutory compliance of our company.

STATUS OF KEY MANAGERIAL PERSONNEL

All the Key Managerial Personnel are permanent employees of our Company

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except as stated below, none of the key managerial personnel are related to the each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

Name of Key Managerial Personal	Name of Other Key Managerial Personal	Relationship
Jai Prakash Singh	Shakuntala Singh	Spouse
	Anand Kumar Singh	Father - Son
Shakuntala Singh	Anand Kumar Singh	Mother - Son

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as mentioned below, none of our Key Managerial Personnel holds any Equity shares of our company as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
4.	Anand Kumar Singh	40,000	0.44%	[●]
5.	Jai Prakash Singh	15,23,400	16.76%	[●]
6.	Shakuntala Singh	5,46,400	6.01%	[●]
	Total	21,09,800	23.21 %	[●]

REMUNERATION PAID TO KEY MANAGERIAL PERSONNEL (KMP)

Except as mentioned below, no other current KMPs have received remuneration during the year ended on March 31, 2018.

Name of the KMPs	Amount (in Lakhs)
Jai Prakash Singh	29.00
Shakuntala Singh	24.00

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

Our company has not given any loans and advances to the Key Managerial Personnel as on the date of this Draft Red Herring Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon and other distributions in respect of such equity shares, if any. Except as disclosed in this Draft Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated otherwise in this Draft Red Herring Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Draft Red Herring Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Except as stated in this chapter and chapter titled “*Related Party Transactions*” beginning on page 213 of this Draft Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

Name of Managerial Personnel	Date of Event	Nature of event	Reason
Anand Kumar Singh	May 05, 2018	Appointment	Appointed as Managing Director
Jai Kumar Singh	May 05, 2018	Change in Designation	Designated as Chairman & Whole Time Director
Shakuntala Singh	May 05, 2018	Re-appointment	Re-appointed as Executive Director
Mohit Barasia	June 01, 2018	Appointment	Appointed as Chief Financial Officer
Rajneesh Mishra	June 01, 2018	Appointment	Appointed as Company Secretary & Compliance Officer

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements as Restated*” beginning on page 215 of this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees

EMPLOYEES

The details about our employees appear under the Paragraph titled “Human Resource” in Chapter titled –“Our Business” beginning on page 144 of this Draft Red Herring Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are Anand Kumar Singh and Singh Suppliers Private Limited. As on date of this Draft Red Herring Prospectus, our Promoters holds 38,66,920 Equity Shares representing 42.53 % of the pre-issue Paid up Capital of our Company.

Brief profile of our Individual Promoters is as under:

	Anand Kumar Singh, Promoter* & Managing Director Anand Kumar Singh, aged 47 years, is the Promoter and Managing Director of our Company. He has been appointed as Managing Director w.e.f. May 05, 2018 for Five (5) years. He has completed his Bachelors of Commerce from Calcutta University. He has experience of more than 20 years in Plywood & Timber Industry. He is responsible for day to day business operations and entrusted with the responsibility of the looking after the overall management of the Company. Nationality: Indian Passport No: Z4445277 Driving License: WB-011994352044 Voters ID: DPD1192145 Address: Classica Apartment, Flat – 3B 2/8B, Sarat Bose Road, Kolkata – 700020, West Bengal, India. Other ventures promoted by him: • Singh Suppliers Private Limited • Sylvan Vincom Private Limited • Silvertoss Industries Private Limited • Laptop Vyapaar Private Limited • Shree Krishna Timber Co. Private Limited • Anand Kumar Singh – HUF For further details relating to Anand Kumar Singh, including terms of appointment as Managing Director and other directorships please refer to the chapter titled “Our Management” beginning on page 185 of this Draft Red Herring Prospectus.

** Anand Kumar Singh is not original promoter of our company. He had first acquired shares on February 09, 2009 by way of allotment. Further, he has introduced on the board of our Company in the capacity of managing Director w.e.f. May 05, 2018.*

For details of Capital build-up of Anand Kumar Singh in our company, please see “Capital Structure-Notes to capital structure on page 90 of this Draft Red Herring Prospectus.

DECLARATION

Our Company confirms that the Permanent Account Number, Bank Account Number and Passport Number of our Individual Promoter have been submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

Brief profile of our Corporate Promoter is as under:**1. Singh Suppliers Private Limited (“SSPL”)*****Corporate Information:***

Singh Suppliers Private Limited was incorporated as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated December 19, 2001 bearing Corporate Identification Number U51909WB2001PTC094028. The registered office of SSPL is situated at Central Plaza, 4th Floor, 41, B. B. Ganguly Street, Kolkata – 700012, West Bengal, India.

The SSPL was engaged in the business of Trading of Logs and Sawn Timber till March 31, 2018. However, as on date of Draft Red Herring Prospectus, SSPL is not engaged in any business activities except holding shares of our Group Companies.

As on date of filing of the DRHP, our Corporate Promoter, Singh Suppliers Private Limited is not engaged in business competing with that of our Company.

Singh Suppliers Private Limited was not the original promoter of our company, and initially acquired shares in our company on October 27, 2005, it currently holds 38,26,920 Equity shares of the Company, which constitutes 42.09 % of pre-issue paid-up share capital of our Company. For details of Capital build-up of SSPL’s in our company, please see “Capital Structure- Notes to capital structure on page 90 of this Draft Red Herring Prospectus.

Further, we confirm that compliance with SEBI (SAST) Regulation and SEBI (LODR) Regulations were not applicable since the shares of our company were not listed on any stock exchange in India at the time of purchase.

Promoters of SSPL -

1. Anand Kumar Singh
2. Kalyani Singh

Board of Directors of SSPL –

1. Anand Kumar Singh
2. Kalyani Singh

Change in Management and control:

There has been no change in the management and control of Singh Suppliers Private Limited in three years preceding the date of Draft Red herring Prospectus.

Shareholding Pattern

Set forth below, is the shareholding of Singh Suppliers Private Limited as on the date of this Draft Red Herring Prospectus –

S.No.	Name	No. of Shares	% of Holding
1.	Anand Kumar Singh	1,95,000	5.50%
2.	Jai Prakash Singh	7,49,600	21.15%
3.	Jai Prakash Singh – HUF	1,76,000	4.96%
4.	Anand Kumar Singh – HUF	2,10,000	5.92%
5.	Amitabh Singh – HUF	1,40,000	3.95%
6.	Shakuntala Singh	1,91,100	5.39%
7.	Kalyani Singh	1,18,000	3.33%
8.	Sylvan Vincom Private Limited	15,85,000	44.71%
9.	Vijay Shankar Shukla	4,820	0.14%
10.	Piyush Mishra	1,57,860	4.45%
11.	Bhadohi Carpets Private Limited	17,500	0.49%
	Total	35,44,880	100.00%

Financial Performance –

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Paid Up Capital	343.09	331.89	331.89
Reserves and Surplus (Excluding revaluation and amalgamation reserve, if any)	1,136.56	1,115.26	1,162.18
Net Asset Value per equity share (in Rs.)	43.13	43.60	45.02

DECLARATION

Our Company confirms that the Permanent Account Number, Bank Account Number, Company registration number and address of ROC where our Corporate Promoter is registered, shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

INTEREST OF PROMOTERS

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our Promoters in our Company, please refer “*Capital Structure*” on page 90 of this Draft Red Herring Prospectus.

Our Promoters may also be deemed to be interested in our Company to the extent of their shareholding in our Group Companies with which our company transacts during the course of its operations.

Our Individual Promoter is the Director and KMP of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to him for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and AoA of our Company. For details refer to the chapter titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 185, 215 and 90 respectively of this Draft Red Herring Prospectus.

Except as mentioned in the chapter titled “*Our Business*” under “*Land & Property*”, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of two years before filing of this Draft Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

For details of related party transactions entered into by our Company during last financial year with our Promoters and Group Companies, the nature of transactions and the cumulative value of transactions, see “*Related Party Transactions*” on page no 213 of this Draft Red Herring Prospectus.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in this chapter and chapter titled “*Our Group Companies*” beginning on page 207 of this Draft Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests / other interests.

RELATED PARTY TRANSACTIONS

For details of related party transactions entered into by our Promoters, members of our Promoter Group and Company during the last financial year, the nature of transactions and the cumulative value of transactions, refer chapter titled “*Related Party Transactions*” on page 213 of this Draft Red Herring Prospectus.

PAYMENT OR BENEFITS TO PROMOTER

Except as stated otherwise in the chapter titled “*Related Party Transactions*” on page 213 of this Draft Red Herring Prospectus, there have been no payments or benefits to the Promoters during the two years prior to filing of this Draft Red Herring Prospectus.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (zb) of the SEBI (ICDR) Regulations is as under:

A. Natural persons who are part of our Promoters Group:

Relationship with Promoters	Anand Kumar Singh
Father	Jai Prakash Singh
Mother	Shakuntala Singh
Brother	Amitabh Singh
Sister	Anu Singh Priti Singh
Spouse	Kalyani Singh
Son	Prithvi Singh
Daughter	Srishti Singh
Spouse's Father	Vijendra Pratap Singh
Spouse's Mother	Nirmala Singh
Spouse's Brother	Sudhir Kumar Singh
Spouse's Sister	-

Note - Our Company has issued letters on June 28, 2018 to each of the relatives of our Individual Promoter, Anand Kumar Singh, asking for details of entity(ies) in which they severally or jointly may have an interest. Our Company has sent a letter to each relative demanding their personal documents for identification of promoter group. However, we have not received reply from Vijendra Pratap Singh, Nirmala Singh and Sudhir Pratap Singh. Therefore, the disclosures made in this Draft Red Herring Prospectus are limited to the extent of information that has been made available by our Promoters in relation to Promoter Group and Group Companies.

B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

- Sylvan Vincom Private Limited
- Silvertoss Industries Private Limited
- Laptop Vyapaar Private Limited
- Shree Krishna Timber Co. Private Limited
- Sris Exim Private Limited
- Anand Kumar Singh - HUF
- Jai Prakash Singh – HUF
- Amitabh Singh - HUF
- Shivam Plywood

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Except as mentioned below, none of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Name of Promoter	Other Directors	Relationship
Anand Kumar Singh	Jai Prakash Singh	Son - Father
	Shakuntala Singh	Son-Mother

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEAR

Our Promoters have not disassociated themselves from any entity during preceding three years.

CHANGES IN CONTROL

Except the appointment of Anand Kumar Singh as managing director on the board of our Company w.e.f. may 05, 2018, there has been no change in the management or control of our Company in the last three years.

LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, refer to the chapter titled "Outstanding Litigation and Material Developments" on page 288 of this Draft Red Herring Prospectus.

CONFIRMATIONS

Our Company, our Promoters and their relatives (as defined under the Companies Act, 2013) are not Wilful Defaulters and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters and members of the Promoter Group are not prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in *“Related Party Transactions* on page 213 of this Draft Red Herring Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

OUR GROUP COMPANIES

As per the requirement of SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered those Companies as Group Companies, which are included in the list of related parties of the Company, under Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board. Pursuant to a resolution dated July 10, 2018, for the purpose of disclosure in offer documents for the Issue, a company shall be considered material and disclosed as a “Group Company” if (i) companies in which the investment in the form of equity or loan by our Company exceeds 10% of the net worth of our Company for the last audited financial year; (ii) where our Company has entered into one or more transactions with such company in the last audited financial year, cumulatively exceeding 10% of the total revenue of our Company for the last audited financial year; and (iii) any other company which the Board may decide.

For avoidance of doubt, it is clarified that Singh Suppliers Private Limited, which is our Corporate Promoter, has not been considered as Group Company for the purpose of disclosure in this Draft Red Herring Prospectus. For further details please refer to chapter “Promoter and Promoter Group” beginning on page 202 of this Draft Red Herring Prospectus.

Based on the above, the following are our Group Companies:

1. Laptop Vyapaar Private Limited;
2. Shree Krishna Timber Co Private Limited;
3. Silvertoss Industries Private Limited;
4. Sylvan Vincom Private Limited;
5. Sris Exim Private Limited.

As on the date of this Draft Red Herring Prospectus none of our group company are listed on any stock exchanges. Further, following are the details of our unlisted Group Companies:

1. LAPTOP VYAPAAR PRIVATE LIMITED (“LAPTOP VYAPAAR”) -

Corporate Information:

Laptop Vyapaar Private Limited was incorporated on October 24, 2007, under the provisions of Companies Act, 1956 as a Private Limited Company. Its registered office is situated at 5, Nimtalla Ghat Street, Kolkata – 700 006, West Bengal, India. The Corporate Identification Number of Laptop Vyapaar is U51109WB2007PTC119992.

The authorised share capital of Laptop Vyapaar is Rs. 150.00 Lakhs divided into 15,00,000 equity shares of Rs. 10/- each and current paid up share capital is Rs. 137.24 Lakhs.

In terms of its Memorandum of Association, it is, *inter alia*, authorised to carry on the business as buyer, seller, suppliers, traders, merchants, commission agents, indentors, brokers, agents, stockists of all kinds of machinery items and man-made fibres, textiles, of all types of all kinds of yarn, cloths, oil and oilseeds, tea, coffee, spices, dry fruits, drugs, leather goods, garments, jewellery and silver utensils and ornaments and hosiery, textiles, iron and steel and all steel based products G.I sheets and other related items, jute and jute product, automobiles spares, coal, hard coke, soft coke, vegetable oil, machine parts, aluminium, electrical parts, electronic parts and device metal pipes, hardware items, earthmoving equipment and all kind of domestic commercial and industrial goods.

Nature and Extent of Interest of Promoters:

1. Our Promoters, Anand Kumar Singh and Singh Suppliers Private Limited hold 1,00,000 and 3,56,250 Equity Shares of Rs. 10/- each, respectively, aggregating to 7.29% and 25.96% respectively, of the issued and paid up share capital of Laptop Vyapaar.
2. Our individual Promoter, Anand Kumar Singh is Director of Laptop Vyapaar and may be deemed to be interested in Laptop Vyapaar to that extent.

Audited Financial Performance:

Amount (Rs. in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Paid Up Capital	137.24	137.24	137.24
Reserves and Surplus (Excluding revaluation reserve, if any)	596.49	598.99	607.05
Net Asset Value per equity share (in Rs.)	53.46	53.65	54.23

2. SHREE KRISHNA TIMBER CO PRIVATE LIMITED (“SHREE KRISHNA”) -

Corporate Information:

Shree Krishna Timber Co Private Limited was incorporated on January 21, 1999 under the provisions of Companies Act, 1956 as a Private Limited Company. Its registered office is situated at 5, Nimtalla, Ghat Street, Kolkata – 700 006, West Bengal, India. The Corporate Identification Number of Shree Krishna is U02001WB1999PTC088662.

The authorised share capital of Shree Krishna is Rs. 300.00 Lakhs divided into 30,00,000 equity shares of Rs. 10/- each and current paid up share capital is Rs. 256.18 Lakhs.

In terms of its Memorandum of Association, it is, *inter alia*, authorised to carry on the business as traders, dealers, whole sellers, retailers, manufacturers of Timber, wooden products plywood, laminates, adhesives, fabrics of wood and other natural synthetics and /or fibrous substances or any other or new substances being improvements upon modifications of other products or resulting from any processes and /or manufacturer of materials from waste released from the above mentioned products either on its own account or on omission and to manufacture, deal in or process natural starch and other authorities and sizing materials, dye stuff, synthetic of all kinds and components other substances either basic, intermediate or otherwise as required for the above mentioned product or products.

Nature and Extent of Interest of Promoters:

1. Our Promoters, Anand Kumar Singh and Singh Suppliers Private Limited hold 1,35,300 and 10,09,552 Equity Shares of Rs. 10/- each respectively, aggregating to 5.28% and 39.41% of the issued and paid up share capital of Shree Krishna.
2. Our promoter, Anand Kumar Singh is Director of Shree Krishna and may be deemed to be interested in Shree Krishna to that extent.

Audited Financial Performance:

Amount (Rs. in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Paid Up Capital	256.18	256.18	234.75
Reserves and Surplus (Excluding revaluation reserve, if any)	3,416.60	3,288.90	2,935.05
Net Asset Value per equity share (in Rs.)	143.37	138.38	135.03

3. SILVERTOSS INDUSTRIES PRIVATE LIMITED (“SILVERTOSS”) -

Corporate Information:

Silvertoss Industries Private Limited was incorporated on September 20, 2002 under the provisions of Companies Act, 1956 as a Private Limited Company in the name and style of Silvertoss Suppliers Private Limited. Its registered office is situated at 5, Nimtalla Ghat Street, Kolkata – 700 006, West Bengal, India. The Corporate Identification Number of Silvertoss is U51109WB2002PTC095204.

The authorised share capital of Silvertoss is Rs. 500.00 Lakhs divided into 50,00,000 equity shares of Rs. 10/- each and current paid up share capital is Rs. 462.34 Lakhs.

In terms of Memorandum of Association, it is, *inter alia*, authorised to carry on the business as exporter, importer, manufacturer, buyers, sellers, traders, distributors, consultants, advisors, supervisors,

contractors, sub-contractors, turnkey contractors, indentors, assemblers, packers, merchant, agents, brokers, sub-brokers, stockists, commission agents, franchisee and dealers of all kind of wood, logs, timber, ply, plywood and all products of limber & wood, salt, Raw jute, hemp, jute fibres, rope & lining, jute cloth and all other kinds of jute products, Hessian & gunny bags, laminated jute goods, machine tools, metals, alloys, iron pipe fittings, nuts and bolt, bags, engineering, bycycles, accessories, automobile parts steel and stainless steel and iron products, ores and scraps, House hold items, manures, pulp or wood ranges, rubber and tanning substances, wax quartz, crystal chemical .and preparations starch plastic and linoleum articles, glass and glassware, handicrafts, apparatus and appliances, machinery and mill work and parts hereof, paper and stationary, sports goods, agricultural products, textile including decorative had and machine made, readymade garments, natural yarn, hosiery and mixed fabrics, artificial and natural fabrics, carpets, waste coir, rugs, druggists, cotton, wollen, cloth and all sorts of apparels, dressing material, wigs, video, Microprocessor computer, electricals and electronic products, marble and hardware items, of all kinds sanitary ware and fittings, fodder bran, fruits, nuts, cashewnuts, kernels, grains, pulses, spices, flour, confectionery, provision, spirits and lea, cottoe, sugar and molasses oil and cakes, vanaspati, vegetable products, tobacco (raw of manufactured) processed food and packed food products and to act as purchased and sales representatives of stockists and industrial products.

Nature and Extent of Interest of Promoters:

1. Our Promoters, Anand Kumar Singh and Singh Suppliers Private Limited hold 4,21,050 and 16,70,650 Equity Shares of Rs. 10/- each respectively, aggregating to 9.11% and 36.13% of the issued and paid up share capital of Silvertoss.
2. Further, our individual Promoter, Anand Kumar Singh is Director of Silvertoss and may be deemed to be interested in Silvertoss to that extent.

Audited Financial Performance:

Particulars	Amount (Rs. in lakhs)		
	March 31, 2017	March 31, 2016	March 31, 2015
Equity Paid Up Capital	460.34	460.34	460.34
Reserves and Surplus (Excluding revaluation reserve, if any)	3178.50	3048.00	2931.17
Net Asset Value per equity share (in Rs.)	79.05	76.21	73.67

4. SYLVAN VINCOM PRIVATE LIMITED (“SYLVAN VINCOM”) -

Corporate Information:

Sylvan Vincom Private Limited was incorporated on August 20, 2010 under the provisions of Companies Act, 1956 as a Private Limited Company. Its registered office is situated at 5, Nimtalla Ghat Street, Kolkata – 700 006, West Bengal, India. The Corporate Identification Number of Sylvan Vincom is U51909WB2010PTC152471.

The authorised share capital of Sylvan Vincom is Rs. 300.00 Lakhs divided into 30,00,000 equity shares of Rs. 10/- each and current paid up share capital is Rs. 297.58 Lakhs.

In terms of its Memorandum of Association, it is, *inter alia*, authorised to carry on the business as importers, exporters, buyers, sellers, traders, merchants, indentors, brokers, agents, commission agents, assemblers, refiners, cultivators, miners, mediators, packers, stockists, distributors, of & in all kinds of fibre glass products, bitumen products, acrylic products, geo textile membrane and other poister products ,chemicals and its by products, chemicals of its all kinds, wood timber and timber products, gems and jewellery, imitation jewellery, plastic and plastic goods, and raw materials thereof, rubberised cloth, food grains, dairy product, soap detergents, biscuits surgical, diagnostic medical pulses leather and finished leather goods, leather garments, leather products all related items in leather, electric and electronic component and goods, iron and steel, aluminium, mineral, ferrous and non-ferrous metal, stainless steel, jute and jute product, textile cotton, synthetics, readymade garments, design materials, process printers in all textiles, timber cosmetics, stationery, tools and hardware, sugar, tea coffee, paper,

packing material, chemicals, cement, spices, grain, factory materials, house equipment, rubber and rubber products, coal, coal products and coal tar fertilizers, agriculture products, industrial products, computer data materials, software paints, industrial and other gases, alcohol, edible and non-edible oils and fats, drugs, plants and other machinery goods, engineering goods and equipment, office equipment, hospital equipment, railway accessories, medicine, sugar and sugarcane, automobile parts, building construction and materials, fur and fur made items toys, building plans, consumer products, consumer durables, coal and coke, mica and mica products, dry flowers and plants, printing, transportation and all other kinds of goods and merchandise, commodities and articles of consumption of all kinds in India or elsewhere.

Nature and Extent of Interest of Promoters:

1. Our Promoters, Anand Kumar Singh holds 4,70,000 Equity Shares of Rs. 10/- each, aggregating to 15.79% of the issued and paid up share capital of Sylvan Vincom.
2. Further, our Individual Promoter, Anand Kumar Singh is Director of Sylvan Vincom and may be deemed to be interested in Sylvan Vincom to that extent.

Audited Financial Performance:

Amount (Rs. in lakhs)			
Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Paid Up Capital	297.58	297.58	297.58
Reserves and Surplus (Excluding revaluation reserve, if any)	297.31	301.57	295.32
Net Asset Value per equity share (in Rs.)	20.00	20.13	19.92

5. SRIS EXIM PRIVATE LIMITED (“SRIS EXIM”) -

Corporate Information:

Sris Exim Private Limited was incorporated on November 07, 2013 under the provisions of Companies Act, 1956 as a Private Limited Company. Its registered office is situated at 67, Maharshi Devendra Road, R.N. 106 1st Floor, Kolkata – 700 006, West Bengal, India. The Corporate Identification Number of Sris Exim is U51909WB2013PTC198260.

The authorised share capital of Sris Exim is Rs. 400.00 Lakhs divided into 40,00,000 equity shares of Rs. 10 each and current paid up share capital is Rs. 342.83 Lakhs.

In terms of its Memorandum of Association, it is, *inter alia*, authorised to carry on the business as traders, dealers, wholesalers, retailers and manufacturer of Timber. Wooden products, plywood, laminates, adhesives, fabrics of wood and other natural synthetics and/or fibrous substances or any other or new substances being improvements upon, modifications of other products or resulting from any processes and/or manufacturer of materials from the waste released from the above-mentioned products either on its own account or on omission and to manufacture, deal in or process natural starch and other authorities and sizing materials, dye-stuff, synthetic of all kinds and components and others substances either basic, intermediate or otherwise as required for the above mentioned product or products. To carry on pilling and resin making activities required for the manufacture of plywood, laminates, adhesives and surface decoration of products.

Nature and Extent of Interest of Promoters:

None of our promoters are holding any equity shares in Sris Exim. Further, neither of them are on the Board of Directors of Sris Exim.

Audited Financial Performance:

Amount (Rs. in lakhs)			
Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Equity Paid Up Capital	2,52.41	1,39.51	48.18

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Reserves and Surplus (Excluding revaluation reserve, if any)	65.88	17.48	(1.17)
Net Asset Value per equity share (in Rs.)	12.61	11.25	9.76

Related Party Transactions

For details on related party transactions please refer to-Financial Statements, as restated – Annexure XXVIX – Restated Statement of Related Parties Transactions on page 215 of this Draft Red Herring Prospectus.

Other disclosures:

None of our Group Companies have remained defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the Draft Red Herring Prospectus with Stock exchange.

None of our Group Companies are under any winding up proceedings and none of our Group Companies are declared as sick companies under the SICA and Insolvency and Bankruptcy Code, 2016 as applicable.

None of our Group Companies are listed on any of the Stock Exchanges and they have not made any public/ rights issue in last five years. Further, no action has been taken against these companies by any Stock Exchange or SEBI. None of our Group Companies have been restrained from accessing the capital markets for any reasons by SEBI or any other authorities.

Except as mentioned in the chapter titled “Related Party Transaction” beginning on page 213 of this Draft Red Herring Prospectus, none of our Group Companies have taken any unsecured loans from our Company.

Our Group Company has not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Companies with negative net worth:

None of our Group Companies have negative Net Worth as per the last audited financial statements mentioned herein.

Nature and Extent of Interest of Group Companies:

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the DRHP

None of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the DRHP.

(c) Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

For details, please see — Financial Statements, as restated – Annexure XXVIX – Restated Statement of Related Parties Transactions on page 215 of this DRHP.

(d) Unsecured Loans extended to our Company

None of our Group Companies have extended unsecured loans to our Company. For further details, please refer chapter titled “Related Party Transaction” beginning on page 213 of this DRHP,

Common Pursuits amongst the Group Companies with our Company

As on date of filing of the DRHP, our Group Companies, Shree Krishna Timber Private Limited and Silvertoss Industries Private Limited, Sylvan Vincom Private Limited and Sris Exim Private Limited are

engaged in business competing with that of our Company. These companies have objects similar to that of our Company's business.

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises. Further, we have not entered into any non-compete or similar arrangement with these Group Companies or otherwise with our Promoter. Accordingly, there can be no assurance that these Group Companies will not in future engage in any competing business activity or acquire interests in competing ventures.

Litigation involving our Group Companies

For details related to litigations and regulatory proceedings involving our group companies, please refer to the chapter titled 'Outstanding Litigation and Material Developments' beginning on page 288 of this Draft Red Herring Prospectus.

Sale/Purchase between Group Companies exceeding in value in aggregate of 10% of total sales or purchases of our Company

For details, please refer to —Financial Statements, as restated – Annexure XXVIX – Restated Statement of Related Parties Transactions on page 215 of this DRHP.

Payment of Amount or Benefits to our Group Companies during the Last Two Years

Except as stated in —Financial Statements, as restated “Annexure XXVIX Restated Statement of Related Parties Transactions on page 215 of this DRHP, no amount or benefits were paid or were intended to be paid to our Group Companies during the last two years from the date of filing of this DRHP.

Business Interest of Group Entities

Other than as stated above and as mentioned in “Financial Statements”, as restated - Annexure XXVIX Restated Statement of Related Parties Transactions on page 215 of this DRHP, none of our Group Entities have any business interest in our Company.

RELATED PARTY TRANSACTION

For details on Related Party Transactions of our Company, please refer to *Annexure XXVIX* of restated financial statement under the section titled, “*Financial Statements*” beginning on page 215 of this Draft Red Herring Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last five years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

SECTION V – FINANCIAL STATEMENTS
FINANCIAL STATEMENT AS RESTATED

Independent Auditor’s Report for the Restated Financial Statements of

SYLVAN PLYBOARD (INDIA) LIMITED

Report of Auditors on the Restated Financial Information of SYLVAN PLYBOARD (INDIA) LIMITED for each of the years ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014.

The Board of Directors

SYLVAN PLYBOARD (INDIA) LIMITED

41, B.B. Ganguly Street, 4th Floor

Kolkata, West Bengal – 700 012, India

Dear Sirs,

We, N. K. Aswani & Co., have examined the attached Restated Statement of Assets and Liabilities of **SYLVAN PLYBOARD (INDIA) LIMITED** (the “Company”) as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the years ended as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014, annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the “**Restated Summary Statements**” or “**Restated Financial Statements**”). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in EMERGE Platform of National Stock Exchange of India Limited.

1. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Part I of Chapter III to the Companies Act, 2013 (“**Act**”) read with Companies (Prospectus and Allotment of Securities) Rules, 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**ICDR Regulations**”) issued by the Securities and Exchange Board of India (“**SEBI**”) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - (iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in EMERGE Platform of National Stock Exchange of India Limited (“**IPO**” or “**SME IPO**”); and
 - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”).
2. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014.
3. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- (i) The “**Statement of Assets and Liabilities as Restated**” as set out in **Annexure I** to this report, of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)** to this Report.
- (ii) The “**Statement of Profit and Loss as Restated**” as set out in **Annexure II** to this report, of the Company for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)** to this Report.
- (iii) The “**Statement of Cash Flow as Restated**” as set out in **Annexure III** to this report, of the Company for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)** to this Report.
4. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
- Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.
 - Adjustments for prior period and other material amounts in the respective financial years to which they relate.
 - A Fire had broke out during FY 2017-18, during which estimated loss of Rs.99.73 Lakhs had occurred, for which insurance claim of Rs.72.33 Lakhs have been sanctioned by insurance company. Therefore, the balance amount of loss has been shown as an extraordinary item in the Restated Statement of Profit and Loss. Except this, there are no extra-ordinary items that need to be disclosed separately in the accounts.**
 - Audit Report from FY 2013-14 to FY 2017-18 Contained following qualifications/ emphasis of matters.

Matter which called for Qualification/ Emphasis of Matter	Year of such qualification/ emphasis of matter para	Effect given in restated
The valuation of inventory is based on management representations & Auditor have not taken part in either measurement or conducting the physical examination of inventories	FY 2017-18, 2016-17, FY 2013-14	We also have accepted inventory at value certified by management.
The company have not complied with requirements	FY 2017-18	The same have been complied with while preparing restated financial statements.

of AS-15 relating to employee benefits for gratuity		
The figures of sundry debtors & Creditors as shown in BS are subject to confirmation and reconciliation with respective parties	FY 2016-17, FY 2014-15, FY 2013-14	We have also relied on representations received from Management & Amount shown in BS
The Company has classified outstanding amount of Buyers credit available from Bank as unsecured Trade Payables. The same shall be classified as secured Short Term Borrowings as per Schedule III of Companies Act, 2013	FY 2016-17	The same have been classified in secured Short Term Borrowings in Restated Financials.
The Management had decided to write off amount of Advertisement Expenses in two years	FY 2013-14	The same have been Expensed out In year in which it relates as per requirements of AS-26 on Intangible Assets.

- e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)** to this report.
5. Audit for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 was conducted by M/s. M. Raghunath & Co. (Chartered Accountants). Accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the financial year ended on 31st March, 2018 have been reaudited by us as per the relevant guidelines.
6. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014, proposed to be included in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus ("**Offer Document**").

Annexure of Restated Financial Statements of the Company:-

- Significant Accounting Policies and Notes to Accounts as restated in Annexure IV(A);
- Reconciliation of Restated Profit as appearing in Annexure IV (B) to this report.
- Details of Share Capital as Restated as appearing in Annexure V to this report;
- Details of Reserves and Surplus as Restated as appearing in Annexure VI to this report;
- Details of Long Term Borrowings as Restated as appearing in Annexure VII to this report;
- Nature of Security and Terms of Repayment for Long term Borrowings as appearing in Annexure VIII to this report
- Details of Deferred Tax Liabilities (Net) as Restated as appearing in Annexure IX to this report;
- Details of Long Term Provisions as Restated as appearing in Annexure X to this report;

- i. Details of Short Term Borrowings as Restated as appearing in Annexure XI to this report;
 - j. Nature of Security and Terms of Repayment for Short term Borrowings as appearing in Annexure XII to this report
 - k. Details of Trade Payables as Restated as appearing in Annexure XIII to this report;
 - l. Details of Other Current Liabilities as Restated as appearing in Annexure XIV to this report;
 - m. Details of Short Term Provisions as Restated as appearing in Annexure XV to this report;
 - n. Details of Fixed Assets as Restated as appearing in Annexure XVI to this report;
 - o. Details of Non-Current Investments as Restated as appearing in Annexure XVII to this report;
 - p. Details of Long Term Loans & Advances as Restated as appearing in Annexure XVIII to this report;
 - q. Details of Inventories as Restated as appearing in Annexure XIX to this report;
 - r. Details of Trade Receivables as Restated enclosed as Annexure XX to this report;
 - s. Details of Cash and Cash Equivalents as Restated enclosed as Annexure XXI to this report;
 - t. Details of Short Term Loans & Advances as Restated as appearing in Annexure XXII to this report;
 - u. Details of Revenue from operations as Restated as appearing in Annexure XXIII to this report;
 - v. Details of Other Income as Restated as appearing in Annexure XXIV to this report;
 - w. Details of Cost of material consumed as Restated as appearing in Annexure XXV to this report;
 - x. Details of Employee benefit expenses Restated as appearing in Annexure XXVI to this report;
 - y. Details of Finance costs Restated as appearing in Annexure XXVII to this report;
 - z. Details of Other Expenses Restated as appearing in Annexure XXVIII to this report;
 - aa. Details of Related Parties Transactions as Restated as appearing in Annexure XXIX to this report;
 - bb. Details of Summary of Accounting Ratios as Restated as appearing in Annexure XXX to this report
 - cc. Capitalization Statement as Restated as at 31st March 2018 as appearing in Annexure XXXI to this report;
 - dd. Statement of Tax Shelters as Restated as appearing in Annexure XXXII to this report;
7. We, N. K. Aswani & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
 8. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
 9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 11. In our opinion, the above financial information contained in Annexure I to XXXII of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in

Annexure IV(A) are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.

12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For, N. K. Aswani & Co.

Chartered Accountants

Firm Registration No.: 100738W

N. K. Aswani & Co.

Proprietor

Membership No.: 033278

Date: August 2, 2018

Place: Ahmedabad

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE-I

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES					
1. Shareholders' funds					
(a) Share capital	454.61	454.61	454.61	447.36	411.11
(b) Reserves and surplus	6,712.26	6,301.07	6,109.73	5,752.48	5,211.09
Sub-Total	7,166.87	6,755.68	6,564.34	6,199.84	5,622.20
2. Share application money pending allotment					
Sub-Total					
3. Non-current liabilities					
(a) Long-term borrowings	33.26	28.27	48.29	95.72	145.56
(b) Deferred tax liabilities (Net)	0.43	3.21	25.24	42.56	75.15
(c) Other Non Current Liabilities	-	-	-	-	-
(d) Long-term Provisions	1.28	4.42	3.28	2.06	1.54
Sub-Total	34.97	35.90	76.81	140.34	222.25
4. Current liabilities					
(a) Short-term borrowings	5,012.46	3,824.05	4,529.60	5,266.74	2,666.12
(b) Trade payables	4,973.01	4,885.56	5,264.56	4,685.51	7,522.14
(c) Other current liabilities	373.39	968.22	448.11	962.35	857.17
(d) Short-term provisions	238.50	20.26	42.49	32.40	20.73
Sub-Total	10,597.36	9,698.09	10,284.76	10,947.00	11,066.16
TOTAL	17,799.20	16,489.67	16,925.91	17,287.18	16,910.61
II. ASSETS					
1. Non-current assets					
(a) Fixed assets	1,977.80	1,991.58	2,207.63	2,215.20	2,460.54
(i) Tangible Assets	1,977.36	1,991.05	2,207.02	2,195.17	2,459.75
(ii) Intangible Assets	0.44	0.53	0.61	0.70	0.79
(iii) Capital Work in Progress	-	-	-	19.33	-
(iv) Intangible assets Under Development	-	-	-	-	-
(b) Non-current investments	1,371.37	1,087.24	1,097.24	1,111.96	1,102.27
(c) Deferred tax assets (net)	-	-	-	-	-
(d) Long-term loans and advances	112.68	112.39	33.00	33.00	32.28
(e) Other Non Current Assets	-	-	-	-	-

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Sub-Total	3,461.85	3,191.21	3,337.87	3,360.16	3,595.09
2. Current assets					
(a) Current investments	-	-	-	-	-
(b) Inventories	10,951.19	10,341.52	10,765.16	9,969.79	10,110.53
(c) Trade receivables	2,929.81	2,570.19	2,269.03	2,230.85	2,565.44
(d) Cash and cash equivalents	84.20	57.39	252.52	1,119.18	21.45
(e) Short-term loans and advances	372.15	329.36	301.33	607.20	618.10
(f) Other current assets	-	-	-	-	-
Sub-Total	14,337.35	13,298.46	13,588.04	13,927.02	13,315.52
TOTAL	17,799.20	16,489.67	16,925.8991	17,287.18	16,910.61

STATEMENT OF PROFIT AND LOSS AS RESTATED

ANNEXURE-II

(Amount in Lakhs)

Particulars	For the Year ended March 31,2018	For the Year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
I.Revenue from operations					
Revenue from Sales of Products(Gorss)	24,708.02	24,164.41	24,643.62	22,651.00	24,569.63
Less: Exceise Duty	304.09	982.48	988.41	861.74	767.64
Net Revenue from Operations	24,403.93	23,181.93	23,655.21	21,789.26	23,801.99
II.Other income	149.73	229.27	116.02	105.19	107.38
III. Total Revenue (I + II)	24,553.66	23,411.18	23,771.23	21,894.45	23,909.37
IV. Expenses:	-	-	-	-	-
Cost of Material Consumed	14,726.95	13,964.20	15,229.34	11,134.67	11,714.66
Purchases of Stock-in-Trade	2,751.80	4,504.19	867.56	8,914.63	11,728.21
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(489.95)	(652.47)	2,505.45	(2,397.39)	(3,935.29)
Employee benefits expense	1,089.28	671.84	576.66	469.91	469.71
Finance costs	584.32	586.91	647.50	676.30	492.68
Depreciation and amortization expense	229.92	250.35	275.51	311.28	225.21
Other expenses	5,042.35	3,742.11	3,270.96	2,664.34	3,145.94
Total expenses	23,934.67	23,067.13	23,372.98	21,773.74	23,841.12
V. Profit before exceptional and extraordinary items and tax (III-IV)	618.99	344.05	398.25	120.71	68.25
VI. Exceptional items	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	618.99	344.05	398.25	120.71	68.25
VIII. Extraordinary Items-	-	27.40	-	-	-
IX. Profit before tax (VII-VIII)	618.99	316.65	398.25	120.71	68.25
X. Tax expense:	-	-	-	-	-
(1) Current tax	210.58	147.33	151.07	74.30	15.43
(2) MAT Credit	-	-	-	-	-
(2) Deferred tax	(2.78)	(22.03)	(17.32)	(32.59)	10.84
(3) Current tax expense relating to prior years	-	-	-	-	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)	411.19	191.34	264.50	79.00	41.98
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-

Particulars	For the Year ended March 31,2018	For the Year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-
XV. Profit (Loss) for the period (XI + XIV)	411.19	191.34	264.50	79.00	41.98
XVI. Earnings per equity share:					
(1) Basic & Diluted	4.52	2.10	2.93	0.89	0.49

STATEMENT OF CASH FLOW AS RESTATED
ANNEXURE-III

(Amount in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>					
Restated Net profit Before Tax	618.99	316.65	398.25	120.71	68.25
Adjustments For:					
Depreciation	229.92	250.35	275.51	311.28	225.21
Preliminary Expenses	-	-	-	-	-
(Interest Received)	(68.93)	(83.78)	(100.38)	(90.45)	(98.01)
Dividend Received	-	-	-	-	-
Net (gain) / loss on Forward Booking	-	-	132.41	15.84	1.97
Net (gain) / loss on Sale of Fixed assets	0.26	1.71	(1.36)	1.95	1.75
Rental income	(0.56)	-	-	-	-
Interest and Finance Charges	584.32	586.91	647.50	676.30	492.68
Operating Profit before working capital changes	1,364.00	1,071.84	1,351.93	1,035.64	691.85
Adjustment For:					
Decrease/(Increase) in Inventories	(609.67)	423.64	(795.37)	140.75	(2,448.05)
Decrease/(Increase) in Trade receivables	(359.62)	(301.16)	(38.17)	334.58	678.25
Decrease/(Increase) in Other Current Assets	-	-	-	-	-
Decrease/(Increase) in Other Non-Current Assets	-	-	-	-	-
(Decrease)/Increase in Trade Payables	87.45	(379.00)	579.05	(2,836.64)	569.55
(Decrease)/Increase in Other Current Liabilities	(606.43)	617.33	(576.38)	107.45	371.14
(Decrease)/Increase in Short Term Provisions	218.24	(22.23)	10.08	11.68	(84.05)
Decrease/(Increase) in Short-term loans and advances	(42.79)	(28.04)	305.88	10.91	(236.45)
(Decrease)/Increase in Other Non current Provisions	(3.14)	1.15	1.22	0.52	1.52
(Decrease)/Increase in Other Non current liabilities	-	-	-	-	-
Cash Generated from Operations	48.04	1,383.52	838.23	(1,195.13)	(456.25)
Taxes Paid	210.58	147.33	151.07	74.30	15.43
Net Cash From /(Used In) Operating Activities (A)	(162.54)	1,236.19	687.16	(1,269.43)	(471.68)
Cash Flow From Investing Activities					

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	(216.15)	(34.30)	(267.93)	(67.56)	(316.57)
Decrease/(Increase) in Non Current investments	(284.13)	10.00	14.71	(9.69)	(46.05)
Decrease/(Increase) in Long Term Loans and Advances	(0.29)	(79.39)	-	(0.72)	(31.77)
Other Statutory Adjustments	-	-	-	-	-
Net gain / loss on Forward Booking	-	-	(132.41)	(15.84)	(1.97)
Net gain / loss on Sale of Fixed assets	(0.26)	(1.71)	1.36	(1.95)	(1.75)
Interest Received	68.93	83.78	100.38	90.45	98.01
Dividend Received	-	-	-	-	-
Rental income	0.56	-	-	-	-
Net Cash From /(Used In) Investing Activities (B)	(431.32)	(21.62)	(283.89)	(5.31)	(300.09)
Cash Flow From Financing Activities					
Proceeds from Issue of Shares	-	-	7.25	36.25	13.16
Security Premium	-	-	92.75	464.00	133.84
Proposed Dividend	-	-	-	-	-
Interest and Finance Charges	(584.32)	(586.91)	(647.50)	(676.30)	(492.68)
Proceeds / (Repayments) of Share Application Money	-	-	-	-	-
(Decrease)/Increase in Short Term Borrowing	1,188.41	(705.55)	(737.14)	2,600.62	771.28
(Decrease)/Increase in Long Term Borrowing	16.59	(117.24)	14.71	(52.10)	(77.87)
Share Issue Expenses	-	-	-	-	-
Preliminary Expenses	-	-	-	-	-
Net Cash From Financing Activities (c)	620.68	(1,409.70)	(1,269.93)	2,372.47	347.73
Net Increase / (Decrease) in Cash(A)+(B)+(C)	26.81	(195.13)	(866.66)	1,097.73	(424.04)
Cash and Cash equivalents at the beginning of the year	57.39	252.52	1,119.18	21.45	445.49
Cash and Cash equivalents at the end of the year	84.20	57.39	252.52	1,119.18	21.45

- I. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"
- II. Figures in Brackets represent outflows
- III. The above statement should be read with the Restated Statement of Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure I, II, and IV (A) respectively.

Significant Accounting Policies and Notes to Accounts

ANNEXURE-IV (A)

(A) Corporate Information:

The Company was originally incorporated as “Singh Brothers Exim Private Limited” at Kolkata, West Bengal as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated August 20, 2002 bearing Corporate Identification Number U51431WB2002PTC095027 issued by the Deputy Registrar of Companies, West Bengal. On January 18, 2004, The Company has acquired the business of M/S Singh Brothers & Co. (Proprietorship Concern of Jai Prakash Singh). Further, to reflect the brand name “**SYLVAN**” and business activity, the name of The Company was changed to “**Sylvan Plyboard (India) Private Limited**”, pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on January 18, 2013 and consequently Fresh Certificate of Incorporation dated March 05, 2013 was issued by Registrar of Companies, West Bengal. Subsequently, The Company was converted into Public Limited Company pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on May 24, 2018 and the name of The Company was changed to “**Sylvan Plyboard (India) Limited**” vide a Fresh Certificate of Incorporation dated June 19, 2018, issued by the Registrar of Companies, Kolkata. The Corporate Identification Number of The Company is U51431WB2002PLC095027.

(B) Basis of Preparation :

The Restated Summary Statements of Assets and Liabilities of the Company as at March 31, 2018 , March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 .and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement for the years ended March 31, 2018 , March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014 , have been compiled by management from the financial statements of the company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014.

"The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/materialized."

(C) Significant Accounting Policies:

(a) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

(b) Property, Plant & Equipments:

Property, Plant & Equipments are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any

directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

(c) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

(d) Inventory Valuation:

Inventories of Finished Goods & Trade items are valued at lower Cost or NRV. Stock of Raw material have been valued at Cost as Finished Goods are expected to be sold at or above cost.

(e) Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account.

(f) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(g) Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund.

(h) Taxation:

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Differed Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

(i) Borrowing Cost:

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or

production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(j) Segment Reporting:

The Company is engaged in Business of manufacturing Plywood, Block Board, & Trading in Timber. Considering the nature of the Business and Financial Reporting of the Company, the company is operating in Two Segments, i.e. Manufacturing & Trading. The Details of Which are as follows:

(Amount in Lakhs)

Particulars	2017-18		2016-17	
	Trading	Manufacturing	Trading	Manufacturing
Segmental Revenue	4,133.64	20,270.28	4,066.71	19,115.21
Segmental Result	(386.10)	3588.38	183.48	2063.84
Carrying amount of Identifiable Segment Assets/ Liabilities				
Fixed Assets	7.76	1973.54	10.62	1984.52
Advance from Customers	16.84	22.56	-	81.48

Particulars	2015-16		2014-15	
	Trading	Manufacturing	Trading	Manufacturing
Segmental Revenue	4,354.75	19,300.46	5519.30	16269.96
Segmental Result	187.23	2340.64	3.50	1942.78
Carrying amount of Identifiable Segment Assets/ Liabilities				
Fixed Assets	11.36	2207.89	15.26	2200.12
Advance from Customers	0.24	43.79	556.14	52.80

Particulars	2013-14	
	Trading	Manufacturing
Segmental Revenue	9539.02	14262.97
Segmental Result	883.21	1040.58
Carrying amount of Identifiable Segment Assets/ Liabilities		
Fixed Assets	10.75	2449.88

Advance from Customers	320.12	31.37

(k) Provisions and Contingent Liabilities:

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(Amount in Lakhs)

Particulars	For the period ended March 31, 2018	For the period ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Disputed liability regarding Indirect Tax	630.40	630.40	630.40	478.20	374.44

(l) Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

RECONCILIATION OF RESTATED PROFIT

ANNEXURE IV (B)

(Amount in Lakhs)

Adjustments for	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Net profit/(loss) after tax as per audited statement of profit & loss	400.98	193.82	208.33	158.22	65.31
Adjustments for:					
Increase/ decrease in Exp	1.27	(7.93)	64.56	(31.25)	(7.47)
Prior Period Adjustments (Note-1)	19.88	(4.71)	(14.29)	(93.91)	12.21
Excess / Short Provision for Tax (Note-2)	(10.37)	7.76	(0.08)	44.11	(3.01)
Difference in Depreciation	0.07	0.08	(0.09)	1.53	(0.09)
Provision for MAT Credit Entitlement	-	-	-	-	(12.43)
Deffered Tax Asset/Liability Provision(Note-3)	(2.83)	4.49	7.29	0.72	(10.93)
Gratuity Provisions (Note-4)	2.19	(2.16)	(1.22)	(0.42)	(1.62)
Net profit/ (loss) after tax as restated	411.19	191.34	264.50	79.00	41.98

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective years / period.

Adjustments having impact on Profit:

Note: 1

Amounts relating to the prior period & other incomes/Expenses have been adjusted in the year to which the same relates to & under which head the same relates to.

Note: 2

The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates.

Note: 3

There is change in Deffered Tax Assets / Liabilities as per Audited Books of Accounts and as per Restated Books and the same has been given effect in the year to which the same relates.

Note: 4

The Company have not provided Gratuity as per AS-15 "Employee Benefits but the same have been provide in Restated accounts.

To give Explanatory Notes regarding Adjustments

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

DETAILS OF SHARE CAPITAL AS RESTATED ANNEXURE-V

(Amount in Lakhs)

1. Statement of Share Capital

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Authorised					
43,00,000 Equity shares of Rs. 10/- each fully paid up	-	-	-	-	430.00
45,00,000 Equity shares of Rs. 10/- each fully paid up	-	-	-	450.00	-
47,00,000 Equity shares of Rs. 10/- each fully paid up	470.00	470.00	470.00	-	-
Issued , Subscribed and Fully paid up Capital					
41,11,100 Equity shares of Rs. 10/- each fully paid up	-	-	-	-	411.11
44,73,600 Equity shares of Rs. 10/- each fully paid up	-	-	-	447.36	-
45,46,060 Equity shares of Rs. 10/- each fully paid up	454.61	454.61	454.61	-	-
TOTAL	454.61	454.61	454.61	447.36	411.11

1. During FY 2014-15 the Company has increased its authorized share capital from Rs.430.00 Lakhs to Rs.450.00 Lakhs wide a resolution passed at EGM of the company held on September 15, 2014 at registered office of the Company.
2. During FY 2015-16 the company has increased its authorized share capital from Rs.450.00 Lakhs to Rs.470.00 Lakhs wide a resolution passed at EGM of the Company held on February 26, 2016 at registered office of the Company.
3. During FY 2018-19 the company has increased its authorized capital from Rs.470.00/- Lakh to Rs.13500.00/- Lakh wide a resolution passed at the EGM of the company held at the registered office of the company on May 5, 2018.
4. During FY 2013-14 the company has issued & Alloted 61,600 new shares of Rs.10.00/- each (Face Value) wide a resolution passed at meeting of board of directors of the Company dated March 31, 2014 held at registered office of the Company.
5. During FY 2013-14 the company has issued & Alloted 70,000 new shares of Rs.10.00/- each (Face Value) on March 27, 2014.

6. During FY 2014-15 the company has issued & Alloted 3,62,500 shares having face value of Rs.10 each wide a resolution passed at meeting of Board of Directors of The company on September 30, 2014 at registered office of The company.
7. During FY 2015-16 the Company has issued & Alloted 72, 460 shares having Face Value of Rs.10.00/- each wide a resolution passed at meeting of Board of Directors on March 29, 2016 at registered office of The Company.
8. The Company has issued & Alloted 45,46,060 shares as bonus shares during FY 2018-19 wide a resolution passed at meeting of board of directors of the Company dated May 10, 2018 held at registered office of the Company.

Terms/rights attached to equity shares :

1. The company was having only one class of Equity Shares with par value of Rs. 10.00 per share. Each holder of Equity shares was entitled to one Vote per share.
2. In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. Reconciliation of Shares outstanding at the beginning and at the end of the Period

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
At the beginning of the period	4,546,060	4,546,060	4,473,600	4,111,100	3,979,500
Additional Shares Due To Change in Face Value	-	-	-	-	-
Issued during the year	-	-	72,460	362,500	131,600
Redeemed or bought back during the period	-	-	-	-	-
Outstanding at the end of the Period	4,546,060	4,546,060	4,546,060	4,473,600	4,111,100

3. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	-	-	-	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	-	-	-	-	-
Aggregate number and class of shares bought back.	-	-	-	-	-

a. Details of Shareholders holding more than 5% shares in the company (In terms of No. of Shares Holding)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Name of Shareholders	No. of Shares	Nos. of Shares	No. of Shares	No. of Shares	No. of Shares
Shri Jai Prakash Singh	761,700.00	748,400.00	748,400.00	748,400.00	748,400.00
Smt Shakuntala Singh	273,200.00	260,000.00	260,000.00	260,000.00	260,000.00
M/s Laptop Vyapaar Private Limited	1,193,900.00	1,193,900.00	1,193,900.00	1,193,900.00	1,193,900.00
M/s Singh Suppliers Private Limited	1,913,460.00	1,913,460.00	1,913,460.00	1,796,000.00	1,433,500.00
Total	4,142,260.00	4,115,760.00	4,115,760.00	3,998,300.00	3,635,800.00

b.Details of Shareholders holding more than 5% shares in the company (In terms of % Holding)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Name of Shareholders	% holding	% holding	% holding	% holding	% holding
Shri Jai Prakash Singh	16.76%	16.46%	16.46%	16.73%	18.20%
Smt Shakuntala Singh	6.01%	5.72%	5.72%	5.81%	6.32%
M/s Laptop Vyapaar Private Limited	26.26%	26.26%	26.26%	26.69%	29.04%
M/s Singh Suppliers Private Limited	42.09%	42.09%	42.09%	40.15%	34.87%
Total	91.12%	90.53%	90.53%	89.38%	88.44%

DETAILS OF RESERVES AND SURPLUS AS RESTATED

ANNEXURE-VI

(Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
A. Security premium account					
Opening Balance	4,884.42	4,884.42	4,791.67	4,327.67	4,193.83
Add: Securities premium accounts credited on account of share issue	-	-	92.75	464.00	133.84
Less : Deletion for issue of Bonus Shares	-	-	-	-	-
Closing Balance	4,884.42	4,884.42	4,884.42	4,791.67	4,327.67
B. Profit loss account					

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Opening Balance	1,416.65	1,225.31	960.81	883.42	841.44
Add: Net Profit/(Loss)for the year	411.19	191.34	264.50	79.00	41.98
Add: MAT Credit Reverse	-	-	-	-	-
Less: ROC Charges for increase of Authorised capital	-	-	-	-	-
Less: Effect due to Companies Act,2013	-	-	-	1.61	-
Less: Interim Dividend	-	-	-	-	-
Less: Transfer to Reserves	-	-	-	-	-
Less: Issuing Bonus Shares	-	-	-	-	-
Less: Other Adjustment	-	-	-	-	-
Closing Balance	1,827.84	1,416.65	1,225.31	960.81	883.42
Total A+B	6,712.26	6,301.07	6,109.73	5,752.48	5,211.09

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company
2. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.
3. Pursuant to the Enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in the Schedule II. The Written down Value of the Fixed Assets whose lives have expired as at 01st April, 2014 have been adjusted, in the Opening balance of Profit and Loss Account.

DETAILS OF LONG TERM BORROWINGS AS RESTATED

ANNEXUREVII

(Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
A1. From Banks (Secured)					
HDFC Bank(D.G Set Loan)	-	-	-	-	-
HDFC Bank(SDLG Loader Loan)	-	-	-	9.94	19.72
HDFC Bank(Crane Loan)	-	-	-	1.53	5.84
Bank of India Term Loan-II	-	-	-	80.00	120.00
HDFC Bank(Car Loan-1)	0.38	1.81	3.10	4.25	-
HDFC Bank(Car Loan-2)	1.16	2.12	2.99	-	-
HDFC Bank(Forklift Loan)	-	-	-	-	-
A2. From NBFC (Secured)					
RELIANCE CAPITAL LIMITED (SAWING MACHINE)	3.28	24.34	42.21	-	-
Tata Capital - Term Loan	28.44	-	-	-	-
A3. From Banks (Unsecured)					

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Total	33.26	28.27	48.29	95.72	145.56
B. From Other Parties (Unsecured)					
B1. From Promoter / Promoter Group / Group Companies / Other Related Parties					
<u>Loan From Promoter & Promoter Group</u>	-	-	-	-	-
<u>Loan From Members</u>	-	-	-	-	-
<u>Loan From Others</u>	-	-	-	-	-
B2. From Financial Institutions					
B3. Others					
<u>Inter Corporate Deposits</u>	-	-	-	-	-
Total	-	-	-	-	-
Total A+B	33.26	28.27	48.29	95.72	145.56

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS INCLUDING CURRENT MATURITIES
ANNEXURE VIII

Sr. No.	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2018	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
1	HDFC BANK	Car Loan	Rs. 6.00/- Lakh	Rs.1.18/- Lakh	10.75% P.a	Repayable in 60 Equated Monthly instalments of Rs.12,975/- Each	Hypothecation of Vehicle purchased through loan
2	HDFC BANK	Car Loan	Rs. 4.42/- Lakh	Rs.2.12/- Lakh	10.25% P.a	Repayable in 60 Equated Monthly instalments of Rs.9446/- Each	Hypothecation of Vehicle Purchased through Loan

3	RELIANCE CAPITAL	TERM LOAN	Rs. 70.00/- Lakh	Rs. 24.34/- Lakh	RCL's Prime lending rate(PLR) is 18.25% the interest rate offered to Company is PLR less 3.25% (margin), which is 15% Floating subject to revision from time to time.	Repayable in 48 Equated Monthly instalments of Rs.1,94,815/- Each	First charge by way of hypothecation on equipment Wood-Mizer Bandsaw Model T20B3E11 MH, WoodMizer Horizontal Bandresaw Model HR 700 4 Heads. Wood- Mizer Edger EG300EH25. Wood- Mizer Blade Maintenance, Supplied By Wood Mizer Industries, proposed to be financed.
4	TATA CAPITAL	TERM LOAN	Rs. 41.00/- Lakh	Rs. 36.65/- Lakh	12.00% P.a i.e. ROI equals to LTLR less 6.25% subject to minimum of 11.50% P.a	Repayable in 60 Equated Monthly instalments of Rs.68400/- Each	Primary:- First and exclusively charge on Assets/Machineries financed by TCFSL. Secondary:- Irrevocable and unconditional personal guarantee of Mr. Jai Prakash Singh and Mrs.Shakuntala Singh who have guaranteed the facility.

DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED
ANNEXURE IX

(Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Depreciation As per Companies Act. 1956 / 2013	229.92	250.35	275.51	311.28	225.21
Depreciation As per IncomeTax Act, 1961	219.58	187.59	223.00	213.20	263.65

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Difference in WDV	(10.34)	(62.76)	(52.51)	(98.07)	38.44
Profit/Loss on sale of fixed asset	(0.26)	(1.71)	1.36	(1.95)	(1.75)
Other Disallowance including U/s. 43B	2.19	(2.16)	(1.22)	(0.42)	(1.62)
Total Timing Difference	(8.41)	(66.63)	(52.37)	(100.45)	35.07
Tax Rate as per Income Tax	33.06	33.06	33.06	32.45	30.90
Provision for the year	(2.78)	(22.03)	(17.32)	(32.59)	10.84

Deffered Tax Assets & Liabilities Summary

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Opening Balance of (DTA) / DTL	3.21	25.24	42.56	75.15	64.31
Add: Provision for the Year	(2.78)	(22.03)	(17.32)	(32.59)	10.84
Closing Balance of (DTA) / DTL	0.43	3.21	25.24	42.56	75.15

Details of Long Term Provisions as restated

ANNEXURE X

(Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Provision for Gratuity	1.28	4.42	3.28	2.06	1.54
Total Long Term Provisions	1.28	4.42	3.28	2.06	1.54

DETAILS OF SHORT TERM BORROWINGS AS RESTATED

ANNEXURE XI

(Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<u>Loan Repayable on Demand</u>					
A. From Banks (Secured)					
Bank of India	2,843.02	2,910.75	3,271.00	3,528.50	1,958.62
Punjab National Bank	368.21	-	-	-	-
Buyers Credit -For Raw Material	1,801.24	913.30	1,258.60	1,738.24	707.50
Total (A)	5,012.46	3,824.05	4,529.60	5,266.74	2,666.12
A2 Unsecured	-	-	-	-	-
Total (B)	-	-	-	-	-
Total A+B	5,012.46	3,824.05	4,529.60	5,266.74	2,666.12

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS

ANNEXURE XII

Sr . No .	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2018	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
1	BANK OF INDIA	CASH CREDIT (CC)	Rs. 3500.00/- Lakh	Rs. 2843/- Lakh	Bank's year MCLR of 8.50% plus BSS of 0.30% plus credit risk premium of 3.70% P.a i.e present effective 12.50 % p.a with monthly rest and MCLR to be rest annually.	Repayable on Demand	A) Security: Principal 1) Hypothecation of stocks, book debts for both trading & manufacturing activates.(Pari-passu charge will be ceded upon formation of consortium) B) Security: Collateral Equitable Mortgage of: 1) Flat 32, Block-b-4, Imlok Colony, Nadesar, Varanasi, Up (Owned by guarantor-Shakuntala Singh) 2) Flat J-403, Binayak Enclave, 59, Kalicharan Ghosh Rd, Kolkata- 50 (Owned by Anand Kumar Singh &kalyani Singh) 3) Flat J-404, Binayak Enclave, 59, Kalicharan Ghosh Rd, Kolkata- 50 (Owned by Anand Kumar Singh) 4) 4-Storied building at 17/1-A,Nimatala ghat street, Kolkata-6 (owned by kalyani Singh) 5) 4-storied building at 17/1-B,Nimtala ghat street, Kolkata-6 (Owned by Anand Kumar Singh) 6) Commercial (office) spance at
2	BANK OF INDIA	Buyers Credit	Rs.3500.00/- Lakh subject to sublimit to LC of Rs.5700.00/- Lakh	Rs.1801.24/- Lakh	As per Card rate specified by Bank	Repayable on Demand	

Sr . No .	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2018	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
							41,B.B, Ganguly street, Kolkata-700 012 of area- 2626 sq.ft (owned by the company) 7) Factory land at champsara, Mouja: Chinamore, Ps:Singur, Dist: Hooghly of area - 1032 satak (owned by company) 8) Factory land at NH-2, Delhi Road, Mouza: chinnamore, PO: Baidyabati, Dist: Hooghly of area 82+227 satak (Owned by Laptop Vyapar Private. Limited) 9) Hypothecation of plant and machinery and other assets in the name of the company. 10) EQM of land in the name of Laptop Vyapar Limited area 243.5 satak (Proposed). 11) EQM of passage rights in the name of the company with leasehold right (Proposed) Pari-passu charge on collateral security will be ceded upon formation of consortium. Cash Collateral (exclusive to Bank of India):- a) Assignment of LIC Policies in the name of Guarantors) Anand Kumar Singh, ii) Jai Prakash Singh, iii)

Sr . No .	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2018	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
							Shakuntala Singh iv) Kalyani Singh for Rs. 17.00 Lakh (Present surrender value) b) Pledge of TDRs in the name of the company (other than upfront margin for LC/BG limit), to cover for unconverted portion of land including accrued interest, of Rs. 212.00 Lakh. Guarantors: Personal Guarantee of: i) Shri Jai Prakash Singh, ii) Smt. Shakuntala Singh. iii) Shri Anand Kumar Singh, iv) Smt Kalyani Singh, Corporate Guarantee of : i) M/s. Singh Suppliers Private. Limited ii) M/s laptop Vyapar Private. Limited.
3	PUNJAB NATIONAL BANK	CASH CREDIT (CC)	Rs. 1500.00/- Lakh	Rs. 368.21/- Lakh	MCLR 1 year + 3.55% (Spread) i.e. 12.00 % p.a at present . The rate of Interest and Spread to be	Repayable on Demand	Primary Security: 1st Pari-Passu Charge on entire stock of Raw material, Stock in Process, Spares, Finished Goods and book Debts of the company (Both Present and Future) along with First Charge on Entire Current Assets of the Company. 1) All the facilities will be covered additionally by

Sr . No .	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2018	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
					reviewed on annual reset. The Rate of Interest shall also change with change in the internal rating of the company		personal guarantee of Sri jai Prakash Singh, Shakuntala Singh & Kalyani Singh, along with Corporate Guarantee of M/s Laptop Vyapar Private Limited & Singh Suppliers Private Limited. No guarantee commission is to be paid. 2) Collateral Security for entire Fund Based & Non Fund Based Credit Facilities. i) Hypothecation/Mortgage of Block Assets Immovable Properties i) Equitable Mortgage of factory land & Building and Hypothecation of Plant & Machinery and other assets of the company on 1st charge basis with BOI being other member in the consortium. ii) Equitable Mortgage of Factory Land in the name of group company and personal properties of promoters and their family members on pari-passu basis with BOI being other member in the consortium. The details of collateral security is as under: Flat No. 32, Block B4, Imlok Colony, nadesar, Varanasi in

Sr No	Lender	Nature of facility	Loan	Amount outstandi ng as at March 31, 2018	Rate of interes t (%)	Repayme nt Terms	Security / Principal terms and conditions
							the name of Smt Shakuntala Singh 2) Flat no. J-403 & 404, Vinayak Enclave, J-59, kalicharan Ghosh

DETAILS OF TRADE PAYABLES AS RESTATED
ANNEXURE XIII

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Sundry Creditors for Goods	4,962.24	4,873.80	5,227.71	4,657.35	7,516.34
Sundry Creditors for Capital goods/Fixed Assets	10.77	11.76	36.84	28.16	5.80
Total	4,973.01	4,885.56	5,264.56	4,685.51	7,522.14

Notes-

- Trade Payables as on March 31, 2018 has been taken as certified by the management of the company
- The company has not maintained separate data for Transactions with MSMEs & Other. Hence, in absence of the same, we are unable to report of that.

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED
ANNEXURE XIV

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Advance received from customers	39.41	81.48	44.03	618.94	351.49
Creditors for Exp	200.14	759.27	211.32	217.13	218.89
Share Application money refundable	-	-	-	-	170.00
Employee Benefits Payable	40.76	35.60	32.55	27.93	16.47
Other Payables	31.80	-	-	0.49	0.22
Other Statutory Dues					
Indirect Taxes Payable	9.51	15.92	2.18	6.92	30.23
Security deposit under "C" Form Due	6.09	34.15	34.15	28.33	8.61
TDs Payable	11.37	17.16	4.08	5.09	2.45
Payable for Employee Benefits	2.66	4.58	2.53	2.38	1.41
	341.73	948.16	330.83	907.22	799.77
Current Maturities of Term Liabilities					
HDFC Bank(D.G Set Loan)	-	-	-	-	4.69
HDFC Bank(SDLG Loader Loan)	-	-	9.94	9.78	8.79
HDFC Bank(Crane Loan)	-	-	1.53	4.31	3.92
Bank of India Tear Loan-II	-	-	80.00	40.00	40.00
HDFC Bank(Car Loan-1)	1.43	1.29	1.15	1.04	-
HDFC Bank(Car Loan-2)	0.96	0.87	0.78	-	-

RELIANCE CAPITAL LIMITED (SAWING MACHINE)	21.05	17.90	15.63	-	-
HDFC BANK (FORKLIFT 3 TON LOAN)	-	-	8.24	-	-
Tata Capital	8.21	-	-	-	-
	31.65	20.06	117.27	55.13	57.40
Total	373.39	968.22	448.11	962.35	857.17

Notes:

- Advances Received from Customers have been taken as certified by the management of the company and no security has been offered by the company against the same

**DETAILS OF SHORT TERM PROVISIONS AS RESTATED
ANNEXURE XV**

(Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Provision for Direct Tax	63.05	-	25.71	17.16	-
Provision for Others	175.44	20.26	16.77	15.24	20.73
Total	238.50	20.26	42.49	32.40	20.73

Notes:

- Provision for Direct Tax have been adjusted against the Advance Tax and TDS Receivables, if any

**DETAILS OF FIXED ASSETS AS RESTATED
ANNEXURE XVI**

(Amount in Lakhs)

Particulars	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
Gross Block :									
As at March 31, 2013	1,329.27	465.40	-	1,327.65	8.72	16.08	36.08	0.38	3,183.58
As at April 1, 2013	1,329.27	465.40	-	1,327.65	8.72	16.08	36.08	0.38	3,183.58
Additions / (Deletion)	-	-	-	304.49	5.00	-	3.72	0.50	313.71
As at March 31, 2014	1,329.27	465.40	-	1,632.14	13.72	16.08	39.80	0.88	3,497.29
As at April 1, 2014	1,329.27	465.40	-	1,632.14	13.72	16.08	39.80	0.88	3,497.29
Additions / (Deletion)	3.48	(3.78)	19.33	21.38	4.98	15.29	1.54	-	62.21

Particulars	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
As at March 31, 2015	1,332.75	461.62	19.33	1,653.52	18.70	31.37	41.34	0.88	3,559.50
As at April 1, 2015	1,332.75	461.62	19.33	1,653.52	18.70	31.37	41.34	0.88	3,559.50
Additions / (Deletion)	43.69	94.00	(19.33)	140.99	-	(2.79)	3.70	-	260.27
As at March 31, 2016	1,376.44	555.62	-	1,794.51	18.70	28.59	45.04	0.88	3,819.76
As at April 1, 2016	1,376.44	555.62	-	1,794.51	18.70	28.59	45.04	0.88	3,819.76
Additions / (Deletion)	(3.38)	9.17	-	(13.86)	-	7.57	2.78	-	2.28
As at March 31, 2017	1,373.06	564.79	-	1,780.65	18.70	36.16	47.82	0.88	3,822.04
As at April 1, 2017	1,373.06	564.79	-	1,780.65	18.70	36.16	47.82	0.88	3,822.04
Additions / (Deletion)	2.90	-	-	113.35	-	(3.32)	11.15	-	124.09
As At March 31, 2018	1,375.96	564.79	-	1,894.00	18.70	32.84	58.97	0.88	3,946.13
Accumulated Depreciation :									
As at April 1, 2013	310.97	-	-	458.87	5.79	13.23	25.54	-	814.39
Charge for the year	79.82	-	-	139.31	0.77	0.74	4.49	0.09	225.21
Deletion from block	-	-	-	2.86	-	-	-	-	2.86
As at March 31, 2014	390.79	-	-	595.33	6.55	13.97	30.03	0.09	1,036.75
As at April 1, 2014	390.79	-	-	595.33	6.55	13.97	30.03	0.09	1,036.75
Charge for the year	96.26	-	-	205.19	2.79	2.67	4.28	0.09	311.28
Deletion from block	-	-	-	5.35	-	-	-	-	5.35
Effect of Companies Act, 2013	-	-	-	0.17	0.46	-	0.99	-	1.61

Particulars	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
As at March 31, 2015	487.05	-	-	795.34	9.80	16.64	35.29	0.18	1,344.30
As at April 1, 2015	487.05	-	-	795.34	9.80	16.64	35.29	0.18	1,344.30
Charge for the year	83.75	-	-	180.22	2.32	6.13	3.01	0.09	275.51
Deletion from block	-	-	-	0.00	-	7.67	-	-	7.67
As at March 31, 2016	570.80	-	-	975.56	12.12	15.10	38.30	0.26	1,612.14
As at April 1, 2016	570.80	-	-	975.56	12.12	15.10	38.30	0.26	1,612.14
Charge for the period	77.69	-	-	162.83	1.70	5.23	2.81	0.09	250.35
Deletion from block	-	-	-	32.02	-	-	-	-	32.02
As at March 31, 2017	648.49	-	-	1,106.37	13.81	20.33	41.12	0.35	1,830.47
As at April 1, 2017	648.49	-	-	1,106.37	13.81	20.33	41.12	0.35	1,830.47
Charge for the period	69.18	-	-	148.50	1.24	5.34	5.58	0.09	229.92
Additions / (Deletion)	-	-	-	84.69	-	7.37	-	-	92.06
As At March 31, 2018	717.66	-	-	1,170.18	15.05	18.30	46.69	0.44	1,968.33
Net Block :									
As at March 31, 2013	1,329.27	465.40	-	1,327.65	8.72	16.08	36.08	0.38	3,183.58
As at March 31, 2014	938.49	465.40	-	1,036.81	7.16	2.12	9.78	0.79	2,460.54
As at March 31, 2015	845.70	461.62	19.33	858.17	8.90	14.74	6.05	0.70	2,215.20
As at March 31, 2016	805.64	555.62	-	818.95	6.58	13.49	6.74	0.61	2,207.63
As at March 31, 2017	724.57	564.79	-	674.28	4.89	15.83	6.71	0.53	1,991.58

Particulars	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
As at March 31, 2018	658.29	564.79	-	723.82	3.64	14.54	12.28	0.44	1,977.80

DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED

ANNEXURE XVII (Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
(a) Investment in Equity instruments	-	-	-	-	-
(b) Investments in preference shares	-	-	-	-	-
(c) Investments in Government or Trust securities	-	-	-	-	-
(d) Investments in Debentures or Bonds	-	-	-	-	-
(e) Investments in Mutual Funds	-	-	-	-	-
(f) Investments in partnership firms	-	-	-	-	-
(g) Other non-current investments	-	-	-	-	-
- Fixed Deposit with Bank for LC Margin	1,005.00	855.00	855.00	855.00	744.00
- Fixed Deposit with Bank as Collateral Security	366.37	232.24	242.24	256.95	358.27
Aggregate Amount of Unquoted Investments	1,371.37	1,087.24	1,097.24	1,111.95	1,102.27
Aggregate Cost of Quoted Investments	-	-	-	-	-

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Aggregate Cost of Unquoted Investments	-	-	-	-	-
Aggregate Market Value of Quoted Investments	-	-	-	-	-
Total	1,371.37	1,087.24	1,097.24	1,111.95	1,102.27

DETAILS OF LONG TERM LOANS & ADVANCES AS RESTATED

ANNEXURE XVIII (Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<u>Unsecured & Considered Good</u>					
Security Deposits with related parties	18.00	18.00	-	-	-
Security Deposits with Others	1.49	1.21	2.74	2.74	2.02
Other Deposits	-	-	-	-	-
-Pradhan Mantri Garib Kalyan Deposit scheme	62.92	62.92	-	-	-
-Entry Tax Paid(Under Protest)	30.27	30.27	30.27	30.27	30.27
Loans and advances to other parties	-	-	-	-	-
Loans and advances to related parties	-	-	-	-	-
Total	112.68	112.39	33.00	33.00	32.28

DETAILS OF INVENTORIES AS RESTATED

ANNEXURE XVIX (Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
a. Raw Materials and components (Valued at Cost or NRV unless otherwise stated)	8,731.34	6,378.36	9,043.72	3,540.02	1,706.03
Goods-in transit	-	-	-	-	-
	8,731.34	6,378.36	9,043.72	3,540.02	1,706.03
b.WIP (Valued at Cost or NRV unless otherwise stated)	312.49	771.74	1,355.80	702.94	2,135.58
Goods-in transit	-	-	-	-	-
	312.49	771.74	1,355.80	702.94	2,135.58
c. Finished goods (Valued at Cost or NRV unless otherwise stated)	1,805.28	247.43	187.37	191.40	31.39
Goods-in transit	-	-	-	-	-
	1,805.28	247.43	187.37	191.40	31.39
d. Stock-in-trade (Valued at Cost or NRV unless otherwise stated)	-	2,789.45	5.09	5,436.14	6,022.87
Goods-in transit	-	-	-	-	7.89
	-	2,789.45	5.09	5,436.14	6,030.76
e. Stores & Spares	102.08	154.55	173.18	99.28	206.78
Goods-in transit	-	-	-	-	-
	102.08	154.55	173.18	99.28	206.78
Total	10,951.19	10,341.52	10,765.16	9,969.79	10,110.53

Notes: Value of Inventories as on March 31, 2018 has been taken as certified by the management of the company.

DETAILS OF TRADE RECEIVABLES AS RESTATED

ANNEXURE XX (Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<u>Unsecured & Considered Good</u>					
<u>a. From Director / Promoters / Promoter Group / Associates / Relatives of Directors / Group Companies</u>					
Over Six Months	-	-	-	-	-
Less than Six Months	0.43	-	-	-	-
<u>b. From Others</u>					
Over Six Months	421.16	105.53	561.37	1,238.78	1,140.86
Less than Six Months	2,508.22	2,464.66	1,707.66	992.07	1,424.58

Less: Provision For Doubtful Debt	-	-	-	-	-
Total	2,929.81	2,570.19	2,269.03	2,230.85	2,565.44

Notes:

- Trade Receivables as on March 31,2018 has been taken as certified by the management of the company
- As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been mad

DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED

ANNEXURE XXI
(Amount in Lakhs)

Particulars	As at March31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Balances with banks	10.96	8.80	103.17	21.69	2.84
Cash on hand	14.29	30.18	64.65	22.31	18.61
Fixed Deposits	58.95	18.42	84.69	1,075.18	-
Total	84.20	57.39	252.52	1,119.18	21.45

DETAILS OF SHORT TERM LOANS & ADVANCES AS RESTATED

ANNEXURE XXII
(Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
A. Loans and advances to related parties					
Secured, considered good					
<u>Unsecured, considered good:-</u>	1.68	-	-	-	-
	1.68	-	-	-	-
B. Security Deposits					
Secured, considered good	-	-	-	-	-
Unsecured, considered good	-	-	-	-	-
Doubtful	-	-	-	-	-
Less: Provision for doubtful loans and advances	-	-	-	-	-

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
C. Balances with government authorities					
(i)GST/ VAT / CENVAT credit receivable/ Balance With Central Excise Authority/ other Govt Authorities	133.01	103.52	124.02	115.65	118.73
(ii) TDS / TCS Receivables	-	-	-	-	-
(iii) Advance / Self- Assessment Tax	-	14.22	-	-	11.09
(iv) Custom Duty Refundable/Ad vance Custom Duty	13.46	-	46.19	16.57	8.79
(v) Excise Duty Paid Against Demand	2.03	1.33	1.33	1.33	-
(vi)Custom Duty Credit	-	4.58	3.76	2.98	-
(vii)Service Tax Credit	1.44	11.88	0.19	1.13	-
(viii) MAT Credit Entitlement	-	-	-	-	-
(ix) Subsidy Income Receivable	-	-	-	-	97.84
	149.94	135.53	175.49	137.66	236.46
D. Others (specify nature)					
- Advance to Suppliers	63.37	57.03	66.89	389.14	338.43
- Advance to Staff	15.54	20.17	23.49	13.10	11.39
- Advance against Rent	6.00	12.00	-	-	-
- Advance to Others	-	-	-	-	-
- Other Prepaid Expenses	4.21	2.99	2.67	2.50	2.70

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
- Secured & Considered Good	-	-	-	-	-
-Accrued Interest Receivable	30.88	33.33	32.19	40.83	29.12
- Insurance Claim Receivables	100.53	66.97	-	23.96	-
- Other Receivables	-	1.33	0.57	-	-
	220.52	193.82	125.82	469.53	381.64
	-	-	-	-	-
Total A+B+C+D	372.15	329.36	301.33	607.20	618.10

Notes:

- Advances Given to Suppliers have been taken as certified by the management of the company
- No Securities have been taken by the company against the advances given to the suppliers
- Advance Tax and TDS Receivables have been adjusted against the Provision for Direct Tax

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

ANNEXURE XXIII

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<u>Domestic Sales</u>					
Revenue from sale of products:- Mfg. (Net of Goods Return)	20,574.37	20,097.70	20,255.40	17,101.45	15,007.39
Revenue from sale of products:- Trading (Net of Goods Return)	4,133.64	4,066.71	4,354.75	5,519.30	9,539.02
Revenue from sale of products:-] (Net of Goods Return)	-	-	-	-	-
<u>Export Sales</u>					
Revenue from sale of products:- Mfg. (Net of Goods Return)	-	-	33.47	30.26	23.22
Revenue from sale of products:- Trading (Net of Goods Return)	-	-	-	-	-
Revenue from sale of products	24,708.02	24,164.41	24,643.62	22,651.00	24,569.63
Sale of services					
	24,708.02	24,164.41	24,643.62	22,651.00	24,569.63
Other operating revenues	-	-	-	-	-

Gross revenue from operations	24,708.02	24,164.41	24,643.62	22,651.00	24,569.63
Less: Adjustments	-	-	-	-	-
Net revenue from operations	24,708.02	24,164.41	24,643.62	22,651.00	24,569.63

DETAILS OF OTHER INCOME AS RESTATED

ANNEXURE XXIV

(Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	Nature of Income
Profit on Sale Of Machinery	-	-	1.36	-	-	Non Recurring &Not Related to Business Activity
Bill Discounting	-	1.15	8.52	10.56	5.74	Recurring &Related To Business Activity
Interest on FD	68.93	83.18	100.27	90.45	98.01	Recurring &Not Related to Business Activity
foreign Exchange Fluctuation(Profit)	69.59	136.40	-	-	-	Non Recurring &Related to Business Activities
Discount, Rebate & Rate difference	10.65	7.94	5.76	4.18	3.62	Recurring & Related To Business Activity
Rent Income	0.56	-	-	-	-	Non Recurring &Not Related to Business Activity
Other Interest Income	-	0.60	0.11	-	-	Non Recurring &Not Related to Business Activities
Total	149.73	229.27	116.02	105.19	107.38	

DETAILS OF COST OF MATERIAL CONSUMEDAS RESTATED

ANNEXURE XXV

(Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Opening Raw Material	6,378.36	9,043.72	3,540.02	1,706.03	639.20
Add: transfer from trading unit	(571.01)	(1,607.89)	2,276.78	4,264.64	2,647.00

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Add: Purchase	17,650.94	12,906.73	18,456.27	8,704.03	10,134.49
	-	-	-	-	-
Closing Stock of Raw Material	8,731.34	6,378.36	9,043.72	3,540.02	1,706.03
	-	-	-	-	-
Cost of Material Consumed	14,726.95	13,964.20	15,229.34	11,134.67	11,714.66

DETAILS OF EMPLOYEE BENEFIT EXPENSES AS RESTATED

ANNEXURE XXVI (Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Salaries and Wages					
Salary and wages	1,001.41	588.17	541.18	438.67	449.73
Directors remuneration	53.00	48.00	13.80	13.80	7.50
	1,054.41	636.17	554.98	452.47	457.23
Contribution to provident and other fund					
Contribution to provident and other funds for others	29.76	27.38	15.90	12.98	8.28
Provision for Gratuity	3.18	6.11	4.39	3.20	3.40
	32.94	33.49	20.29	16.19	11.69
Staff welfare Expenses	-	-	-	-	-
Staff Welfare Expenses	1.92	2.18	1.38	1.26	0.79
	1.92	2.18	1.38	1.26	0.79
Total	1,089.28	671.84	576.66	469.91	469.71

DETAILS OF FINANCE COST AS RESTATED

ANNEXURE XXVII (Amount in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Interest					
Interest on short-term loans from Banks & FI	355.93	382.30	368.53	380.15	237.78

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Interest on long-term loans from Banks & FI	8.25	15.45	24.35	23.30	35.37
Other Interest cost	3.74	8.78	5.93	0.49	5.40
	367.91	406.54	398.81	403.95	278.54
Other Borrowing costs					
Other Borrowing costs	216.41	180.38	248.69	272.36	214.14
	216.41	180.38	248.69	272.36	214.14
Total	584.32	586.91	647.50	676.30	492.68

DETAILS OF OTHER EXPENSE AS RESTATED

ANNEXURE XXVIII (Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Advertisement & Publicity Exp	217.86	201.77	204.67	327.85	265.35
Audit Fees	0.83	2.70	0.80	0.56	0.56
Commission on sales	54.56	265.81	10.04	31.99	6.72
Consumption of Stores & Spares	777.32	724.29	708.73	835.28	671.47
Clearing & Forwarding Charges	463.44	410.50	334.13	74.78	220.41
Foreign Tours & Travels	216.95	183.52	25.72	11.02	58.24
Custom Duty	373.63	302.61	273.23	109.18	439.89
Discount & Rebate	1,387.63	491.29	334.33	308.72	142.08
Donations	9.51	3.33	0.81	7.53	11.07
Power & Fuel	302.40	251.15	235.92	249.45	238.07
Insurance Exp	12.28	10.22	10.53	9.85	7.40
Internet Exp	1.37	1.04	1.03	-	-
Office Exp	5.96	12.06	13.68	9.85	4.88
Market Fees	-	1.20	1.64	1.30	4.01
Surveyor Expenses	3.13	4.96	3.52	1.52	3.96
Transit permit Fees	54.15	51.83	28.47	7.89	25.30
Legal & Professional Exp	16.51	6.65	16.42	28.32	29.23
Loss in transit	109.24	62.16	2.96	11.27	-

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Sales tax/Prof Tax/CST Etc	3.47	0.41	1.43	0.42	1.26
Security Exp	6.68	2.04	2.87	-	-
Freight Inward	398.54	250.21	182.37	97.50	184.58
Factory Exp	5.22	16.07	21.63	19.94	15.63
Travelling Exp	90.08	128.48	119.93	144.33	94.02
Freight Exp	406.52	212.81	259.40	110.97	72.07
Professional Tax	0.08	0.08	0.08	0.08	0.08
Printing & Stationery Exp	3.95	6.76	5.15	6.77	5.34
Rates & Taxes	4.06	1.87	3.36	9.81	1.43
Rent	20.21	18.51	9.17	8.51	4.97
Repairs & Maintenance	24.23	19.28	17.69	28.05	12.21
Telephone Charges	1.94	5.29	5.33	5.85	5.45
Loss on sales of Fixed Asset	0.26	1.71	-	1.95	1.75
Sales Promotion	53.92	43.67	138.06	88.79	-
Service Tax	3.65	16.45	17.61	7.63	4.38
Penalty for Income disclosed under PMGKY	-	25.17	-	-	-
Forward Booking Loss	-	-	132.41	15.84	1.97
Foreign Exchange Fluctuation	-	-	141.00	85.62	607.34
Misc Exp	12.77	6.23	6.84	5.93	4.83
Total	5042.35	3,742.11	3,270.96	2,664.34	3,145.94

DETAILS OF RELATED PARTIES TRANSACTIONS AS RESTATED

ANNEXURE XXVIX
(Amount in Lakhs)

Name of the Party	Nature of Relation	Nature of Transaction	Amount Outstanding as on 31.03.13 (Payable)/ Receivable	Amount of Transaction Debited in 2013-14	Amount of Transaction Credited in 2013-14	Amount Outstanding as on 31.03.14 (Payable)/ Receivable	Amount of Transaction Debited in 2014-15	Amount of Transaction Credited in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction Debited in 2015-16	Amount of Transaction Credited in 2015-16	Amount Outstanding as on 31.03.16 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2017	Amount of Transaction Credited upto 31.03.2017	Amount Outstanding as on 31.03.17 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2018	Amount of Transaction Credited upto 31.03.2018	Amount Outstanding as on 31.03.2018 (Payable)/ Receivable
Jai Prakash Singh	KMP	Remuneration	-	4.50	4.50	-	7.20	7.20	-	7.20	7.20	-	24.00	24.00	-	29.00	29.00	-

		Rent	-	-	-	-	0.60	-	0.60	0.60	0.60	0.60	0.60	1.20	-	-	0.60	(0.60)
Shakuntala Singh	KMP	Remuneration	-	3.00	3.00	-	6.60	6.60	-	6.60	6.60	-	24.00	24.00	-	24.00	24.00	-
Anand Kumar Singh	KMP	Advance	-	-	-	-	-	-	-	-	-	-	-	-	-	1.68	-	1.68
Shree Krishna Timber Co. Private Limited	Associate Company	Rent	-	2.44	2.44	-	1.44	1.44	-	1.44	1.44	-	6.44	6.44	-	1.44	1.44	-
		Purchase	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Sales	-	-	-	-	7.56	7.56	-	89.12	89.12	-	132.24	132.24	-	1.86	1.86	-

		Purchase of Capital Asset	-	-	-	-	-	-	-	94.00	94.00	-	-	-	-	-	-	-
Laptop Vyapaar Private Limited			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sylvan Vincom Private Limited.	Associate Company	Unsecured Loan	-	-	-	-	-	-	-	47.08	47.08	-	-	-	-	-	-	-
Srishti Singh	Relative of KMP	Advance Rent	-	-	-	-	-	-	-	-	-	-	18.00	6.00	12.00	-	6.00	6.00
		Rent	-	-	-	-	-	-	-	-	-	-	9.90	9.90	-	9.90	9.90	-
		Security Deposit for Rent	-	-	-	-	-	-	-	-	-	-	18.00	-	18.00	-	-	18.00
		Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	2.57	2.14	0.43
Sris Exim Private Limited.	Associate Company	Rent	-	-	-	-	-	-	-	0.84	0.84	-	2.72	2.72	-	5.98	5.98	-

		Sales	-	-	-	-	-	-	-	-	-	-	-	118.54	118.54	-	7.85	7.85	-
Singh Suppliers Private Limited	Associate Company	Advance received against property	-	-	-	-	-	-	-	100.00	100.00	-	-	-	-	-	-	-	-
Shivam Plywood	Associate Company	Misc. Advances	(0.50)	-	-	(0.50)	0.81	0.31	-	-	-	-	-	-	-	-	-	-	-
		Purchase	-	-	-	-	-	-	-	-	-	-	-	102.87	205.58	(102.71)	103.43	0.72	-
Silvertoss Industries Private Limited	Associate Company	Rent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.56	0.56	-

DETAILS OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED
ANNEXURE XXX

(Amount in Lakhs)

Ratio	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Restated PAT as per statement of profit & loss	411.19	191.34	264.50	79.00	41.98
Weighted average number of equity shares at the end of the year/ period(Before Bonus)	4,546,060	4,546,060	4,474,194	4,292,847	3,980,628
No. of Equity Shares at the end of the year / period(Before Bonus)	4,546,060	4,546,060	4,546,060	4,473,600	4,111,100
Pre Issue Bonus	4,546,060	4,546,060	4,546,060	4,546,060	4,546,060
Weighted average number of equity shares at the end of the year/ period(After Bonus)	9,092,120	9,092,120	9,020,254	8,838,907	8,526,688
No. of Equity Shares at the end of the year / period(After Bonus)	9,092,120	9,092,120	9,092,120	9,019,660	8,657,160
Net Worth , as Restated	7,166.87	6,755.68	6,564.33	6,199.84	5,622.20
Earnings Per Share					
Basic & Diluted (Rs)(Pre Bonus)	9.05	4.21	5.91	1.84	1.05
Basic & Diluted (Rs)(After Bonus)	4.52	2.10	2.93	0.89	0.49
Return on net worth (%)	5.74%	2.83%	4.03%	1.27%	0.75%
Net Asset value per Equity Share(Before Bonus)	157.65	148.61	144.40	138.59	136.76
Net Asset value per Equity Share(After Bonus)	78.83	74.30	72.20	68.74	64.94

Nominal value per equity share (Rs.)	10.00	10.00	10.00	10.00	10.00

Notes:

1. The ratios have been Computed as per the following formulas
 - (i) Basic Earnings per Share

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares outstanding at the end of the year / period}}$$
 - (ii) Net Asset Value (NAV) per Equity Share

$$\frac{\text{Restated Networth of Equity Share Holders}}{\text{Number of equity shares outstanding at the end of the year / period}}$$
 - (iii) Return on Net Worth (%)

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Restated Networth of Equity Share Holders}}$$
2. Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.
3. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.
4. Prior to Issue, the company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios
 - a. During FY 2014-15 the Company has increased its authorized share capital from Rs.430.00 Lakhs to Rs.450.00 Lakhs wide a resolution passed at EGM of the company held on September 15, 2014 at registered office of the Company.
 - b. During FY 2015-16 the company has increased its authorized share capital from Rs.450.00 Lakhs to Rs.470.00 Lakhs wide a resolution passed at EGM of the Company held on February 26, 2016 at registered office of the Company.
 - c. During FY 2018-19 the company has increased its authorized capital from Rs.470.00/- Lakh to Rs.13500.00/- Lakh wide a resolution passed at the EGM of the company held at the registered office of the company on May 5, 2018.
 - d. During FY 2013-14 the company has issued & Allotted 61,600 new shares of Rs.10.00/- each (Face Value) wide a resolution passed at meeting of board of directors of the Company dated March 31, 2014 held ate registered office of the Company.
 - e. During FY 2013-14 the company has issued & Allotted 70,000 new shares of Rs.10.00/- each (Face Value) on March 27, 2014.
 - f. During FY 2014-15 the company has issued & Allotted 3,62,500 shares having face value of Rs.10 each wide a resolution passed at meeting of Board of Directors of The company on September 30, 2014 at registered office of The company.
 - g. During FY 2015-16 the Company has issued & Allotted 72, 460 shares having Face Value of Rs.10.00/- each wide a resolution passed at meeting of Board of Directors on March 29, 2016 at registered office of The Company.
 - h. The Company has issued & Allotted 45,46,060 shares as bonus shares during FY 2018-19 wide a resolution passed at meeting of board of directors of the Company dated May 10, 2018 held at registered office of the Company.

CAPITALIZATION STATEMENT AS RESTATED AS AT 31THMARCH, 2018

ANNEXURE XXXI (Amount in Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings:		
Short-term Debt (A)	5,012.46	5,012.46
Long-term Debt (B)	64.92	64.92
Total debts (C)	5,077.38	5,077.38
Shareholders' funds		
Share capital	909.21	[●]
Reserve and surplus	6,257.66	[●]
Total shareholders' funds (D)	7,166.87	[●]
Long term debt / shareholders' funds (B/D)	0.01	[●]
Total Debt/ Shareholders' funds (C/D)	0.71	[●]

1. Short term debts represent debts which are due within 12 months from March 31, 2018.
2. Long term debts represent debts other than short term debts, as defined above but includes current maturities of long term debt.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31,2018

STATEMENT OF TAX SHELTERS AS RESTATED

ANNEXURE XXXII (Amount in Lakhs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Profit & Gains from Business & Profession					
Tax calculations As Per Normal Calculations					
Profit Before Tax as per books of accounts	618.99	316.65	398.25	120.71	68.25
Add:					
<u>Exp Disallowed</u>					
Depreciation as per books of accounts	229.92	250.35	275.51	311.28	225.21
Loss on sale of fixed asset	0.26	1.71	-	1.95	1.75
Exp Disallowed u/s 43B	(2.19)	2.16	1.22	0.42	1.62
Other disallowed Exp	9.51	10.29	6.29	7.84	16.77
Preliminary Exp as per books	-	-	-	-	-
	237.49	264.51	283.02	321.49	245.35
	856.48	581.16	681.28	442.20	313.59
Less:					
	SS				

Preliminary exp allowed as per IT Act(1/5th up to 5 years)	-	-	-	-	-
Profit on sale of fixed asset	-	-	1.36	-	-
Income disclosed under PMGKY	-	251.67	-	-	-
	-	251.67	1.36	-	-
<u>Income Considered under other heads of income</u>					
Interest income	68.93	83.78	100.38	90.45	98.01
	-	-	-	-	-
Total income under other heads	68.93	83.78	100.38	90.45	98.01
	787.55	245.71	579.54	351.75	215.59
Less:	-	-	-	-	-
Depreciation as per income tax Act	219.58	187.59	223.00	213.20	263.65
Taxable income from PGBP before Set off	567.98	58.12	356.54	138.55	-
Less:					
Brought forward loss set off during the current year					
Unabsorbed depre	-	-	-	-	-
Brought forward loss set off	-	-	-	-	-
Total Loss set off during the year	-	-	-	-	-
Taxable income from PGBP	567.98	58.12	356.54	138.55	-
	-	-	-	-	-
Income From Other sources	68.93	83.78	100.38	90.45	98.01
Less: Unabsorbed depre	-	-	-	-	48.07
Taxable income from other sources	68.93	83.78	100.38	90.45	49.94
Gross total income	636.91	141.90	456.92	229.00	49.94
Less: Ch Vi-A Deduction	-	-	-	-	-
Deduction u/s 80IC	-	-	-	-	-
	-	-	-	-	-
Net Taxable total income	636.91	141.90	456.92	229.00	49.94
Tax rate as per normal provisions	33.06	33.06	33.06	32.45	30.90
ADD: Income Disclosed under PMGKY	-	251.67	-	-	-

Tax rate for income disclosed under PMGKY	-	39.90	-	-	-
Tax for income disclosed under PMGKY	-	100.42	-	-	-
Tax as per normal provisions	210.58	147.33	151.07	74.30	15.43
Tax calculations As Per section 115JB of Income Tax Act, 1961					
PBT	618.99	316.65	398.25	120.71	68.25
Less:	-	-	-	-	-
Brought Forward Loss/ unabsorbed depre as per books of accounts which ever is less	-	-	-	-	-
Book profit/loss as per MAT	618.99	316.65	398.25	120.71	68.25
Book profit for tax calculation	618.99	316.65	398.25	120.71	68.25
Tax rate as per MAT	20.39	20.39	20.39	20.01	19.06
Tax as per MAT	126.21	64.56	81.20	24.15	13.00
Tax to be paid	210.58	147.33	151.07	74.30	15.43
Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which have been included in this Draft Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements for the years ended March 31, 2018, March 31, 2017 and March 31, 2016, including the related notes and reports, included in this Draft Red Herring Prospectus have been prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 20 and 19 respectively, and elsewhere in this Draft Red Herring Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

OVERVIEW

Incorporated in the year 2002, our Company is engaged into manufacturing of various wood products such as veneer, sawn timber, plywood, block board, flush door and flexi door across various grades and thickness. In the year 1971, Jai Prakash Singh (Whole Time Director of our company and father of our promoter) through his proprietorship concern, M/S Singh Brothers & Co., started the business as a trading concern of indigenous timber logs through imports and subsequent to it selling the same in Indian market. Leveraging the knowledge of timber products and domestic market, in 2002 our Company was incorporated as a Private Limited company with the objective of acquiring ongoing business of M/S Sigh Brothers & Co amongst other objects. Over the period, after establishing ourselves as a reputed brand for trading in timber products in Eastern India, we expanded our activities to manufacturing activities by setting up an integrated manufacturing facility in Baidyabati, West Bengal located near Kolkata for which entire land was acquired over the period of year 2009-2012 which is spreading over an area of approx. 4,50,000 sq. ft. In line with objectives of expansion, recently we have entered into Memorandum of Understanding (MoU) with Uttar Pradesh government in UP Investors Summit held in February 2018 to set up a plywood manufacturing unit with a proposed investment of Rs. 7,500 Lakhs.

We have 15 numbers of plywood products in our basket, thickness ranging from 4 mm to 40 mm. Plywood segment contributes approx. 42% of our revenue from operations. Our Company has large range of product offering to wide range of customers, "Sylvan Z+" is the most premium plywood product of our Company amongst other offerings in premium segment. Recently, we have also added another product to our portfolio, "Sylvan Blu" which is aimed at lower and lower middle class segment with a view of addressing the growing demand of cheaper plywood and their alternatives. We also offer Boiling Water Proof (BWP) and Boiling Water Resistant (BWR) plywood. Our range of plywood products caters to various customers across various segments majorly in household, ship building and offices area.

Our Company also generates approx. 43% of its revenue from operations from its 2 other products, namely, Veneer and Sawn timber. Company is catering to this segment leveraging its experience and knowledge of timber product. Company imports timber logs in bulk quantity which are then used in production of veneer and plywood.

Our manufacturing facility set up in year 2009 has been strategically located in proximity to Kolkata Port Trust leading to easier imports. The facility has an integrated manufacturing process in which entire activity of the production process is carried out in-house avoiding the dependency on third parties for the manufacturing activity. The manufacturing facility has sufficient number of ponds required for moisturising of timber logs, in-house resin/glue production unit, boiler unit among other facilities which ensures cost minimization and in-house production of entire product range.

Our strength has been the quality and the diverse range of products which we offer to our customers, since we procure timber logs ourselves, we ensure in maintaining the quality of logs we procure which ultimately defines the quality of finished products. Our Company has been upgrading the machineries in its facility on certain intervals which a view of achieving better operational efficiency. For example, recently we have replaced old pressing machine with newer machine having expanded pressing capacity at a cost of Rs. 25.96 Lakhs. Our Company has been certified as IS 710:2010, IS 2202:1999, IS 1659:2004 ISO 14001: 2004, ISO 9001: 2008, OHSAS 18001: 2007, and IS 303:1989.

Our Company markets its products under the brand name of “Sylvan”, through its network of Branch offices, Authorized Dealers and Authorized Sub Dealers. As on the date of this Draft Red Herring Prospectus, our Company has 361 Authorized Dealers present across 14 states.

We believe role of management is equally important as to that of our employees for growth of a business, and accordingly we have placed an experienced management team to look after various facets of operations. Our Company is promoted by Anand Kumar Singh who has an experience of more than 25 years in the timber and related industry. Further, our management team comprises of versatile individuals having adequate experience in their respective fields. The team has helped us to professionally manage our business operations.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board approved and passed resolution on June 20, 2018, to raise funds by making Initial Public Offering.
2. The shareholders approved and passed resolution on June 25, 2018, to authorize the Board of Directors to raise funds by making Initial Public Offering.
3. The Company declared a bonus issue of equity shares in the ratio of 1:1 aggregating to a total 45,46,060 no. of equity shares of face value Rs. 10/- each in the Extra Ordinary General Meeting held on May 05, 2018.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factor” beginning on page 20 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Cost and availability of Raw Materials;
- Exchange fluctuation in foreign currency
- Loss of raw-material in transit;
- Competition from existing and new entrants;
- Change in law and regulations that apply to the industry;
- **Absence in Medium Density Fibre (MDF) products and** General economic and business conditions.

SIGNIFICANT ACCOUNTING POLICIES

(A) Corporate Information :

The Company was originally incorporated as “Singh Brothers Exim Private Limited” at Kolkata, West Bengal as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated August 20, 2002 bearing Corporate Identification Number U51431WB2002PTC095027 issued by the Deputy Registrar of Companies, West Bengal. On January 01, 2004, The Company has acquired the business of M/S Singh Brothers & Co. (Proprietorship Concern of Jai Prakash Singh). Further, to reflect the brand name “**SYLVAN**” and business activity, the name of The Company was changed to “**Sylvan Plyboard (India) Private Limited**”, pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on January 18, 2013 and consequently Fresh Certificate of Incorporation dated March 05, 2013 was issued by Registrar of Companies, West Bengal. Subsequently, The Company was converted into Public Limited Company pursuant to Special Resolution passed by the members in Extra-Ordinary General Meeting held on May 24, 2018 and the name of The Company was changed to “Sylvan Plyboard (India) Limited” vide a Fresh Certificate of Incorporation dated June 19, 2018, issued by the Registrar of Companies, Kolkata. The Corporate Identification Number of The Company is U51431WB2002PLC095027.

(B) Basis of Preparation:

The Restated Summary Statements of Assets and Liabilities of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014, and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014, have been compiled by management from the financial statements of the company for the year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 & March 31, 2014.

"The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/materialized."

(C) Significant Accounting Policies:

(a) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

(b) Property, Plant & Equipments :

Property, Plant & Equipments are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

(c) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

(d) Inventory Valuation:

Inventories of Finished Goods & Trade items are valued at lower Cost or NRV. Stock of Raw material have been valued at Cost as Finished Goods are expected to be sold at or above cost.

(e) Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account.

(f) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(g) Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund.

(h) Taxation:

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Differed Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

(i) Borrowing Cost :

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(j) Segment Reporting :

The Company is engaged in Business of manufacturing Plywood, Block Board, & Trading in Timber. Considering the nature of the Business and Financial Reporting of the Company, the company is operating in Two Segments, i.e. Manufacturing & Trading. The Details of Which are as follows:

(Amount in Lakhs)

Particulars	2017-18		2016-17	
	Trading	Manufacturing	Trading	Manufacturing
Segmental Revenue	4,133.64	20,270.28	4,066.71	19,115.21
Segmental Result	(386.10)	3588.38	183.48	2063.84
Carrying amount of Identifiable Segment Assets/ Liabilities				
Fixed Assets	7.76	1973.54	10.62	1984.52
Advance from Customers	16.84	22.56	-	81.48

Particulars	2015-16		2014-15	
	Trading	Manufacturing	Trading	Manufacturing
Segmental Revenue	4,354.75	19,300.46	5519.30	16269.96
Segmental Result	187.23	2340.64	3.50	1942.78
Carrying amount of Identifiable Segment Assets/ Liabilities				
Fixed Assets	11.36	2207.89	15.26	2200.12
Advance from Customers	0.24	43.79	556.14	52.80

Particulars	2013-14	
	Trading	Manufacturing
Segmental Revenue	9539.02	14262.97
Segmental Result	883.21	1040.58
Carrying amount of Identifiable Segment Assets/ Liabilities		
Fixed Assets	10.75	2449.88
Advance from Customers	320.12	31.37

(k) Provisions and Contingent Liabilities:

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(Amount in Lakhs)

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
(b) Disputed liability regarding Indirect Tax	630.40	630.40	630.40	478.20	374.44

(l) Earnings per share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations: Our revenue from operations comprises of revenue generated from Sale of manufactured goods like plywood, block board, flush door, veneer & sawn timber and sale of trading goods like round timber logs.

Other Income: Our other income comprises recurring and non-recurring income which are also related to business activities as well as not related to business activities. Our recurring income which is related to business activities include discount, rebate & rate difference, income on bill discounting and income not related to business activities include interest on term deposits. Our non-recurring income which is related to business activities include gain on foreign exchange difference and income not related to business activities include interest income from others, profit on sale of machinery & rent income.

The following table sets forth breakdown of our total revenue for the year indicated:

Particulars	For the Year ended March 31, 2018		For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	Rs. in Lakhs	% of Total Revenue	Rs. in Lakhs	% of Total Revenue	Rs. in Lakhs	% of Total Revenue
Revenue from Sale of Manufactured Goods	20,270.28	82.56%	19,115.21	81.65%	19,300.46	81.19%
Revenue from Sale of Traded Goods	4,133.64	16.84%	4,066.71	17.37%	4,354.75	18.32%
Other Income	149.73	0.61%	229.27	0.98%	116.02	0.49%
Total Revenue	24,553.66	100.00%	23,411.20	100.00%	23,771.23	100.00%

Expenses

Our expenses comprise of cost of material consumed, purchase of stock-in-trade, changes in inventories of finished goods, work-in-progress and stock-in-trade, employee benefit expenses, finance costs, depreciation & amortisation expenses, other expenses and tax expenses.

Cost of material consumed: Our cost of material consumed comprises of cost incurred towards import purchase of raw material such as timber logs and the net increase or decrease in raw material stock at the beginning & end of the year.

Purchase of stock-in-trade: Our purchase of stock-in-trade comprises of cost on account of purchases of round timber logs.

Change in inventories of finished goods, work-in-progress and stock-in-trade: Our change in inventories of finished goods, work-in-progress and stock-in-trade comprises change in inventory level of finished goods, work-in-progress and stock-in-trade during the period which is the difference of closing and opening balance.

Employee benefit expenses: Our employee benefit expenses comprises of salary & wages, staff welfare expenses, contribution to provident fund & other fund, provision for gratuity and remuneration to directors.

Finance costs: Our finance costs comprises of interest expenses and other borrowing cost. Our interest expenses consist of interest on short term & long term loans from banks & financial institutions and other interest cost.

Depreciation and amortization expenses: Our depreciation and amortization expenses comprises of depreciation on tangible fixed assets and amortization of intangible assets.

Other expenses: Our other expenses comprises of advertisement & publicity expenses, audit fees, clearing & forwarding charges, commission on sales, consumption of stores & spares, custom duty expenses, discount & rebate, donations, factory expenses, foreign tours & travels expenses, forward booking loss, freight expenses, insurance expenses, internet expenses, legal & professional expenses, loss in transit, loss on foreign exchange difference, loss on sales of fixed asset, market fees, office expenses, penalty for income disclosed under PMGKY, power & fuel expenses, printing & stationery expenses, professional tax, rates & taxes, rent expenses, repairs & maintenance charges, sales promotion expenses, sales tax/professional tax/CST expenses, security expenses, service tax expenses, surveyor expenses, telephone charges, transit permit fees, travelling expenses and other miscellaneous expenses.

Tax Expenses: Our tax expenses comprises of current tax and deferred tax. Current tax are income tax expenses calculated in accordance with tax regulations relevant to our business. Deferred tax are the deferred tax expenses/ (benefits) arising from the tax effects of timing difference between accounting and taxable income.

Our Results of Operations

The following table sets forth select financial data from our restated financial statement of profit and loss for the financial years 2018, 2017 and 2016. The components of which are also expressed as a percentage of total revenue for such years:

Particulars	For the Year ended March 31, 2018		For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*
Total Revenue:						
Revenue from operations	24,403.93	99.39%	23,181.93	99.02%	23,655.21	99.51%
Other income	149.73	0.61%	229.27	0.98%	116.02	0.49%
Total Revenue	24,553.66	100.00%	23,411.19	100.00%	23,771.23	100.00%
Expenses:						
Cost of Material Consumed	14,726.95	59.98%	13,964.20	59.65%	15,229.34	64.07%
Purchase of stock-in-trade	2,751.80	11.21%	4,504.19	19.24%	867.56	3.65%
Change in inventories of finished goods, stock-in-trade and work-in-progress	(489.95)	(2.00%)	(652.47)	(2.79%)	2,505.45	10.54%
Employee benefit expenses	1,089.28	4.44%	671.84	2.87%	576.66	2.43%
Finance costs	584.32	2.38%	586.91	2.51%	647.50	2.72%
Depreciation and amortization expense	229.92	0.94%	250.35	1.07%	275.51	1.16%
Other expenses	5,042.34	20.54%	3,742.11	15.98%	3,270.96	13.76%
Total Expenses	23,934.67	97.48%	23,067.14	98.53%	23,372.98	98.32%
Profit before exceptional, extraordinary items and tax	618.99	2.52%	344.05	1.47%	398.25	1.68%

Particulars	For the Year ended March 31, 2018		For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*
Extraordinary items	-	0.00%	27.40	0.12%	-	0.00%
Exceptional items	-	-	-	-	-	-
Profit before tax	618.99	2.52%	316.65	1.35%	398.25	1.68%
Tax expense :						
(i) Current tax	210.58	0.86%	147.33	0.63%	151.07	0.64%
(ii) Deferred tax	(2.78)	(0.01%)	(22.03)	(0.09%)	(17.32)	(0.07%)
(iii) MAT Credit	-	-	-	0.00%	-	-
Total Tax Expense	207.80	0.85%	125.30	0.54%	133.76	0.56%
Profit for the year	411.19	1.67%	191.34	0.82%	264.50	1.11%

* (%) column represents percentage of total revenue.

FINANCIAL YEAR 2017-18 COMPARED WITH FINANCIAL YEAR 2016-17

Total Revenue

Our total revenue slightly increase by 4.88% to Rs. 24,553.66 lakhs for the financial year 2017-18 from Rs. 23,411.19 lakhs for the financial year 2016-17 due to the factors described below:

Revenue from operations

Our net revenue from operations increased by 5.27% to Rs. 24,403.93 lakhs for the financial year 2017-18 from Rs. 23,181.93 lakhs for the financial year 2016-17. The increase was mainly due to increase in net revenue from sale of manufactured goods by 6.04% to Rs. 20,270.28 lakhs for the financial year 2017-18 from Rs. 19,115.21 lakhs for the financial year 2016-17 and increase in revenue from sale of trading goods by 1.65% to Rs. 4,133.64 lakhs for the financial year 2017-18 from Rs. 4,066.71 lakhs for the financial year 2016-17. Increase in our revenue from operations by 5.27% during the financial year 2017-18 was in line with our business operation.

Other income

Our other income decreased by 34.69% to Rs. 149.73 lakhs for the financial year 2017-18 from Rs. 229.27 lakhs for the financial year 2016-17 the decrease in our other income was mainly due to decrease in foreign exchange gain by Rs. 66.82 lakhs, interest on term deposits by Rs. 14.25 lakhs, income on bill discounting by Rs. 1.15 lakhs and interest income from others by Rs. 0.60 lakh. However, the decrease was partially offset by increase in income from discount, rebate & rate difference by Rs. 2.71 lakhs and rent income by Rs. 0.56 lakh respectively.

Total Expenses

Our total expenses, excluding extraordinary, exceptional item and tax slightly increased by 3.76% to Rs. 23,934.67 lakhs for the financial year 2017-18 from Rs. 23,067.14 lakhs for the financial year 2016-17 due to increase in cost of material consumed, employee benefit expenses and other expenses which was off-set by decrease in purchase of stock-in-trade, finance cost and depreciation & amortization expenses as a result of following factors:

Cost of material consumed

Our cost of material consumed increased by 5.46% to Rs. 14,726.95 lakhs for the financial year 2017-18 from Rs. 13,964.20 lakhs for the financial year 2016-17 commensurate with the increase in our total revenue from sale of manufactured goods during the financial year 2017-18. Our cost of material consumed as a percentage of our total revenue from sale of manufactured goods has been decreased to 72.65% in financial year 2017-18 as compared from 73.05% in financial year 2016-17.

Purchase of stock-in-trade

Our purchase of stock-in-trade decrease by 38.91% to Rs. 2,751.80 lakhs for the financial year 2017-18 from Rs. 4,504.19 lakhs for the financial year 2016-17. Our purchase of stock-in-trade decreased

due to nil inventory level maintain for the financial year 2017-18 as compared to Rs. 2,789.45 lakhs for the financial year 2016-17. Our company had not maintained any stock of closing inventory as going forward our Company is planning to focus more on manufacturing activities.

Employee benefits expenses

Our employee benefit expenses increased by 62.13% to Rs. 1,089.28 lakhs for the financial year 2017-18 from Rs. 671.84 lakhs for the financial year 2016-17. The increase was mainly due to increase in salary & wages by Rs. 413.25 lakhs, remuneration to directors by Rs. 5.00 lakhs and contribution to provident fund & other fund by Rs. 2.38 lakhs. However, the increase in our employee benefit expenses was partially offset by decrease in provision for gratuity by Rs. 2.93 lakhs and staff welfare expenses by Rs. 0.26 lakh. The increase in our salary & wages was primarily due to upward revision of wages of our labourers. .

Finance costs

Our finance costs slightly decreased by 0.44% to Rs. 584.32 lakhs for the financial year 2017-18 from Rs. 586.91 lakhs for the financial year 2016-17. The decrease was mainly on account of decrease in interest expenses on short term loans from banks by Rs. 26.37 lakhs, interest expenses on long term loans from banks & financial institutions by Rs. 7.20 lakhs and other interest cost by Rs. 5.05 lakhs. However, the decrease in our finance costs was partially offset by increase in other borrowing costs by Rs. 36.03 lakhs.

Depreciation and amortisation expense

Our depreciation and amortisation expenses decreased by 8.16% to Rs. 229.92 lakhs for the financial year 2017-18 from Rs. 250.35 lakhs for the financial year 2016-17. Our net block of fixed assets were Rs. 1,977.80 lakhs for the financial year 2017-18 as compared to Rs. 1,991.58 lakhs for the financial year 2016-17.

Other expenses

Our other expenses increased by 34.75% to Rs. 5,042.34 lakhs for the financial year 2017-18 from Rs. 3,742.11 lakhs for the financial year 2016-17. The increase was mainly due to increase in discount & rebate by Rs. 896.34 lakhs, freight expenses by Rs. 342.04 lakhs, custom duty expenses by Rs. 71.02 lakhs, consumption of stores & spares by Rs. 53.03 lakhs, clearing & forwarding charges by Rs. 52.95 lakhs, power & fuel expenses by Rs. 51.25 lakhs, loss in transit by Rs. 47.08 lakhs, foreign tours & travels expenses by Rs. 33.43 lakhs, advertisement & publicity expenses by Rs. 16.09 lakhs, sales promotion expenses by Rs. 10.25 lakhs, legal & professional expenses by Rs. 9.86 lakhs, donations by Rs. 6.18 lakhs, repairs & maintenance charges by Rs. 4.95 lakhs, security expenses by Rs. 4.64 lakhs, sales tax/professional tax/CST expenses by Rs. 3.06 lakhs, transit permit fees by Rs. 2.32 lakhs, rates & taxes by Rs. 2.19 lakhs, insurance expenses by Rs. 2.07 lakhs, rent expenses by Rs. 1.70 lakhs, internet expenses by Rs. 0.32 lakhs and miscellaneous expenses by Rs. 6.54 lakhs. However, the increase was partially offset by decrease in commission on sales by Rs. 211.25 lakhs, travelling expenses by Rs. 38.40 lakhs, penalty for income disclosed under PMGKY by Rs. 25.17 lakhs, service tax expenses by Rs. 12.80 lakhs, factory expenses by Rs. 10.85 lakhs, office expenses by Rs. 6.11 lakhs, telephone charges by Rs. 3.35 lakhs, printing & stationery expenses by Rs. 2.81 lakhs, audit fees by Rs. 1.87 lakhs, surveyor expenses by Rs. 1.83 lakhs, loss on sales of fixed asset by Rs. 1.45 lakhs and market fees by Rs. 1.20 lakhs.

Profit before exceptional, extraordinary items and tax

Our profit before exceptional, extraordinary items and tax significantly increased by 79.91% to Rs. 618.99 lakhs for the financial year 2017-18 from Rs. 344.05 lakhs for the financial year 2016-17.

Extraordinary items

There was no extraordinary items during the financial year 2017-18. However during the financial year 2016-17 there was a loss of Rs. 27.40 lakhs due to fire in our manufacturing facility which was recorded under the head extraordinary items in the statement of profit and loss.

Profit before tax

Our profit before tax significantly increased by 95.48% to Rs. 618.89 lakhs for the financial year 2017-18 from Rs. 316.65 lakhs for the financial year 2016-17 which was in line with our business operations

Tax expenses

Our tax expenses increased by 65.84% to Rs. 207.80 lakhs for the financial year 2017-18 from Rs. 125.30 lakhs for the financial year 2016-17 mainly due to increase in our profit before tax in the financial year 2017-18. The increase in tax expenses was mainly on account of increase in current tax expenses by Rs. 63.25 lakhs and decrease in deferred tax benefit by Rs. 19.25 lakhs.

Profit after tax

Our profit after tax increased by Rs. 114.90% to Rs. 411.19 lakhs for the financial year 2017-18 from Rs. 191.34 lakhs for the financial year 2016-17 due to the factor mentioned above.

FINANCIAL YEAR 2016-17 COMPARED WITH FINANCIAL YEAR 2015-16

Total Revenue

Our total revenue slightly decreased by 1.51% to Rs. 23,411.19 lakhs for the financial year 2016-17 from Rs. 23,771.23 lakhs for the financial year 2015-16 due to the factors described below:

Revenue from operations

Our net revenue from operations slightly decreased by 2.00% to Rs. 23,181.93 lakhs for the financial year 2016-17 from Rs. 23,655.21 lakhs for the financial year 2015-16. The decrease was mainly due to decrease in revenue from sale of trading goods by 6.61% to Rs. 4,066.71 lakhs for the financial year 2016-17 from Rs. 4,354.75 lakhs for the financial year 2015-16 and decrease in net revenue from sale of manufactured goods by 0.96% to Rs. 19,115.21 lakhs for the financial year 2016-17 from Rs. 19,300.46 lakhs for the financial year 2015-16. Decrease in revenue was in line with our business operations and was and was slightly effected due to demonetisation policy of Indian Government.

Other income

Our other income increased by 97.61% to Rs. 229.27 lakhs for the financial year 2016-17 from Rs. 116.02 lakh for the financial year 2015-16 mainly due to increase in foreign exchange gain by Rs. 136.40 lakhs, discount, rebate & rate difference by Rs. 2.17 lakhs and interest income from others by Rs. 0.49 lakhs. However, this increase was partially offset by decrease in interest on term deposits by Rs. 17.09 lakhs, income on bill discounting by Rs. 7.37 lakhs and profit on sale of machinery by Rs. 1.36 lakhs.

Total Expenses

Our total expenses, excluding extraordinary, exceptional item and tax slightly decreased by 1.31% to Rs. 23,067.14 lakhs for the financial year 2016-17 from Rs. 23,372.98 lakhs for the financial year 2015-16, due to decrease in cost of material consumed, change in inventories of finished goods, work-in-progress & stock-in-trade, finance costs and depreciation & amortization expenses which was off-set by increase in purchase of stock-in-trade, employee benefit expenses and other expenses as a result of following factors:

Cost of material consumed:

Our cost of material consumed decreased by 8.31% to Rs. 13,964.20 lakhs for the financial year 2016-17 from Rs. 15,229.34 lakhs for the financial year 2015-16. Our cost of material consumed as a percentage of our total revenue from sale of manufactured goods was decreased to 73.05% in financial year 2016-17 as compared from 78.91% in financial year 2015-16

Purchase of stock-in-trade

Our purchase of stock-in-trade increased by 419.18% to Rs. 4,504.19 lakhs for the financial year 2016-17 from Rs. 867.56 lakhs for the financial year 2015-16. The increase in our purchase of stock-in-trade was mainly due to higher inventory level maintain for the financial year 2016-17 amount to Rs. 2,789.45 lakhs as compared to Rs. 5.09 lakhs for the financial year 2015-16.

Employee benefits expense

Our employee benefits expense increased by 16.51% to Rs. 671.84 lakhs for the financial year 2016-17 from Rs. 576.66 lakhs for the financial year 2015-16. The increase was mainly due to increase in salary and wages by Rs. 46.98 lakhs, remuneration to directors by Rs. 34.20 lakhs, contribution to provident fund & other funds by Rs. 11.48 lakhs, provision for gratuity by Rs. 1.72 lakhs and staff welfare expenses by Rs. 0.80 lakh. Increase in salary and wages was primarily due to increase in

Finance costs

Our finance costs decreased by 9.36% to Rs. 586.91 lakhs for the financial year 2016-17 from Rs. 647.50 lakhs for the financial year 2015-16. The decrease was mainly due to decrease in other borrowing costs by Rs. 68.31 lakhs and interest expenses on long term loans from banks & financial institutions by Rs. 8.90 lakhs. However, the decrease was partially offset by increase in interest expenses on short term loans taken from banks by Rs. 13.76 lakhs and other interest cost by Rs. 2.86 lakhs.

Depreciation and amortisation expense

Our depreciation and amortisation expense decreased by 9.13% to Rs. 250.35 lakhs for the financial year 2016-17 from Rs. 275.51 lakhs for the financial year 2015-16. Our net block of fixed assets were Rs. 1,991.58 lakhs for the financial year 2016-17 as compared to Rs. 2,207.63 lakhs for the financial year 2015-16.

Other expenses

Our other expenses increased by 14.40% to Rs. 3,742.11 lakhs for the financial year 2016-17 from Rs. 3,270.96 lakhs for the financial year 2015-16. The increase was mainly due to increase in commission on sales by Rs. 255.77 lakhs, foreign tours & travels expenses by Rs. 157.80 lakhs, discount & rebate by Rs. 156.95 lakhs, clearing & forwarding charges by Rs. 76.37 lakhs, goods lost in transit by Rs. 59.20 lakhs, custom duty expenses by Rs. 29.39 lakhs, penalty for income disclosed under PMGKY by Rs. 25.17 lakhs, transit permit fees by Rs. 23.35 lakhs, freight expenses by Rs. 21.25 lakhs, consumption of stores & spares by Rs. 15.56 lakhs, power & fuel expenses by Rs. 15.23 lakhs, rent expenses by Rs. 9.34 lakhs, travelling expenses by Rs. 8.55 lakhs, donations by Rs. 2.52 lakhs, audit fees by Rs. 1.90 lakhs, loss on sales of fixed asset by Rs. 1.71 lakhs, printing & stationery expenses by Rs. 1.61 lakhs, repairs & maintenance charges by Rs. 1.60 lakhs, surveyor expenses by Rs. 1.44 lakhs and internet expenses by Rs. 0.01 lakh. However, the increase was partially off-set by decrease in loss on foreign exchange difference by Rs. 141.00 lakhs, forward booking loss by Rs. 132.41 lakhs, sales promotion expenses by Rs. 94.40 lakhs, legal & professional expenses by Rs. 9.77 lakhs, factory expenses by Rs. 5.56 lakhs, advertisement & publicity expenses by Rs. 2.89 lakhs, office expenses by Rs. 1.62 lakhs, rates & taxes by Rs. 1.49 lakhs, service tax expenses by Rs. 1.16 lakhs, sales tax/professional tax/CST expenses by Rs. 1.02 lakhs, security expenses by Rs. 0.82 lakh, market fees by Rs. 0.44 lakh, insurance expenses by Rs. 0.31 lakh and telephone charges by Rs. 0.04 lakh.

Profit before exceptional, extraordinary items and tax

Our profit before exceptional, extraordinary items and tax decreased by 13.61% to Rs. 344.05 lakhs for the financial year 2016-17 from Rs. 398.25 lakhs for the financial year 2015-16.

Extraordinary items

There was a loss of Rs. 27.40 lakhs during the financial year 2016-17 due to fire in our manufacturing facility which was recorded under the head extraordinary items in the statement of profit and loss. However during the financial year 2015-16 there was no extraordinary items.

Profit before tax

Our profit before tax decreased by 20.49% to Rs. 316.65 lakhs for the financial year 2016-17 from Rs. 398.25 lakhs for the financial year 2015-16.

Tax expenses

Our tax expense decreased by 6.32% to Rs. 125.30 lakhs for the financial 2016-17 from Rs. 133.76 lakhs for the financial year 2015-16 mainly due to decrease in our profit before tax in the financial year

2016-17. The decrease in our tax expenses was on account of decrease in our current tax expenses by Rs. 3.74 lakhs and increase in deferred tax benefits by Rs. 4.71 lakhs.

Profit after tax

Our profit after tax decreased by 27.66% to Rs. 191.34 lakhs for the financial year 2016-17 from Rs. 264.50 lakhs for the financial year 2015-16 due to factor mentioned above.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2018, 2017 and 2016:

Particulars	For the year ended March 31,		
	2018	2017	2016
Fixed Asset Turnover Ratio	12.34	11.64	10.72
Inventory Turnover Ratio	2.29	2.20	2.28
Debt Equity Ratio	0.71	0.57	0.72
Current Ratio	1.35	1.37	1.32

Fixed Asset Turnover Ratio: This is defined as net revenue from operations divided by total fixed assets, based on Restated Financial Statements. Intangible Assets have been included in calculation of Total Fixed Assets, however, Capital Work-in-Progress has not been included.

Inventory Turnover Ratio: This is defined as net revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on Restated Financial Information.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturity of long term debt, based on Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the financial years 2018, 2017 and 2016:

(Rs. in lakhs)

Particulars	For the year ended March 31,		
	2018	2017	2016
Net cash (used in)/ generated from operating activities	(162.54)	1,236.19	687.16
Net cash (used in)/ generated from investing activities	(431.32)	(21.62)	(283.89)
Net cash (used in)/ generated from financing activities	620.68	(1,409.70)	(1,269.93)
Net increase/ (decrease) in cash and cash equivalents	26.81	(195.13)	(866.66)
Cash and Cash Equivalents at the beginning of the period	57.39	252.52	1,119.18
Cash and Cash Equivalents at the end of the period	84.20	57.39	252.52

Operating Activities

Financial year 2017-18

Our net cash used in operating activities was Rs. 162.54 lakhs for the financial year 2017-18. Our operating profit before working capital changes was Rs. 1,364.00 lakhs for the financial year 2017-18 which was adjusted by payment of income tax of Rs. 210.58 lakhs, increase in inventories of finished goods, work-in-progress and stock-in-trade by Rs. 609.67 lakhs, decrease in other current liabilities by Rs. 606.43 lakhs, increase in trade receivables by Rs. 359.62 lakhs, increase in short term provisions

by Rs. 218.24 lakhs, increase in trade Payables by Rs. 87.45 lakhs, increase in short-term loans & advances by Rs. 42.79 lakhs and decrease in long term provisions by Rs. 3.14 lakhs.

Financial year 2016-17

Our net cash generated from operating activities was Rs. 1,236.19 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 1,071.84 lakhs for the financial year 2016-17 which was primarily adjusted by payment of income tax of Rs. 147.33 lakhs, increase in other current liabilities by Rs. 617.33 lakhs, decrease in inventories of finished goods, work-in-progress and stock-in-trade by Rs. 423.64 lakhs, decrease in trade Payables by Rs. 379.00 lakhs, increase in trade receivables by Rs. 301.16 lakhs, increase in short-term loans & advances by Rs. 28.04 lakhs, decrease in short term provisions by Rs. 22.23 lakhs and increase in long term provisions by Rs. 1.15 lakhs.

Financial year 2015-16

Our net cash generated from operating activities was Rs. 687.16 lakhs for the financial year 2015-16. Our operating profit before working capital changes was Rs. 1,351.93 lakhs for the financial year 2015-16, which was primarily adjusted by payment of income tax of Rs. 151.07 lakhs, increase in inventories of finished goods, work-in-progress and stock-in-trade by Rs. 795.37 lakhs, increase in trade Payables by Rs. 579.05 lakhs, decrease in other current liabilities by Rs. 576.38 lakhs, decrease in short-term loans & advances by Rs. 305.88 lakhs, increase in trade receivables by Rs. 38.17 lakhs, increase in short term provisions by Rs. 10.08 lakhs and increase in long term provisions by Rs. 1.22 lakhs.

Investing Activities

Financial Year 2017-18

Net cash used in investing activities was Rs. 431.32 lakhs for the financial year 2017-18. This was primarily on account of increase in non-current investments by Rs. 284.13 lakhs, purchase of fixed assets worth Rs. 216.40 lakhs and increase in long term loan & advances by Rs. 0.29 lakh which was partially offset by interest income on term deposits by Rs. 68.93 lakhs and rent income by Rs. 0.56 lakh.

Financial year 2016-17

Net cash used in investing activities was Rs. 21.62 lakhs for the financial year 2016-17. This was primarily on account of increase in long term loan & advances by Rs. 79.39 lakhs, purchase of fixed assets worth Rs. 36.00 lakhs which was partially offset by interest income on term deposits by Rs. 83.18 lakhs, decrease in non-current investments by Rs. 10.00 lakhs and interest income from others by Rs. 0.60 lakh.

Financial year 2015-16

Net cash used in investing activities was Rs. 283.89 lakhs for the financial year 2015-16. This was primarily on account of purchase of fixed assets worth Rs. 266.58 lakhs and loss on forward contract booking by Rs. 132.41 lakhs which was partially offset by interest income on term deposits by Rs. 100.27 lakhs, interest income from others by Rs. 0.11 lakhs and decrease in non-current investments by Rs. 14.71 lakhs.

Financing Activities

Financial year 2017-18

Net cash generated from financing activities for the financial year 2017-18 was Rs. 620.68 lakhs primarily consisting of increase in short term borrowings by Rs. 1,188.41 lakhs and increase in long term borrowings by Rs. 16.59 lakhs which was partially offset by payment of interest and other bank charges of Rs. 584.32 lakhs.

Financial year 2016-17

Net cash used in financing activities for the financial year 2016-17 was Rs. 1,409.70 lakhs primarily consisting of decrease in short term borrowings by Rs. 705.55 lakhs, payment of interest and other bank charges of Rs. 586.91 lakhs and decrease in long term borrowings by Rs. 117.24 lakhs.

Financial year 2015-16

Net cash used in financing activities for the financial year 2015-16 was Rs. 1,269.93 lakhs primarily consisting of payment of interest and other bank charges of Rs. 647.50 lakhs and decrease in short term borrowings by Rs. 737.14 lakhs which was partially offset by proceed received from issuance of equity share capital by Rs. 99.99 lakhs and increase in long term borrowings by Rs. 14.71 lakhs.

Financial Indebtedness

As on March 31, 2018, the total outstanding borrowings of our Company was Rs. 5,077.38 lakhs comprising of long-term borrowings amounting to Rs. 33.26 lakhs, short-term borrowings amounting to Rs. 5,012.46 lakhs and current maturities of long term debt of Rs. 31.65 lakhs. For further details, refer chapter titled “*Financial Indebtedness*” beginning on page 282 of this Draft Red Herring Prospectus.

(Rs. in lakhs)

Particulars	As at March 31, 2018
Long Term Borrowings	
<i>Secured Loans</i>	
- Car Loans from HDFC Bank	1.54
- Loans from Financial Institutions	31.72
Sub Total (A)	33.26
Short Term Borrowings	
<i>Secured Loans</i>	
-Fund & Non-Fund based Working Capital Facility from Banks	5,012.46
Sub Total (B)	5,012.46
Current Maturities of Long Term Borrowings (C)	31.65
Total (A)+(B)+(C)	5,077.38

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, purchases & sales of goods, advances given and taken and reimbursement of Expenses, rent. For further details of such related parties under AS18, refer chapter titled “*Financial Statements*” beginning on page 215 of this Draft Red Herring Prospectus.

Contingent Liabilities

As on March 31, 2018, our Company has the following contingent liabilities as per restated financial statements:

(Rs. in lakhs)

Particulars	As at March 31, 2018
Disputed liability regarding Indirect Tax	630.40

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the purchase of raw material cost, stock-in-trade cost, wages, overhead cost etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 215 of this Draft Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 215 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company during the period April 01, 2015 up to March 31, 2018.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last five Fiscals.

Unusual or Infrequent Events or Transactions

We have witnessed fire mishap in our manufacturing facility in financial year 2016-17. Although the fire has not led to any losses of life, our Company have witnessed losses of raw materials and finished goods stocks at our facility.

Except this, as on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” beginning on page 20 of this Draft Red Herring Prospectus.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled “*Risk Factors*” beginning on page 20 of this Draft Red Herring Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that

are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled “*Risk Factors*” beginning on page 20 of this Draft Red Herring Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the last three financial years are as explained in the part “*Financial Year 2017-18 compared with financial year 2016-17 and Financial Year 2016-17 Compared With Financial Year 2015-16*” above.

Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Please refer Segment Reporting under chapter titled Restated Financial Statement beginning on page 215 of this Draft Red Herring Prospectus.

Competitive Conditions

We have competition with Indian and international manufacturers & traders and our results of operations could be affected by competition in the plywood & timber industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “*Risk Factors*” beginning on page 20 of this Draft Red Herring Prospectus.

Increase in income

Increases in our income are due to the factors described above in this chapter under “*Significant Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” beginning on page 20 of this Draft Red Herring Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Suppliers or Customers

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company’s customer and supplier vis a vis the total revenue and total purchases of Goods & Services from operations respectively as of March 31, 2018 is as follows:

Particulars	Customers	Suppliers
	Mar 31, 2018	Mar 31, 2018
Top 5 (%)	32.06%	69.18%
Top 10 (%)	42.07%	81.55%

Seasonality of Business

The nature of business is not seasonal.

FINANCIAL INDEBTEDNESS

Our Company has availed term loans and working capital facilities in the ordinary course of business. For the Issue, our Company has obtained the necessary consents required under the relevant loan documentations for undertaking activities, such as change in its capital structure, change in its shareholding pattern or change or amendment to the constitutional documents of our Company or change in our Board.

Pursuant to a board resolution passed at the Board Meeting of our Company held on July 10, 2018 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, and rules made there under and the Board of Directors (including such other officer as may be authorised by the Board) of the Company be and is hereby authorized to borrow money on such terms and conditions as may be considered and suitable by the Board of Directors, such sum or sums of monies, in any manner from time to time from anyone or more of the Company's banker or other persons, firms, bodies corporate or financial institutions, whether in India or abroad and whether unsecured or secured and to provide security in respect of such loans by way of mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties and all or any of the undertakings of the Company provided that the aggregate borrowings (apart from temporary loans obtained from the Company's Bankers in the Ordinary course of business) at any point of time shall not exceed the limits permissible under Section 180(1)(c) of the Companies Act 2013.

Set forth is a brief summary of our Company's secured and unsecured borrowings together with a brief description of certain significant terms of such financing arrangements.

SECURED BORROWINGS

1. Loan of Rs. 10,925.00 Lakhs from Bank of India ('Lead Bank'), Punjab National Bank ('Member Bank of BOI Consortium') (jointly known as "The BOI Consortium") as per Inter Se Agreement between Consortium banks dated June 30, 2017.

(Rs. in Lakhs)

Particulars							
S. N o.	Name of Lenders	Nature of facility	Sanctioned Amount*	Rate Of Interest	Repayment	Amount Outstanding as on March 31, 2018	Amount Outstanding as on June 30, 2018
Fund based limits :							
Working Capital Limits –							
1.	Bank of India*	Cash Credit limit	3,375.00	Present effective rate is 12.70 %	12 Months or repayment on demand	2,843.01	2,591.20
2.	Punjab National Bank*	Cash credit limit	625.00	Present effective rate is 12.00 %	12 Months or repayment on demand	368.20	418.60
	Sub Total		4,000.00			3,211.40	3,009.80
Non Fund based limits -							
1.	Bank of India*	LC (I/F) DP – DA (180 days)	4,700.00	-	-	3,418.00	4,512.00
		LOC – Buyer's Credit as a Sub Limit to LC	(3,500.00)	-			
		Bank Guarantee	75.00	-			
		CEL	150.00	-			
2.	Punjab National Bank*	LC (I/F) DP – DA (180 Days)	2,000.00	-	-	1,913.00	1,997.00
		Buyer's credit	(800.00)	-			
	Sub Total		6,925.00			5,331.00	6,509.00
	TOTAL		10,925.00			8,542.40	9,518.80

*Sanctioned amounts are as per Sanction letters issued by Bank of India dated April 19, 2017 and by Punjab National Bank dated February 06, 2017 and Inter-se Agreement entered between Bank of India and Punjab National Bank.

DETAILS OF SECURITIES

Primary Security:

The entire credit facilities shall be secured by way of pari passu first charge by way of:-

- 1) hypothecation of the Borrower's entire Current Assets, such as, stocks of raw materials, semi-finished and finished goods and Book Debts and all other movables of the Borrower, both present and future;
- 2) hypothecation of the Borrower's movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture and fixtures, electrical installations and other movable assets (save and except the current assets to be hypothecated/charged in favour of the said Banks as and by way of first pari passu charge), both present and future;
- 3) leasehold immovable property comprised of passage right in the name of the Borrower situated at Mouza Champsara (area 13,783 Square feet) and Mouza Birghanga (Area 7,270 Square feet), District-Hooghly, in the State of West Bengal;
- 4) mortgage over and in respect of the Borrower's –
 - a. factory land containing an area of 1,032 Satak situated and/or located at Mouza Chinamore and Champsara, District-Hooghly, in the State of West Bengal together with all buildings, structures, immovable plant and machinery constructed, erected and/or installed thereon, both present and future;
 - b. Commercial (Office) Space containing an area of 2,626 Square feet) at 41, B.B. Ganguly Street, Kolkata – 700012.

Guarantee:

1. Personal Guarantee :

- i) Jai Prakash Singh
- ii) Shakuntala Singh
- iii) Anand Kumar Singh
- iv) Kalyani Singh

2. Corporate Guarantee :

- i) M/s. Singh Suppliers Private Limited
- ii) M/s. Laptop Vyapar Private Limited

In order to secure the obligation and/or liabilities under the guarantee, the Guarantors as aforesaid, have created mortgage over and in respect of their immovable properties in the following manner:

- 1) Mortgage over Flat No.32, Block-B-4, Imlok Colony, Nadesar, Varanasi, Uttar Pradesh owned by Shakuntala Singh;
- 2) Mortgage over Flat No. J-404, Binayak Enclave, 59, Kalicharan Ghosh Road, Kolkata-700050 owned by Anand Kumar Singh;
- 3) Mortgage over four storied building situated 17/1-B, Nimtala Ghat Street, Kolkata-700006 owned by Anand Kumar Singh;
- 4) mortgage over four storied building at 17/1-A, Nimtala Ghat Street, Kolkata-700006 owned by Kalyani Singh;

5) Mortgage over Flat No.J-403, Binayak Enclave, 59, Kalicharan Ghosh Road, Kolkata-700050 owned by Anand Kumar Singh and Kalyani Singh;

6) Mortgage over and in respect of –

- a. factory land at NH-2, Delhi Road, Mouza : Chinnamore, Post Office Baidyabati, District-Hooghly, West Bengal, containing an area of 82+227 Satak; and
 - b. Plot of land containing an area of 243.5 Satak together with building and/or buildings and/or structures constructed thereon, both present and future, situated at Mouza Chinamore and Champsara, District-Hooghly, West Bengal,
- owned by Laptop Vyapar Private Limited;

Cash Collateral (Exclusive to Bank of India):

- 1) Assignment of LIC Policies in the name of Guarantors i) Anand Kumar Singh, ii) Jay Prakash Singh, iii) Shakuntala Singh, iv) Kalyani Singh;
- 2) Pledge of TDRs in the name of the Company (other than upfront margin for LC/BG limit), to cover for unconverted portion of land including accrued interest of Rs. 212.00 Lakhs.

KEY RESTRICTIVE COVENANTS

- i. Without prior consent of the Bank, the Borrower shall not during the continuance of the credit facility granted:
 - a) Formulate any scheme of amalgamation or reconstruction;
 - b) Undertake any new project, implement any scheme of expansion / diversification or capital expenditure or acquired fixed assets (except normal replacement indicated in funds flow statement submitted to and approved by the Bank) if such investment results into breach of financial covenants or diversion of working capital funds to financing of long term assets.
 - c) Create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any other financial institution, bank, company, firm or persons.
 - d) Permit any transfer of the controlling interest or make any drastic change in the management set-up including resignation of promoter directors
 - e) Approach capital market for the mobilizing additional resources either in the form of debt or equity.
 - ii. Effect any adverse changes in company's capital structure;
 - iii. Enter into any borrowing or non-borrowing arrangement either secured or unsecured with any other company / firm, concern including group companies / associates persons.
 - iv. Sell or dispose off or create security or encumbrances on the assets charged to the Bank in favour of any other bank, financial institutions, company, firm or individual.
2. **Term Loan of Rs. 70.00 Lakhs from Reliance Capital Limited as per sanction letter dated February 28, 2015.**

Nature of Facility	Term Loan
Loan Amount	Rs. 70.00 Lakhs
Rate of Interest	15.00 %
EMI Amount	Rs.1,94,815
Security	As mentioned in security template below
Tenor	48 Months
Amount Outstanding as on March 31, 2018	24.33 Lakhs
Amount Outstanding as on June 30, 2018	19.90 Lakhs

Security Template:

Primary Security -

First charge by way of hypothecation on equipment Wood- Mizer Bandsaw Model LT20B3E11MH, Wood-Mizer Horizontal Bandresaw Model HR 700 4 Heads. Wood- Mizer Edger EG300EH25. Wood- Mizer Blade Maintenance, Supplied By Wood Mizer Industries, proposed to be financed. valued at 1,49,000 ,USD (One Lac Forty Nine Thousand US Dollars only) as per Proforma Invoice No. WMA/PI/037/14 dated 15/12/2014 issued by Wood Mizer Industries.

3. **Loan of Rs. 41.00 Lakhs from Tata Capital Financial Services Limited (“TCFSL”) as per sanction letter dated August 22, 2017.**

Nature of Facility	Equipment Finance
Loan Amount	Rs. 41.00 Lakhs
Rate of Interest	12.00 %
EMI Amount	Principle amount of Rs. 68,400 + Interest with maximum limit of Rs. 53,918
Security	As mentioned in security template below
Tenor	60 Months
Amount Outstanding as on March 31, 2018	36.64 Lakhs
Amount Outstanding as on June 30, 2018	34.84 Lakhs

Security Template:

Primary Security -

First and exclusive charge on the Assets/Machineries financed by TCFSL.

Personal Guarantee -

- i) Mr. Jai Prakash Singh
- ii) Mrs. Shakuntala Singh

4. **Loan of Rs. 4.42 Lakhs from HDFC Bank Limited (“HDFC”) as per sanction letter dated April 09, 2015.**

Nature of Facility	Auto Loan
Loan Amount	Rs. 4.42 Lakhs
Rate of Interest	10.25 %
EMI Amount	Rs.9,446
Security	Secured by hypothecation of Vehicle under Hire Purchase.
Tenor	60 Months
Amount Outstanding as on March 31, 2018	2.11 Lakhs
Amount Outstanding as on June 30, 2018	1.88 Lakhs

5. **Loan of Rs. 6.00 Lakhs from HDFC Bank Limited (“HDFC”) as per sanction letter dated June 14, 2014.**

Nature of Facility	Auto Loan
Loan Amount	Rs. 6.00 Lakhs
Rate of Interest	10.75 %
EMI Amount	Rs.12,975
Security	Secured by hypothecation of Vehicle under Hire Purchase.
Tenor	60 Months
Amount Outstanding as on March 31, 2018	1.81 Lakhs
Amount Outstanding as on June 30, 2018	1.46 Lakhs

UNSECURED BORROWING

As on the date of this Draft Red Herring Prospectus our company does not have any unsecured loan.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Company, Promoters, Directors and Group Companies during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company, Directors, Promoters and Group Companies for economic offences; (iv) default and non-payment of statutory dues by our Company, Directors, Promoters and Group Companies; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company, Directors, Promoters and Group Companies including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company, Directors, Promoters and Group Companies in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on July 10, 2018 determined that outstanding dues to creditors in excess of Rs. 20.00 Lakhs as per last audited financial statements shall be considered as material dues (“**Material Dues**”).

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered ‘material’ for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds 5.00 lakhs as determined by our Board, in its meeting held on July 10, 2018.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered ‘material’ only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to the contrary, the information provided is as of the date of this Draft Red Herring Prospectus.

LITIGATIONS INVOLVING OUR COMPANY

LITIGATIONS AGAINST OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Tax Proceedings

Income Tax Proceedings

Nil

For the purpose of this Chapter, Income Tax Act, 1961 will be known as I.T. Act. Anand Kumar Singh will be referred to as Promoter Director – I and Sylvan Plyboard (India) Limited will be referred to as Our Company.

CENTRAL EXCISE PROCEEDINGS

FOR 2010-11

COMMISSIONER OF CENTRAL EXCISE AND SERVICE TAX APPELLATE TRIBUNAL, KOLKATA – IV, COMMISSIONERATE) V. (M/s SINGH BROTHERS EXIM PRIVATE LIMITED – NOW SYLVAN PLYBOARD (INDIA) LIMITED

Our Company is engaged in the business of manufacture of excisable termite resistant smooth plywood, classifiable under Chapter 44123190 of Central Excise Tariff Act, 1985 (“**Excise Tariff Act**”) and paid central excise duty without any demur from the revenue regarding correctness of such payment under the said Chapter sub heading. Our Company imported “**Low Grade Plywood**” falling under chapter 44121000 and 44129990 of the Customs Tariff Act, 1985, which is being used to manufacture termite resistant smooth plywood (“**TRSP**”), during the period of October 2010 to July 2011 and used in their factory and availed cenvat credit of Rs. 11,62,496/-.

Our Company sent letter to Jurisdictional Assistant Commissioner of Central Excise on or about August 23, 2010 and informed that our Company is importing low grade input product i.e low grade plywood under categorized under chapter 44123190 and seeks to avail input credit and imported product and pay excise on final product. Superintendent of Central Excise issued letter dated September 09, 2010 and raised query that whether process of treatment using compounds of copper sulphate, sodium Dichromate and Boric Acid in the chemical chamber, Steel wool sanding through ply board finished machine and manual steel wool sanding of the surface and edges are in agreement with the paragraph – 2 of the board circular no. 911/01/2010-CX dated January 14, 2010. Our Company filed its reply dated September 23, 2010 to the query of Jurisdictional Assistant Commissioner and sought suitable and proper guidance. Our Company imported low grade input product and took Cenvat credit and paid excise duty without any objection. Jurisdictional raised further query vide letter dated August 23, 2011. Our Company filed its reply to the said query vide letter dated August 30, 2011 and informed about the name, character, use of both inputs and finished products. Joint Commissioner of Central Excise (“**JCCE**”) sent show cause cum demand notice on October 19, 2011 and alleged that our Company had contravened provision 3 and 6 of Cenvat Credit Rules, 2004, Rule 8 of the Central Excise Rules, 2002 read with board circular no. 911/01/2010-CX dated January 14, 2010. JCCE demanded Rs. 11,62,496/- under section 11A(1) of Central Excise Act, 1944 read with Rule 14 of Cenvat Credit Rules, 2004. JCCE also initiated penalty proceeding against our Company under Rule 15(1) of Cenvat Credit Rules, 2004. Our Company filed its reply dated November 29, 2011 and December 12, 2011 and denied the allegation by JCCE. JCCE passed order dated April 30, 2012 and disallowed the cenvat credit of Rs. 11,62,496/- and order for the recovery of the said amount. The JCCE demanded **Rs.11,62,496/-** along with interest under Rule 14, of the Cenvat Credit Rules, 2004 read with section 11A(2), 11A(10) and section 11Ab of the Central Excise Act, 1944. JCCE also imposed penalty of **Rs. 11,62,496/-** and order for recovery of the same under Section 15(1) of the Cenvat Credit Rules, 2004. Our Company filed an appeal with Commissioner of Central Excise (Appeal III) against the order of JCCE and further also made a written and oral submission on June 25, 2014 in course of personal hearing. The Commissioner of Central Excise (Appeal III) passed an order dated July 30, 2014 and rejected our appeal. Hence, our Company filed appeal with Central Excise and Service Tax Appellate Tribunal on October 15, 2014 under Section 35B of Central Excise Act, 1944. The matter is currently pending.

VAT PROCEEDINGS

WEST BENGAL TAXATION TRIBUNAL V. SYLVAN PLYBOARD (INDIA) LIMITED

YEAR 2012-13

Joint Commissioner of Commercial Taxes (“JCCT”) issued notice on January 14, 2015. JCCT passed an assessment order dated June 16, 2015 and demanded Rs. 2,00,70,253/-. Our Company filed an appeal with Senior Joint Commissioner of Commercial Taxes (“SJCCT”) on July 09, 2015. SJCCT passed an order dated July 22, 2015 and ordered for refund of Rs. 41, 43,834/-. JCCT again issued demand notice on December 16, 2015 vide R.C. No. 19330042049 and informed our Company that there is error in order dated July 22, 2015 passed by SJCCT and it is required to be revised. JCCT also disallowed the refund amount. Our Company filed an appeal with Additional Commissioner of Commercial Taxes (“ACCT”). ACCT passed an order dated February 17, 2016 and revised the order of SJCCT. Aggrieved by the order of ACCT, our Company filed appeal with West Bengal Taxation Tribunal on March 29, 2016 (R.N. 345 of 2016). The matter is currently pending.

(Please note that notice dated January 14, 2015 is currently not traceable.)

JOINT COMMISSIONER OF COMMERCIAL TAXES V. (SINGH BROTHERS EXIM PRIVATE LIMITED – NOW SYLVAN PLYBOARD (INDIA) LIMITED

YEAR 2013-2014

Our Company is into manufacturing, wholesale, retail and import of timber plywood and timber products. Our Company is also registered under West Bengal Value Added Tax Act, 2003. Our Company imports raw material from other state. Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 (“ACT”). As per the provision of the ACT 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Joint Commissioner of Commercial Taxes (“JCCT”) issued demand notice on May 25, 2016 under Section 46 of the West Bengal Value Added Tax Act, 2003 read with Section 3 of the ACT and Rule 2 of sub rule 15 of the enacted West Bengal Tax on Entry of Goods in Local Areas Rules, 2012 for the amount of Rs. **1,40,79,173/-**. Our Company filed writ petition bearing no. 11474 of 2016 before High Court at Calcutta under Article 226 of the Constitution of India. Our Company further states that imposition of entry tax increased the cost of final products. Further, Our Company also alleged that the ACT levies general tax and not compensatory tax which becomes burden for the State. Our Company also alleged that President of India has not given sanction for the passing of the ACT. Our Company in its petition also prays for the Hon’ble High Court to declare the ACT is in violation of Article 14, 19, 301 and 304a of the Constitution of India and declare the ACT to be void. Our Company also prays the court to issue writ of mandamus and prays not to take any action against our Company under the provision of the ACT. The matter is currently pending.

JOINT COMMISSIONER OF COMMERCIAL TAXES V. (SINGH BROTHERS EXIM PRIVATE LIMITED – NOW SYLVAN PLYBOARD (INDIA) LIMITED

YEAR 2014-15

Our Company is into manufacturing, wholesale, retail and import of timber plywood and timber products. Our Company is also registered under West Bengal Value Added Tax Act, 2003. Our Company imports raw material from other state. Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 (“ACT”). As per the provision of the act 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Joint Commissioner of Commercial Taxes (“JCCT”) issued demand notice on March 24, 2017 under section 46 of the West Bengal Value Added Tax Act, 2003 read with Section 3 of the ACT and Rule 2 of sub-rule 15 of the enacted West Bengal Tax on Entry of Goods in Local Areas Rules, 2012 for the amount of Rs. **1,03,75,506/-**. Our Company filed writ petition bearing no. 2298 of 2017 before High Court at Calcutta under Article 226 of the Constitution of India. Our Company further states that imposition of entry tax increased the cost of final products. Our Company alleged that act levies general tax and not compensatory tax which becomes burden for the state. Our Company also alleged that president has not given sanction for the passing of the ACT. Our Company in its petition prays for the court to declare that the act is in violation of Article 14, 19, 301 and 304a of the Constitution of India and declare the act void. Our Company in its writ petition prays for issuing writ of mandamus to direct the West Bengal government to not to realise any tax. The Chief Justice of High Court of Calcutta passed an order dated June 28, 2017 and

transferred the case to the West Bengal Taxation Tribunal and dismissed the writ petition. The matter is currently pending with West Bengal Taxation Tribunal.

JOINT COMMISSIOINER OF COMMERCIAL TAXES V. (SINGH BROTHERS EXIM PRIVATE LIMITED – NOW SYLVAN PLYBOARD (INDIA) LIMITED

YEAR 2015-16

Our Company is into manufacturing, wholesale, retail and import of timber plywood and timber products. Our Company is also registered under West Bengal Value Added Tax Act, 2003. Our Company imports raw material from other state. Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 (“**ACT**”). As per the provision of the act 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Joint Commissioner of Commercial Taxes (“**JCCT**”) issued notice dated August 02, 2017 under Section 11 of the ACT read with sub-section 2 of Section 46 of the West Bengal Value Added Tax Act, 2003. JCCT passed an assessment order dated December 05, 2017 and order to pay tax amount of Rs. 1,06,07,702/- along with interest amounting to Rs. 46,12,076/-. JCCT issued demand notice on December 05, 2017 for the amount of Rs. **1,52,19,778/-** under Section 46 of the West Bengal Value Added Tax Act, 2003 read with Section 3 of the act and Rule 2 of sub-rule 15 of the enacted West Bengal Tax on Entry of Goods in Local Areas Rules, 2012. The matter is currently pending.

CENTRAL EXCISE AND SERVICE TAX APPELLATE TRIBUNAL, KOLKATA V. SHREE KRISHNA TIMBER COMPANY PRIVATE LIMITED, ANAND KUMAR SINGH AND (SINGH BROTHERS EXIM PRIVATE LIMITED – NOW SYLVAN PLYBOARD (INDIA) LIMITED

Our Company purchased Merbau round logs (“**Merbau**”) on high sea sale basis from Singh Suppliers Private Limited as per high sea agreement dated September 10, 2004. Our Company filed bill of entry no. 206080 dated October 01, 2004 through our custom house agent India Transport & Travel Private Limited for clearance of logs. Our Goods were examined by Officials of Special Investigation Branch (“**OSIB**”) on February 10, 2005. Our Company submitted copy of the list showing volume of logs both on “with sap measurement” and “under sap measurement” basis. Our Company showed volume of logs in bill of entry on under sap measurement basis – 273.440 CBM and with sap measurement basis – 322.970 CBM. Our Company declared volume of logs on under sap agreement basis in the Bills of Entry. OSIB conducted inquiry and recorded statement of Promoter Director – I on February 08, 2005 under Section 108 of Customs Act 1962. Our Promoter Director – I admitted that our Company declared volume on under sap agreement basis in bill of entry as per International Practice. Our Company also admitted that proforma invoice was under sap basis and letter of credit was allotted on the basis of proforma invoice. Commissioner of Customs, Kolkata (“**COC**”) valued merbau goods at over sap measurement basis. Valuation as per over sap measurement basis was 21% excess than volume declared in the invoice and bill of entry. As per over sap measurement basis, actual value stood at 330.860 CBM. Our Company paid import duty on declared quantity on invoice and deposited cash deposited Rs. 40,906/- on February 24, 2005 vide custom receipt no. M-2039 and cleared goods for home consumption. COC requested Indian Overseas Bank (“**IOB**”) to forward copy of packing list, proforma invoice based on which letter of credit was issued. IOB sent proforma invoice no. WE/PNGA/09/009C and invoice no. 7808/2004 dated September 15, 2004 to COC vide letter dated June 15, 2005. COC found that quantity was not mentioned on under sap measurement basis on proforma and packing list invoice based on which letter of credit was issued. COC alleged that our Company submitted 2 different invoice to IOB and custom authority. COC also alleged that statements by Promoter Director - I were contradicting the original facts. COC also alleged that there is no existence of method of measurement on under SAP basis. COC alleged that our company understated quantity and submitted forged performa invoice and our Promoter Director – I also made false statement. COC issued show cause notice under Section 18 and 124 of Customs Act, 1962 on June 29, 2005. COC in its show cause notice asked clarification on:

- For levy of custom duty on actual quantity;
- Why provisional assessment should not be finalized;

- Confiscation of goods imported under bill of entry no. 206080;
- Penalty proceedings on our Company and Promoter Director - I under section 112(a) of customs act, 1962; and
- Appropriation of Security deposit.

COC passed order dated March 31, 2007 and held that assessable value of merbau shall be Rs. 46, 57,427.80/- and not Rs. 45, 75,793.80/-. COC also in its order charged Rs. **38,530/-** on the grounds of differential duty. COC also order for confiscation of goods under Section 111(l) and 111(m) of the Customs Act, 1962. COC also levied redemption fine in lieu of confiscation of Rs. **9,31,485** under Section 125 of the Customs Act. COC also imposed penalty at Rs. **38,530.82/-** under Section 112 (a) of Custom Act, 1962 on our Company and Rs. **9,633/-** upon Promoter Director - I. COC also ordered for appropriation of security deposit towards the payment of differential duty and penalty.

Our Company filed appeal with Central Excise and Service Tax Appellate Tribunal (“CESTAT”), Kolkata on July 16, 2007. CESTAT ordered for de novo adjudication by order dated March 31, 2007 and give this matter back to the COC for initiation of the fresh proceedings. COC passed order dated March 31, 2009 in the fresh proceedings and held the earlier order dated March 31, 2007 passed by COC in earlier proceedings. Our Company filed appeal with CESTAT against the order dated March 31, 2009. CESTAT passed an order dated September 22, 2016 and dismissed our appeal on the ground of non-appearance on the date of hearing. Our Company filed application for the restoration of appeal on November 07, 2016. CESTAT restored appeal vide order dated August 21, 2018. The matter is currently pending.

Recent Development/Proceeding under Finance Act, 2016 in respect of the Taxation and Investment Regime for Pradhan Mantri Garib Kalyan Yojana Rules, 2016

Our Company has made a disclosure of Income of Rs. 2,51,67,208/- pursuant to Rule 3(4) of the Pradhan Mantri Garib Kalyan Yojana Rules, 2016 under Section 199C of the Finance Act, 2016 on March 25, 2017.

A certificate of declaration dated April 26, 2017 has been issued by the Principal Commissioner of Income Tax in lieu of the deposit made by our Company under the Finance Act, 2016.

Proceedings against Our Company for economic offences/securities laws/ or any other law

Nil

Penalties in Last Five Years

Nil

Pending Notices against our Company

Nil

Past Notices to our Company

Nil

Disciplinary Actions taken by SEBI or stock exchanges against Our Company

Nil

Defaults including non-payment or statutory dues to banks or financial institutions

Nil

Details of material frauds against the Company in last five years and action taken by the Companies.

Nil

LITIGATIONS FILED BY OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

(SINGH BROTHERS EXIM PRIVATE LIMITED – NOW SYLVAN PLYBOARD (INDIA) LIMITED V. THE STATE OF BENGAL AND OTHERS

Our Company is into manufacturing, wholesale, retail and import of timber plywood and timber products. Our Company is also registered under West Bengal Value Added Tax Act, 2003. Our Company imports raw material from other state. Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 (“**ACT**”). As per the provision of Section 4 of the ACT 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Our Company further states that imposition of entry tax increased the cost of final products. Our Company alleged that ACT levies general tax and not compensatory tax which becomes burden for the state. Our Company also alleged that President of India has not given sanction for the passing of the said ACT and states that the ACT is in violation of Article 14 and 21 of the Constitution of India. Our Company filed writ petition bearing no. 20503 of 2012 in the High Court at Calcutta under Article 226 of the Constitution of India. The matter is currently pending.

(SINGH BROTHERS EXIM PRIVATE LIMITED – NOW SYLVAN PLYBOARD (INDIA) LIMITED V. STATE OF WEST BENGAL & OTHERS

The Government of State of West Bengal issued notification dated July 24, 2017 and incorporated veneer and plywood schedule item under “The West Bengal Agricultural Produce Marketing (Regulation) Act, 1972 (“**ACT**”)”. Our Company is into manufacturing, wholesale, retail and import of timber plywood and timber products. Our Company imports timber logs from other countries for manufacturing of plywood and veneer. Our Company process imported logs to manufacture veneer, veneer is further processed to manufacture plywood. Our Company states that plywood and is not an agricultural product. Our Company argued that raw material for the manufacturing of plywood is imported from abroad the provision of the ACT should not be applicable upon the Company. Our Company alleged that Government of West Bengal exempted the market fees on plywood and veneer vide notification no. 169-M.W & C//9M/2000 dated January 20, 2005 and vide notification no. 391 M.W & C/9M-49/2000 dated February 11, 2005. Plywood was included under category XII of the ACT by the Government of West Bengal by notification dated August 09, 2006, bearing no. 2063/MW&C/9M-49 2000 by exercising power under Section 2(a) of sub-section 2 of the ACT. Veneer was also included under category XII of the act by the Government of West Bengal by notification dated April 05, 2007 bearing no. 1375/MW&C/9M-49 2000 by exercising power under section 1(a) of section 2 of the act. Our Company has paid total market fees amounting to Rs. 9,25,800/- under the provision of the act. High Court of Calcutta passed an order dated February 17, 2017 and declare notification dated April 05, 2007 and notification dated August 09, 2006 ultra vires. Our Company alleged that State of West Bengal vide notification dated July 24, 2017 incorporated veneer and plywood as the schedule item under the act. Hence, our Company filed a writ petition bearing no. 4560 of 2018 in the High Court at Calcutta on April 03, 2018 under Article 226 of the Constitution of India. Our Company in its writ petition prays the court to set aside the notification dated July 24, 2017. The matter is currently pending.

(SINGH BROTHERS EXIM PRIVATE LIMITED – NOW SYLVAN PLYBOARD (INDIA) LIMITED AND JAI PRAKASH SINGH V. INCOME TAX OFFICER AND UNION OF INDIA.

Our Company is the manufacturer of the plywood, black boards, flush doors and our Company also involves into trading of imported as well as domestic timber. Our Company claims exemption from paying tax collected at source under explanation (aa) of Section 206C of the Income Tax Act, 1961 (“**I.T Act**”). Income Tax Officer alleged that our Company is liable to pay tax collected at source. Our Company argued that our Company is not falling under the definition of “buyer” as provided in explanation (aa) subsection 11 of Section 206C of the Income Tax Act, 2016, hence our Company is not liable to pay tax collected at source. Our Company filed writ petition bearing no. 746 of 2013 under Article 226 of the Constitution of India in a High Court at Calcutta on July 29, 2013. Our Company

prays to the High Court to declare the amendment provision of the explanation (aa) subsection 11 of Section 206C of the Income Tax Act, 1961 as ultra vires to the provision of the Constitution of India and also requested court to issue writ of mandamus against Income Tax Officer not to take any action against our Company. The matter is currently pending.

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law

Nil

LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY

LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Tax Proceedings

JAI PRAKASH SINGH

FOR AY 2017-18

The Income Tax Department's website under the head '*Response to Outstanding Tax Demand*' displays an outstanding demand raised on November 21, 2017 under Section 143(1)(a) vide notice issued under Section 245 of the I.T. Act against our director for an outstanding demand amounting to **Rs. 3,120/-**. The amount is currently outstanding.

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Directors

Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law

Nil

Directors on list of wilful defaulters of RBI

Nil

LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

For details of this litigation please refer the head 'Litigation filed by Our Promoter' – Civil Proceedings and 'Litigation filed by our Company – Civil Proceeding'.

Tax Proceedings

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY

LITIGATIONS AGAINST OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Tax Proceedings

SINGH SUPPLIERS PRIVATE LIMITED

FOR AY 2012-13

The Income Tax Department's website under the head '*Response to Outstanding Tax Demand*' displays an outstanding demand raised on September 14, 2016 under Section 220(2) and Section 245 of the I.T. Act against our Corporate Promoter for an outstanding demand amounting to **Rs. 7,154/-**. The amount is currently outstanding.

For details of this litigation please refer the head 'Litigation against Company' – Tax Proceedings.

Recent Development/Proceeding under Finance Act, 2016 in respect of the Taxation and Investment Regime for Pradhan Mantri Garib Kalyan Yojana Rules, 2016

Singh Suppliers Private Limited has made a disclosure of Income of Rs. 1,00,49,324/- Pursuant to rule 3(4) of the Pradhan Mantri Garib Kalyan Yojana Rules, 2016 under section 199C of the Finance Act, 2016 on April 12, 2017.

A certificate of declaration dated April 26, 2017 has been issued by the Principal Commissioner of Income Tax in lieu of the deposit made by our Company under the Finance Act, 2016.

Past Penalties imposed on our Promoters

Nil

Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years

Nil

Penalties in Last Five Years

Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in the past.

Nil

Adverse finding against Promoter for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

SINGH SUPPLIERS PRIVATE LIMITED AND JAI PRAKASH SINGH V. INCOME TAX OFFICER AND UNION OF INDIA.

Our Corporate Promoters into trading of imported as well as domestic timber. Corporate Promoter claims exemption from paying tax collected at source under explanation (aa) of Section 206C of the Income Tax Act, 1961 (“**I.T Act**”). Income Tax Officer alleged that our Corporate Promoter is liable to pay tax collected at source. Our Corporate Promoter argued that it is not falling under the definition of “buyer” as provided in explanation (aa) subsection 11 of Section 206C of the Income Tax Act, 2016, hence our Corporate Promoter is not liable to pay tax collected at source. Our Corporate Promoter filed writ petition bearing no. 212 of 2013 under Article 226 of the Constitution of India in a High Court at Calcutta on March 01, 2013. Our Corporate Promoter prays to the High Court to declare the amendment provision of the explanation (aa) sub-section 11 of Section 206C of the Income Tax Act, 1961 as ultra vires to the provision of the Constitution of India and also requested court to issue writ of mandamus against Income Tax Officer to not take any action against our Group Company.

The judge passed an order dated July 09, 2018 and dismissed the petition on the grounds of nonappearance on behalf of our Corporate Promoter. Our Corporate Promoter made an application for the restoration of the appeal. The Judge passed order dated July 27, 2018 and order for revival of the petition. The matter is currently pending.

SINGH SUPPLIERS PRIVATE LIMITED V. THE STATE OF BENGAL AND OTHERS

Our Corporate Promoter uses plywood, black door, flush door for the manufacturing of finished products. Our Corporate Promoter is also registered under West Bengal Value Added Tax Act, 2003. Our Corporate Promoter imports raw material from other state. Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 (“**ACT**”). As per the provision of Section 4 of the ACT, 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Our Corporate Promoter further states that imposition of entry tax increased the cost of final products. Our Corporate Promoter alleged that act levies general tax and not compensatory tax which becomes burden for the state. Our Corporate Promoter also alleged that President of India has not given sanction for the passing of the ACT. Our Corporate Promoter filed writ petition bearing no. 20501 of 2012 in the High Court at Calcutta under Article 226 of the Constitution of India. The matter is currently pending. In the writ petition our Corporate Promoter requested for the refund of the taxes amounting to Rs. 16,067/- for the month of June 2012, Rs. 7,151/-, 2,34,213/- for the month of July 2012. The Chief Justice of High Court of Calcutta passed an order dated June 12, 2017 and transferred the case to the West Bengal Taxation Tribunal and dismissed the writ petition. The matter is currently pending with West Bengal Taxation Tribunal.

Tax Proceedings

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR GROUP COMPANIES

LITIGATIONS AGAINST OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Tax Proceedings

SILVERTOSS INDUSTRIES PRIVATE LIMITED (*hereinafter referred to as “Our Group Company – I”*)

INCOME TAX PROCEEDINGS

FOR AY 2009-10

The Income Tax Department’s website under the head ‘*Response to Outstanding Tax Demand*’ displays an outstanding demand raised on November 22, 2010 under Section 115_WE and Section 245 of the I.T. Act against our Group Company – I for an outstanding demand amounting to **Rs. 5,744/-**. The amount is currently outstanding.

FOR AY 2009-10

Income Tax officer, Kolkata (“ITO”) has issued notice under Section 143(1) of the Income Tax Act, 1961 on November 22, 2010 and demanded Rs. 4,47,980/-. Our Group Company – I filed a petition under Section 154 of the Income Tax Act, 1961 on January 24, 2011. Our Group Company – I in its petition under Section 154 of the Income Tax Act, 1961 on January 24, 2011, for the rectification of mistakes. Our Group Company – I in its petition submitted that our Group Company – I has claimed TDS and TCS exemption for Rs. 4,97,421/- for the assessment year 2009-10. Our Group Company – I alleged that Income Tax Officer has only allowed TDS and TCS deduction only for Rs. 1,11,293/- and did not allow claim of Rs. 3,86,128/-. Hence, our Group Company – I in its petition requested to allow the credit of Rs. 3,86,128/- and to cancel the demand. The matter is currently pending.

FOR AY 2012-13

The Income Tax Department’s website under the head ‘*Response to Outstanding Tax Demand*’ displays an outstanding demand raised on November 06, 2015 under Section 154 and Section 245 of the I.T. Act against our Group Company – I for an outstanding demand amounting to **Rs. 32,290/-**. The amount is currently outstanding.

FOR AY 2013-14

The Income Tax Department’s website under the head ‘*Response to Outstanding Tax Demand*’ displays an outstanding demand raised on March 17, 2016 under Section 220(2) and Section 245 of the I.T. Act against our Group Company – I for an outstanding demand amounting to **Rs. 51,043/-**. The amount is currently outstanding.

VAT proceedings

AY 2006-07

Joint Commissioner of Commercial Taxes (“JCCT”) issued notice dated August 02, 2010 under Section 46 of the West Bengal Value Added Tax Act, 2003 upon our Group Company – I. JCCT passed an order dated February 28, 2011. JCCT issued demand notice dated May 25, 2011 and demanded Rs. **3,21,47,434/-**. Our Group Company – I filed an appeal with Senior Joint Commissioner of Sales Tax (“SJCST”) on August 03, 2011. SJCST passed an order dated September 26, 2012 and dismissed the appeal. Our Group Company – I filed an appeal with West Bengal Commercial Taxes Appellate & Revisional Board, Kolkata against the order dated September 26, 2009. The matter is currently pending.

(Please note that notice dated August 02, 2010 is currently not traceable.)

AY 2007-08

Joint Commissioner of Sales Tax (“JCST”) issued notice on November 23, 2009 under Section 46 of the West Bengal Value Added Tax Act, 2003 upon our Group Company – I. JCST passed an order dated June 22, 2010 and demanded Rs. 2,56,55,316/-. Our Group Company – I filed an appeal dated July 20, 2010 before Senior Joint Commissioner of Sales Tax (“SJCST”). SJCST vide letter dated December 29, 2011 transfer the said matter to Joint Commissioner of Sales Tax (“JCST”). JCST in its assessment order dated January 14, 2013 reassessed turnover at Rs. 41,52,24,537/- and demanded Rs.

1,20,97,691/-. Our Group Company – I filed an appeal with West Bengal Commercial Taxes Appellate & Revisional Board, Kolkata against the order dated January 14, 2013. The matter is currently pending.

(Please note that notice dated November 23, 2009 is currently not traceable.)

AY 2011-12

Joint Commissioner of Sales Tax (“**JCST**”) issued notice on February 11, 2014 under Section 46 of the West Bengal Value Added Tax Act, 2003 and informed that our Group Company – I made subsequent sales of Rs. 2,25,00,000/- for the year 2011-12. JCST passed an order dated June 20, 2014 and demanded Rs. 5,77,606/-. Our Group Company – I filed an appeal against the order dated June 20, 2014 with Senior Joint Commissioner of Commercial Tax (“**SJCCT**”). SJCCT passed an order dated September 28, 2015 and demanded Rs. **18,09,438/-**. Our Group Company – I filed an appeal with West Bengal Commercial Taxes Appellate & Revisional Board, Kolkata against the order dated September 28, 2015. The matter is currently pending.

AY 2013-14

Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 (“**ACT**”). As per the provision of the ACT 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Joint Commissioner of Commercial Taxes (“**JCCT**”) issued demand notice on May 25, 2016 under Section 46 of the West Bengal Value Added Tax Act, 2003 read with Section 3 of the ACT and Rule 2 of sub rule 15 of the enacted West Bengal Tax on Entry of Goods in Local Areas Rules, 2012 for the amount of Rs. **1,15,07,084/-**. The matter is currently pending.

AY 2014-15

Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 (“**ACT**”). As per the provision of the ACT 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Joint Commissioner of Commercial Taxes (“**JCCT**”) issued demand notice on March 24, 2017 under Section 46 of the West Bengal Value Added Tax Act, 2003 read with Section 3 of the ACT and Rule 2 of sub rule 15 of the enacted West Bengal Tax on Entry of Goods in Local Areas Rules, 2012 for the amount of Rs. **70,03,724.30/-**. The matter is currently pending.

AY 2015-16

Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 (“**ACT**”). As per the provision of the ACT 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Joint Commissioner of Commercial Taxes (“**JCCT**”) issued demand notice on December 07, 2017 under Section 46 of the West Bengal Value Added Tax Act, 2003 read with Section 3 of the act and rule 2 of sub rule 15 of the enacted West Bengal Tax on Entry of Goods in Local Areas Rules, 2012 for the amount of Rs. **82,24,174/-**. The matter is currently pending.

SHREE KRISHNA TIMBER CO PRIVATE LIMITED (*hereinafter referred to as “Our Group Company – II”*)

INCOME TAX PROCEEDINGS

FOR AY 2004-05

The Income Tax Department’s website under the head ‘*Response to Outstanding Tax Demand*’ displays an outstanding demand raised on March 19, 2013 under Section 220(2) *vide* notice issued under Section 245 of the I.T. Act against our Group Company - II for an outstanding demand amounting to **Rs. 1,041/-**. The amount is currently outstanding.

FOR AY 2008-09

Our Group Company – II filed Income tax return for the assessment year 2008-09. Income Tax officer issued show cause notice under Section 143(1) of the Income Tax Act, 1961 and demanded Rs. **2,97,827/-**. Our Group Company – II filed its reply dated December 04, 2009 and submitted that Income Tax Officer has not given TDS and TCS credit of Rs. 3,13,970/- though the necessary details has already been provided. The matter is currently pending.

FOR AY 2009-10

The Income Tax Department's website under the head '*Response to Outstanding Tax Demand*' displays an outstanding demand raised on January 19, 2011 under Section 115-WE vide notice issued under Section 245 of the I.T. Act against our Group Company – II for an outstanding demand amounting to **Rs. 7,213/-**. The amount is currently outstanding.

FOR AY 2009-10

The Income Tax Department's website under the head '*Response to Outstanding Tax Demand*' displays an outstanding demand raised on October 15, 2015 under Section 220(2) vide notice issued under Section 245 of the I.T. Act against our Group Company – II for an outstanding demand amounting to **Rs. 11,734/-**. The amount is currently outstanding.

FOR AY 2012-13

The Income Tax Department's website under the head '*Response to Outstanding Tax Demand*' displays an outstanding demand raised on October 18, 2015 under Section 220(2) vide notice issued under Section 245 of the I.T. Act against our Group Company – II for an outstanding demand amounting to **Rs. 1,826/-**. The amount is currently outstanding.

FOR AY 2013-14

The Income Tax Department's website under the head '*Response to Outstanding Tax Demand*' displays an outstanding demand raised on September 03, 2016 under Section 220(2) vide notice issued under Section 245 of the I.T. Act against our Group Company – II for an outstanding demand amounting to **Rs. 30,324/-**. The amount is currently outstanding.

VAT proceedings.

AY 2013-14

Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 ("**ACT**"). As per the provision of the ACT 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Joint Commissioner of Commercial Taxes ("**JCCT**") issued demand notice on June 28, 2016 under Section 46 of the West Bengal Value Added Tax Act, 2003 read with Section 3 of the ACT and Rule 2 of sub rule 15 of the enacted West Bengal Tax on Entry of Goods in Local Areas Rules, 2012 for the amount of **Rs. 95,65,576.48/-** upon our Group Company - II. The matter is currently pending.

AY 2014-15

Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 ("**ACT**"). As per the provision of the ACT 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Joint Commissioner of Commercial Taxes ("**JCCT**") issued demand notice on March 24, 2017 under section 46 of the West Bengal Value Added Tax Act, 2003 read with Section 3 of the ACT and Rule 2 of sub rule 15 of the enacted West Bengal Tax on Entry of Goods in Local Areas Rules, 2012 for the amount of **Rs. 61,18,140.04/-** upon our Group Company - II.. The matter is currently pending.

Recent Development/Proceeding under Finance Act, 2016 in respect of the Taxation and Investment Regime for Pradhan Mantri Garib Kalyan Yojana Rules, 2016

- A. Our Group Company – I has made a disclosure of Income of Rs. 40,00,000/- Pursuant to Rule 3(4) of the Pradhan Mantri Garib Kalyan Yojana Rules, 2016 under Section 199C of the Finance Act, 2016 on March 30, 2017.

A certificate of declaration dated April 26, 2017 has been issued by the Principal Commissioner of Income Tax in lieu of the deposit made by our Company under the Finance Act, 2016.

- B. Our Group Company – II has made a disclosure of Income of Rs. 2,42,20,967/- Pursuant to rule 3(4) of the Pradhan Mantri Garib Kalyan Yojana Rules, 2016 under section 199C of the Finance Act, 2016 on March 30, 2017.

A certificate of declaration dated April 26, 2017 has been issued by the Principal Commissioner of Income Tax in lieu of the deposit made by our Company under the Finance Act, 2016.

Past Penalties imposed on our Group Companies

Nil

Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies

Nil

Adverse finding against Group Companies for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

SILVERTOSS INDUSTRIES PRIVATE LIMITED V. THE STATE OF BENGAL AND OTHERS

Our Group Company – I uses plywood, black door, flush door for the manufacturing of finished products. Our Group Company – I is also registered under West Bengal Value Added Tax Act, 2003. Our Group Company – I imports raw material from other state. Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 (“ACT”). As per the provision of Section 4 of the ACT, 1% entry tax is to be levied on the goods imported from outside of the State of West Bengal. Our Group Company – I further states that imposition of entry tax increased the cost of final products. Our Group Company – I alleged that ACT levies general tax and not compensatory tax which becomes burden for the state. Our Group Company – I also alleged that President of India has not given sanction for the passing of the ACT and states that the ACT is in violation of Article 14 and 21 of the Constitution of India. Our Group Company – I filed writ petition bearing no. 20504 of 2012 in the High Court at Calcutta under Article 226 of the Constitution of India. The matter is currently pending. In the writ petition our Group Company – I request for the refund of the taxes amounting to Rs. 1,84,170/- and Rs. 6,79,044/- for of April 2012, Rs. 6,91,465/- for the month of May 2012, Rs. 7,39,233/- for the month of June 2012. The Chief Justice of High Court of Calcutta passed an order dated June 12, 2017 and transferred the case to the West Bengal Taxation Tribunal and dismissed the writ petition. The matter is currently pending with West Bengal Taxation Tribunal.

SILVERTOSS INDUSTRIES PRIVATE LIMITED AND PRITI SINGH V. INCOME TAX OFFICER AND UNION OF INDIA.

Our Group Company – I is into trading of imported as well as domestic timber. Our Group Company – I claims exemption from paying tax collected at source under explanation (aa) of Section 206C of the Income Tax Act, 1961 (“I.T Act”). Income Tax Officer alleged that our Group Company – I is liable to pay tax collected at source. Our Group Company – I argued that it is not falling under the definition of “buyer” as provided in explanation (aa) subsection 11 of Section 206C of the Income Tax Act, 2016, hence our Group Company – I is not liable to pay tax collected at source. Our Group Company – I filed writ petition bearing no. 748 of 2013 under Article 226 of the Constitution of India in a High Court at

Calcutta on July 29, 2013. Our Group Company – I prays to the High Court to declare the amendment provision of the explanation (aa) subsection 11 of Section 206C of the Income Tax Act, 1961 as ultra vires to the provision of the Constitution of India and also requested court to issue writ of mandamus against Income Tax Officer to take any action against our Group Company – I. The matter is currently pending.

SHREE KRISHNA TIMBERS COMPANY PRIVATE LIMITED V. THE STATE OF BENGAL AND OTHERS

Our Group Company - II uses plywood, black door, and flush door for the manufacturing of finished products. Our Group Company - II is also registered under West Bengal Value Added Tax Act, 2003. Our Group Company - II imports raw material from other state. Government enacted West Bengal Tax on Entry of Goods in Local Areas Act, 2012 (“ACT”). As per the provision of Section 4 of the ACT, 1% entry tax is to be levied on the goods imported from outside of the state of West Bengal. Our Group Company - II further states that imposition of entry tax increased the cost of final products. Our Group Company - II alleged that act levies general tax and not compensatory tax which becomes burden for the state. Our Group Company - II also alleged that President of India has not given sanction for the passing of the ACT and states that the ACT is in violation of Article 14 and 21 of the Constitution of India. Our Group Company - II filed writ petition bearing no. 20500 of 2012 in the High Court at Calcutta under Article 226 of the Constitution of India. The matter is currently pending. In the writ petition our Group Company - II request for the refund of the taxes amounting to Rs. 4,15,308/- for the month of June 2012, Rs. 21,806/- and 9,12,664/- for the month of July 2012. The Chief Justice of High Court of Calcutta passed an order dated June 12, 2017 and transferred the case to the West Bengal Taxation Tribunal and dismissed the writ petition. The matter is currently pending with West Bengal Taxation Tribunal.

SHREE KRISHNA TIMBERS COMPANY PRIVATE LIMITED V. INCOME TAX OFFICER AND UNION OF INDIA.

Our Group Company - II is into trading of imported as well as domestic timber. Our Group Company - II claims exemption from paying tax collected at source under explanation (aa) of Section 206C of the Income Tax Act, 1961 (“I.T Act”). Income Tax Officer alleged that our Group Company - II is liable to pay tax collected at source. Our Group Company - II argued that our Company is not falling under the definition of “buyer” as provided in explanation (aa) subsection 11 of Section 206C of the Income Tax Act, 1961 hence our Group Company - II is not liable to pay tax collected at source. Our Group Company - II filed writ petition bearing no. 745 of 2013 under article 226 of the Constitution of India in a High Court at Calcutta on July 29, 2013. Our Group Company - II prays to the High Court to declare the amendment provision of the explanation (aa) subsection 11 of section 206C of the Income Tax Act, 2016 as ultra vires to the provision of the Constitution of India and also requested court to issue writ of mandamus against Income Tax Officer to take any action against our Group Company. The matter is currently pending.

Tax Proceedings

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES

AS ON DATE OF THIS DRAFT RED HERRING PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY SUBSIDIARY COMPANY.

DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY

Nil

OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter — “*Management Discussion and Analysis of Financial Condition and Result of Operation*” on page 266 of this Draft Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As of March 31, 2018, our Company had 226 creditors, to whom a total amount of Rs. 5,128.45 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated July 10, 2018, considered creditors to whom the amount due exceeds Rs. 20.00 lakhs as per our Company’s restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

Sr. No.	Creditors	Amount (Rs. in Lakhs)
1	Pargan Singapore Pte Ltd	1472.90
2	Pan Asia Intercontinental Pte Ltd	1245.60
3	Devanshi Plyboard Industries Pvt.Ltd (Pur)	869.50
4	Sudima International Pte Ltd	320.76
5	Altruistic Services Pte Ltd	130.50
6	Dowlet Trading Enterprises Pte Ltd	130.17
7	Conan Investments Pte Ltd	104.05
8	Prakash Ply Centre Pvt Ltd. .	95.00
9	Chopra Wood Industries	41.39
10	Ashoka Cargo Carriers	37.98
11	Sri Sai Enterprises (Cr)	34.17
12	Srishti Logistics	31.17
13	Sanjeev Kumar Singh	29.86
14	Krishna Traders	28.88
15	Hazel Mercantile Ltd	28.26
16	Wajilam Export (Singapore) Pte Ltd	26.48
17	Gufran Ply Industries	23.84
18	Bhagwati Woods Product	21.20
19	Kunjal Synergies Private Limited	20.79
20	Adh Chemicals Pvt. Ltd.	20.34
	Total	4,712.85

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see the website of our Company www.sylvanply.com.

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, www.sylvanply.com , would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of manufacturing of various wood products such as Veneer, Sawn Timber, Plywood, Block Board, Flush Door and Flexi Door and Traders and Importers of Timber Logs/woods from all over the world, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “Key Industry Regulations and Policies” on page 168 of this Draft Red Herring Prospectus.

The Company has its business located at:

Registered Office: 41, 4th Floor, B. B. Ganguly Street, Kolkata – 700 012, West Bengal, India.

Manufacturing Unit, Warehouse and Raw Material Storage: N.H. –II, Delhi Road, Champsara - Chinamore, P.O. Baidyabati, District Hooghly - 712124, West Bengal, India

Corporate Office: 5, Nimtolla Ghat Street, Kolkata – 700006, West Bengal, India.

Sales and Marketing:

1. No: 247/3RT, Flat No- 403, 4th Floor, Ramakrishna Nivas Apartment, S.R Nagar, Hyderabad - 500038, Telangana, India
2. Shop No- S-6, Building No- 102/50, Shree Vimal Plaza, Shivaji Marg, Lucknow - 226001, Uttar Pradesh, India

Branch Offices: NA

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at their meeting held on June 20, 2018, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in an Extra-Ordinary General Meeting held on June 25, 2018 authorized the Issue.

In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated [●] with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Bigshare Services Private Limited for the dematerialization of its shares.

2. Similarly, the Company has also entered into an agreement dated [●] with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE01IH01015.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated August 20, 2002 issued by the Registrar of Companies, West Bengal, in the name of “***Singh Brothers Exim Private Limited***”.
2. Fresh Certificate of Incorporation was issued on March 05, 2013 pursuant to change of name from “***Singh Brothers Exim Private Limited***” to “***Sylvan Plyboard (India) Private Limited***” by Registrar of Companies, West Bengal.
3. Fresh Certificate of Incorporation consequent upon conversion from Private Limited Company to Public Limited Company issued on June 19, 2018 by the Registrar of Companies, Kolkata in the name of “***Sylvan Plyboard (India) Limited***”.
4. The Corporate Identification Number (CIN) of the Company is U51431WB2002PLC095027.

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1	Certificate of Importer-Exporter Code (IEC)	Zonal Director General of Foreign Trade, Department of Commerce, Ministry of Commerce and Industry, Government of India	IEC No.: 0202021246	March 19, 2003	In case of change in name/address or constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority.
2	Registration Certificate of	Registering Authority, Shops &	Registration No –	September 25, 2013	April 10, 2019

	Establishment for Corporate Office (under Rule 4 (2) and 4 (3) of West Bengal Shops and Establishments Rules, 1964)	Establishments, Government of West Bengal	Kol/Jora/PII/50638		
3	Registration Certificate of Establishment for Registered Office (under Rule 4 (2) and 4 (3) of West Bengal Shops and Establishments Rules, 1964)	Registering Authority, Shops & Establishments, Government of West Bengal	Registration No – Kol/Bow/PII/51819	July 05, 2013	July 04, 2019
4	Udyog Aadhar Memorandum	Ministry of Micro, Small and Medium Enterprises, Government of India	WB10B0000314	July 01, 2009	Valid until cancelled
5	License to work a factory (under Factories Act, 1948 and Rules made thereunder)	Joint Chief Inspector of Factories, Directorate of Factories, Government of West Bengal.	Licence No.: 17164 Reg. No.: 9-HG/2/09	May 04, 2017	December 31, 2018 / 2016-18
6	Trade Registration Certificate	Payarapur Gram Panchayat, Srirampur Uttarpara, Hooghly	Trade Registration No.: 146 Certificate Issue No.: 02	Issue and Registration Date - June 26, 2018	Period: 2018-2019 Liable to cancellation in case of violation/default

		Bagdanga - Chinamore Gram Panchayat	Trade Registration No. 211 Certificate Issue No.: 01	Issue and Registration Date - June 26, 2018	
7	Certificate of Enlistment (Registered Office)	The Kolkata Municipal Corporation	CC-AL-0659492 CE No.: 007021004371 (Permanent)	July 08, 2017	Financial year 2017-18*
8	Certificate of Enlistment (Corporate Office)	The Kolkata Municipal Corporation	CC-AL-0659493 CE No.: 001572012915 (Permanent)	July 08, 2017	Financial year 2017-18*
9	License under the West Bengal Fire Services Act, 1950	Collector Fire License, Kolkata	185775 WBKL/3050/18	Issue Date: March 16, 2018 Valid from: February 15, 2018	February 14, 2019
10	Certificate of Registration of Generating Plants (under Section 7B of Bengal Electricity Duty Act, 1935 and under Rule 9D and Rule 11 of the Bengal Electricity Duty Rules, 1935)	Registering Authority, Electricity Duty, Directorate of Commercial Taxes, West Bengal	13-604	August 10, 2010	May 03, 2018* [Expired]
11	Registration for obtaining State Incentives and	District Industries Centre, Directorate of Micro & Small-Scale Enterprise,	1912200052	August 27, 2012	NA

	Eligibility Certificate (under WBIS – 2017 for MSSE)	Government of West Bengal			

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAHCS0099R	April 02, 2013	Valid until cancelled
2	Tax Deduction Account Number (TAN)	Income Tax Department, Ministry of Finance, Government of India	CALS11785E	Not Traceable	Valid until cancelled
3	Registration Certificate of Goods and Service Tax Identification Number (GSTIN)	Government of India	19AAHCS0099R1ZG	Issue Date - September 20, 2017 Date of Liability: July 01, 2017	Valid until cancelled
3	Certificate of Registration (under Section 24 (1)(a) of the West Bengal Value Added Tax Act, 2003 read with Rule 6 of the West Bengal Value Added Tax Rules, 2005)	Assistant Commissioner Sales Tax, Commercial Tax Department, Government of West Bengal.	Registration No. – 19330042049	April 19, 2006	NA
4	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAHCS0099RST001	July 20, 2007	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
5	Certificate of Registration of Central Sales Tax (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Assistant Commissioner Sales Tax, Sales Tax Department, Government of West Bengal.	434 (JB) (Central)	November 13, 1957	NA
6	Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002)	Assistant Commissioner of Central Excise, Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAHCS0099RXM001	June 30, 2009	NA
7	Professional Tax Enrolment Certificate (PTEC) for Corporate Office (under rule 4/ 6A of the West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979)	Directorate of Commercial Taxes, Government of West Bengal	192010252872	May 11, 2015	NA
8	Professional Tax Enrolment Certificate (PTEC) for Registered Office (under rule 4/ 6A of the West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979)	Directorate of Commercial Taxes, Government of West Bengal	192009861671	May 07, 2015	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
9	Professional Tax Enrolment Certificate (PTEC) for Manufacturing Unit (under rule 4/ 6A of the West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979)	Directorate of Commercial Taxes, Government of West Bengal	192010006395	May 08, 2015	NA
10	Professional Tax Registration Certificate (PTRC) for Registered Office (under The West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979)	Kolkata Central Range, Directorate of Commercial Taxes, Government of West Bengal	191001768316	May 07, 2015 Valid from: July 2013	NA
11	Certificate of Registration for Property Tax for Registered Office (under Kolkata Municipal Corporation Act, 1980 and the Howrah Bridge Act, 1926)	Kolkata Municipal Corporation	Assessee No. – 110470302501	Not traceable	NA

LABOUR RELATED APPROVALS/REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue

1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Employees Provident Fund Organisation, Ministry of Labour & Employment, Government of India	Code No: WBHLO0049400000	February 27, 2015
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees State Insurance Corporation	Code No.: 41000185210000901	Not traceable
3	Certificate of Registration (under Section 7 (2) of the Contract Labour (Regulation & Abolition) Act, 1970)	Assistant Labour Commissioner, Chandannagar, Hooghly, Government of West Bengal	CNR13/CLR/000003	June 09, 2017*

ENVIRONMENT RELATED LICENSES /APPROVALS/ REGISTRATIONS

Sr No	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Consent to Establish (NOC) the manufacturing unit for manufacturing of veneer (93600 Cft/month) plywood, block boards and flush doors (293560 Sqmts/ month) resin (UF & PF) 130,000 kg/month.	West Bengal Pollution Control Board, Kolkata	Memo No - 46/PCB/HGY/R/3204-08 (I)	January 12, 2009	Upto commissioning of Unit
2	Consent to Operate under Section 25 and Section 26 of the Water (Prevention & Control of Pollution) Act, 1974 and under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981	West Bengal Pollution Control Board, Kolkata	Consent Letter No - C0097131 Memo No – 276/PCB/HGY/R/3204-08(I)	May 31, 2017	December 31, 2017* [Expired]

OTHER BUSINESS-RELATED APPROVALS

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Certificate of Environment Management System applicable to manufacture & supply of veneer, plywood, block board and flush door ISO 14001: 2004	British Certifications Inc.	14890	January 14, 2016 Certification Audit: December 31, 2015	September 14, 2018* [Expired]
2	Certificate of Quality Management System applicable to manufacture & supply of veneer, plywood, block board and flush door ISO 9001: 2008	British Certifications Inc.	14891	January 14, 2016 Certification Audit: December 30, 2015	September 14, 2018* [Expired]
3	Certificate of The Occupational Health and Safety Management System applicable to manufacture & supply of veneer, plywood, block board and flush door OHSAS 18001: 2007	British Certifications Inc.	14892	January 14, 2016 Certification Audit: December 30, 2015	January 13, 2019
4	Certification Marks License as per	Bureau of Indian Standards, Kolkata Branch Office	CM/L – 5490068	Valid from: July 01, 2018	June 30, 2019

	IS 710:2010				
5	Certification Marks License as per IS 4990: 2011	Bureau of Indian Standards, Kolkata Branch Office	CM/L – 5492779	July 19, 2018 Valid from: July 01, 2018	June 30, 2019
6	Certification Marks License as per IS 2202: Part I: 1999	Bureau of Indian Standards, Kolkata Branch Office	CM/L – 5634066	November 06, 2017 Valid from: September 17, 2017	September 16, 2018* [Expired]
7	Certification Marks License as per IS 1659: 2004	Bureau of Indian Standards, Kolkata Branch Office	CM/L – 5484881	Valid from: May 01, 2018	April 30, 2019
9	Certification Marks License as per IS 303: 1989	Bureau of Indian Standards, Kolkata Branch Office	CM/L – 5470971	April 02, 2018 Valid from: February 01, 2018	January 31, 2019

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

TRADEMARKS

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration status
1.		Device	35	Sylvan Plyboard (India) Private Limited	2715950	April 10, 2014	April 10, 2024	Registered
2.		Device	19	Sylvan Plyboard (India) Private Limited	2645001	December 18, 2013	December 18, 2023	Registered
3.		Device	35	Sylvan Plyboard (India) Private Limited	2645002	December 18, 2013	December 18, 2023	Registered
4.		Device	19	Sylvan Plyboard (India) Private Limited	2568692	July 23, 2013	July 23, 2023	Registered
5.		Device	35	Sylvan Plyboard (India) Private Limited	2568693	July 23, 2013	July 23, 2023	Registered
6.	NATIVE	Device	19	Singh Brothers Exim Private Limited	1789100	February 24, 2009	February 24, 2019	Registered [Due for Renewal]
7.	FORTIS	Word	19	Singh Brothers Exim Private Limited	1789098	February 24, 2009	February 24, 2019	Registered [Due for Renewal]
8.		Device	35	Singh Brothers Exim Private Limited	2357753	July 03, 2012	July 03, 2022	Registered

9.		Device	19	Singh Brothers Exim Private Limited	2357752	July 03, 2012	July 03, 2022	Registered
10.	SYLVAN	Device	42	Singh Brothers Exim Private Limited	1984330	June 24, 2010	June 24, 2020	Registered
11.	A E X	Word	19	Singh Brothers Exim Private Limited	1797354	March 19, 2009	March 19, 2019	Registered [Due for Renewal]
12.		Device	37	Singh Brothers Exim Private Limited	2066476	December 10, 2010	December 10, 2020	Registered
13.		Device	19	Singh Brothers Exim Private Limited	1908949	January 14, 2010	January 14, 2020	Registered
14.		Device	19	Singh Brothers Exim Private Limited	2066478	December 10, 2010	December 10, 2020	Registered
15.		Device	42	Singh Brothers Exim Private Limited	2066477	December 10, 2010	December 10, 2020	Registered
16.		Device	35	Singh Brothers Exim Private Limited	2066479	December 10, 2010	December 10, 2020	Registered
17.		Device	19	Singh Brothers Exim Private Limited	2071846	December 21, 2010	December 21, 2020	Registered

18.		Device	19	Singh Brothers Exim Private Limited	2071848	December 21, 2010	December 21, 2020	Registered
19.		Device	37	Singh Brothers Exim Private Limited	1984329	June 24, 2010	June 24, 2020	Registered
20.		Device	42	Singh Brothers Exim Private Limited	1984331	June 24, 2010	June 24, 2020	Registered
21.	Sylvan	Word	35	Singh Brothers Exim Private Limited	1984332	June 24, 2010	June 24, 2020	Registered
22.	SYLVAN	Device	37	Singh Brothers Exim Private Limited	1984333	June 24, 2010	June 24, 2020	Registered
23.	Sylvan	Word	19	Singh Brothers Exim Private Limited	1921923	February 15, 2010	February 15, 2020	Registered
24.		Device	19	Singh Brothers Exim Private Limited	1904242	January 01, 2010	-	Accepted & Advertised
25.		Device	19	Singh Brothers Exim Private Limited	1919461	February 08, 2010	-	Objected
26.	SYLVAN	Device	19	Singh Brothers Exim Private Limited	1789099	February 24, 2009	-	Accepted & Advertised

27.		Device	19	Singh Brothers Exim Private Limited	2071847	December 21, 2010	-	Opposed
28.	SYLVAN	Word	35	Singh Brothers Exim Private Limited	1984328	June 24, 2010	-	Opposed
29.		Device	19	Sylvan Plyboard (India) Private Limited	2715949	April 10, 2014	-	Objected

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

PENDING APPROVALS:

1. Application for change of name from “Sylvan Plywood (India) Private Limited” to “Sylvan Plywood (India) Limited” of all the above-mentioned approvals in not made by the Company.
2. Consent to Operate under Section 25 and Section 26 of the Water (Prevention & Control of Pollution) Act, 1974 and under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 is expired and our Company vide letter dated January 15, 2018 have applied for extension upto December 2018 and it is pending.

***MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY**

1. Consent to Establish Certificate is in the name of Singh Brothers Exim Private Limited and our company has not applied for change of name of the same.
2. Certificate of Registration of Generating Plants (under Section 7B of Bengal Electricity Duty Act, 1935 and under Rule 9D and Rule 11 of the Bengal Electricity Duty Rules, 1935) is expired and the Company has not applied for renewal of it.
3. Certificate of Registration under Section 7 (2) of the Contract Labour (Regulation & Abolition) Act, 1970 is expired on June 09, 2017 and the Company has not applied for renewal of it. Company yet to apply for the renewal of the certificate of enlistment for the registered office and corporate office.
4. Authorization / Renewal of Authorization under Rule 5 of the Hazardous Wastes (Management, handling & Trans boundary movement) Rules 2008.
5. Currently certification marks license bearing no. CM/L 5634066, Certificate of Quality Management System ISO 9001:2008 bearing certificate no. 14891 and Certificate of Environment Management System ISO 14001:2004 bearing certificate no. 14890 are expired and our company is yet to make renewal application for the same.

ORIGINAL CERTIFICATES NOT TRACEABLE

1. Our Company has TAN certificate but currently TAN allotment certificate is not traceable.
2. Registration for Employees State Insurance (under Employees State Insurance Act, 1948)
3. Certificate of Registration for Property Tax for **Registered Office** (under Kolkata Municipal Corporation Act, 1980 and the Howrah Bridge Act, 1926).

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on June 20, 2018 and by the shareholders of our Company vide a special resolution pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on June 25, 2018 at the Registered Office of our Company.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Directors, Promoters, Promoter Group, Group Companies and natural persons behind the corporate Promoters are not prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority as on the date of this Draft Red Herring Prospectus.

Neither our Promoters, nor any of our Directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Draft Red Herring Prospectus.

Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

None of our Directors are associated with the securities market in any manner, including securities market related business.

PROHIBITION BY RBI

Neither our Company nor any of our Promoters, relative of Promoters (as per Companies Act, 2013) Group Companies and our Directors have been declared as wilful defaulter(s) by the RBI or any other governmental authority.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M(2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital is more than Rs. 1,000 lakhs and upto 2,500 lakhs. Our Company also complies with the eligibility conditions laid by the National Stock Exchange of India Limited for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and that the BRLM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 78 of this Draft Red Herring Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Draft Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Red herring Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Book Running Lead Manager and Market Maker to ensure compulsory market

making for the minimum period of three years from the date of listing of equity shares offered in this issue or till the date of migration to main board in terms of Regulation 106 (T) of the SEBI (ICDR) Regulations.”. For further details of the market making arrangement see chapter titled “General Information” beginning on page 78 of this Draft Red Herring Prospectus.

5. The Company has track record of 3 Years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application.
6. Net-worth of the company is positive.
7. The Company has not been referred to Board for Industrial and Financial Reconstruction.
8. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
10. The Company has a website: www.sylvanply.com.
11. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting companies of the Company.
12. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE A

DUE DILIGENCE CERTIFICATE AND WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE DRAFT RED HERRING PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992

“WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - A. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE**

FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. – NOTED FOR COMPLIANCE

- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**
- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEM ORANDUM OF ASSOCIATION. – COMPLIED TO THE EXTENT APPLICABLE.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE, AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT FORM ONLY.**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY - NOTED FOR COMPLIANCE
16. WE ENCLOSE STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER’ AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.” COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS
18. WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS – NOT APPLICABLE

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES / ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. - NOTED FOR COMPLIANCE
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE EQUITY SHARES OF THE ISSUER. – NOTED FOR COMPLIANCE
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-

REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS.

(6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note:

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in this Draft Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus with the Registrar of Companies, Kolkata, West Bengal in terms of Section 26 and 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.sylvanply.com would be doing so at his or her own risk.

Caution

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Book Running Lead Manager and our Company dated August 13, 2018 the Underwriting Agreement dated [●] entered into among the Underwriter and our Company and the Market Making Agreement dated [●] entered into among the Market Maker(s), Book Running Lead Manager and our Company.

Our Company and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, etc.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Book Running Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer “Annexure A” to this Draft Red Herring Prospectus and the website of Book Running Lead Manager at www.pantomathgroup.com.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [●] dated [●] permission to the Issuer to use the Exchange’s name in this Offer Document as the stock exchange on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer

document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever".

FILING

The Draft Red Herring Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and Prospectus shall be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Red Herring Prospectus and Prospectus, along with the documents required to be filed under Section 26 and Section 32 of the Companies Act, 2013 will be delivered to the ROC situated at Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata – 700020.

LISTING

Application will be made to the National Stock Exchange of India Limited" for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited will be Designated Stock Exchange, with which the Basis of Allotment will be finalised.

The EMERGE Platform of National Stock Exchange of India Limited has given its in-principal approval for using its name in our offer document vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the EMERGE Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of the National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Banker to the Company and (b) Book Running Lead Manager, Syndicate Member, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue, Syndicate Member to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

Except as stated below, Our Company has not obtained any expert opinions:

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits

- Report of the Peer Reviewed Auditor on Restated Financial Statements for the financial year ended March 31, 2018, 2017, 2016, 2015 and 2014 of our company.

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “Objects of the Issue” beginning on page 112 of this Draft Red Herring Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated August 13, 2018 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, Banker to issue *etc.* will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

Except as stated in the chapter titled “*Capital Structure*” beginning on page 90 of this Draft Red Herring Prospectus We have not made any previous rights and/or public issues since Incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 90 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATE COMPANIES

None of our Group Companies or Associate Companies have undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Draft Red Herring Prospectus.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY AND/OR LISTED GROUP COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

None of the equity shares of our Group Companies are listed on any recognised stock exchange which is falling under the Criteria of Section 370 (1B). None of the above companies have raised any capital during the past 3 years.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant / Bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants / bidders.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee/ Investor Grievance Committee of the Board *vide* resolution passed at the Board Meeting held on July 10, 2018. For further details, please refer to the chapter titled “*Our Management*” beginning on page 185 of this Draft Red Herring Prospectus.

Our Company has appointed Rajneesh Mishra as Company Secretary and Compliance Officer and she may be contacted at the following address:

Rajneesh Mishra
Sylvan Plyboard (India) Limited
41, B. B. Ganguly Street, 4th Floor,
Kolkata 700012 , West Bengal, India.
Tel: 033 22117418
Fax: 033 22117418
Email: cs@sylvanply.com

Website: www.sylvanply.com

Corporate Identification Number: U51431WB2002PLC095027

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

There have been no changes in Auditors of our Company in during the last three years preceding the date of this Draft Red Herring Prospectus.

CAPITALISATION OF RESERVES OR PROFITS

Our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since Incorporation.

PURCHASE OF PROPERTY

Except as disclosed in this Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, Our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Draft Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 1, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 389 of this Draft Red Herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” on page 214 of this Draft Red Herring Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price at the lower end of Price Band is Rs. [●] per Equity Share and at the higher end of the Price Band is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in All edition of the English national newspaper [●], All edition of the Hindi national newspaper [●] and the Regional newspaper [●], each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the

relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 389 of this Draft Red Herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated [●], 2018 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated [●], 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States

or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

NOMINATION FACILITY TO BIDDERS

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after

the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	[●]
Bid / Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of National Stock Exchange of India Limited from SME Exchange on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

MARKET MAKING

The shares issued and transferred through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 78 of this Draft Red Herring Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on EMERGE Platform of National Stock Exchange of India Limited.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

Reserve Bank of India vide notification no. FEMA20(R)/2017-RB dated November 07, 2017 issued the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017. The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. Reserve Bank of India also inserted new definition of Capital Instruments.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals

OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 90 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 389 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, our post issue face value capital does not exceed ten crore rupees and upto twenty five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 328 and 338 of this Draft Red Herring Prospectus.

Following is the issue structure:

Initial Public Issue of upto 33,64,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. [●] (including a premium of Rs. [●]) aggregating to Rs. [●]. The Issue comprises a Net Issue to the public of up to [●] Equity Shares (the "Net Issue"). The Issue and Net Issue will constitute [●] % and [●] % of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of [●] Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	Qualified Institutional Bidders	Market Maker Reservation Portion	Non –Institutional Bidders	Retail Individual Bidders
Number of Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares
Percentage of issue Size available for allocation	[●] % of Net issue shall be allocated to QIBs. However, up to [●] Equity shares consisting of [●]% the QIB Portion shall be available for allocation proportionately to Mutual fund	[●] % of issue Size	[●] % of the net issue shall be available for allocation	[●] % of issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each as follows:- a) [●] Equity Shares, consisting [●]% of the QIB portion, shall be Firm allotment Proportionate available for allocation on proportionate basis to Mutual Funds; b) [●] Equity shares shall be allotted on a proportionate basis to all QIBs including	Firm allotment	Proportionate	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each. For further details please refer to the section titled "Issue Procedure" beginning on

Particulars	Qualified Institutional Bidders	Market Maker Reservation Portion	Non –Institutional Bidders	Retail Individual Bidders
	Mutual Funds receiving allocation as per (a) above For further details please refer to the section titled “Issue Procedure” beginning on page 338 of the Draft Red Herring Prospectus			page 338 of the Draft Red Herring Prospectus
Mode of Bid cum Application	All Applicants/Bidders shall make the application (Online or Physical through ASBA Process only)	Through ASBA Process only	All Applicants/Bidders shall make the application (Online or Physical through ASBA Process only)	Through ASBA Process only
Minimum Bid Size	Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size exceeds Rs 2,00,000	[●] Equity Shares of Face Value of Rs. 10.00 each	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds Rs. 2,00,000	[●] Equity Shares of Face Value of Rs. 10.00 each
Maximum Bid Size	Not exceeding the size of the Issue subject to regulations as applicable to the Bidder	[●] Equity Shares of Face Value of Rs 10 each	Not exceeding the size of the Issue	[●] Equity Shares of Face Value of Rs 10 each
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	[●] Equity Shares	[●] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares	[●] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations
Terms of payment	The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate, except for Anchor Investors. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form.			

- 1) *In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price;*
- 2) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non- Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*
- 3) *In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”), the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process, in accordance with chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended the (“SEBI ICDR Regulations”) wherein [●] % of the Net Issue will be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Category”), 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.*
- 4) *Such number of Equity Shares representing [●] % of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.*

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange. In

terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	[●]
Bid / Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., all trading days of stock exchanges excluding Sundays and bank holidays.

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document"), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under "Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.

Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Bid cum Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by National Stock Exchange of India Ltd. to act as intermediaries for submitting Bid cum Application Forms are provided on <http://www.nseindia.com> For details on their designated branches for submitting Bid cum Application Forms, please see the above mentioned NSE website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Bid cum Application Forms.

BOOK BUILDING PROCEDURE

The Issue is being made through the Book Building Process wherein not more than 50 % of the Issue shall be available for allocation to Qualified Institutional Buyers on a proportionate basis. Out of the QIB Portion [●] % shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for Allotment on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price.

Further, [●] % of the Issue would be available for allocation to Non-Institutional Bidders and [●] % of the Issue would be available for allocation to Retail Individual Bidders on a proportionate basis, subject to valid bids being received from them at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill

over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.basis.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the National Stock Exchange of India Limited (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the issue only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

**excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Red Herring Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- i. an SCSB, with whom the bank account to be blocked, is maintained
- ii. a syndicate member (or sub-syndicate member)
- iii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")

- iv. a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. a registrar to an Issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by: For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

WHO CAN BID?

In addition to the category of Bidders set forth under “**General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue**”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Bidders:

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

b) For Other Bidders (Non-Institutional Bidders and QIBs):

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders,

who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

INFORMATION FOR THE BIDDERS

- a. Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.
- b. Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c. The Price Band as decided by our Company in consultation with the Book Running Lead Manager is Rs. [●] per Equity Share. The Floor Price of Equity Shares is Rs. [●] per Equity Share and the Cap Price is Rs. [●] per Equity Share and the minimum bid lot is of [●] Equity Shares. Our Company shall also announce the Price Band at least five Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.
- d. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the Bid cum Application Forms available on the websites of the stock exchanges.
- e. The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.

OPTION TO SUBSCRIBE IN THE ISSUE

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single Bid cum application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law

AVAILABILITY OF DRAFT RED HERRING PROSPECTUS AND BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and National Stock Exchange of India Limited (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI's ON REPATRIATION BASIS

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company.

An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and National Stock Exchange of India Limited (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

PARTICIPATION BY ASSOCIATED/AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATIONS BY ELIGIBLE NRI'S

NRI's may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour)

BIDS BY FPI INCLUDING FIIs

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment

limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the

mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.

d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form

e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the ASBA Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

TERMS OF PAYMENT

Terms of Payment

The entire Issue price of Rs. [●] per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for Bidders

The Bidders shall specify the bank account number in the Bid cum Application Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid cum application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated [●].
- b) A copy of the Red Herring Prospectus and Prospectus will be filed with the RoC in terms of Section 32 and 26 of the Companies Act, 2013.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
8. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
13. Ensure that the Demographic Details are updated, true and correct in all respects;

14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
15. Ensure that the category and the investor status is indicated;
16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
19. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
20. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
21. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
22. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Dont's:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Red Herring Prospectus;

11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit more than five Bid cum Application Forms per ASBA Account;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

IMPERSONATION

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447.”

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at EMERGE platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to

the disclosure and monitoring of the utilisation of the proceeds of the Issue.

5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated [●], among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated [●], among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no. INE01IH01015.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the Red Herring Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders in IPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Bidders should note that investment in equity and equity related securities involves risk and Bidder should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”)/Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in;

For the definitions of capitalized terms and abbreviations used herein Bidders may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the DRHP.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer. For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post- issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and up to twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

2.3 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, issue has to be 100% underwritten and the BRLM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issue any observations on the Offer Document. The Book Running Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the issue.
- (e) The company should have track record of at least 3 years
- (f) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive
- (g) The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crore.
- (h) The issuer shall mandatorily facilitate trading in demat securities.
- (i) The issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (j) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
- (k) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the issuer
- (l) The Company should have a website. Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent

circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this issue.

Thus Company is eligible for the issue in accordance with regulation 106M (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital is more than Rs. 1000 Lakhs and upto Rs. 2500 Lakhs. Company also complies with the eligibility conditions laid by the EMERGE Platform of National Stock Exchange of India Limited for listing of our Equity Shares.

2.4 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (**“Book Built issues”**) or undertake a Fixed Price Issue (**“Fixed Price Issues”**). An issuer may mention Price or Price Band in the Draft Red Herring Prospectus (in case of a fixed price Issue) and Floor price or price band in the Draft Red Herring Prospectus (in case of a book built issue) and determine the price at a later date before registering the prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM and the advertisement in the newspaper(s) issued in this regard

2.6 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

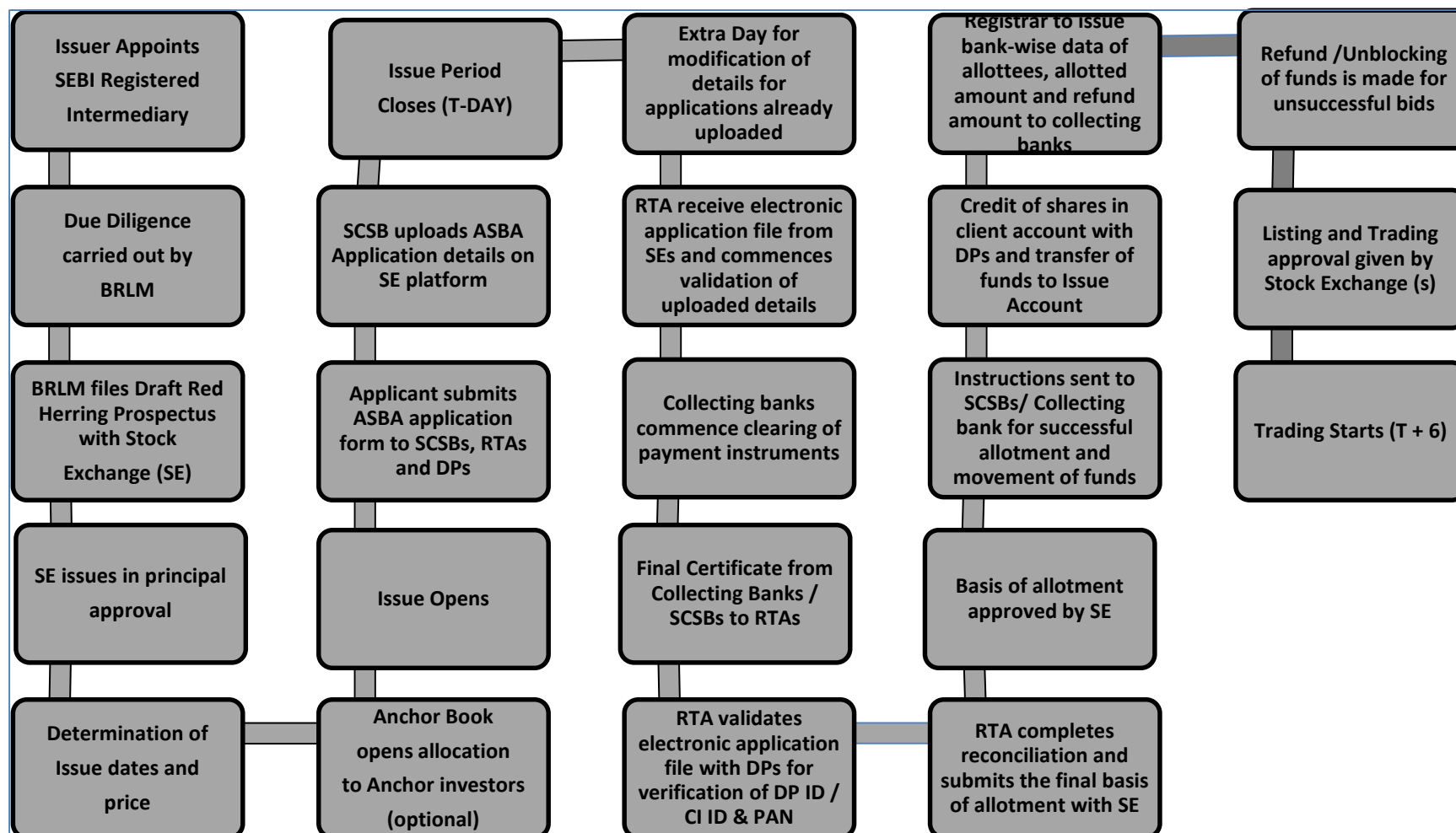
- (a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to Stock Exchange for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.7 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the book running lead manager, members of the Syndicate, Registered Brokers, Designated Intermediaries at Branches of the Bidding Centres, SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the DRHP/RHP.

Fixed Price Issue: Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Red Herring Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form (Excluding downloaded forms from SE website)
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders applying in the reserved category	Not Applicable

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ ASBA FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GUID, the DRHP and the Bid cum Application Form/ Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non- resident Bidders are reproduced below:

R Bid cum Application Form

COMMON BID CUM APPLICATION FORM	SYLVAN PLYBOARD (INDIA) LIMITED - INITIAL PUBLIC ISSUE - R Registered Office: 41, B. B. Ganguly Street, 4th Floor, Kolkata - 700012, West Bengal, India. Telefax: 033 22117418, Email: info@sylvanply.com, Website: www.sylvanply.com; CIN NO: U51431W B2002PLC095027	FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																																																																						
Sylvanply break nahi baanta	To, The Board of Directors SYLVAN PLYBOARD (INDIA) LIMITED	BOOK BUILT ISSUE ISIN - INE																																																																						
Bid Cum Application Form No. _____																																																																								
SYNDICATE MEMBER'S STAMP & CODE	BROKER'S / SCBS / CDP / RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER Mr./Ms./M/s. _____ Age _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____																																																																						
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK / SCBS BRANCH STAMP & CODE	2. PAN OF SOLE/FIRST BIDDER _____																																																																						
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6. INVESTOR STATUS ☐ Individual(s) - IND ☐ Hindu Undivided Family* - HUF ☐ Non-Resident Indians - NRI (Non-Repatriation basis) ☐ Bodies Corporate - CO ☐ Banks & Financial Institutions - FI ☐ Mutual Funds - MF ☐ National Investment Funds - NIF ☐ Insurance Companies - IC ☐ Venture Capital Funds - VCF ☐ Alternate Investment Funds - AIF ☐ Others (Please Specify) - OTH *HUF Should apply only through Karta (Application by HUF would be treated on par with individual)																																																																								
7. PAYMENT DETAILS PAYMENT OPTION : Full Payment ☐ Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____																																																																								
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.																																																																								
8A. SIGNATURE OF SOLE / FIRST BIDDER Date: _____, 2018	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCBS to do all acts as are necessary to make the Application in the Issue: 1) _____ 2) _____ 3) _____																																																																							
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NR Bid cum Application ASBA Form

COMMON
BID CUM
APPLICATION
FORM

SYLVAN PLYBOARD (INDIA) LIMITED - INITIAL PUBLIC ISSUE - NR
Registered Office: 41, B. B. Ganguly Street, 4th Floor, Kolkata - 700012, West Bengal, India.
Telefax: 033 22117418, Email: info@sylvanply.com, Website: www.sylvanply.com;
CIN NO: U51431W B2002PLC095027

FOR NON-RESIDENTS, INCLUDING
ELIGIBLE NRIs, FIIs, FPIs OR FVCIs,
ETCAPPLYING ON A REPATRIATION
BASIS

To,
The Board of Directors
SYLVAN PLYBOARD (INDIA) LIMITED

BOOK BUILT ISSUE
ISIN - INE _____

Bid Cum Application Form No. _____

SYNDICATE MEMBER'S STAMP & CODE

BROKER'S / SCSE / CDP / RTA STAMP & CODE

1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER

Mr./Ms./M/s. _____ Age _____

Address _____

Email _____

Tel. No (with STD code) / Mobile _____

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

ESCROW BANK / SCSE BRANCH STAMP & CODE

2. PAN OF SOLE/FIRST BIDDER

BANK BRANCH SERIAL NO.

SCSE SERIAL NO.

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

4. BID OPTIONS (Only Retail individual Bidders can BID at "Cut-Off". Price band Rs. [●]/- to Rs. [●]/-)

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [●] equity shares)								Price per Equity Share (₹) / "Cut-off"				"Cut-Off" (Please (✓) tick)
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price		
Option 1													☐
(OR) Option 2													☐
(OR) Option 3													☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non Institutional Bidder

☐ QIB

6. INVESTOR STATUS

☐ NRI Non-Resident Indian(s)
(Repatriation basis)

☐ FI FI or Sub Account not a Corporate/
Foreign Individual

☐ FIIA FI Sub Account Corporate/Individual

☐ FVCI Foreign Venture Capital Investor

☐ FPI Foreign Portfolio Investor

☐ OTH Others (Please Specify) _____

7. PAYMENT DETAILS

Amount Blocked (₹ in figures) _____ (₹ in words) _____

ASBA Bank A/c No. _____

Bank Name & Branch _____

8A. SIGNATURE OF SOLE / FIRST BIDDER

Date: _____, 2018

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize the SCSE to do all acts as are necessary to make the Application in the Issue

1) _____

2) _____

3) _____

SYNDICATE MEMBER/BROKER / SCSE / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

9. ACKNOWLEDGEMENT SLIP FOR BIDDER

Stamp & Signature of Syndicate Member / Registered Broker / SCSE / CDP / RTA

DPID / CLID

PAN of Sole / First Bidder

Bid Cum Application Form No.

Amount Blocked (₹ in figures)

ASBA A/c. No.

Stamp & Signature of SCSE Branch

Bank & Branch

Received from Mr./Ms./M/s.

Stamp & Signature of Bidder

Telephone / Mobile

Email

Stamp & Signature of Bidder

SYLVAN PLYBOARD (INDIA) LIMITED - INITIAL PUBLIC ISSUE - NR

Option 1 Option 2 Option 3

Name of Sole / First Bidder

No. of Equity Shares

Stamp & Signature of Syndicate Member / Registered Broker / SCSE / CDP / RTA

Name of Sole / First Bidder

Bid Price

Stamp & Signature of Syndicate Member / Registered Broker / SCSE / CDP / RTA

Name of Sole / First Bidder

Amount Blocked (₹)

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Name of Sole / First Bidder

4.1.1 : NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

Bidders should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Bidders should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the Bid cum Application Form/ Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Bids:** In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder would be required in the Bid cum Application Form/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Bidders is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- *makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or*
- *makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,*

Shall be liable for action under Section 447 of the said Act.

- (d) **Nomination Facility to Bidder:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

4.1.2 PAN NUMBER OF SOLE /FIRST BIDDER

- a) PAN (of the sole/first Bidder) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim ("PAN Exempted Bidders"). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the Bid cum Application Form, irrespective of the Bid Amount. Bids by the Bidders whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c) The exemption for the PAN Exempted Bidders is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary

owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

- d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.
- e) Bids by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 BIDDERS DEPOSITORY ACCOUNT DETAILS

- a) Bidder should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the **Bid cum Application Form is liable to be rejected.**
- b) Bidder should ensure that the beneficiary account provided in the Bid cum Application Form is active.
- c) Bidder should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to the issue.
- d) Bidders are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders’ sole risk.

4.1.4 : BID OPTIONS

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the DRHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Bid Value and Bid Lot:** The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is within the range of above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.
- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer the DRHP or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.
- b) In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 2,00,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- e) RII may revise or withdraw their bids until Bid/Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least Rs 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the issue size.
- i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the issue Price, the number of Equity Shares Bid for by a Bidder at or above the issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker

and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

4.1.5 CATEGORY OF BIDDERS

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.

(c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the DRHP.

4.1.6 INVESTOR STATUS

(a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

(c) Bidders should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders should ensure that their investor status is updated in the Depository records.

4.1.7 PAYMENT DETAILS

- i. The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the Bid cum Application Form. If discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- ii. Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- iii. Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.
- iv. All Bidders can participate in the issue only through the ASBA mechanism.
- v. Please note that, providing bank account details in the space provided in the Bid cum Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1. Payment instructions for Bidders

- a) Bidders may submit the Bid cum Application Form either
 - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - ii. in physical mode to any Designated Intermediary.
- b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.
- d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bid cum Application Forms can be submitted.
- f) Bidders should submit the Bid cum Application Form only at the Bidding Centre i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations
- g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that Bid cum Application Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit Bid cum Application Forms.
- h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as

mentioned in the Bid cum Application Form.

- j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.
- l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs
- m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.8. Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful Bids transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.
- (d) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

4.1.8.1. Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

4.1.8.2. Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9. SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid/ amount mentioned in the Bid cum Application Form.
- (d) Bidders must note that Bid cum Application Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

4.1.10. ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bid made in the issue should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the Issue.
 - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.
 - iii. Bidders may contact the Company Secretary and Compliance Officer or BRLM in case of any other complaints in relation to the issue.
 - iv. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
 - v. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
 - vi. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
 - vii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.
- (c) The following details (as applicable) should be quoted while making any queries -
 - i. Full name of the sole or First Bidder, Bid cum Application Form number, Bidder' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
 - ii. name and address of the Designated Intermediary, where the Bid was submitted; or

For further details, Bidder may refer to the Red Herring Prospectus and the Bid cum Application Form.

4.2. INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise / withdraw their Bid till closure of the Bid/Issue period.

- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid.

A sample Revision form is reproduced below:

Revision Form – R

COMMON BID REVISION FORM	SYLVAN PLYBOARD (INDIA) LIMITED- INITIAL PUBLIC ISSUE - R Registered Office: 41, B. B. Ganguly Street, 4th Floor, Kolkata - 700012, West Bengal, India. Telefax: 033 22117418, Email: info@sylvanply.com, Website: www.sylvanply.com; CIN NO: U51431WB2002PLC095027	FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

Sylvanply To, The Board of Directors SYLVAN PLYBOARD (INDIA) LIMITED	BOOK BUILT ISSUE ISIN - INE	Bid Cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER / SCSE / CDP / RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER Mr./Ms./M/s. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S/SUB-AGENT'S STAMP & CODE	ESCROW BANK / SCSE BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER _____
BANK BRANCH SERIAL NO.	SCSE SERIAL NO.	3. BIDDERS DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

PLEASE CHANGE MY BID									
4. FROM (AS PER LAST BID OR REVISION)									
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of 1 equity shares)								
	8	7	6	5	4	3	2	1	
Option 1									
(OR) Option 2									
(OR) Option 3									

5. TO (REVISED BID) (Only Retail individual Bidders can BID at "Cut-off")									
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of 1 equity shares)								
	8	7	6	5	4	3	2	1	
Option 1									
(OR) Option 2									
(OR) Option 3									

6. PAYMENT DETAILS									
Additional Amount Paid (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____									

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE / FIRST BIDDER _____ Date: 2018	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSE to do all acts as are necessary to make the Application in the Issue 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER/BROKER / SCSE / CDP / RTA STAMP (acknowledging upload of Bid in Stock Exchange system)

Sylvanply SYLVAN PLYBOARD (INDIA) LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Syndicate Member Broker/SCSE/CDP/RTA	Bid Cum Application Form No.

DPID / CLID _____	PAN of Sole / First Bidder _____	Additional Amount Blocked (₹ in figures) _____ ASBA A/c No. _____ Bank & Branch _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____

SYLVAN PLYBOARD (INDIA) LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R No. of Equity Shares _____ Bid Price _____ Additional Amount Blocked (₹) _____ ASBA Bank A/c No.: _____ Bank & Branch: _____	Stamp & Signature of Syndicate Member / Registered Broker / SCSE / CDP / RTA _____	Name of Sole / First Bidder _____ Acknowledgment Slip for Bidder Bid Cum Application Form No. _____

Revision Form – NR

COMMON BID REVISION FORM	SYLVAN PLYBOARD (INDIA) LIMITED - INITIAL PUBLIC ISSUE - NR	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs/FPIs OR FVCIs, ETCAP/PLACING ON A REPATRIATION BASIS
	Registered Office: 41, B. B. Ganguly Street, 4th Floor, Kolkata - 700012, West Bengal, India. Telefax: 033 22117418, Email: info@sylvanply.com, Website: www.sylvanply.com; CIN NO: U51431W B2002PLC095027	

	To, The Board of Directors SYLVAN PLYBOARD (INDIA) LIMITED	BOOK BUILT ISSUE ISIN - INE	Bid Cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER / SCBS / CDP / RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER Mr./Ms./M/s. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S/SUB-AGENT'S STAMP & CODE	SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	2. PAN OF SOLE / FIRST BIDDER _____
		3. BIDDERS DEPOSITORY ACCOUNT DETAILS ■ NSDL ■ CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

PLEASE CHANGE MY BID									
4. FROM (AS PER LAST BID OR REVISION)									
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [●] equity shares)								
	8	7	6	5	4	3	2	1	
Option 1									
(OR) Option 2									
(OR) Option 3									

5. TO (REVISED BID) (Only Retail individual Bidders can BID at "Cut-Off")									
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [●] equity shares)								
	8	7	6	5	4	3	2	1	
Option 1									
(OR) Option 2									
(OR) Option 3									

6. PAYMENT DETAILS									
Additional Amount Blocked (₹ in Figures) _____ (₹ in words) _____									
ASBA Bank A/c No. _____									
Bank Name & Branch _____									

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVER LEAF 1/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVER LEAF.

7A. SIGNATURE OF SOLE / FIRST BIDDER Date: _____ 2018	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDERS (AS PER BANK RECORDS) I/We authorize the SCBS to do all acts as are necessary to make the Application in the Issue 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER/BROKER / SCBS / CDP / RTA STAMP (acknowledging upload of Bid in Stock Exchange system)

		SYLVAN PLY BOARD (INDIA) LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Syndicate Member Registered Broker/SCBS/CDP/RTA	Bid Cum Application Form No.
PAN of Sole / First Bidder				
Additional Amount Blocked (₹ in figures)	ASBA A/c No.	Stamp & Signature of SCBS Branch		
Bank & Branch				
Received from Mr./Ms.				
Telephone / Mobile	Email			

SYLVAN PLY BOARD INDIA LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - NR	Option 1	Option 2	Option 3	Stamp & Signature of Syndicate Member / Registered Broker / SCBS / CDP / RTA	Name of Sole / First Bidder	
	No. of Equity Shares					
	Bid Price					
	Additional Amount Blocked (₹)					
ASBA Bank A/c No.:					Acknowledgment Slip for Bidder	
Bank & Branch:						
Bid Cum Application Form No.						

4.2.1. NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2. BID OPTIONS REVISION ‘FROM’ AND ‘TO’ -

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- (b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

4.2.3. PAYMENT DETAILS

- a) All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Bidder may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the DRHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted

downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

- d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4. SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3. SUBMISSION OF REVISION FORM/ BID CUM APPLICATION FORM /APPLICATION FORM

4.3.1. Bidders may submit completed Bid cum Application form / Revision Form in the following manner:-

Mode of Bid	Submission of Bid cum Application Form
All investors Bids	To the Bid cum Application Collecting Intermediaries as mentioned in the Draft Red Herring Prospectus/ Bid cum Application Form

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

This being book built issue procedure for fixed price issue is not applicable.

SECTION 6- ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

6.1 SUBMISSION OF BIDS

- a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the DRHP.

6.2 ELECTRONIC REGISTRATION OF BIDS

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform

during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

6.3 BUILD UP OF THE BOOK

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Issue Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

6.4 WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- a) **The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:**
 - 1) the Bids accepted by the Designated Intermediaries,
 - 2) the Bids uploaded by the Designated Intermediaries, and
 - 3) the Bid cum Application Forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

GROUNDS OF REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;

- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Where no confirmation is received from SCSB for blocking of funds
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the Bid cum Application Form

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.
- Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.20 to Rs 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being Book Built Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the EMERGE Platform of National Stock Exchange (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the oversubscription ratio).
- (c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted [●] equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- (d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this DRHP.

- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Bidders as described below:
- As the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - The balance net Issue of shares to the public shall be made available for allotment to
 - individual bidders other than retails individual investors and
 - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - The unsubscribed portion of the net Issue to any one of the categories specified in a) or b) shall/may be made available for allocation to bidders in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.

The Executive Director / Managing Director of the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**
- Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such

permission is sought are disclosed in Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus. The Designated Stock Exchange may be as disclosed in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders in pursuance of the DRHP/Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 2013 and as disclosed in the DRHP.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under Section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

Within 6 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bids and also for any excess amount blocked on Bids.

8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Bidders
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders.
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account.
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai and Kolkata.
ASBA Bidders	Any Bidder except Anchor Investor
ASBA form/ Bid Cum Application	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Draft Red Herring Prospectus.
Banker(s) to the Issue/Public Issue Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 338 of this Draft Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid Cum Application Collecting Intermediaries	1. a SCSB with whom the bank account to be blocked, is maintained; 2. a syndicate member (or sub-syndicate member), If any; 3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)(‘broker’), if any; 4. a depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Term	Description
	5. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Bid cum Application form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus
Bid Lot	[●] Equity shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●], and [●] edition of the Regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidder	Any prospective Resident Indian investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied.
Bidding/collecting Centre	Centres at which the Designated Intermediaries shall accept the Bid Cum Application Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue namely Pantomath Capital Advisors Private Limited, SEBI registered Category – I Merchant Banker.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the website of National Stock Exchange of India Limited.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids (or a revision thereof) will be accepted.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.

Term	Description
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Bidders with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders/Applicants such as their address, PAN, occupation and bank account details.
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Date	The date on which the Collection Banks transfer funds from the public issue accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Fresh Issue may give delivery instructions for the transfer of the respective Offered Shares.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Bid Cum Application Forms from the Bidders, in relation to the Issue.
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited.
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated September 18, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Eligible NRI	NRIs from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe for the Equity Shares offered herein on the basis of the terms thereof.
EMERGE Platform of NSE/ SME Exchange	The EMERGE Platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or

Term	Description
	above which the Issue Price will be finalised and below which no Bids will be accepted.
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI suitably modified and included in “Issue Procedure” beginning on page 338 of Draft Red Herring Prospectus.
Issue Agreement	The agreement dated August 13, 2018 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Draft Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Draft Red Herring Prospectus.
Issue Proceeds	Proceeds to be raised by our Company through this Issue being Rs. [●] lakhs, for further details please refer chapter title “ <i>Objects of the Issue</i> ” beginning on page 112 of this Draft Red Herring Prospectus.
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of Upto 33,64,000 Equity Shares of face value Rs. 10 each fully paid of our Company for cash at a price of Rs. [●] per Equity Share (the “ <i>Issue Price</i> ”) (including a premium of Rs. [●] per Equity Share) aggregating up to Rs. [●] Lakhs.
Listing Agreement	The Listing Agreement to be signed between our Company and National Stock Exchange of India Limited.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved Portion of [●] Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] for the Market Maker in this Issue.
Market Making Agreement	Market Making Agreement dated [●], 2018 between our Company, Book Running Lead Manager and Market Maker.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Fund Portion	[●] % of the QIB Portion i.e., [●] Equity Shares available for allocation to Mutual Funds, out of the QIB Portion
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, see “Objects of the Issue” on page 112 of this Draft Red Herring Prospectus
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
NSE	National Stock Exchange of India Limited
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail

Term	Description
	Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs.
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs.
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Other Investors	Investors other than Retail Individual Investors. These include individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs. [●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in all edition of the English national newspaper [●], all edition of the Hindi national newspaper [●] and [●] edition of the Regional newspaper [●], each with wide circulation.
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price.
Prospectus	The prospectus to be filed with the ROC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Public Issue Account	The bank account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
QIB Portion	The portion of the Issue being [●] % of the Net Issue consisting of [●] Equity Shares which shall be Allotted to QIBs subject to valid Bids being received at or above the Issue Price.
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	The Red Herring Prospectus dated [●] to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI (ICDR) Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto.

Term	Description
	The Red Herring Prospectus will be registered with the ROC at least three days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the ROC on or after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registered Brokers	Individuals or companies registered with SEBI as “Trading Members” (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited situated at Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059, Maharashtra, India
Registrar Agreement	The agreement dated August 13, 2018, entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI ICDR Regulations, 2009.
Reserved Category / Categories	Categories of persons eligible for making application under reservation portion.
Resident Indian	A person resident in India, as defined under FEMA.
Retail Individual Investors / RIIs	Individual applicants (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs. 2,00,000 in this Issue.
Revision Form	The Form used by Bidders to modify the quantity of Equity Shares in any of their Application Forms or any Previous Revision Form(s).
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.

Term	Description
SME Exchange	EMERGE Platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations.
Specified Locations	Collection centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Syndicate Agreement	Agreement dated [●] entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Pvt Ltd.
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The Agreement dated [●], 2018 entered into between the Underwriter and our Company.
Working Days	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (**“FEMA”**). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (**“RBI”**) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (**“DIPP”**).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (**“FDI”**) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (**“DIPP”**), has issued consolidated FDI Policy Circular of 2017(**“FDI Policy 2017”**), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (**“RBI”**) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings and reporting to RBI.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and

FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 that is:

The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate

ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) “These Articles” means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) “Auditors” means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) * “The Company” shall mean Sylvan Plyboard (India) Limited	Company
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under Section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender
	(i) "In Writing" and “Written” includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k) “Meeting” or “General Meeting” means a meeting of members.	Meeting or General Meeting

Sr. No	Particulars	
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of Section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	Special Resolution
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue	Increase of capital by the Company

Sr. No	Particulars	
	in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	how carried into effect
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to Section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and	Provisions to apply on issue of Redeemable Preference Shares

Sr. No	Particulars	
	(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	
10.	The Company may (subject to the provisions of Sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	Reduction of capital
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	Debentures
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	Issue of Sweat Equity Shares
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	ESOP
14.	Notwithstanding anything contained in these articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidation, Sub-Division And Cancellation

Sr. No	Particulars	
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
MODIFICATION OF CLASS RIGHTS		
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	Modification of rights
19.	The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
20.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	Shares at the disposal of the Directors.
21.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of Section 62 subject to compliance with Section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
22.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner	Shares should be Numbered

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	hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	progressively and no share to be subdivided.
23.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
24.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up
25.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
26.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
27.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
28.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
29.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the	Share Certificates.

Sr. No	Particulars	
	company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act. (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.	
30.	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.	Issue of new certificates in place of those defaced, lost or destroyed.

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	Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	
31.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
32.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognise any interest in share other than that of registered holders.
33.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
UNDERWRITING AND BROKERAGE		
34.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
35.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
CALLS		
36.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay	Directors may make calls

Sr. No	Particulars	
	the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	
37.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
38.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
39.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
40.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
41.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
42.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
43.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the	Proof on trial of suit for money due on shares.

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	Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
44.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
45.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	Payments in Anticipation of calls may carry interest
	LIEN	
46.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	Company to have Lien on shares.
47.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or	As to enforcing lien by sale.

Sr. No	Particulars	
	engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	
48.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	Application of proceeds of sale.
	FORFEITURE AND SURRENDER OF SHARES	
49.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	If call or installment not paid, notice may be given.
50.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of notice.
51.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.

Sr. No	Particulars	
52.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
53.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
54.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
55.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
56.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of Forfeiture.
57.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
58.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
59.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.

Sr. No	Particulars	
60.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
61.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
	TRANSFER AND TRANSMISSION OF SHARES	
62.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares.
63.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	Transfer Form.
64.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	Transfer not to be registered except on production of instrument of transfer.
65.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien.	Directors may refuse to register transfer.

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	That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	
66.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee.
67.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
68.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with Section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debenture holder or other security holders.
69.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
70.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
71.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
72.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.	Recognition of legal representative.

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	Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	
73.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	Titles of Shares of deceased Member
74.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	Notice of application when to be given
75.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer. (Transmission clause).
76.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee.

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77.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.
78.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	Company not liable for disregard of a notice prohibiting registration of transfer.
79.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
80.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
81.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	Nomination

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82.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be; (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.	Transmission of Securities by nominee
	DEMATERIALIZATION OF SHARES	
83.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
84.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
85.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such	Delivery of certificate and giving of notices to

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	document served on or sent to such person shall deemed to be service on all the holders.	first named holders.
	SHARE WARRANTS	
86.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	Power to issue share warrants
87.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	Deposit of share warrants
88.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	Privileges and disabilities of the holders of share warrant
89.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
	CONVERSION OF SHARES INTO STOCK	
90.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion.
91.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall	Transfer of stock.

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	not exceed the nominal amount of the shares from which the stock arose.	
92.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stock holders.
93.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
	BORROWING POWERS	
94.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow.
95.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.
96.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of	Securing payment or repayment of Moneys borrowed.

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	any obligation undertaken by the Company or any person or Company as the case may be.	
97.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.
98.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
99.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
MEETINGS OF MEMBERS		
100.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
101.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
102.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
103.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then	Chairman of General Meeting

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	the Members present shall elect one of the members to be the Chairman of the meeting.	
104.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
105.	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Chairman with consent may adjourn meeting.
106.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
107.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
108.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
VOTES OF MEMBERS		
109.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote.
110.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote	Number of votes each member entitled.

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	only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	
111.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
112.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
113.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
114.	A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.	E-Voting
115.	a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Votes of joint members.
116.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representative
117.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	Representation of a body corporate.
118.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	Members paying money in advance.

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	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
119.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
120.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
121.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy.
122.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105.	Form of proxy.
123.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member.
124.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objections to votes.
125.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
DIRECTORS		
126.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number	Number of Directors

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	of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	
127.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
128.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	Nominee Directors.
129.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of alternate Director.
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	Additional Director
131.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors power to fill casual vacancies.

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132.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees.
133.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses Incurred by Director on Company's business.
PROCEEDING OF THE BOARD OF DIRECTORS		
134.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Meetings of Directors.
135.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	Chairperson
136.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
137.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	Continuing directors may act notwithstanding any vacancy in the Board
138.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
139.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable	Committee Meetings how to be governed.

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	thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	
140.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Chairperson of Committee Meetings
141.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	Meetings of the Committee
142.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
RETIREMENT AND ROTATION OF DIRECTORS		
143.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
POWERS OF THE BOARD		
144.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
145.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.

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	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct.
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	To pay for property.
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company.
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.

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	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	To conduct legal proceedings.
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for	Transfer to Reserve Funds.

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	such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	
(19)	To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	To appoint and remove officers and other employees.
(20)	At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether	To appoint Attorneys.

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	nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by	

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	creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. (38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	

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	MANAGING AND WHOLE-TIME DIRECTORS	
146.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	Powers to appoint Managing/ Wholetime Directors.
147.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Wholetime Director.
148.	(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the	Powers and duties of Managing Director or Whole-time Director.

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	appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
149.	a) Subject to the provisions of the Act,— i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer
	THE SEAL	
150.	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	The seal, its custody and use.
151.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	Deeds how executed.
	Dividend and Reserves	
152.	(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on	Division of profits.

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	the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	
153.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends.
154.	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Transfer to reserves
155.	Subject to the provisions of Section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
156.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
157.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
158.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
159.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles.

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160.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
161.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
162.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.
163.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Dividends how remitted.
164.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend.
165.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
CAPITALIZATION		
166.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).	Capitalization.

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	(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	
167.	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and (b) generally to do all acts and things required to give effect thereto. (2) The Board shall have full power - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such members. (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.	Fractional Certificates.
168.	(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.	Inspection of Minutes Books of General Meetings.
169.	a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the	Inspection of Accounts

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	company, or any of them, shall be open to the inspection of members not being directors. b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.	
	FOREIGN REGISTER	
170.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
171.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
172.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.
	WINDING UP	
173.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
	INDEMNITY	
174.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director,	Directors' and others right to indemnity.

Sr. No	Particulars	
	Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	
175.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	Not responsible for acts of others
	SECRECY	
176.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	Access to property information etc.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus will be delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 41, B. B. Ganguly Street, 4th Floor, Kolkata – 700012, West Bengal, India from date of filing the Red Herring Prospectus with ROC to Bid Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated August 13, 2018 between our Company and the Book Running Lead Manager.
2. Registrar to the Issue Agreement dated August 13, 2018 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated [●] between our Company and Underwriter viz. Book Running Lead Manager.
4. Market Making Agreement dated [●] among our Company, Market Maker and the Book Running Lead Manager.
5. Bankers to the Issue Agreement dated [●] amongst our Company, the Book Running Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated [●]
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated [●]
8. Syndicate Agreement dated [●] among our Company, the Book Running Lead Manager and Syndicate Member

Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time.
2. Resolutions of the Board of Directors dated June 20, 2018 in relation to the Issue and other related matters.
3. Special resolution of the Shareholders' passed at the Extra – Ordinary General meeting dated June 25, 2018 authorizing the Issue.
4. Statement of Tax Benefits dated August 02, 2018 issued by our Peer Reviewed Auditor, M/s. N.K. Aswani & Co., Chartered Accountants.
5. Report of the Peer Reviewed Auditor, M/s. N.K. Aswani & Co., Chartered Accountants, dated August 02, 2018 on the Restated Financial Statements for the Financial Year ended as on March 31, 2018, 2017, 2016, 2015 & 2014 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Reviewed Auditors, Banker to the Company, Legal Advisor to the Issue, the Book Running Lead Manager, Registrar to the Issue, Underwriter, Lenders to the Company, Market Maker, Bankers to the Issue, Refund Banker to the Issue and Syndicate Member to the Issue to act in their respective capacities.
7. Copy of In Principle approval from National Stock Exchange of India Limited *vide* letter dated [●], to use the name of National Stock Exchange of India Limited in this Offer document for listing of Equity Shares on EMERGE Platform of National Stock Exchange of India Limited.

None of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, SCRA, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Red Herring Prospectus are true and correct.

Signed by all Directors, Chief Financial Officer and Company Secretary and Compliance Officer of our Company.

Name and Designation	Signature
Anand Kumar Singh <i>Managing Director</i>	Sd/-
Jai Prakash Singh <i>Chairman & Whole Time Director</i>	Sd/-
Shakuntala Singh <i>Executive Director</i>	Sd/-
Subir Chakrabarti <i>Independent Director</i>	Sd/-
Rathin Kumar Ray <i>Independent Director</i>	Sd/-
Pallab Samajdar <i>Independent Director</i>	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance officer of the Company.

Sd/-

Sd/-

Mohit Barasia
Chief Financial Officer

Rajneesh Mishra
Company Secretary and Compliance
Officer

Place: Kolkata
Date: September 18, 2018

*Mr. Jai Prakash Singh has been authorised by Anand Kumar Singh to sign on behalf of him through power of attorney dated September 11, 2018.

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
1.	Innovators Façade Systems Limited	40.76	72.00	May 24, 2018	72.00	-13.19% (2.96%)	-18.13% (10.45%)	Not Applicable
2.	Shree Vasu Logistics Limited	9.29	45.00	June 4, 2018	48.00	24.00% (0.67%)	41.78% (8.97%)	Not Applicable
3.	Affordable Robotic & Automation Limited	22.79	85.00	June 4, 2018	90.05	35.29% (1.05%)	25.88% (9.43%)	Not Applicable
4.	Latteys Industries Limited	8.07	66.00	June 5, 2018	68.00	0.68% (1.67%)	-6.82% (9.34%)	Not Applicable
5.	Nakoda Group of Industries Limited	6.43	35.00	June 6, 2018	36.00	5.43% (1.12%)	19.71% (8.91%)	Not Applicable
6.	ShreeOswal Seeds and Chemicals Limited	11.90	26.00	June 20, 2018	27.00	4.42% (1.72%)	3.85% (5.62%)	Not Applicable
7.	Priti International Limited	5.25	75.00	June 21, 2018	81.00	31.33% (2.51%)	30.67% (5.01%)	Not Applicable
8.	Accuracy Shipping Limited	35.76	84.00	June 22, 2018	88.00	9.52% (2.43%)	Not Applicable	Not Applicable
9.	Ganga Forging Limited	5.00	21.00	July 11, 2018	21.10	0.00% (4.77%)	Not Applicable	Not Applicable
10.	Ushanti Colour Chem Limited	11.56	60.00	August 02, 2018	64.20	17.58% (3.88%)	Not Applicable	Not Applicable

Note:

Innovative Ideals and Services (India) Limited and Manorama Industries Limited have registered their Red Herring Prospectus with Registrar of Companies for Initial Public Offer.

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
15-16	*9	54.01	-	-	1	3	2	3	-	1	1	4	3	-
16-17	**24\$	204.56	-	-	5	5	3	8	-	1	5	10	1	6
17-18	***30	610.90	-	-	4	10	7	9	-	2	5	12	3	8
18-19	****17\$\$#	272.30	-	-	3	1	2	10	-	-	-	-	-	-

*The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

**The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos (India) Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Chemcrux Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016, November 16, 2016, December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017, March 28, 2017, March 31, 2017 and March 31, 2017 respectively.

***The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017, July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December

26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

****The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Softtech Engineers Limited, Innovators Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, Priti International Limited, Accuracy Shipping Limited, Ganga Forging Limited and Ushanti Colour Chem Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018, May 11, 2018, May 24, 2018, June 4, 2018, June 4, 2018, June 5, 2018, June 6, 2018, June 20, 2018, June 21, 2018, June 22, 2018, July 11, 2018 and August 02, 2018 respectively.

\$. As on 30th trading day the closing price of the scripts Ruby Cables Limited and Shashijit Infraprojects Limited were at par with the issue price. Hence, they are not considered for counting the number of IPOs trading at discount and premium.

\$\$ The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Softtech Engineers Limited, Innovator Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, Priti International Limited, Accuracy Shipping Limited, Ganga Forging Limited and Ushanti Colour Chem Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days and 180 Days respectively from the date of listing.

As on 30th trading day the closing price of the script Ganga Forging Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium.

Note: Majestic Research Services and Solutions Limited and Ambition Mica Limited are Further Public Offerings lead managed by Pantomath Capital Advisors Private Limited in the Financial Years 2016-17 and 2017-18 respectively and the same have not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.