Letter of Offer
Dated September 14, 2009
For Equity Shareholders of our Company only

GREENPLY INDUSTRIES LIMITED

We were originally incorporated as "Mittal Laminates Private Limited" on November 28, 1990 under the Companies Act, 1956. We were converted into a public limited company and our name was changed to Mittal Laminates Limited pursuant to a fresh certificate of incorporation dated November 1, 1994. Our name was changed to Greenply Industries Limited pursuant to a fresh certificate of incorporation dated January 17, 1996 issued by the Registrar of Companies, Shillong.

Registered Office: Makum Road, Tinsukia, Assam – 786 125; **Telfax**: +91 374 233 1453/ 233 2007
Corporate Office: 16-A Shakespeare Sarani, Kolkata – 700 071 **Tel**: +91 33 2282 2175/ 30515000 **Fax**: +91 33 30515010
Contact Person: Mr. Kaushal Kumar Agarwal, *Company Secretary and Compliance Officer.*
E-mail: investors@greenply.com **Website**: www.greenply.com
Our Promoters: Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal, Mr. Saurabh Mittal and Mr. Shobhan Mittal

FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF OUR COMPANY ONLY

ISSUE OF 50,99,234 EQUITY SHARES WITH A FACE VALUE OF RS. 5 EACH AT A PREMIUM OF RS. 85 PER EQUITY SHARE FOR AN AMOUNT AGGREGATING RS. 4,589.31 LACS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF GREENPLY INDUSTRIES LIMITED ("COMPANY") IN THE RATIO OF 3 (THREE) EQUITY SHARE(S) FOR EVERY 10 (TEN) FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON SEPTEMBER 8, 2009. FOR EVERY 10 (TEN) EQUITY SHARE(S) ALLOTED ON A RIGHTS BASIS, 4 (FOUR) DETACHABLE WARRANT(S) WILL BE ISSUED AND ALLOTTED. THE ISSUE PRICE IS 18 (EIGHTEEN) TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE SEE THE SECTION TITLED "TERMS OF THE ISSUE" ON PAGE 338 OF THIS LETTER OF OFFER.

GENERAL RISK

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 investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of the Issuer and the Issue including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this document**. Investors are advised to refer to section titled "Risk Factors" on page XI of this Letter of Offer before making an investment in this Issue.**

OUR COMPANY'S ABSOLUTE RESPONSIBILITY

We having made all reasonable inquiries, accept responsibility for and confirm that this Letter of Offer contains all information with regard to us and the Issue, which is material in the context of this Issue, that the information contained in this Letter of Offer is true and correct in all material respects 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 Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

Our existing Equity Shares are listed on the Bombay Stock Exchange Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**"). We have received "in-principle" approvals from the BSE and the NSE for listing the Equity Shares arising from this Issue vide their letter dated May 18, 2009 and May 15, 2009, respectively. For the purposes of the Issue, the Designated Stock Exchange is the NSE.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
ENAM **Enam Securities Private Limited** SEBI Registration No: INM000006856 801, Dalamal Towers, Nariman Point, Mumbai – 400 021, Maharashtra, India. Tel: + 91 22 6638 1800 Fax: + 91 22 2284 6824 Email: greenply.rights@enam.com Investor grievance E-mail: complaints@enam.com Website: www.enam.com Contact Person: Ms. Anusha Bharadwaj	LINK INTIME INDIA PVT LTD (Formerly INTIME SPECTRUM REGISTRY LTD) **Link Intime India Private Limited** Registration Number: INR000004058 C- 13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078. Tel: +91 22 2596 0320 Fax: +91 22 2596 0329 Email: greenply-rights@linkintime.co.in Website: www.linkintime.co.in Contact Person: Mr. Pravin Kasare

ISSUE PROGRAMME

ISSUE OPENS ON	LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS	ISSUE CLOSES ON
September 23, 2009	September 30, 2009	October 7, 2009

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

In this Letter of Offer, all references to "Re.", "Rupees", "Rs." or "INR" refer to Indian Rupees, the official currency of India, "USD" or "U.S.$" refer to the United States Dollar, the official currency of the United States of America, and "Euro" refers to the official currency of European Union. References to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable, and the words "Lakh" or "Lac" means "100 thousand" and the word "crore" means "100 lacs". Any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

Definitions

Unless the context otherwise requires, the following terms have the following meanings in this Letter of Offer.

Term	Description
"The Group"	Unless the context otherwise requires, refers to Greenply Industries Limited and its subsidiaries.
"We", "us", "our", "our Company" "the Issuer", "GIL" or "the Company"	Unless the context requires, refers to Greenply Industries Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 having its registered office at Makum Road, Tinsukia, Assam – 786 125 on a standalone basis.

Company/ Issue related terms

Term	Description
Abridged Letter of Offer	The abridged letter of offer to be sent to our Equity Shareholders as on the Record Date with respect to this Issue in accordance with SEBI ICDR.
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) used by an Investor to make an application authorizing the SCSB to block the amount payable on application in their specified bank account
ASBA Investor	An applicant who intends to apply through ASBA process and: a) holds the shares of the Company in dematerialized form as on the record date and has applied for entitlements and / or additional shares in dematerialized form; b) has not renounced his/her entitlements in full or in part; c) is not a renouncee; d) is applying through a bank account maintained with SCSBs.
Articles/ Articles of Association	The articles of association of our Company.
Auditor	M/s D. Dhandaria & Company, our statutory auditors.
Board/ Board of Directors	Board of Directors of our Company including any committees thereof.
Bankers to the Issue	IDBI Bank Limited and Standard Chartered Bank
Controlling Branches	Such branches of the SCSBs which coordinate applications under the Issue by the ASBA Investors with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in/pmd/scsb.html.
Consolidated Certificate	In case of physical certificate, our Company would issue one certificate for the Equity Shares allotted in one folio.
Designated Branches	Such branches of the SCSBs which shall collect CAF from ASBA investor and a list of which is available on http://www.sebi.gov.in/pmd/scsb.pdf
Designated Stock Exchange	NSE

Term	Description
Detachable Warrants/ Warrants	The detachable warrants issued and allotted with the Equity Share(s) allotted by our Company in the Issue and which shall be exercisable into Equity Share(s), in accordance with the terms and conditions specified in the section titled "Terms of the Issue" on page 338 of this Letter of Offer.
Draft Letter of Offer	Draft Letter of Offer of our Company filed with SEBI on April 28, 2009 for the Rights Issue.
ECS	Electronic Clearing Services.
Equity Share(s) or Share(s)	Equity shares of our Company having a face value of Rs. 5 unless otherwise specified in the context thereof.
Equity Shareholder	Means a holder of Equity Shares.
Financial Year/ Fiscal/ Fiscal Year/ FY	Any period of twelve months ended March 31 of that particular year, unless otherwise stated.
Issue	Issue of 50,99,234 Equity Shares at a premium of Rs. 85.00 per Equity Share for an amount aggregating Rs. 4,589.31 lacs on a rights basis to the existing Equity Shareholders of our Company in the ratio of three Equity Share(s) for every ten fully paid-up Equity Share(s) held by the existing Equity Shareholders on the Record Date. For every ten Equity Share(s) allotted on a rights basis, four Detachable Warrant(s) will be issued and allotted. The issue price is 18 times the face value of the Equity Shares.
Issue Closing Date	Ocotber 7, 2009
Issue Opening Date	September 23, 2009
Issue Price	Rs. 90 per Equity Share.
Investor(s)	Equity Shareholders as on Record Date and/or Renouncees applying in the Issue.
Lead Manager	Enam Securities Private Limited.
Letter of Offer	Means the letter of offer filed with the Stock Exchanges after incorporating SEBI comments on this Letter of Offer.
Memorandum/ Memorandum of Association	Memorandum of association of our Company.
MICR	Magnetic Ink Character Recognition.
Project(s)	The proposed MDF project at Pantnagar, Uttarakhand and the Laminate project at Nalagarh, Himachal Pradesh are together referred to as the "Projects".
Promoter/ Promoters	The promoters of our Company namely, Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal, Mr. Saurabh Mittal and Mr. Shobhan Mittal.
Promoter Group	Individuals, companies and entities enumerated in the section titled "Our Promoters and Promoter Group" on page 111 of this Letter of Offer.
Record Date	September 8, 2009
Refund through electronic transfer of funds	Refunds through ECS, Direct Credit, RTGS or NEFT, as applicable.
Registrar of Companies/ RoC	The Registrar of Companies, Shillong located at Morello Building, Ground floor, Kachari Road, Shillong – 793001, Meghalaya.
Renouncees	Any persons who have acquired Rights Entitlements from the Equity Shareholders.
Relevant Date	The date fixed for the determination of the Warrant Exercise Price of the Detachable Warrant(s).
Relevant Stock Exchange	"Relevant Stock Exchange" shall mean the recognised Stock Exchange on which the Equity Shares of our Company are listed, and on which highest trading volume has been recorded during the preceding 90 working days period prior to the Relevant Date.
Rights Entitlement	3 (three) Equity Share(s) for every 10 (ten) fully paid-up Equity Share(s) held on the Record Date. In addition to the above, for every 10 (ten) Equity Share(s) allotted in the Issue, 4 (four) Detachable Warrant(s) will be issued and allotted.

Term	Description
RTGS	Real Time Gross Settlement.
Warrant Certificate	The certificate for the Detachable Warrants with a split performance.
Self Certified Syndicate Bank or SCSB	The banks which are registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA, including blocking of bank account and a list of which is available on http://www.sebi.gov.in/pmd/scsb.html.
Share Certificate	The certificate in respect of the Equity Shares allotted to a folio with a split performance.
Stock Exchange(s)	BSE and NSE where the Equity Shares are presently listed.
Subsidiaries	Our subsidiaries namely, Greenlam Asia Pacific Pte. Limited and Greenlam America, Inc.
Warrant Exercise Period	The period of 18 months from the date of allotment of the Detachable Warrants in the Issue.
Warrant Exercise Price	The price at which the Detachable Warrant(s) shall be exercised, which shall be higher of (a) and (b) below: a) Floor Price being Rs. 90; and b) 75 % of "x", value "x" being the average of the daily closing price of the Equity Shares of our Company on the Relevant Stock Exchange for a period of 90 days before the Relevant Date.
Warrant Holder	A holder of the Detachable Warrant(s) allotted in this Issue
Warrant Record Date	A record date fixed by our Company, subject to the approval of the Stock Exchanges, during the Warrant Exercise Period for the Detachable Warrants for purposes of determining the Warrant Holders in connection with the exercise of the Detachable Warrants and its entitlements.

CONVENTIONAL/GENERAL TERMS

Term	Description
Act/ Companies Act	The Companies Act, 1956 and amendments thereto.
BIFR	Board for Industrial and Financial Reconstruction.
Cenvat	The Central Value Added Tax.
CESTAT	The Customs, Excise, Service Tax Appellate Tribunal.
CLRA	The Contract Labour (Regulation and Abolition Act), 1970 and amendments thereto.
Depositories Act	The Depositories Act, 1996 and amendments thereto.
EPS	The Earnings Per Share.
IT Act	The Income Tax Act, 1961 and amendments thereto.
Indian GAAP	Generally Accepted Accounting Principles In India.
IPO	Initial Public Offer.
Modvat	The Modified Value Added Tax.
NAV	Net Asset Value.
NRE Account	Non-Resident External Account.
NRO Account	Non-Resident Ordinary Account.
PAT	Profit After Tax.
SEBI Act, 1992	Securities and Exchange Board of India Act, 1992 and amendments thereto.
SEBI ICDR	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and any amendments thereto.
SEBI DIP Guidelines	SEBI (Disclosure and Investor Protection) Guidelines, 2000 issued by SEBI on January 19, 2000 and amendments thereto. The SEBI DIP Guidelines have been repealed and have been replaced by the SEBI ICDR.
SICA	The Sick Industrial Companies (Special Provisions) Act, 1985 and amendments thereto.
Securities Act	The United States Securities Act of 1933, as amended.
Takeover Code	The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereto.

Term	Description
U. S. GAAP	Generally Accepted Accounting Principles in the United States of America.
Wealth-Tax Act	The Wealth-Tax Act, 1957 and amendments thereto.

BUSINESS/ INDUSTRY RELATED TERMS

Term	Description
BIS	Bureau of Indian Standards.
BPLR	Bank Prime Lending Rate.
BS	British Standard.
BWR	Boiling Water Resistant.
CBM	Cubic Meter.
CEC	Central Empowered Committee.
CER	Certified Emissions Reductions.
CIF	Cost, Insurance and Freight.
HDF	High Density Fibreboard.
HPL	High Pressure Laminates.
Interiors Infrastructure Industry	The industry comprises companies that manufacture materials which help in building of interior infrastructure and are used for various applications including enhancing the utilisation of space, making sturdy, safe and secure and includes interior products (furniture, doors, windows, flooring, etc.). The product portfolio consists of plywood and laminates, marbles and tiles, paints and varnishes, electricals, ceramics and pottery, glass, home furnishings, decorative items, etc.
KL	Kilo Litre.
KVA	Kilo Volt Amperes.
MDF	Medium Density Fibreboard.
MR	Moisture Resistant.
NEFT	National Electronic Funds Transfer.
NEMA	National Electrical Manufacturers Association.
PB	Particle Board.
PLB	Pre Laminated Particle Board.
PPB	Plain Particle Board.

ABBREVIATIONS

Term	Description
AGM	Annual General Meeting.
AS	Accounting Standards, as issued by the Institute of Chartered Accountants of India.
BSE	Bombay Stock Exchange Limited.
CAF	Composite Application Forms.
CDSL	Central Depository Services (India) Limited.
CEPS	Cash Earnings Per Share.
CY	Calendar Year.
DP	Depository Participant.
DSE	Designated Stock Exchange.
EPS	Earnings Per Share.
ESI	Employee State Insurance.
FCCB	Foreign Currency Convertible Bonds.
FDI	Foreign Direct Investment.
FEMA	Foreign Exchange Management Act, 1999.
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws.
FIPB	Foreign Investment Promotion Board.
GDP	Gross Domestic Product.
GOI	Government of India.
HUF	Hindu Undivided Family.

Term	Description
ICAI	Institute of Chartered Accountants of India.
ITAT	Income Tax Appellate Tribunal.
MoU	Memorandum of Understanding.
NR	Non Resident.
NRI(s)	Non Resident Indian(s).
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
OCB	Overseas Corporate Body.
PAN	Permanent Account Number.
RBI	Reserve Bank of India.
Re./Rs./Rupees/INR	Indian Rupees.
SCB	Scheduled Commercial Banks.
SCN	Show Cause Notice.
SEBI	Securities and Exchange Board of India.
Sq M	Square Meters.
UTI	Unit Trust of India.
YOY	Year on Year.

NOTICE TO OVERSEAS SHAREHOLDERS

The distribution of this Letter of Offer and the Issue to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer may come are required to inform themselves about and observe such restrictions. The Company will dispatch the Letter of Offer/Abridged Letter of Offer and CAFs to such shareholders who have an Indian address.

This Letter of Offer does not constitute and may not be used for in connection with an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been or will be taken by our Company or the Lead Manager to permit an offering of Equity Shares or distribution of this Letter of Offer in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares with Detachable Warrants may not be offered or sold, directly or indirectly, and neither this Letter of Offer nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Persons receiving a copy of this Letter of Offer should not distribute or send the same in any jurisdiction where to do so would or may contravene local laws or regulations. If this Letter of Offer is received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the rights entitlements referred to in this Letter of Offer.

The Rights Entitlement and the Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, or any other securities laws of the United States of America ("United States" or "US") and may not be offered, sold, resold, or otherwise transferred within the United States of America or the territories or possessions thereof, except in a transaction exempt from the registration requirement of the United States Securities Act of 1933, as amended. The Rights Entitlement referred to in this Letter of Offer is being offered in India but not in the United States of America. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any shares or rights for sale in the United States, or as a solicitation therein of an offer to buy any of the said shares or rights. Accordingly, this Letter of Offer should not be forwarded to or transmitted in or into the United States by any person other than our Company at any time. None of our Company, the Lead Manager or any person acting on their behalf will accept subscriptions from any person, or his agent, who appears to be, or who our Company has reason to believe is, a resident of the United States and to whom an offer, if made, would result in requiring registration of this Letter of Offer with the United States Securities and Exchange Commission. We are informed that there is no objection to a shareholder, resident of the United States, selling its Rights Entitlement in India.

PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

Unless stated otherwise, the financial data in this Letter of Offer is derived from our restated standalone financial information which has been prepared in accordance with Indian GAAP and restated in accordance with SEBI ICDR. Our current financial year commenced on April 1, 2009 and will end on March 31, 2010.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Unless stated otherwise, industry data used throughout this Letter of Offer has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Letter of Offer is reliable, it has not been independently verified.

FORWARD LOOKING STATEMENTS

We have included statements in this Letter of Offer which contain words or phrases such as "will", "may", "aim", "is likely to result", "believe", "expect", "continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "pursue" and similar expressions or variations of such expressions, that are "forward looking statements".

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results 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:

- Factors affecting the real estate industry in India;
- Availability of raw materials;
- Changes in government regulations;
- Disruptions in our manufacturing facilities;
- Competitive environment.

For a further discussion of factors that could cause our actual results to differ, please refer to the sections titled "Risk Factors", "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages XI, 60 and 235 respectively of this Letter of Offer. 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. Neither us nor the Lead Manager nor any of their respective affiliates or advisors 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 and Stock Exchanges' requirements, we and Lead Manager shall ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

EXCHANGE RATES

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the US dollar (in Rupees per US dollar). The exchange rate as at March 31, 2009 was Rs. 50.95 = U.S. $ 1. No representation is made that the Rupee amounts actually represent such US dollars amounts or could have been or could be converted into US dollar at the rates indicated, any other rate or at all.

Rupee and US Dollars Exchange Rates

Year ended March 31,	**Period End**	**Average**	**High**	**Low**
2005 …….	43.75	44.95	46.46	43.36
2006 …….	44.61	44.28	46.33	43.30
2007 …….	43.59	45.29	46.95	43.14
2008 …….	39.97	40.24	43.15	39.27
2009 …….	50.95	45.91	52.06	39.89

Source: www.rbi.org.in

SECTION II - RISK FACTORS

RISK FACTORS

An investment in equity shares involves a high degree of risk. You should consider all information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. If any of the following risks or any of the other risks and uncertainties discussed in this Letter of Offer actually occur, our business, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment. These risks and uncertainties are not the only issues that we face, additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition.

Unless specified or quantified in the relevant risk factors below, we not in a position to quantify the financial or other implication of any of the risks described in this section. The numbering of risk factors is provided solely for convenience.

1. The interior infrastructure industry has become increasingly competitive and our growth will depend on our ability to compete effectively.

The Indian plywood industry is highly fragmented with over 70% constituted by the unorganized sector, from which the organized plywood sector faces intense competition. 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.

We also face stiff competition from the organized sector. Important factors affecting competition in our industry are competitive pricing, ability to introduce innovative products, exclusive designs, product branding, logistic advantages and the extent of distribution network. We also anticipate competition for our MDF products from imported brands. There are no published sources available for establishing our present market share in the organized plywood sector. However, we believe that our market share in the organized plywood sector is approximately 25% as of March 31, 2009.

If the Central Empowered Committee grants fresh licenses to entities for manufacturing wood based products, more competitors may emerge. We cannot be certain that we can successfully compete against such competitors or that we will not lose potential customers to such competitors.

2. Our growth and our financial results may be affected by factors affecting the real estate industry in India.

Our financial results are influenced by the macroeconomic factors determining the growth of the Indian economy as a whole and real estate sector in particular. The interior infrastructure sector is influenced by a growth in disposable income. A buoyant economy and rising per capita income and easy availability of housing finance drive urbanization, fuelling growth in housing and creating room for the interior infrastructure. The demand for interior infrastructure products is primarily dependent on the demand for real estate which influences the demand for plywood, laminates and other interior infrastructure products. The real estate industry is currently estimated to be at USD 48 billion with a CAGR of 30%. [Source: India Brand Equity Foundation, www.ibef.org]

Periods of slowdown in the economic growth of India has significantly affected the real estate sector in the recent past. Any further downturn in the real estate industry and/or changes in governmental policies affecting the growth of this sector may have an adverse effect on the demand for plywood, laminates and other infrastructure products and the results of our operations.

3. As a manufacturing business, our success depends on the supply of raw materials which are subject to certain risks such as availability and increase in pricing.

The primary raw material for plywood is timber which is a scarce natural resource. The primary raw material for laminates is paper and chemicals. The quality of our products and customers acceptance of our products depends on the quality of raw materials and our ability to deliver in a timely manner. While we have long term relationships with many of our suppliers, we have not entered into any formal written supply contracts with such parties to ensure regular and timely supplies of raw materials in the medium and long term. For the perspective of raw material supply, a medium term period would range from six months to 12 months and a long term period would be for a period exceeding 12 months.

The failure of our suppliers to deliver raw materials in the necessary quantities or on schedules, of a specified quality/ standard/ specification may adversely affect our production processes thereby giving rise to contractual penalties or liabilities, loss of customers and affect our reputation any of which could adversely affect our business, financial condition and results of operations.

Further, if the costs of raw materials rises and we are unable to recover these by resorting to cost saving measures or by increasing the price of our products our results of operations could suffer. Although we have not encountered any significant disruptions in the sourcing and/or supply of our raw materials, we cannot assure you that such disruptions will not occur and/or we shall continue to be able to source raw materials in a cost effective manner.

4. Material changes in the regulations that govern us could affect our business, financial conditions and results of operation.

Our manufacturing activities are subject to environmental laws and regulations promulgated by the Ministry of Environment of Government of India, the State Forest Policy and State Pollution Control Board among other laws which regulate cutting of trees, discharge of effluents, polluted emissions, hazardous substances and so on. We expect that environmental laws will continue to become stricter.

Many of these laws and regulations provide for substantial fines and potential criminal sanctions for violations and require the installation of costly pollution control equipment or operational changes to limit pollution emissions and/or reduce the likelihood or impact of hazardous substance releases. For details of the pollution control equipments installed at our factories, please refer to the section "Business" on page 60 of this Letter of Offer. In some cases, compliance with environmental, health and safety laws and regulations might only be achievable by significant capital expenditures, such as the installation of pollution control equipment. We cannot accurately predict future developments, such as increasingly strict environmental laws or regulations and inspection and enforcement policies resulting in higher compliance costs and/or claims or liabilities to any environmental agency.

5. If we are unable to implement our growth strategies in a timely manner, our business, financial condition and results of operations could be adversely affected.

As part of our growth strategy, we have made and will continue to make substantial investment in new production capacities. At present, our growth involves the setting up of new manufacturing units for the manufacture of laminates and MDF. We have continuously launched new products and finishes and extended the brand to premium as well as economic products portfolio. We have also followed a strategy of inorganic growth by acquiring two plywood manufacturing companies in Gujarat in 2007 to strengthen our presence in western India. We expect to commence commercial production at our MDF facility by March 2010.

Our success will depend, among other things, on our ability to source the required financing, assessment of potential markets, timing of our capital investments, the quantum of input costs, ability to attract new customers in India and abroad, the ability to maintain and enhance our position in India and overseas and the ability to maintain adequate operational and financial controls. Continuous expansion increases the challenges involved in financial management,

recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Our growth strategy may expose us to risks and uncertainties which may be beyond our control and accordingly, there can be no assurance that we will be able to complete our plans on schedule or without incurring additional expenditure or at all. If the market conditions deteriorate and/or if operations do not generate sufficient funds or for any other reasons we are compelled to delay, modify or forego some or all aspects of our growth strategies our future results of operations may be affected.

6. We can provide no assurance that our new products will be commercially successful.

We plan to commence the manufacture of MDF at our plant at Uttarakhand. Whether our new products will be accepted by and be successful in the market and whether we would be able to recoup the costs of manufacturing such new products cannot be assured. For various reasons, the success of our new products cannot be predicted with a reasonable certainty. There can be no guarantee that we will be able to succeed in introducing new products in a timely manner or at all and that the products we introduce will be accepted in the market or that such acceptance will continue for any period of time. Failure to generate new products and/or the ability to maintain the quality and durability of our products and/or to maintain top-of-the-mind recall for our brands might weaken our product portfolio, negatively impact our brand, adversely affect our reputation and result in loss of our market share to our competitors.

7. Any unauthorised use of our trademarks could affect our business and may affect our reputation.

We believe that our brands and in particular Greenply, Green Club, Greenlam and Green Decowood have created a niche for itself in the market. The products marketed under these brand names hold substantial goodwill and unauthorised usage of any of our brands would cause our business to suffer and may affect our market reputation.

8. The commencement of operations of new units as per the proposed expansion plans are subject to the risk of cost and time over runs.

We are in the process of setting up new units at Pantnagar, Uttarakhand for the production of MDF and at Nalagarh, Himachal Pradesh for the manufacture of laminates. Our expansion plans are subject to a number of contingencies, including changes in laws and regulations, government action, delays in obtaining approvals, delays in delivery of machinery and other supplies at quoted prices or at acceptable terms, accidents, natural calamities, terrorist activity and other factors, many of which may be beyond our control. We therefore, cannot assure that the costs incurred or time taken for implementation of these plans will not vary from our estimated parameters. Any delay resulting in our inability to procure new machinery or setting up the new unit(s) may affect the results of our operations.

9. The decrease in or removal of government incentives relating to customs duties, excise duties, sales tax, value added tax, income tax and other taxes, duties or surcharges may have a material adverse effect on our profitability.

Taxes and other levies imposed by the Central or State Governments in India that affect the industry we operate include customs duties, excise duties, sales tax, value added tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Currently we benefit from certain tax incentives resulting in a decrease in the effective tax rate compared to the tax rates that we would have applied if these incentives had not been available. The plywood facility at Nagaland enjoys 100% corporate tax exemption and certain excise benefits for 10 years commencing from 2005-06. The Uttarakhand unit enjoys similar facilities for 10 years commencing from 2006-07 but the corporate tax exemption shall reduce to 30% for a further period of 5 years commencing from 2011-12.

There can be no assurance that these tax incentives will continue in the future. The non-availability of these tax incentives could adversely affect our financial condition and results of

operations. Any new taxes/ changes in existing tax policies by the Government of India or other State Governments may have a material adverse effect on our business, financial condition and results of operations.

10. Costs associated with warranty and liability due to defects in our products may adversely affect our business and results of operations and could also lead to adverse publicity.

Warranty claims can reduce our profitability. Any defect in our products could affect the demand for our products and could result in customer claims for damages against us. We offer a lifetime guarantee on our "Green Club" plywood and any defects in this product may expose us to claims for damages. We have resolved consumer complaints in the past by replacement of some of the products sold. However, there has not been any case of claim settlement in cash.

There are two consumer complaints pending us, with respect to defect in our products. The total amount claimed in these two complaints is Rs. 25.25 lacs. For further details, please refer to the section titled "Outstanding Litigations and Defaults" on page 272 of this Letter of Offer. In defending such claims, we may be exposed to substantial costs and may be subject to adverse publicity.

11. We may be unable to seek compensation from our suppliers for defective components or raw materials.

We are required to source components and raw materials from suppliers for which advances and even prompt payments may have to be made. We cannot assure you with a reasonable certainty that the raw materials that we would procure in the future will not be defective. Further should we receive any defective raw materials, we may not be in a position to recover advance payments or claim compensation from our suppliers consequently increasing the manufacturing costs or reducing the realisation of our finished products.

12. We may be unable to negotiate favourable credit terms from our suppliers.

While we have maintained a long term relationship with many of our suppliers and we have been able to negotiate favourable credit terms from them due to increased order sizes and timely payments, we cannot assure you that we shall be able to maintain such favourable credit terms in future. Although we have long term relationship with our suppliers, we do not have a formal written agreement with any of them. We get longer credit periods based on our relationship with the suppliers established over a period of time primarily because of continuity of orders placed with them, size of the order and timely payments made to suppliers.

13. As a manufacturing business, our success depends on the smooth supply and transportation of our products from our plants to our distributors and customers. Supply and transportation are subject to various uncertainties and risks, and delays in delivery or delivery of non conforming shipments may result in rejected or discounted deliveries.

We depend on sea-bourne freight, rail and trucking to deliver our products from our manufacturing facilities to our customers. We rely on third parties to provide such services. Disruptions of transportation services because of weather-related problems, strikes, lock-outs, inadequacies in road infrastructure and port facilities or other events could impair our procurement of raw materials and our ability to supply our products to our customers. There is no assurance that such disruptions will not again occur in the future. Any such disruptions could materially adversely affect our business, financial condition and results of operations. In addition, in the case of a delayed shipment, the customer would have the right to reject the shipment or demand significant pricing discounts. Non-conforming shipments could also give rise to order rejections, discounts or other claims

14. We may not successfully market our products outside India.

We had acquired Greenlam Asia Pacific Pte. Limited, Singapore in October 2006 and promoted Greenlam America, Inc., USA in April 2008 with the objective to market high-pressure laminates abroad. South-east Asia and the USA have extremely large markets for high-pressure laminates and we are in the process of establishing our presence in the said countries. However, we cannot assure you that our above stated business ventures would be successful.

15. Any disruption in our manufacturing facilities caused due to labour unrest or natural disasters may affect our results of operations.

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, continued availability of services of external contractors, industrial accidents, earthquakes, and other natural disasters. We also need to comply with the directives of relevant government authorities. We cannot assure you that our insurance coverage may be adequate should any or all of the aforesaid contingencies actually occur. The occurrence of any or all of these could significantly affect our operating results.

16. We are subject to fast-growing resource costs and non-commensurate increase in end-product realisation.

We are strongly focused on tightening operational efficiencies to control operating costs. Our operating margin grew from 10.70% in 2004-05 to 10.93% in 2008-09 on a standalone basis. Our raw material procurement rationalized our raw material costs as a proportion of our total expenditure from 72.08% in 2004-05 to 59.87% in 2008-09. Any inability on our part to further improve or maintain the operating margins, decrease the raw material costs and lower the cost of production might reduce our margins and thereby adversely affect our business, financial condition and results of operations

17. Our success depends largely on our senior management and skilled manpower and our ability to attract and retain our key personnel.

Our success depends on the continued services and performance of the members of the management team and other key employees. If one or more members of our senior management team were unable or unwilling to continue in their present positions, those persons could be difficult to replace and our business could be adversely affected. Attracting and retaining scarce top quality managerial talent has become a serious challenge companies are facing in India. A shortage in skilled manpower might affect our business by hampering the product process and narrowing down the profitability. As such, any loss of the senior management personnel or key employees could adversely affect our business, results of operations and financial condition. Although there is no active coverage in the industry in which we operate, we estimate that the present industry attrition rate is five to six percent per annum.

18. Depleting forest reserves may reduce the raw material availability, resulting in increase in raw material cost.

Every year large hectares of forests are utilized as firewood. Such continuous depletion of the natural forest resources may result in reduction of raw material availability and consequently increase our raw material costs and could significantly affect our operating results.

19. Any polarisation in labour relations may subject us to industrial unrest, slowdowns, and increased wage 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. Our Behror unit workers have created a union to safeguard their interests. Although, we currently have harmonious relations with all our employees, there can be no assurance that we will continue to have such relations or that the employees in other units will not form unions in the future. If our relations with the employees are strained, our business may be adversely affected.

20. We are subject to restrictive covenants under our credit facilities that could limit our flexibility in managing the business.

As on August 31, 2009, our total outstanding secured loans were Rs. 25,189.57 lacs and unsecured loans were Rs. 6,428.00 lacs. The agreements governing certain of our debt obligations include terms that require us to, interalia take prior approval of our lenders for undertaking any merger, demerger, pledge, lien, consolidation, reorganization, dissolution, amendment or modification of our charter documents, pass a resolution of voluntary winding up and approach capital markets mobilizing additional resources either in the form of debt or equity. Failure to comply with the terms of our debt agreements or obtain waivers thereunder could result in the acceleration of some or all of the debt, as well as the cross-acceleration of other debt, and payment of penal interest, which could adversely affect our liquidity, restrict our expansion plans and materially and adversely affect our business and results of operations and financial conditions. Moreover, the facilities availed by our Company from Prime Holdings Private Limited, Greenply Leasing and Finance Limited, S.M. Management Private Limited and Vanashree Properties Private Limited may be recalled by the lenders on demand. For further details of our credit facilities, please refer to "Description of Certain Indebtedness" on page 257 of this Letter of Offer.

21. We require certain approvals for our Kriparampur unit and failure to obtain them could affect our business, financial conditions and results of operation.

Pursuant to the Scheme of amalgamation with Worthy Plywoods Limited, the assets of Worthy Plywoods Limited were taken over by us including the Kriparampur unit. At present the Kriparampur unit is situated on a non - industrial land. The land has been mutated in our name and we have made an application for conversion of the land under West Bengal Land Reforms Act, 1955. If we are unable to obtain permission for industrial use, we may suffer a disruption in our operations at Kriparampur unit.

22. We require certain approvals and licenses in the ordinary course of business and the failure to obtain or retain them in a timely manner may adversely affect our operations.

We require certain approvals, licenses, registrations and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making an application for obtaining the approval or its renewal. Also, we require certain licenses and approvals for our Project which has also been listed in the section titled "Government Approvals" on page 288 of this Letter of Offer. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, our business may be adversely affected.

23. Our Promoters have significant control over our Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.

After the completion of the Issue, the Promoters and the members of the Promoter Group will hold approximately 54.92% of the paid-up equity share capital of our Company assuming full subscription to the Rights Entitlement in the Issue and full exercise of the Detachable Warrants. The Promoters and the members of the Promoter Group holding Equity Shares in our Company, have undertaken to fully subscribe for their Rights Entitlement. They reserve the right to subscribe for their Rights Entitlement either by themselves and/or through one or more entities controlled by them, including by subscribing for the Equity Shares with Detachable Warrants pursuant to any renunciation made by any member of the Promoter Group to another member of the Promoter Group. They have also undertaken to apply for the Equity Shares with Detachable Warrants in addition to their Rights Entitlement to the extent

of any undersubscribed portion of the Issue, subject to obtaining any approvals required under applicable law, to ensure that at least 90% of the Issue is subscribed, excluding Detachable Warrants. Such subscription for Equity Shares with Detachable Warrants over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. So long as the Promoters have a majority holding, they will be able to elect the entire Board and control most matters affecting us, including the appointment and removal of the officers of our Company, our business strategy and policies and financing. Further, the extent of the Promoters' shareholding in our Company may result in the delay or prevention of a change of management or control of our Company, even if such a transaction may be beneficial to the other shareholders of our Company.

24. We have entered into, and will enter into, related party transactions.

We have entered into transactions with several related parties, including our Promoters and Directors. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. For more information regarding our related party transactions, please refer to the section titled "Related Party Transactions" on page 128 of this Letter of Offer.

25. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of its financing arrangements.

The amount of future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. There can be no assurance that we will be able to pay dividend in the foreseeable future. Additionally, we are restricted by the terms of our debt financing from making dividend payments in the event our Company makes a default in any of the repayment installments.

26. Our contingent liabilities could adversely affect our financial condition.

As of March 31, 2009, we had a networth of Rs. 17,529.78 lacs and contingent liabilities of Rs. 7,378.81 lacs (excluding capital commitments of Rs. 15,946.80 lacs). If any of these contingent liabilities were to materialise our financial condition could be adversely affected. For further details about our contingent liabilities, refer to the section titled "Financial Statements" - Annexure D on page 138 of this Letter of Offer and the notes to our financial statements.

As of March 31, 2009 our Promoter Group Companies has the following contingent liabilities:

Name of the company	Nature of liabilities	Amount (Rs. in lacs)
Himalaya Granites Limited	Guarantee given to customs department and disputed income tax liability	226.37
Prime Holdings Private Limited	Disputed income tax liability	4.21

27. We are involved in legal proceedings which, if determined against us, could affect our business and financial conditions.

We are party to various legal proceedings. No assurances can be given as to whether these matters will be settled in our favour or against us. If a claim is determined against us and we are required to pay all or a portion of the disputed amount, it could have an adverse effect on our results of operations and cash flows. A classification of the legal proceedings instituted against us and the monetary amount involved in these cases are mentioned in brief below:

Proceedings instituted against us, our Promoters, our Directors and Group Companies

Against:

(Rupees in lacs)

Category	Company		Promoters		Directors		Promoter Group Companies	
	No. of cases	Amount involved	No. of cases	Amount involved	No. of cases	Amount involved	No. of cases	Amount involved
Criminal Proceedings	-	-	-	-	-	-	-	-
Consumer	2	25.25	-	-	-	-	-	-
Civil Proceedings	4	2.21	-	-	-	-	-	-
Tax proceedings	37	1213.52	-	-	-	-	-	-
Intellectual Property	1	Not quantifiable	-	-	-	-	-	-
Labour Matter	6	Not quantifiable	-	-	-	-	-	-

By:

(Rupees in lakhs)

Category	Company		Promoters		Directors		Promoter Group Companies	
	No. of cases	Amount involved	No. of cases	Amount involved	No. of cases	Amount involved	No. of cases	Amount involved
Criminal Proceedings	14	28.15	-	-	-	-	-	-
Consumer	1	0.24	-	-	-	-	-	-
Civil Proceedings	9	626.21	-	-	-	-		-
Tax proceedings	8	2,627.26	1	50.00*	1	50.00*	7	221.59
Intellectual Property	35	Not quantifiable	-	-	-	-	-	-

* The matter involves Mr. Rajesh Mittal and hence it is reflected under the 'tax proceeding by the promoters' and also under the 'tax proceeding by the directors'.

Note: The amounts indicated above are approximate amounts, wherever quantifiable.

For further details, please refer to the section titled "Outstanding Litigations and Defaults" on page 272 of this Letter of Offer.

28. The objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution.

The objects for which the funds are being raised have not been appraised by any bank or financial institution. The estimate of costs is based on quotations received from vendors and management estimates. Though these quotes/ estimates have been taken recently, they are subject to change and may result in cost escalation. The requirement of working capital has been determined based on our estimates in line with the past trends. Any change or cost escalation can significantly increase the cost of the Project.

29. We have not entered into any definitive agreements to utilise a portion of the proceeds of the Issue.

The deployment of funds as stated in the section titled "Objects of the Issue" on page 31 of this Letter of Offer is entirely at our discretion and is not subject to monitoring by any

independent agency. We have not entered into any definitive agreements to utilise a portion of the Issue proceeds. There has been no independent appraisal of the Project. All the figures included under the section titled "Objects of the Issue" on page 31 of this Letter of Offer are based on our own estimates. In the event, for whatsoever reason, we are unable to execute our plans to set up the Project, it could have a significant amount of unallocated net proceeds. In such a situation, we would have broad discretion in allocating these net proceeds from the Issue without any action or approval of our shareholders. Due to the number and variability of factors that we will analyze before we determine how to use these unutilised net proceeds, we presently cannot determine how we would reallocate such proceeds. Accordingly, investors will not have the opportunity to evaluate the economic, financial and other relevant information that will be considered by us in the determination on the application of any such net proceeds in these circumstances.

30. We do not own the premises where our Registered Office and our branch offices are located except the branch office in Ahmedabad, and in the event our rights over the property is not renewed or is revoked or is renewed on terms less favourable to us, our business activities may be disrupted.

At present we do not own the premises that we use as our Registered Office and our branch offices except the branch office situated in Ahmedabad. In the event the owner of the premises revokes the consent granted to us or fails to renew the tenancy, we may suffer disruption in our operations. If the terms of the lease are violated by us or if we are unable to renew the leases prior to the expiry of the term thereof on terms and conditions favourable to us, we may suffer a disruption in our operations. Moreover, the land on which our plant at Bamanbore is situated is not registered in our name. In the event we are unable to get the land registered in our name, we may face disruptions in our operation.

31. Some of our Promoter Group Companies and the partnership firm forming part of our Promoter Group have incurred losses during the last three years and one of our Promoter Group Companies have a negative networth.

Himalaya Granites Limited and Prime Properties Private Limited, entities forming part of our Promoter Group, have incurred losses in the recent past. Dholka Plywood Industries Private Limited, a Promoter Group Company, has a negative networth. For further details, please refer to the section titled "Our Promoters and Promoter Group" on page 111 of this Letter of Offer.

32. There were shortfalls in the performance of our Group Company, Himalaya Granites Limited, when compared to the promise made in its last public issue.

Himalaya Granites Limited, one of our Group Companies, undertook a public issue in 1994. There were shortfalls in the performance of the offering when compared against the projections made in the offer document. For further details, please refer to the section titled "Our Promoter and Promoter Group" on page 111 of this Letter of Offer.

33. Our insurance coverage may not adequately protect us against certain operating hazards and this may have an adverse effect on our business.

Our insurance policies currently consist of a general fire, damage and flood coverage for our factories and offices. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow could be adversely affected. Moreover, we do not maintain a keyman insurance policy for one of our executive directors and key managerial personnel.

We have a cumulative insurance coverage of Rs. 1,08,640.94 lacs as on April 30, 2009 for our offices and factories. The policies include insurance against damages caused due to fire, burglary, loss in marine transit and all risks associated with erection of new projects. The details of past insurance claims are as follows:

(Rs. in lacs)

Year	Insurance claims
2004 – 2005	9.29
2005 – 2006	12.56
2006 – 2007	31.61
2007 – 2008	58.87
2008 – 2009	48.84

34. Additional issuances of Equity Shares may dilute the holdings of our Company's shareholders.

Any future issuance of our Equity Shares or securities linked to our Equity Shares may dilute the positions of investors, which could adversely affect the market price of the Equity Shares and the Detachable Warrants. Such Equity Shares also may be issued at prices below the then-prevailing market price.

35. A strong US Dollar and Euro might narrow down our profit margins.

Our Company imported 36.00% of its raw materials during the year ended March 31, 2009. We have a natural hedge in the form of dollar exports for approximately 40% of our dollar imports. In the recent past, the US Dollar and the Euro exchange rate has been a strong performer in the exchange rate scenario. A strong US Dollar and Euro exchange rate has increased the cost of our raw materials and has dented our profitability to that extent. We import part of our raw materials on credit terms varying between 90-180 days. Increase in US Dollar and Euro exchange rates between the time of arrival of material at manufacturing units and payment to creditors has led to substantial losses during the year ended March 31, 2009, reported under the section titled "Financial Statements" – Annexure B to restated standalone financial information and Annexure B to restated consolidated financial information on pages 135 and 187 respectively of this Letter of Offer. Any further increase in the US Dollar and the Euro exchange rate may have an adverse effect on our financial condition and results of operations.

36. Our statutory auditors have made certain qualifications in the audit reports.

Our statutory auditors have made certain qualifications in the audit reports of our Company. For details please refer to the section titled "Financial Statements" – Annexure D to restated standalone financial information and Annexure D to restated consolidated financial information on pages 138 and 191 respectively of this Letter of Offer.

Risks related to our future plans

37. The objects of this Issue will be part financed from the proceeds of this Issue. Any delay in launching the Issue may impact the implementation of the objects of the Issue or may increase our Project cost.

The total requirement of funds for undertaking and executing the objects of the Issue are stated in the section titled "Objects of the Issue" on page 31 of this Letter of Offer. We propose to use the proceeds of this Issue towards executing a part of the proposed Projects. In case there is any delay in launching the Issue, the implementation of the Project shall be delayed, which may result in a consequent increase in the project cost.

38. We do not have firm orders to optimally utilize the increased capacity of our new laminates plant and the proposed capacity of our MDF plant.

Presently, our total installed capacity for manufacture of laminates is 53.40 lacs sheets per annum. On completion of our proposed laminates plant as envisaged in this Issue, our consolidated installed and licensed capacity for manufacture of laminates is projected to increase to 86.40 lacs sheets per annum. We have also projected 1.80 lacs cubic meters per

annum from our MDF plant.

Based on management discussions and demand supply analysis of the market by us, we have proposed the manufacture of 1.80 lacs cubic meters of MDF per annum at our MDF Project and 33 lacs sheets of laminates per annum at our Laminates Project. We have invited quotations based on same from various suppliers for machinery at the proposed units. The machinery and equipments differed from each other in respect to fixed capacities and other enabled features. On analysis of the same, we have arrived at the capacities of the proposed Projects.

We presently do not have any firm orders or commitment from any customer for utilization of increased capacities. In the event that we do not get any additional orders, we will not be able to optimally utilize the increased capacities, which may affect our future prospects and may impact our results of operation.

39. We have not placed any orders for some of the plants and machineries required in terms of our objects for the Issue.

We have not placed orders aggregating Rs. 2,041.28 lacs constituting 8.24% of the total plant and machinery required for the proposed Projects. In the event we are unable to procure the plant and machinery it may affect our future prospects and may impact our results of operation.

40. We are in the process of recruiting the manpower required for the proposed Projects and any delay in recruiting the suitable personnel or the required number of people to operate the plants effectively may result in time and cost overruns.

We estimate that we require 350 and 730 personnel for undertaking and executing our operations at our new MDF unit and at the new laminates unit respectively. The MDF unit is proposed to be set up at Pantnagar, Uttarakhand and we propose to hire the required personnel from the surrounding villages and townships. The new laminates unit is proposed to be set up at Nalagarh, Himachal Pradesh and we proposed to recruit the requisite manpower from the surrounding towns as well as the neighbouring states of Punjab and Haryana. We are in the process of recruiting manpower for the Projects. In the event we are unable to recruit the suitable personnel or the required number of people to operate the plants effectively, we may face time and cost overruns.

Risks relating to the issue of Detachable Warrants

41. Non subscription to Equity Shares under Warrants issue by the warrant holders under this Issue may lead to shortfall of funds required.

The Company proposes to meet its expenses for commissioning of the Projects from the subscription money received through the exercise of the Detachable Warrants by a warrant holder for issue of Equity Shares by our Company during the period mentioned herein. The success of subscription to the Equity Shares by warrant holders will depend upon the timely conversion and the market price of Equity Shares prevailing at the time of conversion of the warrants. The price at which our Equity Shares are traded during the Warrant Exercise Period is material to the determination of our Warrant Exercise Price. Any shortfall of funds due to non-conversion of warrants into Equity Shares will entail our Company to make alternative funding arrangements.

42. The FIPB approval granted to our Company for issuance of the Detachable Warrants to NRIs is subject to SEBI and RBI norms

Pursuant to the letter dated June 12, 2009 the FIPB has granted an approval for issuance and allotment of Detachable Warrants to non-resident equity shareholders and other eligible non-resident applicants subject to compliance with applicable SEBI and RBI regulations and other conditions specified therein and subject to conversion of the Detachable Warrants within 18

months of issuance.

43. The Detachable Warrants will bear the risk of fluctuation in the price of the Equity Shares.

Stock markets have experienced extreme volatility in the recent past that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of the Equity Shares. There may be significant volatility in the market price of the Equity Shares. If our Company is unable to operate profitably or as profitably as it has in the past, investors could sell the Equity Shares when it becomes apparent that the expectations of the market may not be realized, resulting in a decrease in the market price of the Equity Shares. In addition to our Company's operating results, governmental investigations and litigation, speculation in the press or investment community, the possible effects of a war, terrorist and other hostilities, changes in general conditions in the economy or the financial markets, or other developments affecting our industry, could cause the market price of the Equity Shares to fluctuate substantially. The market price of the Detachable Warrants is expected to be affected by fluctuations in the market price of the Equity Shares and it is impossible to predict whether the price of the Equity Shares will rise or fall. Any decline in the price of the Equity Shares may have an adverse effect on the market price of the Detachable Warrants.

44. An active market for the Detachable Warrants may not develop, which may cause the price of the Equity Shares to fall.

Our Company will apply to the BSE and the NSE for final listing and trading approvals after the allotment of the Equity Shares with Detachable Warrants in the Issue. There can be no assurance that our Company will receive such approvals on time or at all. No assurance can be given that an active trading market for the Detachable Warrants will develop or as to the liquidity or sustainability of any such market, the ability of the Warrant Holders to sell their Detachable Warrants or the price at which the Warrants Holders will be able to sell their Detachable Warrants. If an active market for the Detachable Warrants fails to develop or be sustained, the trading price of the Equity Shares could fall. If an active trading market were to develop, the Detachable Warrants could trade at prices that may be lower than the initial offering price of the Detachable Warrants. Our Company has no obligation to make a market in the Detachable Warrants

45. We have experienced negative cash flows.

For Fiscal 2005, 2006, 2007, 2008 and 2009, on an unconsolidated basis, the Company had negative cash flows from investing activities of Rs. 1,262.31 lakhs, Rs. 5,163.49 lakhs, Rs. 6,396.12 lakhs, Rs. 3,929.62 lakhs and Rs. 8,868.65 lakhs respectively.

For Fiscal 2007, 2008 and 2009, on a consolidated basis, the Company had negative cash flows from investing activities of Rs. 6,339.14 lakhs, Rs. 4,324.11 lakhs and Rs. 8,910.90 lakhs respectively

Any negative cash flows in the future could adversely affect the Company's consolidated and unconsolidated results of operations and financial condition. For further details, see the section titled "Financial Statements" beginning on page 130 of this Letter of Offer.

External Risk Factors

46. The extent and reliability of Indian infrastructure could adversely impact our results of operations and financial condition.

India's physical infrastructure is less developed than that of many developed nations and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our 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

business operations, which could have a material adverse effect on our results of operations and financial condition.

47. Changes in Indian Government policies could adversely affect economic conditions in India, and thereby adversely impact our results of operations and financial condition.

All of our production facilities are located in India, and a significant portion of its revenue is derived from sales of its products in the Indian market. Consequently, our Company, and the market price and liquidity of the Equity Shares, may be affected by changes in the policy of the Government of India. For example, the imposition of foreign exchange controls, rising interest rates, inflation, increases in taxation or the creation of new regulations could have a detrimental effect on the Indian economy generally and us in particular. The Indian Government has in recent years sought to implement economic reforms, and the current Indian Government has implemented policies and undertaken initiatives that continue the economic liberalization policies pursued by previous Indian Governments. For example, the Indian Government has announced its general intention to continue India's current economic and financial sector deregulation policies and encourage infrastructure Projects. However, the roles of the Indian Government and the state governments in the Indian economy as producers, consumers and regulators have remained significant and there can be no assurance that liberalization policies will continue in the future. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India generally and our results of operations and financial condition in particular.

48. Political instability or changes in the government in India could delay the further liberalisation of the Indian economy and adversely affect economic conditions in India generally and our business in particular.

In the period ended March 31, 2007, March 31, 2008 and March 31, 2009, 90.69%, 92.75% and 92.59% respectively of our total sales was derived from the Indian market. Our business may be affected by foreign exchange rates and controls, interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalisation, including significantly relaxing restrictions on the private sector. Nevertheless, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators have remained significant. A significant change in India's economic liberalisation and deregulation policies could adversely affect business and economic conditions in India generally, and our business in particular, if new restrictions on the private sector are introduced or if existing restrictions are increased.

49. If regional hostilities, terrorist attacks or social unrest in India increase, our business could be adversely affected and the trading price of the Equity Shares could decrease.

The Asian region has from time to time experienced instances of civil unrest, terrorist attacks and hostilities among neighbouring countries, including between India and Pakistan. Since May 1999, military confrontations between India and Pakistan have occurred in Kashmir. Also, since early 2003, there have been a number of terrorist attacks in India in the last several years, including recent terrorist attacks in Mumbai in November 2008. Military activity or terrorist attacks in India in the future could influence the Indian economy by creating a greater perception that investments in Indian companies involve higher degrees of risk. These hostilities and tensions could lead to political or economic instability in India and a possible adverse effect on the Indian economy and our business and its future financial performance and the trading price of the Equity Shares.

Furthermore, India has also experienced social unrest in some parts of the country. If such tensions occur in other parts of the country, leading to overall political and economic instability, it could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

50. Financial instability in other countries, particularly countries with emerging markets, could disrupt Indian markets and our business and cause the trading price of our Equity Shares to decrease.

The Indian financial markets and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Further the current financial turmoil in the United States has had a significant impact on the Indian economy as well as the stability of the Indian Markets. Financial instability in other countries such as Latin America, Russia and elsewhere in the world in recent years have had limited impact on the Indian economy and India was relatively unaffected by financial and liquidity crises experienced elsewhere. Although economic conditions are different in each country, investors´ reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. This in turn could negatively impact the movement of exchange rates and interest rates in India. In short, any significant financial disruption could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

51. The Indian securities markets are more volatile than certain other securities markets.

The Indian securities markets are more volatile than the securities markets in certain countries which are members of the Organisation for Economic Co-operation and Development. Indian stock exchanges have, in the recent past, experienced substantial fluctuations in the prices of listed securities.

Indian stock exchanges have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. A closure of, or trading stoppage on, either of the BSE and the NSE could adversely affect the trading price of the Equity Shares. Historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

52. Any downgrading of India´s debt rating by an international rating agency could have a negative impact on our business and the trading price of the Equity Shares.

Any adverse revisions to India´s credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to obtain financing to fund our growth on favourable terms or at all and, as a result, could have a material adverse effect on our results of operations and financial condition.

Notes to Risk Factors

1. Issue of 50,99,234 Equity Shares at a premium of Rs. 85.00 per Equity Share for an amount aggregating Rs. 4,589.31 lacs on a rights basis to the existing Equity Shareholders of our Company in the ratio of three Equity Share(s) for every ten fully paid-up Equity Share(s) held by the existing Equity Shareholders on the Record Date. For every ten Equity Share(s) allotted on a rights basis, four Detachable Warrant(s) will be issued and allotted. The issue price is 18 times the face value of the Equity Shares.

2. The net asset value per Equity Share was Rs. 102.07, based on the restated consolidated

financial information of our Company as on March 31, 2009 respectively. The net asset value per Equity Share was Rs. 103.13, based on the restated standalone financial information of our Company as on March 31, 2009.

3. Based on our restated consolidated financial information, our net worth was Rs. 17,349.34 lacs as on March 31, 2009.

4. Based on the restated standalone financial information of our Company, our net worth was Rs. 17,529.78 lacs as on March 31, 2009.

5. The average cost of acquisition of the Equity Shares by the Promoters is:

Name of the Promoter	Cost per Equity share (Rs.)
Mr. Shiv Prakash Mittal	9.51
Mr. Rajesh Mittal	21.00
Mr. Saurabh Mittal	9.60
Mr. Shobhan Mittal	6.78

6. Except as disclosed in the section titled "Capital Structure" on page 16 of this Letter of Offer, we have not issued any Equity Shares for consideration other than cash.

7. Except as disclosed in the section titled "Management" and "Our Promoters and Promoter Group" on pages 92 and 111 respectively and "Related Party Transactions" on page 128 as disclosed herein below of this Letter of Offer, none of the Promoters, Directors and our key management personnel have any interest in our Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding.

8. Our Company has not made any loans and advances to our Directors, relatives of our Directors and any persons or companies in which our Directors are interested.

9. Details of related party transactions on a standalone basis are as follows:

Particulars	Year ended 31st March, 2009	Year ended 31st March, 2008	Year ended 31st March, 2007	Year ended 31st March, 2006	Year ended 31st March, 2005
A. TRANSACTIONS **1. Sales, Services and other Recoveries**					
Himalaya Granites Limited	-	15.52	15.71	15.30	0.08
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	1,339.88	633.52	176.11	172.21	
Greenlam America, Inc. (100% subsidiary)	1,074.18	-	-	-	-
Platinum Veneers Private Limited (100% subsidiary)	-	505.61	-	-	-
Total	**2,414.06**	**1,154.65**	**191.82**	**187.51**	**0.08**
2. Sale of Fixed Assets					
Platinum Veneers Private Limited (100% subsidiary)		27.97			
Total	-	**27.97**	-	-	-
3. Purchase of Goods					
Greenlam Asia Pacific Pte. Limited	44.47	86.37			

Particulars	Year ended 31st March, 2009	Year ended 31st March, 2008	Year ended 31st March, 2007	Year ended 31st March, 2006	Year ended 31st March, 2005
(100% subsidiary) (formerly GIL Intercontinental PTE Limited)					
Platinum Veneers Private Limited (100% subsidiary)	-	510.42			
Galaxy Decor Private Limited (100% subsidiary)	-	1.75			
Total	**44.47**	**598.54**	-	-	-
4. Payments against Services					
Prime Holdings Private Limited	26.40		3.36	3.36	-
S.M. Management Private Limited	16.80		3.00	-	-
Prime Properties Private Limited	24.00				
Trade Combines	2.40		4.20	5.10	0.90
Rajesh Mittal	118.89	78.39	41.12	22.18	8.06
Saurabh Mittal	122.53	75.03	38.88	20.16	6.72
S P Mittal	122.66	85.11	10.43	0.05	0.03
Shobhan Mittal	87.65	64.95	24.04	-	-
Parul Mittal	-	12.15	4.03	4.03	4.03
K C Jain	-	-	-	1.50	2.15
P K Chatterjee	-	-	-	-	0.02
Janaki Venkatramani	-	-	-	0.03	0.03
Susil Kumar Pal	2.00	2.24	0.20	0.03	-
Vinod Kumar Kothari	2.00	2.08	0.08	-	-
Anupam Kumar Mukerji	2.00	2.14	0.04	-	-
Moyna Yometh Konyak	2.00	2.00			
Sonali Bhagwati Dalal	2.00	2.02			
Total	**531.33**	**326.11**	**129.38**	**56.44**	**21.94**
5. Finance Charges Paid					
Greenply Leasing & Finance Limited	-	-	4.78	9.72	0.09
Prime Holdings Private Limited	-	-	3.79	10.12	-
S.M.Management Private Limited	-	-	3.32	10.59	-
Total	**-**	**-**	**11.89**	**30.43**	**0.09**
6. Dividend Payments					
Himalaya Granites Limited	-	-	3.92	8.00	21.26
Total	**-**	**-**	**3.92**	**8.00**	**21.26**
7. Loan, Advance and Deposit Taken					
Greenply Leasing & Finance Limited	-	-	-	288.65	2.40
Himalaya Granites Limited	-	-	-	-	19.90
Prime Holdings Private Limited	-	-	-	239.85	-
S.M.Management Private Limited	-	-	-	249.24	-
Total	-	-	-	**777.74**	**22.30**
8. Loan, Advance and Deposit Given					
Platinum Veneers Private Limited (100% subsidiary)	-	605.19			
Galaxy Decor Private Limited (100% subsidiary)	-	106.02			
Total	-	**711.21**	-	-	-
9. Repayment of Loan, Advance and Deposit taken					
Greenply Leasing & Finance Limited	-	-	288.65	-	2.40
Himalaya Granites Limited	-	-	-	-	19.90
Prime Holdings Private Limited	-	-	239.85	-	-

Particulars	Year ended 31st March, 2009	Year ended 31st March, 2008	Year ended 31st March, 2007	Year ended 31st March, 2006	Year ended 31st March, 2005
S.M.Management Private Limited	-	-	249.24	-	-
Total	-	-	**777.74**	**-**	**22.30**
10. Corporate Guarantee Given					
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	2,197.80	458.80	155.49	-	-
Total	**2,197.80**	**458.80**	**155.49**	**-**	**-**
11. Release of Corporate Guarantee Given					
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	458.80	155.49	-	-	-
(* Conversion Rate 1 SG$=33.30 INR)					
Total	**458.80**	**155.49**	**-**	**-**	**-**
B. BALANCE AT THE END OF PERIOD					
1. Debtors					
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	795.96	371.15	106.90	84.07	-
Greenlam America, Inc. (100% subsidiary)	927.58	-	-	-	-
Platinum Veneers Private Limited (100% subsidiary)	-	-	-	-	-
Himalaya Granites Limited	-	15.77	-	-	-
Total	**1,723.54**	**386.92**	**106.90**	**84.07**	**-**
2. Creditors for Goods and Expenses					
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	-	86.37	-	-	-
Platinum Veneers Private Limited (100% subsidiary)	-	298.46	-	-	-
Galaxy Decor Private Limited (100% subsidiary)	-	1.75	-	-	-
Total	**-**	**386.58**	**-**	**-**	**-**
3. Loans, Deposits and Advances Taken					
Greenply Leasing & Finance Limited	-	-	-	288.65	-
Prime Holdings Private Limited	-	-	-	237.25	-
S.M.Management Private Limited	-	-	-	249.18	-
Total	**-**	**-**	**-**	**775.08**	**-**
4. Loans, Deposits and Advances Given					
Platinum Veneers Private Limited (100% subsidiary)	-	605.19	-	-	-
Galaxy Decor Private Limited (100% subsidiary)	-	106.02	-	-	-
Total	**-**	**711.21**			

10. Investors may contact the Lead Manager for any complaints, information or clarifications pertaining to the Issue.

11. Before making an investment decision in respect of this Issue, investors are advised to review

the entire Letter of Offer, please also refer to the section titled "Basis for Issue Price" on page 46 of this Letter of Offer.

12. Refer to the section titled "Terms of the Issue – Basis of Allotment" on page 360 of this Letter of Offer for details of the basis of allotment.

Our Company and the Lead Manager are obliged to keep this Letter of Offer updated and inform investors in India of any material developments until the listing and trading of the Equity Shares offered under the Issue commences.

SECTION III – INTRODUCTION

SUMMARY

We are an interior infrastructure company engaged in the manufacture of plywood, laminates and allied products and are one of the largest in India in the segments in which we operate. We are in the process of commissioning a sophisticated medium density fiberboard ("MDF") manufacturing unit at Uttarakhand which we believe would be one of the largest in India.

Our Promoters, Mr. Shiv Prakash Mittal and Mr. Rajesh Mittal ventured into the industry by setting up a saw-mill in 1984 and a plant at Nagaland for the manufacture of plywood in 1988. We were incorporated in 1990 and over the years we have steadily grown as an interior infrastructure solutions provider offering the entire range of products vis. plywood, laminates, particle board and decorative veneers. Our Promoters have over twenty five years of experience in this industry. We have presence across different price points to cater to all customers across high-end, mid-market, and value segments.

Our products and installed capacities are as follows:

Manufacturing Unit	Product	Installed Capacity	Our major brands
Tizit, Nagaland	Plywood	45.00 lacs square meters	Greenply, Green Club, Ecotec, Optima Red, Green Spectrumwood, Green Premiaboard and Green Lamieboard
Kriparampur, West Bengal		60.00 lacs square meters	
Bamanbore, Gujarat		30.00 lacs square meters	
Pantnagar, Uttarakhand	Plywood and decorative veneers	105.00 lacs square meters	
	Particle board	20.00 lacs square meters	
Behror, Rajasthan	Laminates	53.40 lac sheets	Greenlam, Green Touch, Green Gloss, Greenlam Supertuf, New Mika, Green Sturdo and Green Decowood
	Decorative veneers	42.00 lacs square meters	
Nalagarh, Himachal Pradesh*	Laminates	33. 00 lacs sheets	
Pantnagar, Uttarakhand*	Medium Density Fibreboard	1.80 lacs cubic meters	

* *the proposed Projects*

We have been awarded with ISO 9001, ISO 14001 and OHSAS 18001 certifications for our manufacturing facility at Behror, Rajasthan. We have also received Greenguard Certification for "Low Emitting Products and Materials" for our product Greenlam Laminates.

We have a pan-India presence and export our laminate products to various countries including the United States of America, Singapore, Israel, Dubai, Mexico, Malaysia, Taiwan, Hong Kong, Russia and the United Kingdom. As of August 31, 2009, our marketing team comprising of 606 employees, operates through 27 marketing offices across 17 states in India. Our distribution network comprises of more than 3,445 distributors and dealers through whom we have access to approximately 8,500 sub-dealers and retailers. This pan-India distribution network ensures that our products are easily available in almost any part of India.

Competitive strengths

We are a performance driven company with a strong focus on customer satisfaction. Our financial performance viz; consistent growth in turnover CAGR 44.81% during the five years from 2005 to 2009, net profit CAGR 69.87% during the five years from 2005 - 2009, EBIDTA CAGR 45.94 %

during the five years from 2005 to 2009 demonstrates our leadership capabilities and competence within challenging businesses.

We believe our competitive strengths are:

(a) Strong brand recall

The plywood and the laminates industry is a fragmented and an unorganized industry. We believe we have pioneered and created a niche for ourselves in this industry by introducing various brands. We believe our brands like Greenply, Green Club, in the plywood segment and Greenlam, Green Decowood, Green Gloss and Green Touch in the laminate segment are synonymous with quality assurance in terms of strength and durability. We have been able to sustain the demand for our brands by offering a continuous flow of value additions such as new designs and finishes. We believe that our products enjoy easy recall and help us enhance our market share. Our brands give us a broader platform to market our products to our customers. Our "Chalta Rahe" campaign in FY 2006-07 and "Dikhane Ka Jee Kare" campaign in FY 2007-08 has enabled us to get a strong top of the mind recall with our customers.

(b) Entry barrier

We hold production licenses in segments regulated by the government which restrict and regulate the grant of new licenses for the manufacture of wood-based products. Government regulations represent a large entry barrier in the interiors infrastructure segment in India. Pursuant to the order of the Hon'ble Supreme Court dated October 29, 2002, unlicensed saw mills, veneer and plywood industries are not permitted to operate in India. Further, opening of a new saw mill, veneer or plywood industry requires a prior permission from the Central Empowered Committee. The grant of a license is further subject to strict compliance with the prescribed regulatory norms and relaxation of any of the norms is not permitted. These complexities in obtaining new licenses make it difficult for new players to enter the market. We therefore believe that our production license gives us a competitive edge.

(c) Proven and experienced management team

Our Promoters have over twenty five years of experience in the industry. We believe that our senior management team has extensive experience in the commissioning of and operating manufacturing capacities, finance, sales, business development and strategic planning in the industry. The vision and foresight of our management enables us to explore and seize new opportunities and accordingly position ourselves to introduce new products to capitalize on the growth opportunities in the interior infrastructure sector. We believe that the demonstrated ability and expertise of our management team for committed asset investment and use of cutting-edge technology results in growing capacities and rising production levels with better cost management and enhanced process efficiency has translated into our quality product, increasing profitability and improved margins which gives us a competitive edge.

(d) Extensive distribution network

Our distribution network ensures our product availability to our customers translating into efficient supply chain, focused customer service and short turnaround times for product delivery. We believe that our distribution network of more than 3,445 distributors and dealers through whom we have access to approximately 8,500 sub-dealers and retailers is amongst the largest distribution networks in the interior infrastructure industry in the country. Our dealer base is supported by an efficient sub dealer and distribution network and sales team, leading the products to retail outlets making our products available on the shelf across most places at all times thereby reducing dealer stock levels and increased annual sales per dealer. We have introduced the ERP-SAP system in 2007 and believe that the ERP will facilitate an informed decision making resulting in real time information on inventories, supply chain and consignment status across all products, locations and divisions across the country.

(e) Cost efficient sourcing and locational advantage

We believe that our cost efficient manufacturing and supply chain management results in a significant

reduction in our operational costs. With our experience, we are able to time our procurement of raw materials and being a large player in the industry we are also able to source these materials at a competitive price. The location of our current manufacturing facilities gives us a significant competitive cost advantage in terms of raw material sourcing, manufacturing and labour costs.

The key raw materials for the manufacture of our products are timber, chemicals and paper. Our plywood units are located strategically close to a rich raw material source in Nagaland and Uttarakhand. Kraft paper required for laminate manufacture is primarily sourced from the neighbouring states of Uttar Pradesh and Uttarakhand. With most of the phenol manufacturers based in western India, the Behror unit at Rajasthan enjoys uninterrupted availability of phenol. The Kriparampur unit in West Bengal is close to the Kolkata port and the Bamanbore Unit at Gujarat is close to the Kandla port thereby facilitating procurement of timber, phenol and other chemicals at a lower logistic cost.

Our manufacturing units are located in states we believe offers potential market for our products thus reducing the logistical costs associated with delivery. Our acquisitions in Gujarat enable us to address the western markets. The strategic location of Uttarakhand unit also helps to market the product in the neighboring Delhi-NCR and north Indian markets.

(f) Our sales and marketing network

Our sales and marketing team periodically reviews new products, assesses market trends and develops and builds business relations. We have segregated our marketing team into two verticals with a focus on product categories which is plywood, particle board and MDF and lifestyle products laminates and veneers. We export our products to more than 15 countries with exports comprising about 12.47 % of our total turnover for the year ended March 31, 2009. We have a pan India marketing network consisting of 27 marketing offices, 3,445 dealers and a marketing team of 606 people. We maintain strong relationships with interior architects and designers, contractors and carpenters, as well as retailers. Our sales and marketing team has a focused approach to creating brand awareness through print and electronic media, in-store visibility and carpenter meets.

We have established the "Greenlam" brand in the international markets by appointing authorised distributors in middle-east countries and Russia. Representative offices have been opened in Singapore and Dubai to promote the brand and strengthen the marketing network. We have acquired Greenlam Asia Pacific Pte. Limited, as a wholly owned subsidiary, to explore new markets for our laminates in south-east Asian countries. In April 2008, we have promoted Greenlam America, Inc., as a wholly owned subsidiary for marketing and distributing our laminates in North America.

(g) ***Modern infrastructure and integrated facilities***

Our investment in modern infrastructure and our ability to enhance capacity utilization in excess of installed capacities in manufacturing leads to economies of scale. Moreover, our energy efficient manufacturing processes result in relatively lower operating cost and enhanced profitability. Some of our manufacturing units manufacture multiple product range under one roof which results in cost savings in terms of shared overheads and resources across different product categories. It also reduces transportation costs and improves logistics management as our dealers can place orders for multiple products resulting in single truck load delivery enabling them to replenish stocks at regular intervals. The by-products from plywood manufacture constitute around 40 – 50% of the raw material for the manufacture of particle board.

Our Business Strategy

Capacity expansion and manufacture of new products

We focus on a value addition strategy coupled with a volume driven approach, which enables margin enhancement along with revenue growth. We are in the process of commissioning an additional plant for manufacture of laminates. Our current laminate production capacity is 53.40 lacs sheets per annum and pursuant to the said commissioning, the capacity would increase to 86.40 lacs sheets per annum. The new unit would manufacture laminates with varied applications and would enable us to cater to a larger segment of the domestic market and also gain access to new foreign markets. We intend to

continue to enhance scale in existing products and introduce new products across high end and mid segment to capitalize on the opportunity. Our diversification into MDF manufacture is in furtherance of our strategy of increasing our share in the mid market segment, which is the largest segment of the market.

To continue brand building and strengthening of the distributor network

The industry is seeing a shift in market share from the unorganised to the organised sector. We seek to capture a greater market share in this environment and it is important to invest in the brand to strengthen the top of the mind recall and consequently we shall continue to invest in our brands.

Since the industry is highly unorganized, a good distribution network is essential in this industry. We are focusing on expanding on our distributorship network by opening new marketing offices or by way of appointment of new distributors, including smaller towns and rural areas. We believe that smaller towns in suburban India would be the new emerging realty hubs for development of residential and commercial complexes and intend to position ourselves to capitalize on these emerging opportunities.

Tapping large real estate developers and corporate bodies

As organised real estate development started growing in India, we realised that it was imperative to tap large real estate players. Since the buyers in organised real estate market are more sophisticated with better understanding of the market and pricing, a direct marketing approach to them was adopted. We approach large corporate houses to market our products and ensure secondary sales through our dealers and distributors.

To develop export opportunities for our products

We currently export our products to more than 15 countries. We are in the process of establishing the 'Greenlam' brand internationally by appointing distributors in the middle-east countries and Russia. Representative offices have been opened in Singapore and Dubai to promote the brand and strengthen the marketing network. We have acquired Greenlam Asia Pacific Pte. Limited, as a wholly owned subsidiary, to explore new markets for our laminates in south-east Asian countries. We have also promoted Greenlam America, Inc. as a wholly owned subsidiary, registered under the laws of the United States of America, for marketing and distributing our laminates in North America. The new plant at Nalagarh, Himachal Pradesh for the manufacture of laminates would cater primarily to foreign markets. We have commenced export of plywood and would also be exploring possibilities of exporting MDF.

THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in section titled "Terms of the Issue" on page 338 of this Letter of Offer.

Rights Entitlement	3 (three) Equity Share(s) for every 10 (ten) fully paid-up Equity Share(s) held on the Record Date. In addition to the above, for every 10 (ten) Equity Share(s) allotted in the Issue, 4 (four) Detachable Warrant(s) will be issued and allotted.
Record Date	September 8, 2009
Issue Price per Equity Share	Rs. 90
Equity Shares outstanding prior to the Issue	1,69,97,446 Equity Shares
Equity Shares outstanding after the Issue but before the exercise of the Detachable Warrants (assuming full subscription for and allotment of the Rights Entitlement)	2,20,96,680 Equity Shares
Equity Shares outstanding after the exercise of Detachable Warrant conversion (assuming full exercise of the conversion)	2,41,36,374 Equity Shares
Terms of the Issue	For more information, please refer to the section titled "Terms of the Issue" on page 338 of this Letter of Offer.
Terms of Payment	100 per cent on application (i.e. Rs. 90 per Equity Share).
Use of Issue Proceeds	For further information, please refer to the section titled "Objects of the Issue" on page 31 of this Letter of Offer.

Terms of Payment

Due Date	Amount
On Rights Issue application	Rs. 90 which constitutes 100% of the full amount of the Issue Price of Rs. 90.
On exercise of Warrants	Rs. [●] which constitutes 100% of the full amount of the Warrant Exercise Price of Rs. [●]*.

*Note: This amount cannot be determined as on date, and will not be determined as on date of allotment of Equity Shares in the Issue. It will be determined in accordance with the formula contained in the sub-section titled "Warrant Exercise Price" on page 347 of this Letter of Offer.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our restated standalone financial statements as of and for the fiscal year ended March 31, 2009, March 31, 2008, March 31, 2007, March 31, 2006 and March 31, 2005. The following tables set forth summary financial information derived from our restated consolidated financial statements as of and for the fiscal year ended March 31, 2009, March 31, 2008 and March 31, 2007. Our restated financial statements have been prepared in accordance with Indian GAAP and the SEBI ICDR and are presented in the section titled "Financial Statements" on page 130 of this Letter of Offer. The summary financial information presented below should be read in conjunction with restated financial statements, the notes thereto and section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 235 of this Letter of Offer.

Standalone Restated Summary Statement of Assets and Liabilities of our Company

(Rs. in lacs)

Particulars		As at				
		Mar 31, 2009	**Mar 31, 2008**	**Mar 31, 2007**	**Mar 31, 2006**	**Mar 31, 2005**
A	**Fixed Assets**					
	a) Tangible Assets					
	Gross block	26,654.43	22,935.75	17,808.51	10,700.62	6,873.07
	Less : Depreciation/ Amortisation up to date	7,148.69	5,581.64	4,477.58	4,074.92	2,874.97
	Net Block	19,505.74	17,354.11	13,330.93	6,625.70	3,998.10
	b) Intangible Assets (Trademark)					
	Gross block	408.58	68.58	68.58	68.58	-
	Less : Depreciation/ Amortization up to date	93.72	18.86	12.01	5.15	-
	Net Block	314.86	49.72	56.57	63.43	-
	c) Capital Work in Progress	5,168.97	256.98	1,288.85	3,315.38	93.68
	Total (A) (a+b+c)	**24,989.56**	**17,660.81**	**14,676.35**	**10,004.50**	**4,091.78**
B	**Investments**	**221.26**	**498.17**	**113.17**	**10.56**	**10.53**
C	**Current Assets , Loans and**					
	Advances:					
	Inventories	16,608.93	14,456.36	11,287.51	8,446.45	4,732.89
	Sundry Debtors	13,541.34	9,557.29	7,250.08	5,075.42	4,140.90
	Cash and Bank Balances	1,621.01	923.97	1,474.98	622.59	201.78
	Loans and Advances	6,865.17	5,027.45	2,583.67	1,731.04	902.48
	Total (C)	**38,636.45**	**29,965.07**	**22,596.24**	**15,875.50**	**9,978.05**
D	**Liabilities and Provisions**					
	Secured Loans	19,272.31	13,386.18	12,546.27	10,376.80	6,618.04
	Unsecured Loans	6,527.06	3,725.56	2,111.15	2,003.48	1,133.77
	Current Liabilities and Provisions	19,260.05	15,428.25	11,616.01	6,702.54	2,585.48
	Deferred Tax Liability	1,258.07	1,229.63	581.54	488.95	272.96
	Total (D)	**46,317.49**	**33,769.62**	**26,854.97**	**19,571.77**	**10,610.25**
E	**Networth (A+B+C- D)**	**17,529.78**	**14,354.43**	**10,530.79**	**6,318.79**	**3,470.11**
F	**Represented by**					
i	Share Capital	849.87	849.87	884.75	985.98	820.83
ii	Reserves & Surplus (Excluding Revaluation Reserve)	16,690.86	13,504.56	9,646.04	5,332.87	2,649.40
	Less: Miscellaneous Expenditure to the extent not written off or adjusted	10.95	-	-	0.06	0.12
	Reserves & Surplus (Net)	16,679.91	13,504.56	9,646.04	5,332.81	2,649.28
G	**Networth (i + ii)**	**17,529.78**	**14,354.43**	**10,530.79**	**6,318.79**	**3,470.11**

Note: The above statement should be read with the Significant Accounting Policies and selected notes to accounts for Restated Standalone Financial information.

Standalone Restated Summary Statement of Profit and Loss of the Company

(Rs. in lacs)

Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006	For the year ended March 31, 2005
Income					
Sales & Services (Refer Annexure K)	72,253.08	54,302.23	39,050.91	25,829.42	16,267.59
Other Income (Refer Annexure L)	215.54	142.16	80.89	91.33	100.98
	72,468.62	54,444.39	39,131.80	25,920.75	16,368.57
Increase (Decrease) in Inventories	957.18	1,621.86	1,338.57	102.94	282.90
Total	**73,425.80**	**56,066.25**	**40,470.37**	**26,023.69**	**16,651.47**
Expenditure					
Purchase	3,162.35	1,614.43	181.64	75.63	386.45
Operating Cost	44,607.02	33,960.24	26,863.13	17,479.52	11,973.63
Personnel Cost	5,925.52	3,943.57	2,912.91	1,473.01	655.62
Administrative and Other Expenses	3,297.70	2,682.82	1,765.37	1,120.03	553.18
Selling and Distribution Expenses	6,933.96	5,617.75	4,227.22	2,711.66	1,341.29
Loss due to fluctuation in Foreign Exchange Rates	1,600.05	-	-	-	-
Financial Charges	1,963.07	1,811.87	1,174.79	763.93	614.22
Depreciation / Amortization	1,704.80	1,315.51	864.83	633.40	416.02
Total	**69,194.47**	**50,946.19**	**37,989.89**	**24,257.18**	**15,940.41**
Profit before Tax and Exceptional Items	4,231.33	5,120.06	2,480.48	1,766.51	711.06
Exceptional Items / Extraordinary Items	-	-	-	-	-
Profit before Tax	4,231.33	5,120.06	2,480.48	1,766.51	711.06
Provision for Taxation - Current Tax	500.00	570.09	259.43	136.75	93.56
- Deferred Tax	28.44	648.09	92.59	28.61	194.55
- Fringe Benefit Tax	66.12	47.50	33.00	30.75	-
Income Tax for Earlier Years	-	0.35	-	-	-
Mat Credit	108.98	-	(95.31)	(25.14)	-
Profit /(Loss) after tax	3,527.79	3,854.03	2,190.77	1,595.54	422.95
Profit acquired on amalgamation	-	-	-	136.10	-
Balance Brought Forward	5,537.08	2,772.61	1,560.71	353.69	275.08
Less: Appropriations					
Interim Dividend	-	248.96	164.52	101.32	75.99
6% Cumulative Redeemable Preference Shares	-	-	-	18.85	0.57
Equity Shares	254.96	254.96	248.96	164.52	50.66
Tax on Distribution of Dividend	43.33	85.64	65.39	39.93	17.12
Transfer to General Reserve	500.00	500.00	500.00	200.00	200.00
Total of Appropriations	798.29	1,089.56	978.87	524.62	344.34
Balance Carried to Balance Sheet	**8,266.58**	**5,537.08**	**2,772.61**	**1,560.71**	**353.69**
Net Profit / (Loss) Before Adjustment as per Audited Statement (PAT)	3,730.62	3,873.46	2,252.32	1,408.50	528.01
Total of other Adjustments (see para 5.02 of annexure 4)	(202.83)	(19.43)	(61.55)	187.04	(105.06)
Net Profit / (Loss) After Adjustments	**3,527.79**	**3,854.03**	**2,190.77**	**1,595.54**	**422.95**

Note: The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Consolidated Restated Summary Statement of Assets and Liabilities of the Company

(Rs. in lacs)

Particulars		As at		
		March 31, 2009	**March 31, 2008**	**March 31, 2007**
A	**Fixed Assets**			
	a) Tangible Assets			
	Gross block	26,749.94	23,242.95	17,849.26
	Less: Depreciation/ Amortization upto date	7,188.93	5,731.74	4,486.16
	Net Block	19,561.01	17,511.21	13,363.10
	b) Intangible Assets (Trademark and Goodwill)			
	Gross block	422.92	470.43	80.75
	Less: Depreciation/Amortization upto date	93.72	18.86	12.01
	Net Block	329.20	451.57	68.74
	c) Capital Work in Progress	5,168.96	507.71	1,288.85
	Total (A) (a+b+c)	**25,059.17**	**18,470.49**	**14,720.69**
B	**Investments**	**8.96**	**8.96**	**8.96**
C	**Current Assets , Loans and Advances :**			
	Inventories	17,404.46	15,131.49	11,428.75
	Sundry Debtors	13,117.37	9,906.99	7,379.24
	Cash and Bank Balances	1,729.23	1,027.66	1,475.51
	Loans and Advances	6,900.55	4,465.33	2,599.15
	Total (C)	**39,151.61**	**30,531.47**	**22,882.65**
D	**Liabilities and Provisions**			
	Secured Loans	19,821.41	13,747.90	12,681.11
	Unsecured Loans	6,538.66	3,753.86	2,122.68
	Current Liabilities and Provisions	19,248.07	15,800.54	11,691.59
	Deferred Tax Liability	1,262.26	1231.30	581.54
	Total (D)	**46,870.40**	**34,533.60**	**27,076.92**
E	**Networth (A+B+C- D)**	**17,349.34**	**14,477.32**	**10,535.38**
F	**Represented by**			
i	Share Capital	849.87	849.87	884.75
ii	Reserves & Surplus (Excluding Revaluation Reserve)	16,549.72	13,634.17	9,652.91
	Less: Miscellaneous Expenditure to the extent not written off or adjusted	50.25	6.72	2.28
	Reserves and Surplus (Net)	16,499.47	13,627.45	9,650.63
G	**Networth (i+ii)**	**17,349.34**	**14,477.32**	**10,535.38**

Note: The above statement should be read with the significant accounting policies and summary of selected norms to accounts as appearing in Annexure D to this report.

Consolidated Restated Summary Statement of Profit and Loss of the Company

(Rs. in lacs)

Particulars		For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
Income				
Sales & Services (Refer Annexure K)		77,082.99	58,964.81	40,187.87
Other Income (Refer Annexure L)		215.94	153.22	81.59
		77,298.93	**59,118.03**	**40,269.46**
Increase (Decrease) in Inventories		1,525.60	1,820.97	1,338.05
Total		**78,824.53**	**60,939.00**	**41,607.51**
Expenditure				
Purchase		7,689.53	5,444.51	1,199.41
Operating Cost		44,607.02	34,520.27	26,863.13
Personnel Cost		6,354.90	4,185.69	2,981.21
Administrative and Other Expenses		3,574.91	2,814.71	1,795.23
Selling and Distribution Expenses		7,123.86	5,666.59	4,235.20
Loss due to fluctuation in Foreign Exchange Rates		1,686.73	-	-
Financial Charges		1,993.71	1,824.60	1,178.26
Depreciation / Amortization		1,729.10	1,329.66	867.73
Total		**74,759.76**	**55,786.03**	**39,120.17**
Profit before Tax and Exceptional Items		4,064.77	5,152.97	2,487.34
Exceptional Items / Extraordinary Items		-	-	-
Profit before Tax		4,064.77	5,152.97	2,487.34
Provision for Taxation	- Current Tax	500.97	572.88	259.43
	- Deferred Tax	30.59	649.76	92.59
	- Fringe Benefit Tax	66.12	48.28	33.00
Income Tax for Earlier Years		-	0.44	-
Mat Credit		108.98	-	(95.31)
Profit /(Loss) after tax		3,358.11	3,881.61	2,197.63
Profit acquired on amalgamation		-	-	-
Balance Brought Forward		5,606.35	2,814.30	1,595.54
Add : Balance received from Subsidiary		-	-	-
Less: Appropriations				
Interim Dividend		-	248.96	164.52
Proposed Dividend-				
	Equity Shares	254.96	254.96	248.96
	Tax on Distribution of Dividend	43.33	85.64	65.39
	Transfer to General Reserve	500.00	500.00	500.00
Total of Appropriations		**798.29**	**1,089.56**	**978.87**
Balance Carried to Balance Sheet		**8,166.17**	**5,606.35**	**2,814.30**
Net Profit / (Loss) Before adjustment as per Audited Statement (PAT)		3,560.85	3,901.13	2,259.18
Total of other Adjustments (See para 5.02 of Annexure D)		(202.74)	(19.52)	(61.55)
Net Profit / (Loss) After Adjustments		**3,358.11**	**3,881.61**	**2,197.63**

Note : The above statement should be read with the significant accounting policies and summary of selected notes to the accounts, as appearing in Annexure D to this Report.

GENERAL INFORMATION

Dear Shareholder(s),

Pursuant to the resolution passed by our Board of Directors at its meeting held on March 07, 2009 it has been decided to make the following offer to our Equity Shareholders, with a right to renounce:

ISSUE OF 50,99,234 EQUITY SHARES WITH A FACE VALUE OF RS. 5 EACH AT A PREMIUM OF RS. 85 PER EQUITY SHARE FOR AN AMOUNT AGGREGATING RS. 4,589.31 LACS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF THE COMPANY IN THE RATIO OF 3 (THREE) EQUITY SHARE(S) FOR EVERY 10 (TEN) FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE THAT IS ON SEPTEMBER 8, 2009, 2009. FOR EVERY 10 (TEN) EQUITY SHARE(S) ALLOTED ON A RIGHTS BASIS, 4 (FOUR) DETACHABLE WARRANT(S) WILL BE ISSUED AND ALLOTTED. THE ISSUE PRICE IS 18 TIMES THE FACE VALUE OF THE EQUITY SHARES.

Registered Office of our Company

Greenply Industries Limited
Makum Road, Tinsukia,
Assam – 786 125
Telefax: + 91 374 233 1453/ 233 2007
Website: www.greenply.com
Email: investors@greenply.com

Corporate Office of our Company

Greenply Industries Limited
16-A Shakespeare Sarani,
Kolkata – 700 071
Tel: + 91 33 3051 5000
Fax: + 91 33 3051 5010

Registration No.: 02-03484

Corporate Identification No.: L20211AS1990PLC003484

Address of the Registrar of Companies

Registrar of Companies, Shillong,
Morello Building, Ground Floor,
Kachari Road,
Shillong – 793 001
Meghalaya
Tel: + 91 364 222 3665

The Equity Shares are listed on the NSE and BSE.

Board of Directors

Name	Designation
Mr. Shiv Prakash Mittal	Executive Chairman
Mr. Rajesh Mittal	Managing Director
Mr. Saurabh Mittal	Joint Managing Director and Chief Executive Officer
Mr. Shobhan Mittal	Executive Director
Mr. Moina Yometh Konyak	Non – Executive, Independent Director
Mr. Gautam Dutta	Independent Director, Nominee of IDBI Bank Limited
Mr. Susil Kumar Pal	Non – Executive, Independent Director
Mr. Vinod Kumar Kothari	Non – Executive, Independent Director
Mr. Anupam Kumar Mukerji	Non – Executive, Independent Director
Ms. Sonali Bhagwati Dalal	Non – Executive, Independent Director

For further details regarding our Directors please refer to the section titled "Management" on page 92 of this Letter of Offer.

Company Secretary and Compliance Officer

Mr. Kaushal Kumar Agarwal
Company Secretary and Compliance Officer
16-A Shakespeare Sarani
Kolkata – 700 071
Tel: +91 33 3051 5000
Fax: + 9133 3051 5010
E-mail:investors@greenply.com

Investors may contact the Compliance Officer for any pre-Issue /post-Issue related matter.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the SCSB where the CAF was submitted by the ASBA Investors.

Lead Manager to the Issue

Enam Securities Private Limited
SEBI Registration No.: INM000006856
801, Dalamal Towers,
Nariman Point, Mumbai – 400 021,
Maharashtra, India.
Tel: + 91 22 6638 1800
Fax: + 91 22 2284 6824
Email: greenply.rights@enam.com
Investor Grievance E-mail: complaints@enam.com
Website:www.enam.com
Contact Person: Ms. Anusha Bharadwaj

Bankers to the Issue

IDBI Bank Limited 44, Shakespeare Sarani, Kolkata – 700 017. Tel: +91 33 6633 7703 Fax: + 91 33 6633 8814 Email: p.mukharjee@idbi.co.in Contact Person: Mr. P. M. Mukherjee	**Standard Chartered Bank** 270, D. N. Road, Fort, Mumbai – 400 001 Tel: +91 22 2268 3955 Fax: + 91 22 2209 2216 Email: joseph.george@sc.com Contact Person: Mr. Joseph George

Bankers to our Company

State Bank of India Industrial Finance Branch 11, Dr. U.N. Bramhachari Street Kolkata-700 017 Tel: +91 33 2287 7646 Fax: +91 33 2287 9314 E-mail: gautam.das@sbi.co.in Contact person: Mr. Gautam Das	**Axis Bank Limited** A C Market Building 3rd Floor, 1, Shakespeare Sarani Kolkata – 700 071 Tel: +91 33 6621 0014 Fax: +91 33 6621 0030 E-mail: goutam.sarkar@axisbank.com Contact person: Mr. Goutam Sarkar
ING Vysya Bank Limited Middleton Street Branch Sikkim House 4/1, Middleton Street Kolkata– 700 071. Tel: +91 33 2283 4575 Fax: +91 33 2283 4576 E-mail: gauravl@ingvysyabank.com Contact person: Mr. Gaurav Lal	**Export-Import Bank of India** Vanijya Bhawan, 4th floor (International Trade Facilitation Centre) 1/1 Wood Street Kolkata – 700 016 Tel: +91 33 2289 1728 Fax: +91 33 2289 1727 E-mail: saumar@eximbankindia.in Contact person: Mr. Saumar Sonowal
Standard Chartered Bank Wholesale Banking, Credit Risk Control, India, H-2, Connaught Circus, New Delhi – 110 001. Tel: +91 11 2340 6492 Fax: +91 11 2332 1021 E-mail: Kumar-Sambhaw.Sultania@sc.com Contact person: Mr. Kumar Sambhaw Sultania	**IDBI Bank Limited** IDBI House, 44 Shakespeare Sarani, Kolkata- 700 017. Tel: +91 33 6633 8888 Fax: +91 33 6633 8812 E-mail: akbar.ali@idbi.co.in Contact person: Mr. Akbar Ali
State Bank of Indore Commercial Branch, M-47 Connaught Circus, New Delhi- 110 001 Tel: +91 11 2341 6790 Fax: +91 11 2341 4685 E-mail: Sbn3356@sbindore.co.in Contact person: Mr. Sanjay Mehta	**State Bank of Hyderabad** 32B Brabourne Road Kolkata- 700 001 Tel: +91 33 2235 0155 Fax: +91 33 2221 5738 E-mail: brabourneroad@sbhyd.co.in Contact person: Mr. C.Gopakumar

Self Certified Syndicate Bank

The list of SCSBs registered with SEBI is available on the website of SEBI at http://www.sebi.gov.in/pmd/scsb.html.

Legal Counsel to the Issue

Khaitan & Co.
4th and 5th Floors, Meher Chambers,
R. K. Marg,
Ballard Estate,
Mumbai 400 001
Tel: + 91 22 6636 5000
Fax: + 91 22 6636 5050

Auditors of our Company

M/s D. Dhandaria & Company
Chartered Accountants
Thana Road,
Tinsukia-786 125, Assam
Tel: + 91 374 2337684
Fax: + 91 374 2350181
Email: d_dhandaria@rediffmail.com

Registrar to the Issue

Link Intime India Private Limited
Registration Number: INR000004058
C- 13 Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai - 400 078
Tel: +91 22 2596 0320
Fax: +91 22 2596 0329
Email: greenply-rights@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Pravin Kasare

Note: Investors are advised to contact the Registrar to the Issue/Compliance Officer in case of any pre-issue/post-issue related problems such as non-receipt of Letter of Offer/abridged letter of offer/letter of allotment/demat credit/share certificate(s)/refund orders.

Credit rating

This being an issue of Equity Shares, no credit rating is required. No ratings have been received by us in the past.

Statement of responsibility of the Lead Manager

Enam shall be responsible and shall co-ordinate the following activities in relation to this Issue:

No.	Activities
1.	Capital structuring with the relative components and formalities such as composition of debt and equity type of instruments.
2.	Drafting of offer document and of advertisement/publicity material including newspaper advertisements and brochure/memorandum containing salient features of the offer document. The designated Lead Manager shall ensure compliance with SEBI ICDR and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges and SEBI.
3.	Retail/Non-Institutional marketing strategy which will cover inter-alia, preparation of publicity budget, arrangement for selection of (i) ad-media, (ii) centres of holding conferences of brokers, investors etc., (iii) bankers to the issue, (iv) collection centres, (v) distribution of publicity and Issue materials including application form and letter of offer.
4.	Institutional marketing strategy.
5.	Selection of various agencies connected with the Issue, namely Registrars to the Issue, printers and advertisement agencies.
6.	Follow up with Bankers to the Issue to get quick estimates of collection and advising the Issuer about closure of the Issue based on the correct figures.
7.	The post issue activities will involve essential follow up steps which must include finalization of basis of allotment/weeding out of multiple applications, listing of instruments and dispatch of certificates and refunds, with the various agencies connected with the activities such as Registrars to the Issue, Bankers to the Issue. Whilst, many of the post issue activities will be handled by other intermediaries, the designated Lead Manager shall be responsible for ensuring that these agencies fulfill their functions and enable them to discharge this responsibility through suitable agreements with the Issuer Company.

Issue Schedule

Issue Opening Date:	September 23, 2009
Last date for receiving requests for split forms:	September 30, 2009
Issue Closing Date:	October 7, 2009

Minimum Subscription

This Issue has not been underwritten and we have not made any standby arrangements for the Issue.

If our Company does not receive the minimum subscription of 90% of the Issue, or the subscription level falls below 90%, excluding the amount to be received upon exercise of the Detachable Warrants, after the Issue Closing Date on account of cheques being returned unpaid or withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in the refund of the subscription amount by more than eight days after our Company becomes liable to pay the subscription amount (i.e. 15 days after the Issue Closing Date), our Company will pay interest for the delayed period, as prescribed under sub-sections (2) and (2A) of Section 73 of the Companies Act.

Subscription to the Issue by the Promoters and the Promoter Group

The Promoters and the members of the Promoter Group collectively hold 54.92% of our issued and outstanding Equity Share capital. The Promoters and the members of the Promoter Group holding Equity Shares in our Company have undertaken to fully subscribe for their Rights Entitlement. They reserve the right to subscribe for their Rights Entitlement either by themselves and/or through one or more entities controlled by them, including by subscribing for Equity Shares with Detachable Warrants pursuant to any renunciation made by any member of the Promoter Group to another member of the Promoter Group. They have also undertaken to apply for the Equity Shares with Detachable Warrants in addition to their rights entitlement to the extent of any undersubscribed portion of the Issue, subject to obtaining any approvals required under applicable law, to ensure that at least 90% of the Issue is subscribed. Such subscription for Equity Shares with Detachable Warrants over and above their rights entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. Further, such acquisition by them of additional Equity Shares with Detachable Warrants shall (i) not result in a change of control of the management of our Company; and (ii) be exempt from the applicability of Regulations 11 and 12 of the Takeover Code in terms of the proviso to Regulation 3(1)(b)(ii) of the Takeover Code. In connection with Detachable Warrants issued and allotted by our Company in the Issue, the Promoters and members of the Promoter Group shall only apply for the issue of such Equity Shares as may arise from the exercise of the Detachable Warrants issued and allotted to them in the Issue and such exercise shall (i) not result in a change of control of the management of our Company; and (ii) be exempt from the applicability of Regulations 11 and 12 of the Takeover Code in terms of the proviso to Regulation 3(1)(b)(ii) of the Takeover Code.

CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Letter of Offer is set forth below:

(Rs in lacs)

		Aggregate Nominal Value	Aggregate Value at Issue Price
Authorised share capital			
3,20,00,000	Equity Shares of Rs. 5 each	1,600.00	
50,00,000	Cumulative Redeemable Preference Shares of Rs. 10 each	500.00	
	Total	2,100.00	
Issued, subscribed and paid up capital			
1,69,97,446	Equity Shares of Rs. 5 each fully paid-up	849.87	
Present Issue being offered to the existing Equity Shareholders through this Letter of Offer			
50,99,234 Equity Shares at an Issue Price of Rs. 90 per Equity Share In addition to the above, for every 10 Equity Share(s) allotted in the Issue, 4 Detachable Warrant(s) will be issued and allotted		254.96	4,589.31
Issued, subscribed and paid up capital after the Rights Issue (before exercise of Warrants, assuming full subscription for and allotment of the Rights Entitlement)			
2,20,96,680 Equity Shares of Rs. 5 each fully paid-up		1,104.83	
Issued, subscribed and paid up capital on exercise of Warrants (assuming full exercise of the Detachable Warrants)			
2,41,36,374	Equity Shares of Rs. 5 each fully paid-up	1,206.82	
Securities premium account			
Securities Premium Account before the Issue		4,468.91	
Securities Premium Account after the allotment of the Equity Shares but before the exercise of the Detachable Warrants (assuming full subscription for and allotment of the Rights Entitlement)		8,803.26	
Securities Premium Account after the exercise of the Detachable Warrants (assuming full exercise of the Detachable Warrants)		10,537.00*	

* The securities premium received pursuant to the allotment of the Equity Shares upon the exercise of the Detachable Warrants has been calculated using the Floor Price as the Warrant Conversion Price. The actual securities premium cannot be determined until the date of determination of the Warrant Exercise Price as per the specified formula. For details of the determination of the Warrant Exercise Price, refer to the section titled "Terms of the Issue" on page 338 of this Letter of Offer.

This Issue of Equity Shares has been authorised by our Board of Directors pursuant to its resolution dated March 7, 2009.

Notes to the Capital Structure

1. **Share Capital History**

The following is the history of the Equity Share Capital of our Company since incorporation till date of filing of this Letter of Offer:

Date of allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price per equity share (Rs.)	Nature of payment of consideration	Nature of Allotment	Cumulative number of equity shares	Cumulative Issued Capital (Rs.)	Cumulative Share Premium (Rs.)
November 28, 1990	20	100	100	Cash	Subscribers to Memorandum of Association	20	2,000	_
March 28, 1991	14,250	100	100	Cash	Preferential Allotment [1]	14,270	14,27,000	_
August 26, 1991	10,050	100	100	Cash	Preferential Allotment [2]	24,320	24,32,000	_
June 30, 1992	35,500	100	100	Cash	Preferential Allotment [3]	59,820	59,82,000	_
March 31, 1993	2,15,180	100	100	Cash	Preferential Allotment [4]	2,75,000	2,75,00,000	_
February 17, 1994	96,200	100	100	Cash	Preferential Allotment [5]	3,71,200	3,71,20,000	_
The face value of the equity share of Rs. 100 each of our Company was sub-divided into face value of Rs. 10 each through a shareholders resolution dated October 21, 1994 with effect from the same date resulting in 3,712,000 Equity Shares.								
December 14, 1995	13,54,155	10	10	Consideration other than cash	Allotment pursuant to amalgamation of Greenply Industries Limited with our Company in the ratio of 3:2	50,66,155	5,06,61,550	_
December 18, 2000	9,01,000	10	30	Cash	Preferential Allotment [6]	59,67,155	5,96,71,550	1,80,20,000
December 28, 2000	7,70,000	10	30	Cash	Preferential Allotment [7]	67,37,155	6,73,71,550	3,34,20,000
March 30, 2002	14,71,100	10	34	Cash	Preferential Allotment [8]	82,08,255	8,20,82,550	6,87,26,400
March 21, 2005[9]	(31,42,100)	10	-	Consideration other than cash	Conversion of equity shares into preference shares	50,66,155	5,06,61,550	Nil
The face value of the equity share of Rs. 10 each of our Company was sub-divided into face value of Rs. 5 each through a shareholders resolution dated May 30, 2005. Effective date of sub-division was June 24, 2005 resulting increase in total number of issued shares from 50,66,155 Equity shares to 1,01,32,310 Equity Shares.								
February 20, 2006	33,03,136	5	5	Consideration other than cash	Allotment pursuant to amalgamation of Worthy Plywoods Limited with our Company in the ratio of 4:5	1,34,35,446	6,71,77,230	5,86,33,400 [10]
June 8, 2006	23,47,000	5	114	Cash	Preferential Allotment [11]	1,57,82,446	7,89,12,230	31,44,56,400
June 13, 2006	6,70,000	5	114	Cash	Preferential Allotment [12]	1,64,52,446	8,22,62,230	38,74,86,400

Date of allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price per equity share (Rs.)	Nature of payment of consideration	Nature of Allotment	Cumulative number of equity shares	Cumulative Issued Capital (Rs.)	Cumulative Share Premium (Rs.)
June 4, 2007 [13]	1,45,000	5	114	Cash	Conversion of warrants issued through Preferential Allotment	1,65,97,446	8,29,87,230	40,32,91,400
November 30, 2007 [13]	4,00,000	5	114	Cash	Conversion of warrants issued through Preferential Allotment	1,69,97,446	8,49,87,230	44,68,91,400

1. *14,250 Equity Shares were allotted to the following investors: Mr. Rajesh Mittal, Ms. Santosh Mittal, Mr. Banawarilal Maheshwari,Mr. Prem Sukh Purohit, Ms. Geeta Devi Goel, Mr. Vishwanath Prajapati, Mr. Ashok Kumar Goel, Mr. Vindhyachal Pd. Singh, Mr. Padam Kumar Bathwal, Mr. Pradeep Kumar Bathwal, Mr. Lalchand Patni, Mr. Pawan Kumar Sharma, Ms. Kalawati Devi Sharma, Ms. Sangita Jain, Mr. Babulal Kala, Mr. Shyam Sunder Agarwal, Mr. Prem Sukh Purohit, Mr. Pramod Kr. Agarwal, Mr. Mahabir Pd. Agarwal, Ms. Santosh Devi Agarwal, Ms. Inderjeet Kaur, Mr. Prakash Chand Jain, Mr. Sukhmal Kr. Pandiya, Mr. Pramod Kr. Bohra, Mr. Biswanath Bathwal and Mr. Sobhag Mal Jain.*

2. *10,050 Equity Shares were allotted to the following investors: Mr. Shyam Sunder Agarwal, Mr. Deepak Kumar Garodia, Mr. Kailashchand Agarwal, Ms. Sumitra Devi Garodia, Mr. Dindayal Agarwal, Ms. Geeta Agarwal, Mr. Sheo Prasad Singh, Mr. Omprakash Agarwal, Mr. Mahabir Prasad Agarwala, Mr. Toka Chand Agarwal, Mr. Anantakumar Jalan, Mr. Bilash Rai Agarwal, Mr. Manojkumar Agarwal, Mr. Nirmal Kumar Patni and Mr. Pawankumar Jain.*

3. *35,500 Equity Shares were allotted to the following investors: Green Timber Industries Private Limited, Naginimara Timber Industries Private Limited, Keng Wood Products Private Limited and Mr. Bajrang Lal Sethia.*

4. *2,15,180 Equity Shares were allotted to the following investors: Kengwood Products Private Limited, Green Timber Industries Private Limited, Green Tea Industries Private Limited, Ms. Santosh Mittal (partner for and on behalf of M/s. Trade Combines),(Mr. Rajesh Mittal (partner for and on behalf of M/s. Worthy Traders), Master Shobhan Mittal through his legal guardian Mr. Shiv Prakash Mittal, Master Saurabh Mittal, through his legal guardian Mr. Shiv Prakash Mittal, Master Sanidhya Mittal, through his legal guardian Mr. Rajesh Mittal and Mr. Bajrang Lal Sethia,*

5. *96,200 Equity Shares were allotted to the following investors: Mr. Bajrang Lal Sethia, Himalaya Granites Private Limited, Mr. Rajesh Mittal (partner and on behalf of M/s Trade Combines), Mr. Rajesh Mittal (partner for and on behalf of M/s Worthy Traders), Mr. Bimal Kumar Dugar, Mr.Ranjeet Kumar Jain, Mr.Ramesh Kumar Dadheech, Mr. Vinod Kumar Dugar, Ms. Saroj Oswal, and Mr. Harak Chand Jain.*

6. *901,000 Equity Shares were allotted to the following investors: Green Tea Industries Private Limited, Greenply Leasing and Finance Limited, Himalaya Granites Limited, Kengwood Products Private Limited, Naginimara Timber Industries Private Limited, Plylam Enterprises Private Limited, Prime Holdings Private Limited, Ms. Karuna Mittal, Worthy Plywoods Limited and Ms. Shakuntala Devi Palriwal.*

7. *770,000 Equity Shares were allotted to the following investors: Toshita Fiscal Services Limited, Mr.Rajesh Kumar Agarwal, Mr. Sadhuram Agarwal, Ms. Gomti Devi Agarwal (on behalf of HUF), Ms. Gomti Devi Agarwal, Ms. Sujata Agarwal, Ms. Toshita Agarwal through her legal guardian Mr. Rajesh Kumar Agarwal, Ms. Twadanya Agarwal through her legal guardian Mr. Rajesh Kumar Agarwal, Master Abhyasis Agarwal through his legal guardian Mr. Ravi Kumar Agarwal, Chopnu Forest Products Private Limited, Kengwood Products Private Limited, Ms. Karuna Mittal, Naginimara Timber Industries Private Limited, Prime Holdings Private Limited*

and Mr. Shiv Prakash Mittal.

8. *14,71,100 Equity Shares were allotted to the following investors: Dibang Valley Timber Trade Private Limited, Naginimara Timber Industries Private Limited, S.M. Management Private Limited, Worthy Plywoods Limited, Ms. Karuna Mittal (partner for and on behalf of M/s. Trade Combines), Chopnu Forest Products Private Limited, Prime Holdings Private Limited, Prime Properties Private Limited, Kengwood Products Private Limited and Plylam Enterprises Private Limited.*

9. *Pursuant to Scheme of Arrangement sanctioned by the Hon'ble Gauhati High Court, 9,01,000, 7,70,000 and 14,71,100 equity shares allotted on December 18, 2000, December 28, 2000 and March 30, 2002 respectively aggregating to 31,42,100 equity shares were converted into 2 series of 6% cumulative redeemable preference shares being Series "A" and Series "B" on March 21, 2005, which were redeemed by our Company on June 14, 2006. The security premium account aggregating to Rs. 6,87,26,400 was fully utilized for the redemption of the 31,42,100 6% cumulative redeemable preference shares.*

10. *Pursuant to a scheme of amalgamation, the securities premium account of Worthy Plywoods Limited being Rs. 5,86,33,400 was transferred to our Company's securities premium account with effect from April 1, 2005.*

11. *23,47,000 Equity Shares were allotted to Aeneas Portfolio Company, LP, pursuant to resolution dated June 8, 2006. Mr. Jagdish Prasad Verma, practicing Chartered Accountant holding registration number 053275 vide his certificate dated June 16, 2006 confirmed that the allotment was made in compliance with the provisions of Chapter XIII of the SEBI DIP Guidelines.*

12. *6,70,000 Equity Shares were allotted to Greenply Leasing and Finance Limited, pursuant to resolution dated June 13, 2006. Mr. Jagdish Prasad Verma, practicing Chartered Accountant holding registration number 053275 vide his certificate dated June 16, 2006 confirmed that the allotment was made in compliance with the provisions of Chapter XIII of the SEBI DIP Guidelines.*

13. *On June 13, 2006 1,45,000 Convertible Warrants No. 1 and 4,00,000 Convertible Warrants No. 2 were allotted to Greenply Leasing and Finance Limited. The warrants were converted into Equity Shares on June 4, 2007 (1,45,000 Convertible Warrants No. 1) and on November 30, 2007 (4,00,000 Convertible Warrants No. 2).*

    Except for the allotments made on December 14, 1995, March 21, 2005 and February 20, 2006, our Company has not made any allotments other than cash.

    The issuance of Equity Shares by our Company subsequent its listing on the Stock Exchanges have been done in accordance with the terms of the applicable SEBI regulations and/ or guidelines.

Preference share capital history

Date of allotment	No. of Cumulative Redeemable Preference Shares	Face Value (Rs.)	Issue Price per Preference share (Rs.)	Nature of payment of consideration	Nature of allotment	Cumulative number of preference shares	Cumulative Issued Capital (Rs.)	Cumulative Share Premium
January 15, 1998 [1.]	50,00,000	10	10	Cash	Preferential Allotment to Industrial Development Bank of India	50,00,000	5,00,00,000	Nil
March 21, 2005 [2.]	16,71,000	10	30	Cash	Pursuant to scheme of arrangement to the shareholders of Greenply Industries Limited	16,71,000	16,71,000	3,34,20,000
March 21, 2005 [2.]	14,71,100	10	34	Cash	Pursuant to scheme of arrangement to the shareholders of Greenply Industries Limited	31,42,100	31,42,100	6,87,26,400

Note:

1. The preference shares allotted on January 15, 1998 were redeemed in two trenches being 25,00,000 shares redeemed on January 15, 2002 and 25,00,000 shares redeemed on February 10, 2003.

2. The preference shares allotted on March 21, 2005 were fully redeemed on June 14, 2006 and Rs. 6,87,26,400 available as share premium amount raised through the issue of preference shares at premium, was utilized towards this redemption.

As on the date of this Letter of Offer, there are no outstanding preference shares of our Company.

2. **The current shareholding pattern of our Company as on September 8, 2009 and the expected shareholding pattern post the Rights Issue and post the conversion of warrants is as follows:**

Category of Shareholders	No. of Shareholders	No. of Equity Shares held Pre-Issue*	Percentage of Pre-Issue capital	No. of Equity Shares Post Rights Issue*	Percentage of Post Rights Issue capital (assuming allotment of all Equity Shares offered)	No. of Equity Shares on exercise of warrants (assuming full exercise)	Percentage of Post Issue capital on exercise of warrants (assuming full exercise)
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
(a) Individuals/ Hindu Undivided Family	15	43,18,636	25.41%	56,14,227	25.41%	61,32,464	25.41%
(b) Central Government/ State Government (s)	0	0	0	0	0	0	0
(c) Bodies Corporate	3	50,16,010	29.51%	65,20,813	29.51%	71,22,734	29.51%
(d) Financial Institutions/ Banks	0	0	0	0	0	0	0
Any Other (specify)							
Sub Total (A) (1)	**18**	**93,34,646**	**54.92%**	**1,21,35,040**	**54.92%**	**1,32,55,198**	**54.92%**
(2) Foreign							
(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0
(b) Bodies Corporate	0	0	0	0	0	0	0
(c) Institutions	0	0	0	0	0	0	0
Any other Specify							

Category of Shareholders	No. of Shareholders	No. of Equity Shares held Pre-Issue*	Percentage of Pre-Issue capital	No. of Equity Shares Post Rights Issue*	Percentage of Post Rights Issue capital (assuming allotment of all Equity Shares offered)	No. of Equity Shares on exercise of warrants (assuming full exercise)	Percentage of Post Issue capital on exercise of warrants (assuming full exercise)
Sub-Total (A)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**18**	**93,34,646**	**54.92%**	**1,21,35,040**	**54.92%**	**1,32,55,198**	**54.92%**
(B) Public Shareholding							
(1) Institutions							
(a) Banks, Financial Institutions	0	0	0	0	0	0	0
(b) Foreign Institutional Investors	5	12,82,384	7.54%	16,67,099	7.54%	18,20,985	7.54%
(c) Mutual Funds / UTI	1	8,87,989	5.22%	11,54,386	5.22%	12,60,945	5.22%
(d) Central Government/ State Government(s)	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0
(g) Foreign Venture Capital Investors	0	0	0	0	0	0	0
Any Other (Specify)							
Sub-Total (B)(1)	**6**	**21,70,373**	**12.76%**	**28,21,485**	**12.76%**	**30,81,930**	**12.76%**
(2) Non-institutions							
(a) Bodies Corporate	265	18,26,796	10.75%	23,74,835	10.75%	25,94,051	10.75%
(b) Individuals							

Category of Shareholders	No. of Shareholders	No. of Equity Shares held Pre-Issue*	Percentage of Pre-Issue capital	No. of Equity Shares Post Rights Issue*	Percentage of Post Rights Issue capital (assuming allotment of all Equity Shares offered)	No. of Equity Shares on exercise of warrants (assuming full exercise)	Percentage of Post Issue capital on exercise of warrants (assuming full exercise)
(a) Individual shareholders holding nominal share capital up to Rs. 1 lac	3,511	10,87,427	6.40%	14,13,655	6.40%	15,44,146	6.40%
(b) Individual shareholders holding nominal share capital in excess of Rs. 1 lac	8	25,78,204	15.17%	33,51,665	15.17%	36,61,049	15.17%
Any Other (specify)							
Sub-Total(B)(2)	**3,784**	**54,92,427**	**32.32%**	**71,40,155**	**32.32%**	**77,99,246**	**32.32%**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**3,790**	**76,62,800**	**45.08%**	**99,61,640**	**45.08%**	**1,08,81,176**	**45.08%**
Total (A)+(B)	**3,808**	**1,69,97,446**	**100.00%**	**2,20,96,680**	**100.00%**	**2,41,36,374**	**100.00%**
Shares held by Custodians and against which Depository Receipts have been issued (C)	0	0	0	0	0	0	0
Grand Total (A)+(B)+(C)	**3,808**	**1,69,97,446**	**100.00%**	**2,20,96,680**	**100.00%**	**2,41,36,374**	**100.00%**

**Assuming all Equity Shareholders subscribe to the their full rights entitlement*

i. As on September 8, 2009, there are 46,295 Equity Shares that are held by equity shareholders in physical form.

ii. If our Company does not receive the minimum subscription of 90% of the Issue, or the subscription level falls below 90%, excluding the amount to be received upon exercise of the Detachable Warrants, after the Issue Closing Date on account of cheques being returned unpaid or withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in the refund of the subscription amount by more than eight days after our Company becomes liable to pay the subscription amount (i.e.,15 days after the Issue Closing Date), our Company will pay interest for the delayed period, as prescribed under sub-sections (2) and (2A) of Section 73 of the Companies Act.

iii. The Promoters and the members of the Promoter Group holding Equity Shares in our Company have undertaken to fully subscribe for their Rights Entitlement. They reserve the right to subscribe for their Rights Entitlement either by themselves and/or through one or more entities controlled by them, including by subscribing for Equity Shares with Detachable Warrants pursuant to any renunciation made by any member of the Promoter Group to another member of the Promoter Group. They have also undertaken to apply for Equity Shares with Detachable Warrants in addition to their Rights Entitlement to the extent of any undersubscribed portion of the Issue, subject to obtaining any approvals required under applicable law, to ensure that at least 90% of the Issue is subscribed. Such subscription for Equity Shares with Detachable Warrants over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. Further, such acquisition by them of additional Equity Shares with Detachable Warrants shall (i) not result in a change of control of the management of our Company; and (ii) be exempt from the applicability of Regulations 11 and 12 of the Takeover Code in terms of the proviso to Regulation 3(1)(b)(ii) of the Takeover Code. In connection with Detachable Warrants issued and allotted by our Company in the Issue, the Promoters and members of the Promoter Group shall only apply for the issue of such Equity Shares as may arise from the exercise of the Detachable Warrants issued and allotted to them in the Issue and such exercise shall (i) not result in a change of control of the management of our Company; and (ii) be exempt from the applicability of Regulations 11 and 12 of the Takeover Code in terms of the proviso to Regulation 3(1)(b)(ii) of the Takeover Code.

iv. Shareholding of Promoter and Promoter Group in our Company:

Category	No. of Equity Shares held Pre-Issue	Percentage of Pre-Issue capital	No. of Equity Shares Post Rights Issue	Percentage of Post Rights Issue capital (assuming allotment of all Equity Shares offered)	No. of Equity Shares on exercise of warrants (assuming full exercise)	Percentage of Post Issue capital on exercise of warrants (assuming full exercise)
Promoters						
Shiv Prakash Mittal	3,78,000	2.22	4,91,400	2.22	5,36,760	2.22
Rajesh Mittal	6,61,180	3.89	8,59,534	3.89	9,38,876	3.89
Saurabh Mittal	1,59,000	0.94	2,06,700	0.94	2,25,780	0.94
Shobhan Mittal	4,72,400	2.78	6,14,120	2.78	6,70,808	2.78
Sub-Total	**16,70,580**	**9.83**	**21,71,754**	**9.83**	**23,72,224**	**9.83**
Promoter Group						
Shakuntala Devi Palriwal	-	-	-	-	-	-
Usha Dhurka	-	-	-	-	-	-
Kiran Loyalka	-	-	-	-	-	-
Santosh Mittal	55,180	0.32	71,734	0.32	78,356	0.32
Karuna Mittal	1,36,000	0.80	1,76,800	0.80	1,93,120	0.80
Sanidhya Mittal	18,000	0.11	23,400	0.11	25,561	0.11
Surbhi Mittal	-	-	-	-	-	-
Parul Mittal	400	0.00	520	0.00	568	0.00

Category	No. of Equity Shares held Pre-Issue	Percentage of Pre-Issue capital	No. of Equity Shares Post Rights Issue	Percentage of Post Rights Issue capital (assuming allotment of all Equity Shares offered)	No. of Equity Shares on exercise of warrants (assuming full exercise)	Percentage of Post Issue capital on exercise of warrants (assuming full exercise)
Jai Mittal	-	-	-	-	-	-
Jia Mittal	-	-	-	-	-	-
Chitwan Mittal	-	-	-	-	-	-
Shiv Prakash Mittal (HUF)	1,78,000	1.05	2,31,400	1.05	2,52,760	1.05
Rajesh Mittal (HUF)	1,50,000	0.88	1,95,000	0.88	2,13,000	0.88
Saurabh Mittal (HUF)	-	-	-	-	-	-
Trade Combines (Shares held in the name of partners viz. Shiv Prakash Mittal, Rajesh Mittal, Karuna Mittal and Santosh Mittal)	21,10,476	12.42	27,43,619	12.42	29,96,876	12.42
Himalaya Granites Limited	-	-	-	-	-	-
Greenply Leasing & Finance Ltd.	16,28,330	9.58	21,16,829	9.58	23,12,229	9.58
S. M. Management Private Limited	18,19,120	10.70	23,64,856	10.70	25,83,150	10.70
Prime Holdings Private Limited	15,68,560	9.23	20,39,128	9.23	22,27,355	9.23
Prime Properties Private Limited	-	-	-	-	-	-
Vanashree Properties Private Limited	-	-	-	-	-	-
Dholka Plywood Industries Private Limited	-	-	-	-	-	-
S. M. Palriwal Charitable Trust	-	-	-	-	-	-
Sub-Total	**76,64,066**	**45.09**	**99,63,286**	**45.09**	**1,08,82,971**	**45.09**
Total Holding of Promoter Group	**93,34,646**	**54.92**	**1,21,35,040**	**54.92**	**1,32,55,198**	**54.92**

3. ***Promoter Shareholding***

Sr. No.	Date of Allotment/ Transfer	Allotment/ (Transfer)	Nature of consideration	No. of Equity Shares	Cumulative Equity Shares	Face Value	Issue/Acquisition Price (Rs.)
Mr. Shiv Prakash Mittal							
1.	January 10, 1994	Transfer	Cash	1,900	1,900	100	1,90,000
2.	October 21, 1994	Sub-division	-	19,000	19,000	10	-
3.	April 21, 1995	(Transfer)	Cash	(1,000)	18,000	10	10,000
4.	September 13, 1996	(Transfer)	Cash	(4,000)	14,000	10	40,000
5.	December 28, 2000*	Allotment	Cash	50,000	64,000	10	15,00,000
6.	September 16, 2004	Transfer	Cash	1,75,000	2,39,000	10	34,56,250
7.	March 21, 2005*	Conversion	-	(50,000)	1,89,000	10	Conversion into 50,000 6% Cumulative Redeemable Preference Share "A"
8.	June 24, 2005	Sub-division	-	3,78,000	3,78,000	5	-
*50,000 equity shares allotted on December 28, 2000 were converted into 50,000 6% Cumulative Redeemable Preference Share "A" pursuant to a scheme of arrangement approved by Hon'ble Gauhati High Court by the order dated February 22, 2005.							
Mr. Rajesh Mittal							
1.	November 28, 1990	Allotment	Cash	10	10	100	1,000
2.	March 28, 1991	Allotment	Cash	200	210	100	20,000
3.	October 21, 1994	Sub-division	-	2,100	2,100	10	-
4.	February 14, 1995	(Transfer)	Cash	(100)	2,000	10	1,000
5.	December 14, 1995	Allotment	Allotment of equity shares on account of amalgamation of Greenply Industries Limited with Mittal Laminates Limited	150	2,150	10	1,000

Sr. No.	Date of Allotment/ Transfer	Allotment/ (Transfer)	Nature of consideration	No. of Equity Shares	Cumulative Equity Shares	Face Value	Issue/Acquisition Price (Rs.)
6.	September 13, 1996	(Transfer)	Cash	(100)	2,050	10	1,000
7.	September 16, 2004	Transfer	Cash	1,00,000	1,02,050	10	19,75,000
8.	March 31, 2005	Transfer (dissolution of Partnership Firm)	Cash	2,28,500	3,30,550	10	118,93,425
9.	June 24, 2005	Sub-division	-	6,61,100	6,61,100	5	-
10	February 20, 2006	Allotment	Allotment of equity shares on account of amalgamation of Worthy Plywoods Limited with Greenply Industries Limited	80	6,61,180	5	1,000
Mr. Saurabh Mittal							
1.	March 31, 1993	Allotment	Cash	450	450	100	45,000
2.	October 21, 1994	Sub-division	-	4,500	4,500	10	-
3.	September 16, 2004	Transfer	Cash	75,000	79,500	10	14,81,250
4.	June 24, 2005	Sub-division	-	1,59,000	1,59,000	5	-
Mr. Shobhan Mittal							
1.	March 31, 1993	Allotment	Cash	420	420	100	42,000
2.	January 10, 1994	Transfer	Cash	23,200	23,620	100	23,20,000
3.	October 21, 1994	Sub-division	-	2,36,200	2,36,200	10	-
4.	September 13, 1996	(Transfer)	Cash	(20,000)	2,16,200	10	2,00,000
5.	March 31, 2005	Transfer (dissolution of partnership firm)	Cash	20,000	2,36,200	10	10,41,000
6.	June 24, 2005	Sub-division	-	4,72,400	4,72,400	5	-

As of date of this Letter of Offer, none of the Equity Shares held by the Promoters are pledged with any person or body corporate.

4. ***Top Ten Shareholder***s

The top ten Shareholders of our Company as at (a) September 8, 2009; (b) ten days prior and (c) two years have been presented in the tables below:

1. Top ten Shareholders of our Company as at September 8, 2009:

Name of the shareholders	Total number of equity shares held	Percentage of pre issue capital (%)
S. M. Management Private Limited	18,19,120	10.70
Greenply Leasing and Finance Limited	16,28,330	9.58
Prime Holdings Private Limited	15,68,560	9.23
Rajesh Mittal as partner of Trade Combines	14,75,380	8.68
Ashish Dhawan	11,35,090	6.68
JM Trustee Company Limited – A/C JM Mutual Fund - Basic	8,87,989	5.22
Payash Securities Private Limited	8,62,403	5.07
Emerging Markets Management, LLC A/c The Emmumbrlla Funds - Emerging Markets South Asianstars Fund	8,48,113	4.99
Rajesh Mittal	6,61,180	3.89
Ashish Kacholia	5,97,758	3.52

2. Top ten Shareholders of our Company as at September 4, 2009:

Name of the shareholders	Total number of equity shares	Percentage of pre issue capital (%)
S.M. Management Private Limited	18,19,120	10.70
Greenply Leasing and Finance Limited	16,28,330	9.58
Prime Holdings Private Limited	15,68,560	9.23
Rajesh Mittal as partner of Trade Combines	14,75,380	8.68
Mr. Ashish Dhawan	11,35,090	6.68
JM Trustee Company Limited A/C JM Mutual Fund – Basic	8,87,989	5.22
Payash Securities Private Limited	8,62,403	5.07
Emerging Markets Management, LLC A/C The Emmumbrella Funds - Emerging Markets South Asianstars Fund	8,48,113	4.99
Mr. Rajesh Mittal	6,61,180	3.89
Mr. Ashish Kacholia	5,97,758	3.52

3. Top ten Shareholders of our Company as at September 14, 2007:

Name of the shareholders	Total number of equity shares	Percentage of pre issue capital (%)
Aeneas Portfolio Company LP	23,47,000	14.14
S. M. Management Private Limited	18,19,120	10.96
Rajesh Mittal as partner of Trade Combines	14,75,380	8.89
Prime Holdings Private Limited	15,68,560	9.45
Greenply Leasing & Finance Limited.	12,28,330	7.40
JM Trustee Company Limited A/c JM Mutual Fund-Basic	8,16,936	4.92
Emerging Markets Management, LLC A/C The	7,18,113	4.33

Name of the shareholders	Total number of equity shares	Percentage of pre issue capital (%)
Emmumbrella Funds - Emerging Markets South Asianstars Fund		
Mr. Rajesh Mittal	6,61,180	3.98
Volrado Venture Partners	6,25,000	3.77
Shiv Prakash Mittal as partner of Trade Combines	5,16,896	3.11

4. The shareholding of persons holding more than 1% of the total number of Equity Shares of our Company as of September 8, 2009:

Name of the shareholders	Total number of equity shares	Percentage of pre issue capital (%)
S. M. Management Private Limited	18,19,120	10.70
Greenply Leasing and Finance Limited	16,28,330	9.58
Prime Holdings Private Limited	15,68,560	9.23
Mr. Rajesh Mittal as partner of Trade Combines	14,75,380	8.68
Mr. Ashish Dhawan	11,35,090	6.68
JM Trustee Company Limited A/C JM Mutual Fund – Basic	887,989	5.22
Payash Securities Private Limited	8,62,403	5.07
Emerging Markets Management, LLC A/C The Emmumbrella Funds - Emerging Markets South Asianstars Fund	8,48,113	4.99
Mr. Rajesh Mittal	6,61,180	3.89
Mr. Ashish Kacholia	5,97,758	3.52
Shiv Prakash Mittal as partner of Trade Combines	5,16,896	3.04
Mr. Shobhan Mittal	4,72,400	2.78
Volrado Ventures Partners	4,65,000	2.74
Morgan Stanley Mauritius Company Limited	2,90,772	1.71

5. **Details of locked in Equity Shares:**

Sr. No.	Name of the Shareholder	Category of Shareholders	Number of locked-in Equity Shares	Locked-in Shares as a percentage of total number of shares
1	Greenply Leasing and Finance Limited	Promoters Group	5,45,000	3.21

6. We have not issued any stock options to our employees.

7. Total number of members of our Company as on September 8, 2009 is 3,808.

8. The Issue being a rights issue, as per Regulation 34 (c) of the t SEBI ICDR, the requirement of promoters' contribution and lock-in are not applicable. Our Company is exempted from the eligibility norms as stated in the SEBI ICDR.

9. Our Company has not availed of 'bridge loans' to be repaid from the proceeds of the Issue for incurring expenditure on the Objects of the Issue.

10. The Company, Directors or Lead Manager have not entered into any buy-back, standby or similar arrangements for any of the securities being issued through this Letter of Offer.

11. At any given time, there shall be only one denomination of the Equity Shares.

12. Except as disclosed in this chapter, the Equity Shareholders do not hold any warrants, option or convertible loan or debenture, which would entitle them to acquire further Equity Shares.

13. No further issue of capital by way of issue of bonus shares, preferential allotment, rights issue or public issue or in any other manner which will affect the equity capital of our Company, shall be made during the period commencing from the filing of this Letter of Offer with the NSE / BSE and the date on which the securities issued under this Letter of Offer are listed or application moneys are refunded on account of the failure of the Issue. Presently our Company does not have any intention to alter the equity capital structure by way of split/ consolidation of the denomination of the shares on a preferential basis or issue of bonus or rights or public issue of shares or any other securities within a period of six months from the date of opening of the Issue.

14. The securities being offered in this Issue are on a fully-paid up basis.

15. The Issue will remain open for 15 days. However, the Board will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 days including the Issue Opening Date.

16. For terms of the Issue please refer to the section titled "Terms of the Issue" on page 338 of this Letter of Offer.

17. Our Promoters, members of the Promoter Group, the Directors and the immediate relatives of the Directors have not undertaken any transactions in the Equity Shares of our Company in the last six months.

18. Allotment of shares of consideration other than cash:

Date of allotment	Number of Equity Shares Allotted	Face Value	Issue Price	Nature of consideration	Details
December 14, 1995	13,54,155	10	10	Consideration other than cash	Allotment pursuant to amalgamation of Greenply Industries Limited with our Company in the ratio of 3:2
March 21, 2005[9]	(31,42,100)	10	-	Consideration other than cash	Conversion of equity shares into preference shares
February 20, 2006	33,03,136	5	5	Consideration other than cash	Allotment pursuant to amalgamation of Worthy Plywoods Limited with our Company in the ratio of 4:5

OBJECTS OF THE ISSUE

Our Company intends to deploy the Net Proceeds of the Issue, after deduction of expenses in relation to the Issue, to part finance the fund requirements for:

1. Setting up a new manufacturing unit for MDF at Pantnagar, Uttarakhand with an annual capacity of 1.80 lacs cubic meters ("**MDF Project**").

2. Setting up of a new manufacturing unit for laminate at Nalagarh, Himachal Pradesh with an annual capacity of 33.00 lacs sheets ("**Laminate Project**").

3. To fund general corporate purposes.

The MDF Project and the Laminate Project are together referred to as the "**Projects**".

The main objects set out in our Memorandum of Association enables us to undertake our existing activities and the activities for which the funds are being raised by our Company through this Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue.

We may have to revise our expenditure and fund requirements as a result of variations in the cost structure, changes in estimates and external factors, which may not be within the control of our management. This may entail rescheduling, revising or canceling the planned expenditure and fund requirements and increasing or decreasing the expenditure for a particular purpose from its planned expenditure mentioned below at the discretion of our management. In addition, the estimated dates of completion of the Projects as described herein are based on management's current expectations and are subject to change due to various factors including those described above, some of which may not be in our control. Accordingly, the net proceeds of the Issue would be used to meet all or any of the uses of the funds described herein.

The Net Proceeds of the Issue:

Particulars	Estimated Amount (Rs. in lacs)
Gross proceeds of the Issue*	6,425.03
Issue related expenses**	161.00
Net Proceeds of the Issue	6,264.03

* Includes the proceeds from the exercise of the Detachable Warrants assuming conversion at the Floor Price
**the details of the Issue related expenses are provided on page 331 of this Letter of Offer

The estimated fund requirements:

Particulars	Amount (Rs. in lacs)
MDF Project	25,116.05
Laminate Project	11,575.51
General Corporate Purposes	1,000.00

The proposed means of financing

Particulars	Amount (Rs. in lacs)
Net Proceeds of the Issue- Equity	4,428.31
Net Proceeds of the Issue- DetachableWarrants*	1,835.72
Term Loans	25,500.00
Internal accruals	5,927.53

* Assuming conversion of the Detachable Warrants at the Floor Price

Term Loans

Pursuant to Schedule VIII Part E (7)(C)(I) of the SEBI ICDR we confirm that firm arrangements of finance through verifiable means towards 75% of the stated means of finance excluding the amount to be raised through the proposed Issue have been made.

We have firm arrangements of Rs. 7,500 lacs from Axis Bank, Rs. 5,000 lacs from IDBI Bank and Rs. 5,000 lacs in the form of ECB from Standard Chartered Bank for our MDF Project. We have availed buyers' credit from Landesbank Baden Wurttemberg, a German bank, which will be repaid from the disbursement from the term loan availed from either Axis Bank or IDBI Bank or Landesbank Baden Wurttemberg Am Hauptbahnhof, with whom we have entered into a loan agreement on July 10, 2009.

We have firm arrangements of Rs. 3,000 lacs from IDBI Bank, Rs. 3,000 lacs from State Bank of Indore and Rs. 2,000 lacs from ING Vysya Bank for our Laminate Project.

For further details of the same, please refer to the section titled "Description of Certain Indebtedness" on page 257 of this Letter of Offer.

The MDF Project

We intend to continue to enhance the scale in existing products and introduce new products across high end and mid segment to capitalize on the growth in the Indian MDF market. Our diversification into MDF manufacture is in furtherance to our strategy of increasing our share in the mid market segment, which is the largest segment of the market. We propose to set up our MDF unit at Uttarakhand and we expect to have an advantage over our competitors by sharing the premises of our new unit with our existing plywood unit and utilize the benefit from the existing plywood distribution setup for marketing of the new product.

Details of the fund requirements for the MDF Project

The break up of the Project costs for setting up of the MDF Project and other incidental expenses is as follows:

Item	Total Cost (Rs. in lacs)
Land and site development	1,185.80
Civil construction	1,245.34
Plant and machinery	19,090.97
Miscellaneous fixed assets	191.75
Pre-operative expenses	2,475.00
Contingencies	827.19
Security deposits	100.00
Total	**25,116.05**

1.1 Land and site development

The MDF Project is to be set up on a portion of the premises of our existing unit at Pantnagar which was earlier used as a log yard. We have acquired another piece of land and have shifted the existing log yard there. The total cost of the land for the log yard, including cost of site development for both, the MDF unit and the new log yard, is Rs. 1,185.80 lacs. The total land area is 13.19 acres for which we have entered into agreements with Devender Singh, Kishnu, Om Prakash Verma, Vikram Sheel, Vivek Sheel, Geeta Devi, Kedar Nath and Ram Lachhan Pandey for an aggregate value of Rs. 588.26 lacs. The possession of the land has been taken and 2 log ponds have already been constructed. We are currently in the process of registering the land on which the log yard has been shifted.

1.2 Civil construction

The cost for construction of MDF Project has been estimated at Rs 1,245.34 lacs. The proposed construction of building will consist of sheds for housing the machines, storage of raw material and finished products and other fixed assets.

The estimated cost of civil work and electrical installation are given as follows:

Sr. No.	Particulars	Details	Supplier/Manufacturer	Amount (Rs. in lacs)
1.	Civil construction works	Civil contracts work order dated August 26, 2008	M/s Mittal Constructions Unit	528.98
2.	Building Materials	Order for supply, erection and testing of pre-engineered building dated August 11, 2008 and amended order dated April 16, 2009	Everest Industries Limited	316.40
3.	Cement and Steel	Invoices and Company estimates	Satnam Brothers, Chawla Ispat, Kashi Vishwanath Steels Limited, Khandelwal Associates, Puranchand and Sons, Bharat Steels Center, K. R. Sons, ACC Limited and others	375.24
4.	Consultancy	Contract for detailed engineering consultancy dated June20, 2008	M/s. Sijcon Consultants Private Limited	24.72
Total		**1,245.34**		

1.3 Plant and machinery

The machinery for the Project has been estimated to cost Rs 19,090.97 lacs, out of which the imported component is estimated at Rs. 12,779.23 lacs (Euro 189.50 lacs) based on the latest quotations received from M/s Dieffenbacher, Gmbh and other vendors.

We have entered into contracts with Dieffenbacher GmbH for:

a. Providing principal manufacturing line for an aggregate value of Euro 146.32 lacs dated February 5, 2008 and amendment dated December 22, 2008.

b. Supervising the erection and commissioning of the principal manufacturing line for an aggregate value of Euro 16.92 lacs dated February 5, 2008 and amendment dated January 21, 2009.

c. Consultation for setting up of an energy plant for Euro 1.75 lacs dated June 6, 2008.

The amount mentioned below has been converted at the rate of 1 Euro = Rs 63.00 and also includes freight, LC confirmation charges and applicable taxes and duties

The plant and machinery required for the MDF Project are as follows:

Sr. No.	Particulars	Supplier/ Manufacturer	Details	Amount (Rs. in lacs)
1.	Chipper and Screen	BRUKS AB	Purchase order no. 191993 dated May 12, 2009	144.29
2.	Chip Preparation – Moving Floor and auxiliary and energy plant chip storage and sanderdust storage	TRASMEC S.r.l	Purchase order no. AL 149 dated May 6, 2009	474.61
3.	4.5 MW HT motor package for metso refiner unit	Siemens Limited	Purchase order dated October 6, 2008	120.78
4.	Principal manufacturing line, energy plant consulting, supervision charges and LC confirmation fees	Dieffenbacher GmbH	Agreement dated February 5, 2008 and amendments thereto	11,100.81
5.	Sanding Machine	Steinemann Technology A.G.	Order confirmation dated February 17, 2009	501.00
6.	Feeding system for sanding	Giben International S.p.A	Contract dated March 17, 2009	211.23
7.	Refiner LT Package	Siemens Limited	Purchase order dated October 6, 2008	39.66
8.	Structural and auxiliary equipment for refinery	Company estimates		127.75
9.	Glue Kitchen and Resin Plant	Arth Engineering System and J P Alloys	Purchase order dated August 2, 2009 and quotation dated April 24, 2009	168.29
10.	Structural, piping work, storage tank for glue kitchen and resin plant	Company estimates	-	73.71
11.	Dryer / Fan Motors	Siemens Limited	Purchase order dated April 6, 2009	51.48
12.	Metal/Sheet/Plate work and other fabrication works including insulation	Supertech Engineers (fabrication), Dieffenbacher GmbH, HEFT Engineers and J.P. Alloys	Estimation from Dieffenbacher GmbH dated April 22, 2009, Purchase order dated January 3, 2009 to Supertech Engineers, purchase order dated May 1, 2009, Quotation from J.P. Alloys dated April 24, 2009	522.14
Local Fabrication Components for				
1.	Forming Station	Supertech Engineers	Estimation from	238.88

Sr. No.	Particulars	Supplier/ Manufacturer	Details	Amount (Rs. in lacs)
		(fabrication) and Dieffenbacher GmbH and J.P. Alloys for steel pricing	Dieffenbacher GmbH dated April 22, 2009, Purchase order dated January 3, 2009 to Supertech Engineers, Quotation from J.P. Alloys dated April 24, 2009	
2.	Belt conveyor over forming station	Hydro Mech Engineers	Quotation dated April 12, 2009	18.06
3.	Forming Line	Supertech Engineers	Quotation dated December 9, 2008	42.01
4.	Hot Press – Hood / Platform	Supertech Engineers (fabrication) and Dieffenbacher GmbH and J.P. Alloys for steel pricing	Estimation from Dieffenbacher GmbH dated April 22, 2009, Purchase order dated January 3, 2009 to Supertech Engineers and Quotation from J.P. Alloys dated April 24, 2009	102.36
5.	Press fumes extraction systems	Vortex Engineering Limited	Quotation dated February 22, 2009	37.58
6.	Raw Board Handling	Hydro Mech Engineers and Master Automation	Quotations dated November 15, 2008 and purchase order dated June26, 2009	179.09
7.	Lukki Pallets	Dieffenbacher GmbH and J.P. Alloys for steel pricing	Estimation from Dieffenbacher GmbH dated April 22, 2009 and Quotation from J.P. Alloys dated April 24, 2009	34.13
8.	Lukki Power Rails	Sparkline Equipments Limited	Purchase order dated June 19, 2009	25.54
9.	Sanding Line	Company estimates	-	33.45
10.	Waste Handling System – Fans, motors and filters	Scheuch GmbH	Modified order confirmation dated May 14, 2009	347.29
11.	Waste Handling System – structures, supports and cyclones	Supertech Engineers (fabrication) and Dieffenbacher GmbH and J.P. Alloys for steel pricing	Estimation from Dieffenbacher GmbH dated April 22, 2009, Purchase order dated January 3, 2009 to Supertech Engineers and Quotation from J.P. Alloys dated April 24, 2009	260.04
12.	Energy Plant	Thermax Limited, Bevcon Wayors, Supertech Engineers, Shiv Shakti Enterprises and Torrent Cables	Letter of Intent dated June 28, 2008 from Thermax, Quotation from Bevcon Wayors dated April 15, 2009, Purchase Order to Supertech Engineers dated January 3, 2009, Quotation from	2,453.79

Sr. No.	Particulars	Supplier/ Manufacturer	Details	Amount (Rs. in lacs)
			Shiv Shakti Enterprises dated April 12, 2009 and Quotation from Torrent Cables dated September 16, 2008	
13.	Utility Piping	Futech Consultants Private Limited	Quotation dated February 6, 2009	220.48
14.	Foundation work for machines	Mittal Construction Unit	Quotation dated January 6, 2009	327.60
15.	Erection charges for machines	Satnam Global Infraprojects Limited	Quotation dated February 19, 2009	299.46
16.	Consultancy plant and machinery	M/s Abett Consulting Engineers, M/s Futech Consultants Private Limited, M/s Bio Environs Consortium, Dave Allen Consulting	Work orders dated June 28, 2008, March 12, 2009 and August 2, 2008 and invoices.	52.23
17.	HT Panels	Horizon Microtech Private Limited	Purchase order dated March 23, 2009	61.62
18.	Transformers	Voltamp Transformer Limited	Purchase order dated March 15, 2009	144.31
19.	LT Panels	Tricolite Electrical Industries Private Limited	Purchase order dated March 23, 2009	130.00
20.	Control cables and electrical cables	Abett Consultants	Quotation dated October 14, 2008	547.30
	Total			**19,090.97**

1.4 Miscellaneous fixed assets

Miscellaneous fixed assets include costs towards the hydro cranes, mobile cranes, weighing scales, dumper, fork lifts, air conditioner, desktops, bell loader, dumper trucks, bull tractors, lab equipments, air conditioning units, air compressors, workshop equipments and printers. The total cost under the above mentioned heads has been estimated at Rs. 191.75 lacs. The total cost has been based on management estimates and prior quotations received. These equipments are easily available and we would place orders on a requirement basis.

1.5 Pre-operative expenses

We have estimated pre-operative expenses of Rs. 2,475.00 lacs including provision towards loan processing charges, interest on loans, establishment cost, insurance during construction and trial run expenses likely to be incurred during implementation of the MDF Project.

1.6 Contingencies

We have provided for Rs. 827.19 lacs towards any contingencies that may arise in the implementation and the operation of the MDF Project including increase in cost of equipments/ machinery and construction materials and fluctuation in exchange rates. The quantum of contingency provided is in consonance with the Project size.

1.7 Security deposits

Rs. 100.00 lacs have been provisioned towards payment of security deposit to be paid to Uttarakhand Power Corporation Limited for a total sanctioned power load of 9,800 KVA.

Approvals

Apart from the following approvals mentioned herein, we have received all other approvals required to operate the unit.

1. No objection certificate from the Member Secretary, Uttaranchal Environment Protection and Pollution Control Board, Dehradun under UEPPCB Act, 1974 and amendment no. 27(2) of the Act, 1978.

2. No objection certificate from Member Secretary, State Environment and Appraisal Committee, Dehradun under Section 5 (F) of the Notification published in the Gazette of India Extraordinary Part II, Section 3 sub section II dated September 14, 2006 issued by the Ministry of Environment and Forest, New Delhi.

For further details, please see "Government Approvals" on page 288 of this Letter of Offer.

Labour

We seek to employ around 350 people (including seasonal workers) at Pantnagar. Since the manufacturing process is technology intensive and has comparatively low level of labour requirement in terms of number and skill, we believe that the labour for the manufacturing of MDF would be easily available locally.

Water and electricity arrangements

We estimate that our water requirement would around 260 KL per day. Water will be sourced from deep tube well, which is proposed to be made in the factory itself. Sufficient water is available underground and can be stored for manufacturing activities, drinking purpose and sanitation.

We have a sanctioned power load of 9800 KVA which is proposed to be sourced from Uttarakhand Power Corporation Limited. We also have standby generating sets for use during the emergency or shut down period.

Means of Finance

The proposed means of financing for the MDF Project is:

Particulars	Amount (Rs. in lacs)
Net Proceeds of the Issue – Equity	2,928.31
Net Proceeds of the Issue – Detachable Warrant*	835.72
Term Loans	17,500.00
Internal accruals	3,852.02

*Assuming conversion of Detachable Warrants at the Floor Price

Schedule of Implementation

Item	Date/ Expected date of commencement	Date/Expected date of Completion
Land	June 2008	Completed
Land Development	June 2008	Completed
Civil Construction		
Civil Works	August 2008	October 2009
Plant, Machinery and other Fixed Assets		
Placement of Orders	February 2008	October 2009
Delivery at Site	October 2008	December 2009

Item	Date/ Expected date of commencement	Date/Expected date of Completion
Erection and Installation	August 2008	December 2009
Power Connection	April 2009	October 2009
Trial Production	January 2010	February 2010
Commercial Production	March 2010	-

We do not intend to utilize the net proceeds of the Issue to procure any second hand equipment/ machinery. The Promoters or the Directors or the Promoter Group entities do not have any interest in the proposed procurement of any equipment/ machinery as stated above or any of the entities from whom we have obtained quotations/ machinery.

The Laminate Project

We intend to manufacture laminates of different dimensions such as 4.25 feet x 10 feet, 5 feet x 12 feet and 6 feet x 12 feet and sheets of different thicknesses including thicknesses of 9 mm to 12 mm laminates at the proposed unit, which has a high demand in the international market and also fetches higher realisation. Setting up this unit will enable us in increasing its market share and also compete with the players in the unorganized sector.

Details of the fund requirements for the Laminate Project

The break up of the Project costs for setting up of the Laminate Project and other incidental expenses is as follows:

Particulars	Total (Rs. in lacs)
Land and site development	1,312.91
Civil construction	2,342.79
Plant and machinery	5,692.94
Miscellaneous Fixed Assets	184.13
Pre-operative expenses	774.94
Contingencies	267.80
Margin for working capital	1,000.00
Total	**11,575.51**

2.1 Land and site development

We have acquired land admeasuring 33.88 acres for a total cost of Rs. 1,054.78 lacs including the cost of registration and fees for conversion of land use at Nalagarh in Himachal Pradesh. The cost for site development for the Laminate Project is Rs. 258.13 lacs.

2.2 Civil construction

The cost for construction of the Laminate Project has been estimated to be Rs 2,342.79 lacs. The proposed construction of building will consist of sheds for housing the machines, storage of raw material and finished products and other fixed assets.

The estimated cost of civil work and electrical installation are given as follows:

Sr. No.	Particulars	Measurement	Details	Amount (Rs. in lacs)
1.	8 Mtr Height Shed (sq ft.)	1,91,055	Purchase order dated September 4, 2008 to M/s. Shri Balaji Builders	1,346.94
2.	12 Mtr Height Shed (sq ft.)	11,776	Purchase order dated September 4, 2008 to M/s. Shri Balaji Builders	95.39
3.	RCC Slab in Shed (sq ft.)	33,145	Purchase order dated September 4, 2008 to M/s. Shri Balaji Builders	208.81
4.	Additional Work (Rmt.)	710	Purchase order dated September 4, 2008 to M/s. Shri Balaji Builders	31.95
5.	Tie Beam (Rmt.)	1,119	Purchase order from M/s. Shri Balaji Builders dated August 22, 2009	21.64
6.	Materials	-	Purchase orders to Kamdhenu Sales and Marketing Company, JP Alloys and M/s. Shree Balaji Enterprises and Company estimates	280.00
7.	Road Work (per square meter)	8,176	Company estimates	98.12
8.	Overhead Tank (ltrs.)	3,00,000	Purchase order dated August 26, 2009 from M/s. Shri Balaji Builders	45.00
9.	Boiler House Work (sq. ft.)	8,000	Purchase order dated February 3, 2009 to M/s. Shri Balaji Builders	120.00
10.	Foundations	-	Purchase order dated February 24, 2009 to M/s. Shri Balaji Builders	50.00
11.	Architect Fees	-	M.R.Warerkar and Associates appointed pursuant to engagement letter dated July 9, 2008	44.94
Total				**2,342.79**

2.3 Plant and Machinery

The total cost for the plant and machinery for the Laminate Project is estimated to be Rs. 5,692.94 lacs

and also includes spares and transportation.

The plant and machinery required for the Laminate Project are as follows:

Sr. No	Particulars	Supplier/ Manufacturer	Date	No. of Units	Amount (Rs. In lacs)
1.	Hot Press	M/s Jekson Hydraulic Limited	Purchase order dated June 30, 2008	3	788.94
2	Impregnator/Treater	M/s Genest Engineers Private Limited	Purchase order dated June 30, 2008	3	377.56
3	Impregnator/Treater	M/s H.R. Industries Limited	Purchase order dated June 30, 2008	3	196.61
4	Handling System	Master Handlers Private Limited	Purchase order dated June 30, 2008	3	178.06
5	Resin Plant	M/s Arth Engineering System	Purchase order dated August 9, 2008	1	112.75
6.	Chemical Storage	M/s G.R.Enterprises	Purchase order dated February 2, 2009	2	17.90
7.	Cooling Tower	M/s North Street Cooling Towers Private Limited	Purchase order dated June 30, 2008	3	18.88
8.	Steam Boiler	M/s Thermax Limited	Purchase order dated April 25, 2008	2	163.08
9.	Steam Boiler Accessories	M/s Thermal Associate Private Limited and J P Alloys	Purchase order dated July 3, 2008 and invoices for purchase of pipes	1	706.23
10.	D.G.Set and Synchronisation Panel for DG Set	TIL Limited	Purchase orders dated January 5, 2009	2	81.38
11.	Transformer	Voltamp Transformers Limited	Purchase order dated March 18, 2009	1	16.51
12.	33 KVA Electrical Panel with accessories	M/s Advance Panels and Switchgears Private Limited	Purchase order dated January 24, 2009	1	184.62
13.	Electrical Works	M/s Geetu Electrical Systems Private Limited	Purchase order dated January 12, 2009	-	179.00
14.	Trolly and Racks	M/s G.R. Enterprises	Purchase order dated February 16, 2009	1	31.26
15.	Trolly and Racks	Company Estimates	Based on purchase order to M/s. G.R. Enterprise dated February 16, 2009	2	62.53

Sr. No	Particulars	Supplier/ Manufacturer	Date	No. of Units	Amount (Rs. In lacs)
16.	Effluent treatment plant - supply and service	Envirocare Engineers and Fabricators	Purchase order dated January 2, 2009	1	22.20
17.	EOT Cranes	Akash Enterprises	Purchase order dated March 23, 2009	3	22.01
18.	Stainless steel press moulds	Horus Trading LLC	Purchase order dated May 29, 2008	734	2,036.08
19.	Stainless steel press moulds	FLAI S.r.l	Purchase orders dated March 21, 2009 and March 26, 2009	60	78.20
20.	Sanding Machine	M/s Kundig AG	Purchase orders dated July 29, 2008	2	141.51
21.	Panel Cutter	Homag India Private Limited	Quotation dated January 10, 2009	1	34.01
22.	Chemical Storage Tanks	GR Enterprises	Quotation dated April 8, 2009	2	17.91
23.	Chilling Plant	Thermal Associates Private Limited	Quotation dated April 20, 2009	1	61.91
24.	Pollution Control for Boiler	Thermal Associates Private Limited	Purchase order dated July 3, 2008	1	40.70
25.	Reverse Osmosis Plant	Thermal Associates Private Limited	Quotation dated April 20, 2009	1	25.34
26.	De-Humidifier	Bry-Air (Asia) Private Limited	Quotation dated April 20, 2009	1	19.47
27.	Resin Platform Work	Company Estimates			10.00
28.	Borewell	Ms/ H N Singh and Co.	Purchase order dated July 14, 2008	1	12.54
29.	Fabrication Work Treater	GR Enterprises	Quotation dated April 17, 2009	-	18.39
30.	Ceiling Work Over Press	GR Enterprises	Quotation dated April 17, 2009	-	15.84
31.	Carrier Plates	M/s Jekson Hydraulic Limited	Purchase order dated February 16, 2009	35	5.02
32.	Carrier Plates	Company Estimates	Based on Purchase order to M/s Jekson Hydraulic Limited	70	10.05

Sr. No	Particulars	Supplier/ Manufacturer	Date	No. of Units	Amount (Rs. In lacs)
			dated February 16, 2009		
33.	Cover Plates	Master Handlers Private Limited	Purchase order dated March 19, 2009	34	2.15
34.	Cover Plates	Company Estimates	Based on Purchase order to Master Handlers Private Limited dated March 19, 2009	68	4.30
Total					**5,692.94**

2.5 Miscellaneous fixed assets

Miscellaneous fixed assets include costs towards the fire fighting system, wind ventilator, laboratory equipment, machine shop floor equipments, hydraulic oil for hot press, air compressor, air cooling system and other miscellaneous items. The total cost under the above mentioned heads has been estimated at Rs. 184.13 lacs. The total cost has been based on management estimates and prior quotations received. These equipments are easily available and we would place orders on a requirement basis.

2.6 Pre-operative expenses

We have estimated pre-operative expenses of Rs. 774.94 lacs including provision towards loan processing charges, interest on loans, establishment cost, insurance during construction and trial run expenses likely to be incurred during implementation of the Laminate Project.

2.7 Contingencies

We have provided for Rs. 267.80 lacs towards any contingencies that may arise in the implementation and the operation of the Laminate Project including increase in cost of equipments/ machinery and construction materials and fluctuation in exchange rates. The quantum of contingency provided is in consonance with the Project size.

2.8 Margin for working capital

We have assumed that the working capital shall be financed through borrowings. The working capital borrowing from bank has been considered at the interest rate of 11.50% p.a.

Utilities

Approvals

We have received all approvals required to operate the unit. For further details, please see "Government Approvals" on page 288 of this Letter of Offer.

Labour

We seek to employ around 730 people (including seasonal workers) at Nalagarh. We believe that the labour for the manufacturing of laminates would be easily available locally.

Water and electricity arrangements

We estimate that our water requirement would be around 163 KL per day. Water will be sourced from deep tube well, which shall be made in the factory itself. Sufficient water is available underground and can be stored for manufacturing activities, drinking purpose and sanitation.

We have a sanctioned power load of 1,200 KVA which is proposed to be sourced from Himachal Pradesh State Electricity Board. We also have standby generating sets for use during the emergency or shut down period.

Means of Finance

The proposed means of financing for the Laminates Project is:

Particulars	Amount (Rs. in lacs)
Net Proceeds of the Issue – Equity	1,500.00
Term Loans	8,000.00
Internal accruals	2,075.51

Schedule of Implementation

Item	Date/ Expected date of commencement	Date/Expected date of Completion
Land	October 2007	Completed
Land Development	July 2008	Completed
Civil Construction		
Civil Works	August 2008	Completed
Plant, machinery and other fixed assets		
Placement of Orders	July 2008	September 2009
Delivery at Site	February 2009	September 2009
Erection & Installation	March 2009	October 2009
Power Connection	January 2009	September 2009
Trial Production	November 2009	November 2009
Commercial Production	December 2009	-

Commercial production has started in one press, out of three presses proposed to be installed at the Laminates plant, with effect from June 11, 2009

We do not intend to utilize the net proceeds of the Issue to procure any second hand equipment/ machinery. The Promoters or the Directors or the Promoter Group entities do not have any interest in the proposed procurement of any equipment/ machinery as stated above or any of the entities from whom we have obtained quotations/ machinery.

Year wise break up of fund requirements

(Rs. in lacs)

Sr. No.	Particulars	Total	Funds deployed up to March 31, 2009*	Amount to be financed from the Net Issue proceeds (including Warrants proceeds)**	Estimated schedule of deployment			
					Fiscal 2010			Fiscal 2011
					Funds deployed from April 2009 to July 2009*	Funds to be deployed from August 2009 to March 2010	Total	
1.	MDF Unit	25,116.05	4,710.94	3,764.03	11,323.87	7,581.24	18,905.11	1,500.00
2.	Laminates Unit	11,575.51	5,199.98	1,500.00	2,148.83	4,226.70	6,375.53	-

Sr. No.	Particulars	Total	Funds deployed up to March 31, 2009*	Amount to be financed from the Net Issue proceeds (including Warrants proceeds)**	Estimated schedule of deployment			
					Fiscal 2010			Fiscal 2011
					Funds deployed from April 2009 to July 2009*	Funds to be deployed from August 2009 to March 2010	Total	
3.	General Corporate Purposes	1,000.00	-	1,000.00	-	-	-	1,000.00
	Total	**37,691.56**	**9,910.92**	**6,264.03**	**13,472.70**	**11,807.94**	**25,280.64**	**2,500.00**

** Certified by M/s D. Dhandaria & Company, Chartered Accountants vide their certificate dated August 24, 2009.*
**Assuming conversion of Detachable Warrants at the Floor Price

Proceeds from Conversion of Warrants

We will utilize funds raised through conversion of the Detachable Warrants for the objects as stated in this section. The Detachable Warrants can be exercised at any time from allotment of the Detachable Warrants to 18 months from the date of Allotment. For further details please refer sub-section titled "Principal Terms and Conditions of the Issue of the Detachable Warrants" on page 346 of this Letter of Offer. If all or some of the Detachable Warrants proposed to be issued, is not exercised by the warrant holders within the Warrant Exercise Period (as specified in the section titled "Terms of the Issue" on page 338 of this Letter of Offer), then the warrant proceeds will reduce. In such eventuality, the balance of amount required for financing as specified above shall be part financed from internal accruals or external borrowing as approved by the Board. Further, pending the exercise of the Detachable Warrants, we may be required to deploy some / entire amount from our internal accruals towards the Project Cost, we would recoup the said funds from the proceeds of the Detachable Warrants. In case the actual funds requirement is higher than the total funds raised through the Issue Proceeds or in case there is a shortfall in the funds expected to be raised from the exercise of the Detachable Warrants, we intend to use internal accruals / debt to finance the shortfall.

3. General Corporate purposes

We, in accordance with the policies set up by our Board, will have flexibility in applying the remaining Net Proceeds of this Issue, including the proceeds received on conversion of the Detachable Warrants, for general corporate purposes including strategic initiatives and acquisitions, strengthening our marketing capabilities and brand building exercises.

4. Meeting Issue Expenses

(Rs. in lacs)

Activity	Estimated Amount	% of total Expenses	% of total Issue Size *
Lead Manager, Registrar, Legal advisors and other professional fees	119.00	73.91	1.85
Advertisement and Marketing expenses	30.00	18.63	0.47
Printing and Stationery and Postage	5.00	3.11	0.08
Others (listing fees and miscellaneous expenses, etc)	7.00	4.35	0.11
Total estimated Issue expenses	161.00	100.00	2.51

* Includes the proceeds from the exercise of the Detachable Warrants assuming conversion at the Floor Price

Interim Use of Funds

The management, in accordance with the policies set up by the board, will have flexibility, in

deploying the net proceeds receivable from the Issue. Pending utilization for the purposes described above, we intend to temporarily invest the funds in high quality interest / dividend bearing liquid instruments including money market mutual funds, deposit with banks for necessary duration.

Working capital requirement

The Net Proceeds of this Issue will not be used to meet our working capital requirements as we expect sufficient internal accruals to meet our existing working capital requirements or to raise sufficient loans for the same.

Monitoring of the utilization of funds

Our Board of Directors will monitor the utilisation of the proceeds of the Issue. We will disclose the utilization of the proceeds of the Issue under a separate head in our financial statements clearly specifying the purposes for which such proceeds have been utilized. We, in our balance sheet will provide details, if any, in relation to all such proceeds of the Issue that have not been utilized.

No part of the proceeds of this Issue will be paid by us as consideration to our Promoters, our Directors, key managerial personnel or companies promoted by our Promoters.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company, in consultation with the Lead Manager, on the basis of market conditions and on the basis of the following quantitative and qualitative factors. The information presented in this section for Fiscal 2007, 2008 and 2009 is derived from our Company's restated audited unconsolidated summary financial statements, prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR. You should read the following summary with the sections titled "Risk Factors", "Our Business" and "Financial Statements" on pages XI, 60 and 130, respectively, of this Letter of Offer, to get a more informed view before making an investment decision. The trading price of the Equity Shares could decline and you may lose all or part of your investments.

Specific attention of the investors is drawn to the sections titled "Risk Factors" and "Financial Statements" on pages XI and 130, respectively, of this Letter of Offer to have a more informed view about the investment proposition.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the interiors infrastructure sector:

- Strong brand recall for our products which helps us maintain and enhance market share;
- Entry barrier for new entrants;
- Proven and experienced management team;
- Extensive distribution network;
- Cost efficient sourcing and locational advantage;
- Our sales and marketing network;
- Modern infrastructure and integrated facilities.

For further details regarding some of the qualitative factors, which form the basis for computing the price refer to section titled "Business - Competitive Strengths" on page 60 of this Letter of Offer.

Quantitative Factors

Information presented in this section is derived from our restated audited standalone financial statements.

1. Weighted Average Earnings Per Share ("EPS")

Financial Period	Basic EPS (Rs.)	Diluted EPS (Rs.)	Weight
Fiscal 2007	13.79	13.43	1
Fiscal 2008	23.07	23.07	2
Fiscal 2009	20.75	20.75	3
Weighted Average	20.36	20.30	

Notes:

1. Basic EPS has been calculated as per the following formula:
   (Net profit/ (loss) after tax, as restated, attributable to Equity Shareholders)/ (Weighted average number of Equity Shares outstanding during the year)
2. Diluted EPS has been calculated as per the following formula:
   (Net profit/(loss) after tax, as restated, attributable to Equity Shareholders)/ (Weighted average number of diluted Equity Shares outstanding during the year)
3. Net profit/(loss), as appearing in the restated summary statement of profits and losses for the respective years, have been considered for the purpose of computing the above ratios.
4. Earnings per share calculations are in accordance with Accounting Standard 20 "Earnings per Share" issued by the Institute of Chartered Accountants of India.
5. The face value of each Equity Share is Rs. 5.

2. *Price Earning Ratio (P/E) in relation to the Issue Price of Rs. 90 per Equity Share*

S. No.	Particulars	
1.	P/E based on EPS of 20.75 for Fiscal 2009 (unconsolidated)	4.34
2.	P/E based on weighted average EPS of Rs. 20.36 (unconsolidated)	4.42
3.	Industry P/E*	
4.	Highest	21.8
5.	Lowest	4.4
6.	Industry Composite	13.1

**The Composite Industry PE has been calculated as an average of the P/Es for Archidply Industries and Century Plywood, the only other listed companies in India which operate in a similar line of business.*

Source: Capital Market, Volume XXIV/13, August 24 –September 6, 2009

3. *Return on Net worth (RoNW)*

Year ended	RoNW (%)	Weight
Fiscal 2007	20.80	1
Fiscal 2008	26.85	2
Fiscal 2009	20.12	3
Weighted Average	22.48	

Note: Net worth as appearing in the restated unconsolidated audited summary statement of assets and liabilities for the respective period has been considered for computation of Return on Net worth.

4. *Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the Fiscal 2009:*

The minimum return on increased net worth required to maintain pre-Issue EPS of Rs. 20.75 is 20.91 %.

5. *Net Asset Value*

Year ended	NAV (Rs.)
NAV as at March 31, 2007	64.01
NAV as at March 31, 2008	84.45
NAV as at March 31, 2009	103.13
NAV post Issue (assuming exercise of Detachable Warrants at Floor Price)	99.25

Issue Price: Rs. 90 per Equity Share

NAV per equity share = Net worth, as restated, at the end of the year/Number of equity share outstanding at the end of the year.

6. *Comparison with other listed companies*

	EPS (Rs.)	P/E **	RoNW for Fiscal 2009 (%)	NAV for Fiscal 2009 (Rs.)
Archidply Industries**	6.5	4.4	40.7	43.9
Century Plywood**	2.0	21.8	32.4	7.5
Greenply Industries Limited *	20.75	4.8	20.12	103.13

** Except for P/E,Multiple, figures for Greenply are based on standalone restated financial statements for the year ended March 31, 2009*

***Source: Capital Market, Volume XXIV/13, August 24 –September 6, 2009*

In view of the reasons mentioned above, our Company and the Lead Manager are of the opinion that the Issue price of Rs. 90 is reasonable and justified.

STATEMENT OF TAX BENEFITS

To
The Board of Directors,
Greenply Industries Limited,
Makum Road,
P.O. Tinsukia – 786125
(Assam)

Dear Sirs,

We hereby report that the attached Annexure states the possible tax benefits available to Greenply Industries Limited ('the Company') and to the shareholders of the Company under the Income Tax Act, 1961, Wealth Tax Act, 1957 and the Gifts Tax Act 1958, presently in force in India, subject to the fact that several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperative, the Company may or may not choose to fulfill.

The benefits discussed in the Annexure are not exhaustive. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for the 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 participations in the issue.

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

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

The contents of this Annexure are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and interpretations of the current tax laws.

For D. DHANDARIA & COMPANY,
(Chartered Accountants)

(Dindayal Dhandaria)
Partner
M No. 010928

Place: Tinsukia
Dated: August 22, 2009

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

1. SPECIAL TAX BENEFITS

A. Special Tax Benefits Available to the Company

1. Under Section 80-IC(2)(b)(iii) read with sub-section (3)(i) of the said section, the profits and gains of the Company's manufacturing unit (i.e. undertaking) located at Tizit in Nagaland is entitled to deduction of one-hundred per cent for ten assessment years commencing with the initial assessment year. There being substantial expansion of the said undertaking as required by these provisions, the aforesaid undertaking is enjoying such deduction from Assessment Year 2006-2007 onwards.

2. Under Section 80-IC(2)(b)(ii) read with sub-section (3)(ii) of the said section, the profits and gains of the Company's manufacturing unit (i.e. undertaking) located at Pantnagar, Rudrapur in Uttranchal is entitled to deduction of one-hundred per cent for five assessment years commencing with the initial assessment year and thereafter, thirty per-cent of the profits and gains for the next five assessment years. The said undertaking having started manufacturing goods in the financial year 2006-2007, is entitled to such deduction from Assessment Year 2007-2008 onwards.

B. Special Tax Benefits Available to the Shareholders of the Company

There are no special tax benefits available to the shareholders of the Company.

2. GENERAL TAX BENEFITS

Under the Income Tax Act, 1961 ("the Act")

The following tax benefits shall, interalia, be available to the company and the prospective shareholders under the Act.

A. General Benefits Available to the Company

1. Subject to compliance of certain conditions laid down in Section 32 of the Act, the Company will be entitled to a deduction for depreciation: -

   a) In respect of tangible assets.

   b) In respect of intangible assets being in the nature of know how, patents, copyrights, trademarks, licenses, franchises or any other business or commercial rights of similar nature acquired after 31st day of March, 1998 at the rates prescribed under Income Tax Rules, 1962.

   c) In respect of any new machinery or plant (other than ships and aircraft which has been acquired and installed after 31st March, 2005, a further sum of 20% of the actual cost of such machinery or plant will be allowed as a deduction.

   d) Unabsorbed depreciation if any, for an Assessment Year can be carried forward & set off against any sources of income in subsequent Assessment Years as per section 32(2) of the Act.

2. Under the provisions of section 35(1)(i) of the Act read with clause (iv) of this sub-section, the Company shall be eligible for deduction of any expenditure (except capital expenditure for acquisition of land) laid out or expended on scientific research related to the business of the company.

3. Under the provisions of section 35(1)(ii) of the Act, the Company shall be eligible for a weighted deduction of 125% of any sum paid to certain scientific research association or

to a university, college or other institution to be used for scientific research, subject to fulfillment of the prescribed conditions.

4. Under the provisions of section 35(1)(iia) of the Act, the Company shall be eligible for a weighted deduction of 125% of any sum paid to a company to be used by it for scientific purpose, subject to fulfillment of the prescribed conditions.

5. Under the provisions of section 35(1)(iii) of the Act, the Company shall be eligible for a weighted deduction of 125% of any sum paid to a university, college or other institution to be used by it for research in social science or statistical research, subject to fulfillment of the prescribed conditions.

6. Under the provisions of section 32(2AB) (i) of the Act, the Company shall be eligible for a weighted deduction of 1.5% of any expenditure incurred by the Company on in-house scientific research and development facility approved by the prescribed authority.

7. Under the provisions of section 35AC of the Act, the Company shall be entitled to deduction for any expenditure by way of payment of any sum to a public sector company or to a local authority or to an association or institution approved by the National Committee for carrying out any eligible project or scheme or for any expenditure directly made by it on the eligible project or scheme.

8. Under the provisions of section 35CCA of the Act, the Company shall be entitled to deduction for any expenditure by way of payment of any sum to an association or institution which has as its object the undertaking of any programme of rural development or training of persons for implementing such programmes approved by the prescribe authority or to a rural development fund or to the National Urban Poverty Eradication Fund set up and notified by the Central Government in this behalf.

9. Under the provisions of section 35CCB of the Act, the Company shall be entitled to deduction for any expenditure by way of payment of any sum to an association or institution which has as its object the undertaking of any programme of conservation of natural resources or afforestation or to a fund for afforestation set up and notified by the Central Government.

10. Under Section 35D of the Act, the Company is eligible for deduction in respect of specified preliminary expenditure incurred by the Company in connection with extension of its undertaking or in connection with setting up a new unit for an amount equal to 1/5th of such expenses over 5 successive Assessment Years, subject to the conditions and limits specified in the section.

11. Under the provisions of section 54EC of the Act and subject to the conditions and to be extent specified therein, long term capital gains [not covered under the section 10(38) of the Act arising on the transfer of long term capital assets by the Company will be exempt from capital gains tax if the capital gain are invested within a period of 6 months from the date of transfer in the bonds issued by-

    - National Highway Authority of India constituted under section 3 of National Highways Authority of India Act, 1988 on or after the 1st day of April 2006.

    - Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956 on or after the 1st day of April, 2006.

    If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted within three year from the date of their acquisition. However as per 1st Proviso to section 54EC(I), the investments made in the long Terms Specified Asset on or after April 1, 2007 by any assesses during the financial year should not exceed 50 Lakhs rupees.

12. Under section 80G of the Act, the Company is entitled to deduction either for whole of the sum paid as donation to specified funds or institutions or fifty percent of sums paid, subject to limits and conditions as provided in the section.

13. Under Section 112 of the Act and other relevant provisions of the Act, long term capital gains [not covered under section 10 (38) of the Act] arising on transfer of a long term capital asset, being listed securities, or specified units, and zero coupon bond, if held for a period exceeding 12 months, shall be taxed at a rate of 20% (plus applicable surcharge, educational cess and secondary & higher education cess on income-tax) after indexation as provided in the second proviso to section 48 or at 10% (plus applicable surcharge, educational cess and secondary & higher education cess on income-tax) (without indexation), at the option of the assessee.

14. Minimum Alternate Tax (MAT) is a minimum tax which a company needs to pay when income-tax payable on the total income as computed under this Act is less than 15% of its book profit. Credit is allowable for the difference between MAT paid and the tax computed as per the normal provisions of the Act. MAT credit can be utilized to the extent of difference between any tax payable under the normal provisions and MAT payable for the relevant year. However, MAT credit can not be carried forward and set off beyond 10 assessment years immediately succeeding the assessment year in which it becomes allowable to be carried forward, under the provisions of sub-section (3A) read with sub-section (1A) of section 115JAA of the Act.

15. Section 115-O of the Act provides that, in order to compute the Dividend Distribution Tax (DDT) payable by a domestic holding Company, the amount of dividend paid by it would be reduced by the dividend received by it from its subsidiary company during the financial year, if:

    - The subsidiary company has paid DDT on such dividend : and

    - The Domestic Company is itself not a subsidiary of any company. For this purpose, a company would be considered as a subsidiary if the domestic company holds more than half of its nominal equity capital.

B. General Benefits Available to Company and Resident Members

1. Under section 10(34) of the Act, income earned by way of dividend from domestic company referred to in section 115-O of the Act is exempt from income-tax in the hands of the shareholders. However, section 94(7) of the Act provides that the losses arising on account of Sale/transfer of shares purchased up to three months prior to the record date and sold within three months after such date will be disallowed to the extent of dividend on such shares are claimed as tax exempt by the shareholder.

2. Under the provisions of section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company or unit of an equity oriented Mutual fund (i.e capital asset held for the period of twelve months or more) entered into in a recognized stock exchange in India after October 1, 2004 on which securities transaction tax has been paid is exempt. However, from Financial Year 2006-2007, income by way of long-term capital gain of a company shall be taken into account in computing the book profit and income-tax payable under section 115JB of the Act.

3. Under section 111A of the Act, capital gains arising to a shareholder from transfer of short term capital assets, being an equity share in the company or unit of an equity oriented Mutual fund, entered into on a recognized stock exchange in India on which securities transaction tax has been paid will be subject to tax at the rate of 15% (plus applicable surcharge, educational cess and Secondary & Higher Education Cess on income tax).

4. Short-terms capital loss on sale of shares can be set off against any capital gain income, long term or short term, in the same assessment year. It should be noted that such loss can be set off only against capital gain income and not against any other head of income. Balance short-term capital loss, if any, can be carried forward up to eight assessments years. In the subsequent year also, it can be set off against any capital gain income.

5. In terms of Section 88E of the Act, the Securities Transaction Tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of the business would be eligible for rebate from the amount of income-tax (as computed in prescribed manner) on the income chargeable under the head 'Profits and Gains under Business or Profession' arising from taxable securities transactions. No deduction under this section shall be allowed in, or after, AY 2009-2010. However, in such a case, the said securities transaction tax would be allowed as deduction in computing the profits & gains from business or profession

6. Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt under section 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by:

   (i) National Highways Authority of India ('NHAI') constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section; or
   (ii) Rural Electrification Corporation Limited ('RECL'), a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section.

   It is also provided that the investments made on or after April 1, 2007 in the above mentioned bonds is restricted to Rupees fifty lakhs during any financial year.

   If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.

7. Under Section 54F of the Act, where in the case of an individual or Hindu Undivided Family ('HUF') capital gain arise from transfer of long term assets [other than a residential house and those exempt under section 10(38) of the Act] then such capital gain, subject to the conditions and to the extent specified therein, will be exempt if the net sales consideration from such transfer is utilized for purchase of a residential house property within a period of one year before or two year after the date on which the transfer took place or for construction of a residential house property within a period of three years after the date of transfer. If only a part of the net consideration is so reinvested, the exemption shall be proportionately reduced

C. General Benefits Available to Non Resident Indians/Members other than FIIs and Foreign Venture Capital Investors

1. By Virtue of Section 10(34) of the Act, income earned by way of divided income from a domestic company referred to in section 115-O of the Act, is exempt from tax in the hands of the recipients.

2. Under Section 10(38) of Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company or unit of an equity oriented mutual fund (i.e. capital assets held for the period of twelve months or more) entered into a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax.

3. Under the first proviso to section 48 of the Act, in case of a non resident, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case.

4. In terms of Section 88E of the Act, the Securities Transaction Tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of the business would be eligible for rebate from the amount of income-tax (as computed in prescribed manner) on the income chargeable under the head 'Profits and Gains under Business or Profession' arising from taxable securities transactions. No deduction under this section shall be allowed in, or after, AY 2009-2010. However, in such a case, the said securities transaction tax would be allowed as deduction in computing the profits & gains from business or profession.

5. Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt under section 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by:

   (i) National Highways Authority of India ('NHAI') constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section; or
   (ii) Rural Electrification Corporation Limited ('RECL'), a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section.

   It is also provided that the investments made on or after April 1, 2007 in the above mentioned bonds is restricted to Rupees fifty lakhs during any financial year.

   If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.

6. Under Section 54F of the Act, where in the case of an individual or Hindu Undivided Family ('HUF') capital gain arise from transfer of long term assets [other than a residential house and those exempt under section 10(38) of the Act] then such capital gain, subject to the conditions and to the extent specified therein, will be exempt if the net sales consideration from such transfer is utilized for purchase of a residential house property within a period of one year before or two year after the date on which the transfer took place or for construction of a residential house property within a period of three years after the date of transfer. If only a part of the net consideration is so reinvested, the exemption shall be proportionately reduced

7. Under the provisions of section 111A of the Act, capital gains arising to a shareholder from transfer of short terms capital assets, being an equity share in the company or unit of an equity oriented Mutual fund, entered into in a recognized stock exchange in India on which securities transaction tax has been paid will be subject to tax at the rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess on income-tax).

8. Under the provisions of section 115 E of the Act, capital gains arising to the non resident on transfer of shares held for a period exceeding 12 months shall [in cases not covered under section 10(38) of the Act] be concessionally taxed at a flat rate of 10% (plus applicable surcharge, educational cess and secondary & higher education cess on

Income-tax) without indexation benefit but with protection against foreign exchange fluctuation under the first proviso to section 48 of the Act.

9. Under the provisions of section 115F of the Act, long term capital gains [not covered under section 10 (38) of the Act] arising to a non-resident Indian from the shares of the company subscribed to in convertible Foreign Exchange shall be exempt from income tax if the net consideration is reinvested in specified assets within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

10. Under the provisions of section 115G of the Act, it shall not be necessary for a non-resident Indian to furnish his return of income if his only source of income is investment income or long term capital gains or both arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted therefrom.

11. Under the provisions of section 115H of the Act, a non-resident Indian (i.e. an individual being a citizen of India or person of India Origin) has an option to be governed by the provision of Chapter XII A of the Act viz. "Special Provisions Relating to certain Income of Non-Resident."

12. Under the provision of section 115I of the Act, a non resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income under section 139 of the Act declaring therein that the provisions of the Chapter shall not apply to him for that assessment year and if he does so the provisions of this Chapter shall not apply to him, instead the other provisions of the Act shall apply.

D. General Benefits Available to Foreign Institutional Investors (FIIs)

- By virtue of section 10(34) of the Act, income earned by way of dividend income from a domestic company referred to in section 115-O of the Act, are exempt form tax in the hands of the institutional investor.

- Under Section 10(38) of the Act, long term capital gain arising to the shareholder form transfer of a long term capital asset being an equity share in the company or unit of an equity oriented mutual fund (i.e. capital asset held for the period of twelve months or more) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax. However, from Financial Year 2006-2007, the income by way of long- term capital gain of a company shall be taken into account in computing the book profit and income-tax payable under section 115JB of the Act.

- The provisions of section 36(i)(xv) of the Act allow deduction for STT paid, if the taxable securities transactions are taxable as 'Business Income'.

- The income realized by FIIs on sale of shares in the company by way of short term capital gains referred to in Section 111A of the Act would be taxed at the rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess on income-tax).

E. Benefits available to Mutual Funds

The Mutual Funds whose income is exempt under the provisions of section 10(23D) of the Act, would be entitled to exemption in respect of income from investment in the shares of the Company also.

Under The Wealth Tax Act, 1957

Shares of the company held by the shareholder will not be treated as an asset within the meaning of section 2(ea) of Wealth Tax Act, 1957 and as such Wealth Tax Act will not be applicable.

Under The Gift Tax Act, 1958

Gift tax is not leviable in respect of any gifts made in kind on or after October 1, 1998. Therefore, any gift of shares will not attract gift tax.

Notes

1. All the above benefits are as per the current tax law and will be available only to the sole/first named holder in case the shares are held by joint holders.

2. The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax purchase, ownership and disposal of shares.

3. In respect of non-residents and foreign companies, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident. In case the non-resident has fiscal domicile in a country with which no Tax Treaty exists, then due relief under Section 91 of the Act may, in given circumstances, be available.

4. Our views expressed herein are based on the facts and assumptions indicated by the Company. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes. The views are exclusively for the use of the Company. We shall not be liable to the Company for 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 US

INDUSTRY

The information in this section is derived from various government publications and other industry sources. Neither we nor any other person connected with the Issue have verified this information. 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.

The pace of economic improvement has moved up considerably during the last five years (including 2007-08). In 1991, the Government of India implemented a series of key macroeconomic and structural reforms, focused on implementing fundamental economic reforms, deregulating industry, accelerating foreign investment and pushing forward a privatisation program for disinvestment in various public sector operations. As a result of these reforms, the GDP (at factor cost) has shown significant growth over the years.

According to Central Statistical Organization (CSO) estimates, Gross Domestic Product (GDP) at factor cost at constant (1999-2000) prices in the year 2008-09 is likely to attain a level of Rs. 33,51,65,300 lacs. The growth in GDP during 2008-09 is estimated at 7.1 per cent as compared to the growth rate of 9.0 per cent in 2007-08. The growth rate of 7.1 per cent in GDP during 2008-09 has mainly been due to the growth rates of over 5 per cent in the sectors of 'construction', 'trade, hotels, transport and communication', 'financing,

India's GDP at factor cost at current prices in Q3 of 2008-09, is estimated at Rs. 13,04,46,800 lacs, as against Rs. 11,43,86,200 lacs in Q3, 2007-08, showing an increase of 14.0%.

(Source: Central Statistical Organisation Website)

Interiors Infrastructure Industry in India

The interior infrastructure sector basically consists of wood panel and decorative surfacing products, Tiles, Marble, Granite of all kinds, Paints, Sanitary ware, Gypsum boards, Glass , Plywood, Decorative veneers, Decorative laminates, Particleboards and MDF, Carpets, Ready made furniture, Wooden flooring, Electrical fittings, Air conditioners and so on.

Wood, Bamboo, Plywood and Panel Industry in India is poised to grow at 17% to 20% per annum and expected to attain 80% growth by the year 2010. Especially in Northern India, the growth rate is expected to be 20% to 23%. (Source: Domestic Fact Sheet, Panelexpo 2009).

In India, this sector is still dominated by plywood and blockboards, and is largely unorganized. However in the last few years this trend is changing with organized sector market share growing, and the share of particleboard and MDF is increasing.

Wood based Panel Industry in India:
(Source : www.fippi.org, April 20, 2009)

India is one of the largest consumers of wood in South East Asia. The country has sufficient availability of tropical wood as India is rich in its forest wealth having a huge land area under forests. Practically, all varieties of forest growth are found in India, ranging from tropical hardwood forests to high altitude coniferous forests and from deciduous to evergreen forests and Plantation. Large areas have abundance of some of the finest plywood timbers both for constructional and decorative plywood, Indian teak, Indian Rosewood and Padauk are world-renowned for their beauty of figure, grain and texture. Gurjan, Vellapine, Hollock and Hollong are only a few of the many Indian timbers used for making good commercial plywoods.

However, in recent years, growing concerns about the environment and the need for conservation of forests have led to reduction in the supply of wood. Reconstituted wood products such as Plywood, Hardboard, Particleboard and Medium Density Fibreboard (MDF) have gained popularity to meet the

rising demand of Wood from the general consumer, Railways, Defence, Furniture, Laminate manufacturers and the builders.
India imports wood from various countries like Malaysia, Indonesia, Myanmar, and Ivory Coast, etc. MDF boards are imported from Europe, soft and hard wood are imported from Russia and other South East Asian countries.

Wood Panel products effect considerable saving of scarce wood as compared to Solid Timber.

The basic types of Wood based panels are:

Plywood

The potentialities of the industry can be judged from the many uses to which plywood can be put. Apart from tea chests plywood marine and aircraft plywood there are specific 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.
- Compensated wood veneers required for heavy chemical industry and electrified railways.

Production of more than 2000 small scale units was not properly recorded only estimated every year. Due to Hon'ble Supreme Court Order on December 12, 1996 the production activities was totally suspended in Medium/Large scale unit particularly in North Eastern Region as a result the production reduced drastically from 1997 and still there is no improvement.

The principal raw material for manufacturing plywood is timber. The management of raw material is critical for plywood manufacturers due to the environmentally sensitive nature of the product. As an industry dependant on natural resources, there is always shortage of inputs, making efficient raw material management essential.

Plywood is a wood-based panel, which has at the same time a very good mechanical strength, and a light weight. Plywood consists of sheets (plies) of wood veneer, which are glued together. It is constructed with an odd number of plies, which are cross-bonded. The grain of each layer is perpendicular to the plies above and below it. The outer plies usually have the grain direction going parallel to the long dimension of the panel. This construction guarantees the strengths and stability of plywood. It gives a high resistance to shocks and vibration, as well as to strain, splitting and warping. The term plywood includes, besides veneer plywood, also block board and lamieboard. Plywood can be made out of different wood species. The main wood species used for the production of plywood are Curin, Gurjan, Poplar, Euclayptus and Simal. European exotic natural species are widely used for manufacture of decorative plywoods. Engineered/Reconstituted veneers and burls have greater demand in Indian market.

Particle Board

Particle board is a reconstituted constructional panel particularly developed as a substitute for natural constructional wood and is made from low grade waste woods or from certain agricultural ligneous wastes. In that respect particleboard assumes great importance in the wood panel products industry from the point of view of conservation of scarce forest resources in a country. In India the first Particleboard plant was set up in late 1950's at Sitapur in Uttar Pradesh. There are presently about 12 Woodbased and agriculture ligneous waste based Particleboard units in India.

Source: www.fippi.org, April 20, 2009

Particle Boards is an agro based panel product and is manufactured both in plain and prelaminated quality. Wood or agro residue is converted into chips in the process of chipping and milling. This is followed by drying where excess moisture is reduced and uniformly controlled. Dried chips are mixed with synthetic resin in the mixing process, thereby forming chips mats of three layer constituency. The Particle mats are pressed and boards are cured in a heated press with a temperature up to 180 degrees centigrade and then boards are trimmed to desired size and thickness.

Hardboard and Medium Density Fibreboard (MDF)

Fibreboard is a board encompassing sheet materials of widely varying diversities manufactured from refined or partially refined wood fibres or other vegetable fibres. Bonding agents and other materials may be incorporated in the manufacture to increase strength, resistance to moisture, fire or decay. Medium density fibreboard is an engineered wood product formed by breaking down softwood into wood fibres in a defibrator, combining it with wax and resin and forming panels through application of high temperature and pressure. It is a building application similar to plywood, but made of separated fibres. It is denser than a normal particle board. The first Fibreboard (Hardboard) Industry was established in India during late 1950's and the first Medium Density Fibreboard plant was set up in India about 20 years back.

MDF is substitute to natural wood panels particles in the uses of making carved panels, furniture, front and toys. MDF are suitable to make cabinets and cabinet doors. This product is made by using wood fibers as against wood ships used for processing particle board.

As a result of their versatility in application and efficiency in wood raw material utilization the wood panel products have to a great extent replaced solid wood in both structural and non-structural uses.

Government Initiatives

The industry is highly fragmented, with a large portion of it being unorganized. The biggest challenge for the organized players is increasing competition. To check the growth of the unorganized sector, the Government set up a regulatory authority called the CEC (central empowered committee) for wood based industries. To check the depletion of forest cover arising out of unrestricted use by the plywood industry, the CEC vide its recommendations dated May 9, 2002 restricted new plywood industries to come up, and linked the issuance of fresh licenses with assessment of wood availability in each state. This resulted in very few units getting new plywood manufacturing licences in the past several years.

However, the CEC has liberalized setting up of MDF and particleboards units and has delinked the same with availability of timber as it uses very small diameter woods which are either waste wood or grown in short rotation by farmers over 2-3 years. The investment for setting up MDF and particleboard plant is very significant, which restricts competition from the unorganized sector.

The government is also encouraging this sector by reducing the excise duty. The excise duty was reduced from 16% to 8% in the Finance Bill 2007 and to 4% with effect from December 7, 2008. In addition, some of the state governments like Delhi, Uttar Pradesh, West Bengal and Madhya Pradesh have reduced the VAT from 12.5% to 4% in the recent past and other states are expected to follow shortly as the government wants to encourage affordable housing and environment friendly products.

Production

The production of commercial plywood, decorative plywood, block boards, Flushdoors, veneers, particleboard, Hard/Soft boards and medium density fibreboard (MDF) is as below:

Particulars	Unit	2004-05	2005-06	2006-07
Plywood	M2 - 4MM	24.44	20.73	21.67
Particle Board	M.T.	56,705	47,124	81,214
Veneers	SQM	3,56,42,575	28,79,851	78,77,585
Medium Density Board	M.T.	70,644	60,030	56,315

Particulars	Unit	2004-05	2005-06	2006-07
Hard/Soft Board	M.T.	1,54,059	1,22,579	42,982

(Source: Federation of Indian Plywood & Panel Industry, April 20, 2009)

Laminates Industry

Laminates are made using either High Pressure Laminates (HPL), or Direct Pressure Laminates (DPL). With the DPL method, all the layers are bonded together under extreme heat and pressure at one time. HPL is done in more than one step. Typically the wear layer and image layer are bonded together, and than those two layers are bonded to the core in a separate step.

Market for decorative laminates will be driven by strong demand from non-residential construction, which will benefit demand for laminate store fixtures and wall panels. For store fixtures, advances will stem from the price, performance and style advantages of laminate materials, as well as ongoing strength in retail sales activity. The development of more stylish and more realistic designs is a key element in the growth of laminate demand in store fixtures. Decorative laminate fixtures can be designed to meet specific design requirements, such as high-gloss and metallic surfaces, while offering retailers scratch resistance and ease of maintenance.

BUSINESS

Overview

We are an interior infrastructure company engaged in the manufacture of plywood, laminates and allied products and are one of the largest in India in the segments in which we operate. We are in the process of commissioning a sophisticated medium density fiberboard ("MDF") manufacturing unit at Uttarakhand which we believe would be one of the largest in India.

Our Promoters, Mr. Shiv Prakash Mittal and Mr. Rajesh Mittal ventured into the industry by setting up a saw-mill in 1984 and a plant at Nagaland for the manufacture of plywood in 1988. We were incorporated in 1990 and over the years we have steadily grown as an interior infrastructure solutions provider offering the entire range of products vis. plywood, laminates, particle board and decorative veneers. Our Promoters have over twenty five years of experience in this industry. We have presence across different price points to cater to all customers across high-end, mid-market, and value segments.

Our products and installed capacities are as follows:

Manufacturing Unit	Product	Installed Capacity	Our major brands
Tizit, Nagaland	Plywood	45.00 lacs square meters	Greenply, Green Club, Ecotec, Optima Red, Green SpectrumWood, Green Premiaboard and Green Lamieboard
Kriparampur, West Bengal		60.00 lacs square meters	
Bamanbore, Gujarat		30.00 lacs square meters	
Pantnagar, Uttarakhand	Plywood and decorative veneers	105.00 lacs square meters	
	Particle board	20.00 lacs square meters	
Behror, Rajasthan	Laminates	53.40 lac sheets	Greenlam , Green touch, Green Gloss, Greenlam Supertuf, New Mika, Green Sturdo and Green Decowood
	Decorative veneers	42.00 lacs square meters	
Nalagarh, Himachal Pradesh*	Laminates	33. 00 lacs sheets	
Pantnagar, Uttarakhand *	Medium Density Fibreboard	1.80 lacs cubic meters	

** the proposed Projects*

We have been awarded with ISO 9001, ISO 14001 and OHSAS 18001 certifications for our manufacturing facility at Behror, Rajasthan. We have also received Greenguard Certification for "Low Emitting Products and Materials" for our product Greenlam Laminates.

We have a pan-India presence and export our laminate products to various countries including the United States of America, Singapore, Israel, Dubai, Mexico, Malaysia, Taiwan, Hong Kong, Russia and the United Kingdom. As of August 31, 2009, our marketing team comprising of 606 employees, operates through 27 marketing offices across 17 states in India. Our distribution network comprises of more than 3,445 distributors and dealers through whom we have access to approximately 8,500 sub-dealers and retailers. We believe this pan-India distribution network ensures that our products are easily available in almost any part of India.

Competitive strengths

We are a performance driven company with a strong focus on customer satisfaction. Our financial

performance viz; consistent growth in turnover CAGR 44.81% during the five years from 2005 to 2009, net profit CAGR 69.87 % during the five years from 2005 - 2009, EBIDTA CAGR 45.94 % during the five years from 2005 to 2009 demonstrates our leadership capabilities and competence within challenging businesses.

We believe our competitive strengths are:

(a) ***Strong brand recall***

The plywood and the laminates industry is a fragmented and an unorganized industry. We believe we have pioneered and created a niche for ourselves in this industry by introducing various brands. We believe our brands like Greenply and Green Club, in the plywood segment and Greenlam, Green Decowood, Green Gloss and Green Touch in the laminate segment are synonymous with quality assurance in terms of strength and durability. We have been able to sustain the demand for our brands by offering a continuous flow of value additions such as new designs and finishes. We believe that our products enjoy easy recall and help us enhance our market share. Our brands give us a broader platform to market our products to our customers. Our "Chalta Rahe" campaign in FY 2006-07 and "Dikhane Ka Jee Kare" campaign in FY 2007-08 have enabled us to gain a strong top of the mind recall with our customers.

(b) ***Entry barrier***

We hold production licenses in segments regulated by the government which restrict and regulate the grant of new licenses for the manufacture of wood based products. Government regulations represent a large entry barrier in the interiors infrastructure segment in India. Pursuant to the order of the Hon'ble Supreme Court dated October 29, 2002, unlicensed saw mills, veneer and plywood industries are not permitted to operate in India. Further, opening of a new saw mill, veneer or plywood industry requires a prior permission from the Central Empowered Committee. The grant of a license is further subject to strict compliance with the prescribed regulatory norms and relaxation of any of the norms is not permitted. These complexities in obtaining new licenses make it difficult for new players to enter the market. We therefore believe that our production license gives us a competitive edge.

(c) ***Proven and experienced management team***

Our Promoters have over twenty five years of experience in the industry. We believe that our senior management team has extensive experience in the commissioning of and operating manufacturing capacities, finance, sales, business development and strategic planning in the industry. The vision and foresight of our management enables us to explore and seize new opportunities and accordingly position ourselves to introduce new products to capitalize on the growth opportunities in the interior infrastructure sector. We believe that the demonstrated ability and expertise of our management team for committed asset investment and use of cutting-edge technology results in growing capacities and rising production levels with better cost management and enhanced process efficiency has translated into our quality product, increasing profitability and improved margins which gives us a competitive edge.

(d) ***Extensive distribution network***

Our distribution network ensures our product availability to our customers translating into efficient supply chain, focused customer service and short turnaround times for product delivery. We believe that our distribution network of more than 3,445 distributors and dealers through whom we have access to approximately 8,500 sub-dealers and retailers is amongst the largest distribution networks in the interior infrastructure industry in the country. Our dealer base is supported by an efficient sub dealer and distribution network and sales team, leading the products to retail outlets and making our products available on the shelf across most places at all times thereby reducing dealer stock levels and increased annual sales per dealer. We have introduced the ERP-SAP system in 2007 and believe that the ERP will facilitate an informed decision making resulting in real time information on inventories, supply chain and consignment status across all products, locations and divisions across the country.

(e) ***Cost efficient sourcing and locational advantage***

We believe that our cost efficient manufacturing and supply chain management results in a significant reduction in our operational costs. With our experience, we are able to time our procurement of raw materials and being a large player in the industry we are also able to source these materials at a competitive price. The location of our current manufacturing facilities gives us a significant competitive cost advantage in terms of raw material sourcing, manufacturing and labour costs.

The key raw materials for the manufacture of our products are timber, chemicals and paper. Our plywood units are located strategically close to a rich raw material source in Nagaland and Uttarakhand. Kraft paper required for laminate manufacture is primarily sourced from the neighbouring states of Uttar Pradesh and Uttarakhand. With most of the phenol manufacturers based in western India, the Behror unit at Rajasthan enjoys uninterrupted availability of phenol. The Kriparampur unit in West Bengal is close to the Kolkata port and the Bamanbore Unit at Gujarat is close to the Kandla port thereby facilitating procurement of timber, phenol and other chemicals at a lower logistic cost.

Our manufacturing units are located in states we believe offers potential market for our products thus reducing the logistical costs associated with delivery. Our acquisitions in Gujarat enable us to address the western markets. The strategic location of Uttarakhand unit also helps to market the product in the neighboring Delhi-NCR and north Indian markets.

(f) ***Our sales and marketing network***

Our sales and marketing team periodically reviews new products, assesses market trends and develops and builds business relations. We have segregated our marketing team into two verticals with a focus on product categories which is plywood, particle board and MDF and lifestyle products laminates and veneers. We export our products to more than 15 countries with exports comprising about 12.47 % of our total turnover for the year ended March 31, 2009. We have a pan India marketing network consisting of 27 marketing offices, 3,445 dealers and a marketing team of 606 people. We maintain strong relationships with interior architects and designers, contractors and carpenters, as well as retailers. Our sales and marketing team has a focused approach to creating brand awareness through print and electronic media, in-store visibility and carpenter meets.

We have established the "Greenlam" brand in the international markets by appointing authorised distributors in middle-east Countries and Russia. Representative offices have been opened in Singapore and Dubai to promote the brand and strengthen the marketing network. We have acquired Greenlam Asia Pacific Pte. Limited, as a wholly owned subsidiary, to explore new markets for our laminates in south-east Asian countries. In April 2008, we have promoted Greenlam America, Inc., as a wholly owned subsidiary for marketing and distributing our laminates in North America.

(g) ***Modern infrastructure and integrated facilities***

Our investment in modern infrastructure and our ability to enhance capacity utilization in excess of installed capacities in manufacturing leads to economies of scale. Moreover, our energy efficient manufacturing processes result in relatively lower operating cost and enhanced profitability. Some of our manufacturing units manufacture multiple product range under one roof which results in cost savings in terms of shared overheads and resources across different product categories. It also reduces transportation costs and improves logistics management as our dealers can place orders for multiple products resulting in single truck load delivery enabling them to replenish stocks at regular intervals. The by-products from plywood manufacture constitute around 40 – 50% of the raw material for the manufacture of particle board.

Our Business Strategy

Capacity expansion and manufacture of new products

We focus on a value addition strategy coupled with a volume driven approach, which enables margin enhancement along with revenue growth. We are in the process of commissioning an additional plant for manufacture of laminates. Our current laminate production capacity is 53.40 lacs sheets per annum and pursuant to the said commissioning, the capacity would increase to 86.40 lacs sheets per annum.

The new unit would manufacture laminates with varied applications and would enable us to cater to a larger segment of the domestic market and also gain access to new foreign markets. We intend to continue to enhance scale in existing products and introduce new products across high end and mid segment to capitalize on the opportunity. Our diversification into MDF manufacture is in furtherance of our strategy of increasing our share in the mid market segment, which is the largest segment of the market.

To continue brand building and strengthening of the distributor network

The industry is seeing a shift in market share from the unorganised to the organised sector. We seek to capture a greater market share in this environment and it is important to invest in the brand to strengthen the top of the mind recall and consequently we shall continue to invest in our brands.

Since the industry is highly unorganized, a good distribution network is essential in this industry. We are focusing on expanding on our distributorship network by opening new marketing offices or by way of appointment of new distributors, including smaller towns and rural areas. We believe that smaller towns in suburban India would be the new emerging realty hubs for development of residential and commercial complexes and intend to position ourselves to capitalize on these emerging opportunities.

Tapping large real estate developers and corporate bodies

As organised real estate development started growing in India, we realised that it was imperative to tap large real estate players. Since the buyers in organised real estate market are more sophisticated with better understanding of the market and pricing, a direct marketing approach to them was adopted. We approach large corporate houses to market our products and ensure secondary sales through our dealers and distributors.

To develop export opportunities for our products

We currently export our products to more than 15 countries. We are in the process of establishing the 'Greenlam' brand internationally by appointing distributors in the middle-east countries and Russia. Representative offices have been opened in Singapore and Dubai to promote the brand and strengthen the marketing network. We have acquired Greenlam Asia Pacific Pte. Limited, as a wholly owned subsidiary, to explore new markets for our laminates in south-east Asian countries. We have also promoted Greenlam America, Inc. as a wholly owned subsidiary, registered under the laws of the United States of America, for marketing and distributing our laminates in North America. The new plant at Nalagarh, Himachal Pradesh for the manufacture of laminates would cater primarily to foreign markets. We have commenced export of plywood and would also be exploring possibilities of exporting MDF.

Our Business

Our Executive Chairman, Mr. S.P. Mittal and our Managing Director, Mr. Rajesh Mittal, set up the first manufacturing unit at Tizit, Nagaland which benefits from its proximity to timber resources. Anticipating demand for laminates, we set up our first laminate manufacturing unit at Behror, Rajasthan in 1993 with an initial installed capacity of 12.00 lacs sheets per annum which has since been increased to 53.40 lacs sheets per annum. We commenced manufacturing of decorative veneers at our Behror, Rajasthan unit in 2003-2004 with an initial capacity of 21.00 lacs square meters and have doubled the same to 42.00 lacs square meters effective July 2008. In 2005, pursuant to a scheme of amalgamation, we acquired Worthy Plywoods Limited ("WPL"), a group company, which enhanced our capacities and product portfolios as the plywood manufacturing unit owned by WPL at Kriparampur, West Bengal was transferred to us. We further enhanced our plywood production capacity by setting up our unit at Pantnagar at Uttarakhand in 2006. The particle board unit at Uttarakhand commenced commercial production in December 2006. We had acquired Galaxy Decor Private Limited and Platinum Veneers Private Limited as wholly owned subsidiaries of our Company in November 2007 and have amalgamated these two companies with our Company. Pursuant to the amalgamation, the manufacturing unit at Bamanbore, Gujarat with an annual production capacity of 30 lacs square meters has been transferred to us. We are also in the process of commissioning a plant for the manufacture of MDF with a capacity of 1.80 lacs cubic meters per annum which we expect shall

commence commercial production by March 2010.

We acquired Greenlam Asia Pacific Pte. Limited, Singapore, as a wholly owned subsidiary, in October 2006, to explore new markets for our laminates in south-east Asian countries. We have also promoted Greenlam America, Inc. in April 2008 as a wholly owned subsidiary, registered under the laws of the United States of America, for marketing and distributing our laminates in North America.

Our existing Products:

We manufacture plywood and particle boards of various sizes and thicknesses, decorative veneers and laminates of various thicknesses and finishes.

Plywood is used in furniture, partitions, paneling, cavity flooring, paneled doors and other exterior and semi-exterior applications.

Particle boards are used in cupboards, shutters and wardrobes, shelves, table tops, cabinets, household and office furniture, computer cabinets, door panels and partitions.

Decorative Veneers are used as surfacing materials for high-end residential and office furniture.

Laminates are used as surfacing materials for paneling, partitioning, furniture, table tops and work surfaces. Special purpose high pressure laminates includes cabinet liners, high-wear, fire-rated, electrostatic dissipative and chemical resistant laminates.

Plywood and Particle Board

Raw Materials

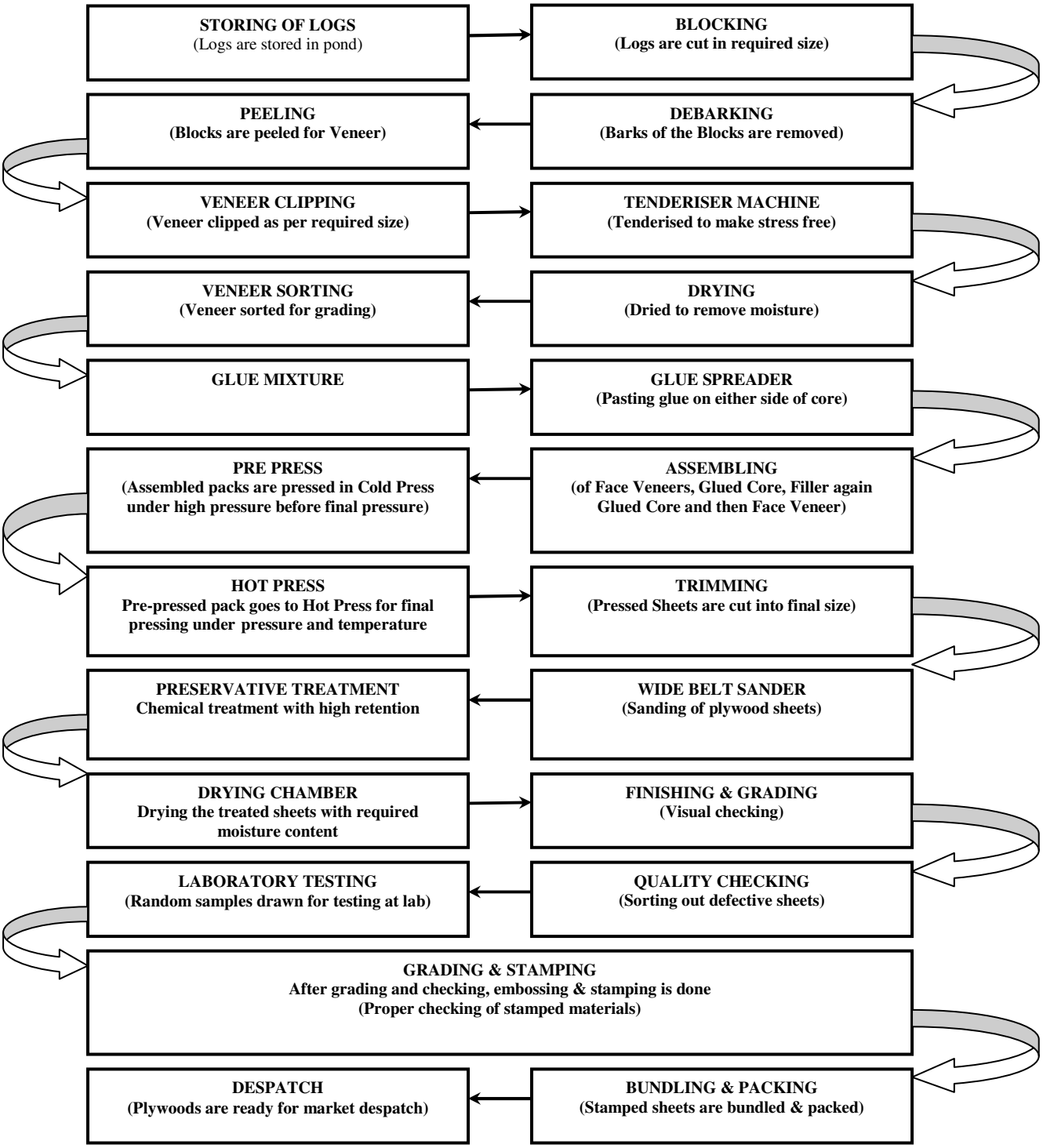
The principal raw material for manufacturing plywood is timber and chemical resins. Our plywood units are located strategically close to the raw material source in Nagaland and Uttarakhand. We maintain good relations with the tribes in Nagaland. We have introduced an open market system where the farmers and contractors market their products directly to us.

Our Promoters integrated backwards by setting up a resin plant to check resin price volatility and ensure the availability of raw material during periods of scarcity. We have also developed different resin formulations to reduce cost and ensure faster drying of the finished products.

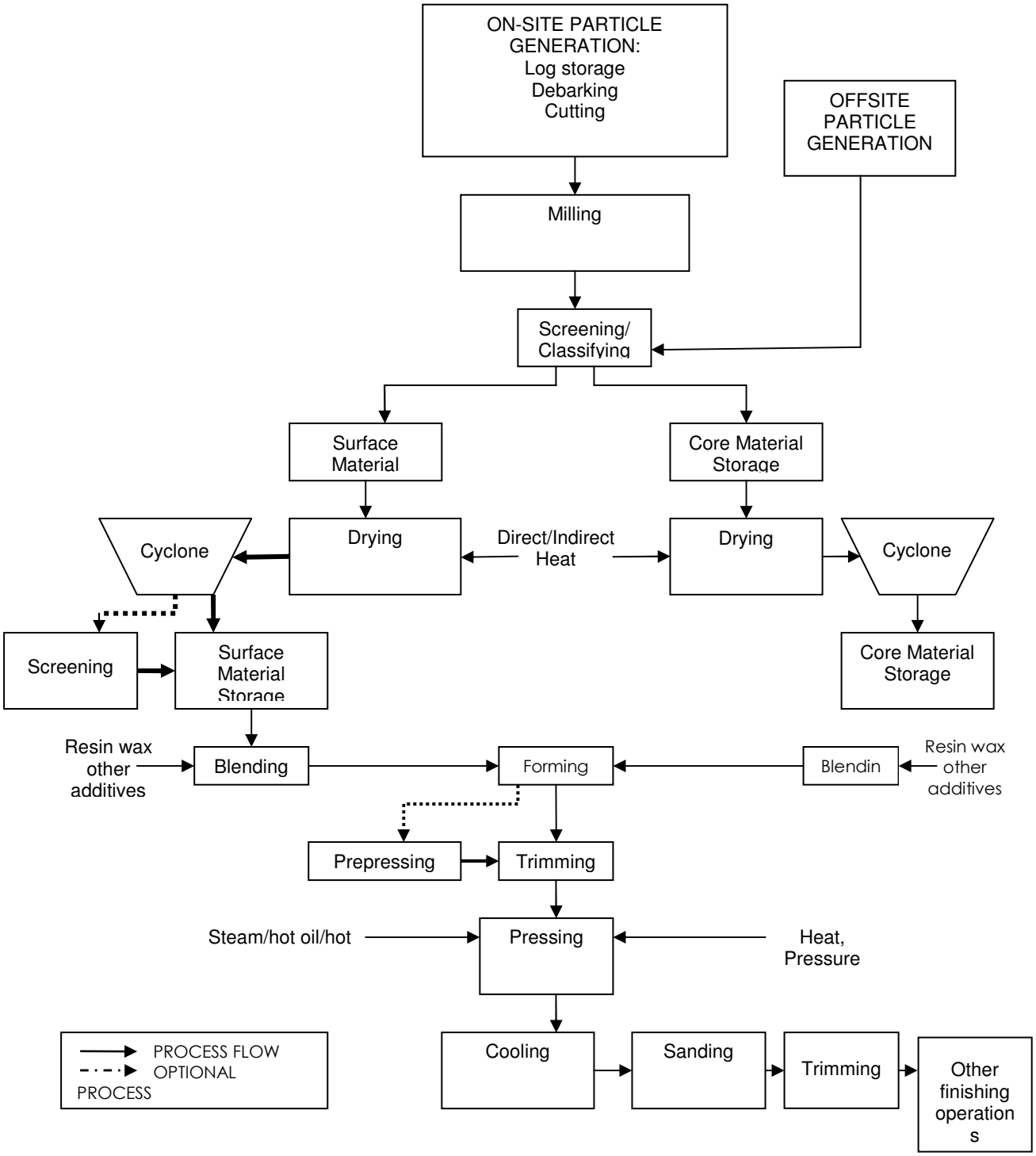
We source approximately 40% to 50% of our raw material requirements for the manufacture of particle board in-house as we use the waste generated from the manufacture of plywood as a principle raw material for manufacture of particle board. We also use poplar and eucalyptus lops and tops as raw materials. Paper is an important raw material in the manufacture of pre-laminated particle board and we import design papers.

Manufacturing process for plywood and particle board

Plywood



Particle Board



Decorative Veneer

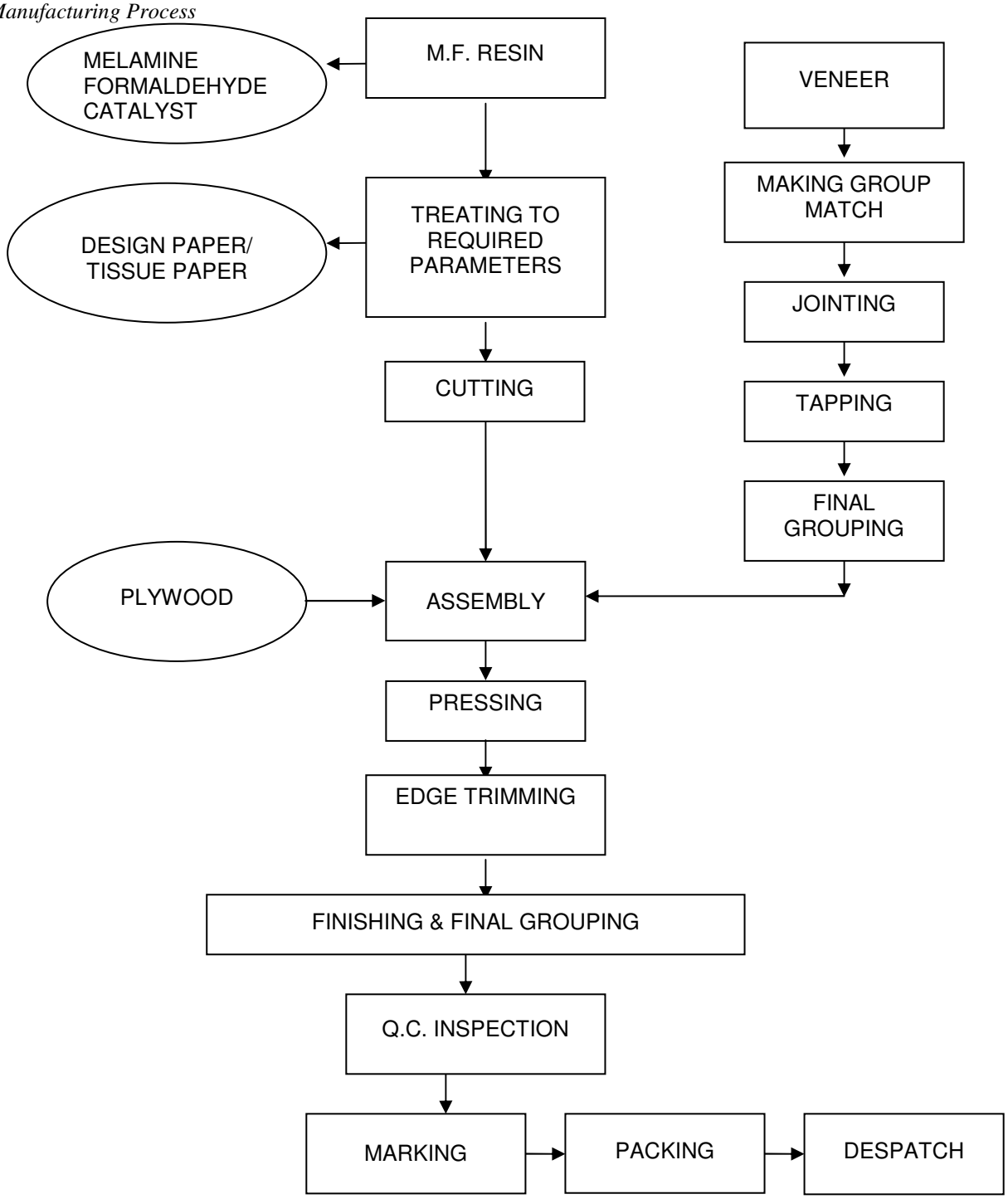
Raw Materials

The raw materials required for the manufacture of decorative veneer are plywood, veneers and

chemical resins.

The plywood used in the manufacture of decorative veneer is imported from Myanmar, while the veneers are imported from the Germany and Italy.

Manufacturing Process



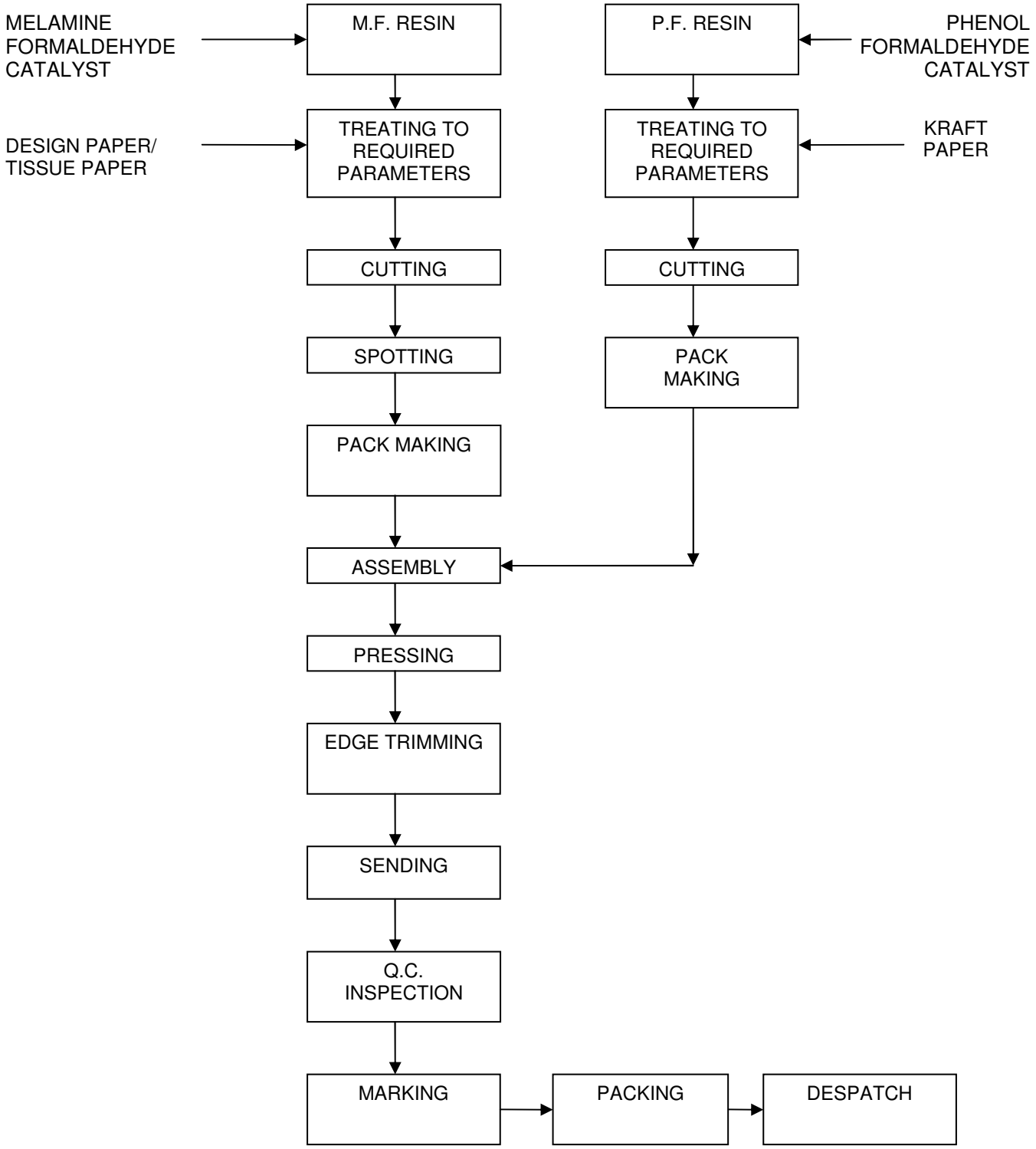
Laminates and related products

Raw Materials

The principal raw material used in the manufacture of laminates comprises of kraft and decorative paper, phenol and melamine. Kraft paper is sourced domestically and we import high-end and premium decorative papers from Japan, Germany, France and other EU nations.

The two principal chemicals required for the manufacture of laminates, phenol and melamine are sourced both from domestic as well as overseas markets depending upon the price and credit terms.

Manufacturing Process



Laminates are manufactured by assembling thin sheets of impregnated kraft, barrier, designs and overlay papers upon each other (outer layer has decorative colour or design) and pressing the assembly between stainless steel pressed plates in a hydraulic press under high pressure and temperature. The impregnation of the papers with melamine formaldehyde and phenol formaldehyde resins is done by impregnators capable of controlling process parameters within very narrow limits.

a) *Resin Manufacture*: Phenol Formaldehyde and Melamine Formaldehyde resins are manufactured in specially designed stainless steel and mild steel reactors (resin kettles) wherein temperature and pressure are controlled and closely monitored resulting in low molecular weight resins.

b) *Impregnation*: Specifically designed horizontal impregnators consisting of resin bath, squeezing rollers followed by drying zones and cooling cylinders are used for impregnating kraft, designs and overlay/underlay papers. Process checks for controlling resin content, volatile content and flow in prepress are carried out at regular intervals. For monitoring process parameters, electronic instruments of reputed companies are used to ensure consistency. After impregnation the impregnated paper is cut into the required length and stacked for use in assembly.

c) *Storage of Impregnation Material*: Impregnated papers like overlay tissues and designs are stored in air conditioned chambers under controlled conditions to lower down the chemical reaction.

d) *Assembly and Pressing*: The overlay tissue, design paper, barrier and kraft papers are assembled as per requirement and pressed in the hot press between stainless press plates. Temperature of the sheets during pressing is measured by an electronic recorder.

e) *Finishing*: After pressing, the sheets are trimmed into the specified size and surfaced defects are corrected by a sanding machine. The finished laminates are subjected to various tests as per quality standards.

We are in the process of setting up a unit for the manufacture of laminates at Nalagarh in Himachal Pradesh for the production of high pressured laminates ranging from 0.50 mm to 12 mm thickness and 8'x4', 4.25'x10', 5'x12' and 12'X 6' sizes. This unit is expected to commence commercial production from December 2009. Commercial production has started in one press, out of three presses proposed to be installed at the Laminates plant, with effect from June 11, 2009

Medium Density Fiberboard

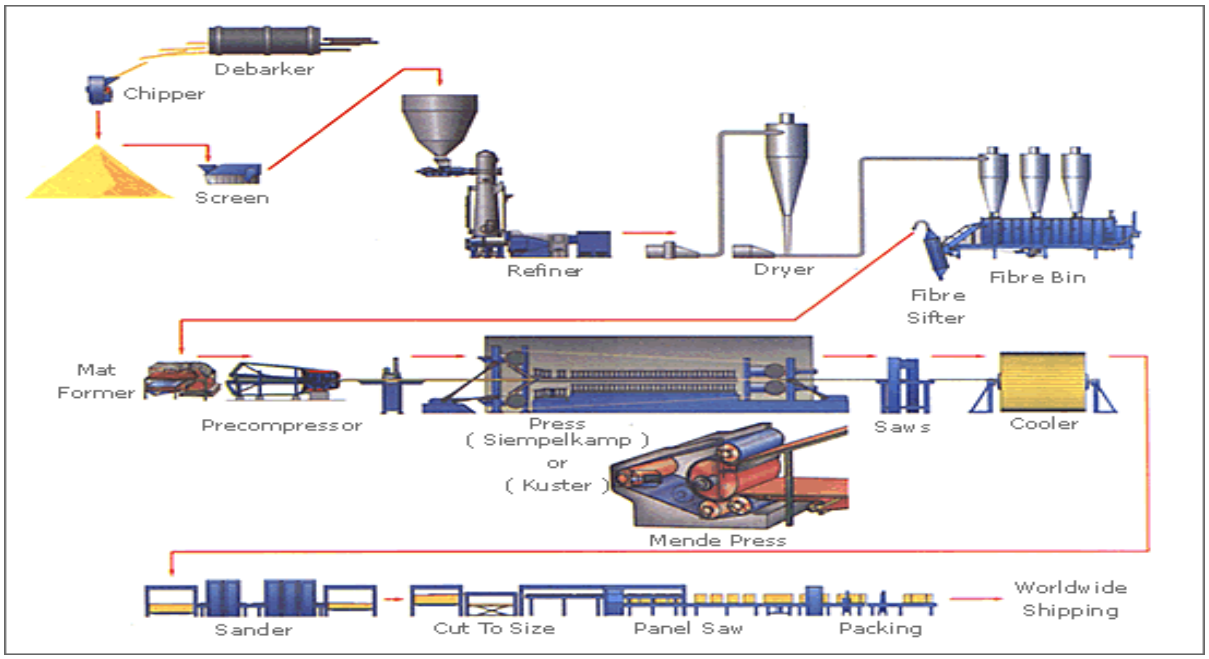
Medium Density Fiberboard ("MDF") is an engineered panel product made from the fibers of lingo-cellulosic material. MDF has superior properties of nail holding, bonding, edge cutting and moisture resistance which make it an economic substitute for natural timber. We are in the process of setting up a MDF unit for an aggregate Project cost of Rs. 25,116.05 lacs at Pantnagar, Udhamsingh Nagar, Uttarakhand with an installed capacity of 1.80 lac cubic meters per year. Commercial production is expected to commence in March 2010. The proposed unit is well connected with road and railway routes to all the major cities in the northern region of the country and the nearest airport is only 14 Kms away.

MDF is a very versatile product with worldwide application primarily in paneling and finds use in wide range of furniture, windows, doors frames, handicraft items, display or exhibition stands and signs, ceiling, toys, carving, partitions, maritime applications and educational equipment. MDF can also be used as a wood substitute because of its intrinsic properties which facilitates carving etc. MDF can be used in a variety of applications including bedroom, bathroom and kitchen furniture, lounge, dining furniture and home entertainment consoles, caravan interiors, shop fittings / contract applications, snooker tables, coffins and caskets. MDF is also used in school projects because of its flexibility. Thin MDF boards are suitable for drawer bottoms, cabinet backs, interior wall and ceiling panels, modular partitions and door skins.

Raw Material

The principle raw material for the manufacture of MDF is timber, eucalyptus and poplar which are easily available from the agro-forestry plantations in Uttarakhand. We have not entered into any tie-ups for the supply of raw materials.

Manufacturing process



Wood Fiber

Eucalyptus is an ideal wood fiber resource for MDF production. Besides eucalyptus, poplar, bagasse, bamboo can also be used as raw material for its manufacturing. The species of wood and its quality decides the quality of final board.

Debarking

The process involves removing bark from the round logs. Removing the bark is necessary to ensure maximum uniformity of wood fiber, texture and colour. This avoids appearance of black spots on the surface of board and provides smooth, uniform and light colour at its face.

Chipping

The debarked logs are then converted into chips with a typical length of 20-25mm by a chipping machine. Chipping of logs in uniform small sizes makes it easier to mix with glue and then provides better bonding.

Screening

The chips are then screened to remove undersized material (fines – less than 8mm) and oversized material (over excess of 50mm). In the procedure, chips of uniform small sizes are accumulated to forward it to refiner. The fines are utilized as fuel for the boiler and the over are re-chipped and re-screened. Chips suitable for MDF production are transported to the dry chip storage bin ready for refining.

Refining

Chips are then pre steamed for several minutes and then cooked under pressure in the digester. The

softened chips are then refined between two large rotating discs, which mechanically separates each wood fibers or wood fibre bundles.

Addition of Wax and Resin

During the refining process paraffin wax is pumped through a heated piping system into the refiner disk housing where mixing with fiber takes place. Resin diluted with water is then added to the wood fiber in the blow line at the outlet of the refiner.

Fiber Drying

The mixture of wet fiber, resin and wax is then transported at high velocity (by the steam generated from the refining process) along a flash drying tube. At the end of the tube, the dried fibers are separated from the steam in a cyclone and stores in a bin which supplies the mat forming machine.

Fiber Grading

Before delivery to the mat forming machine, the dried fibers passed through a screen to eliminate any coarse fiber or other material that may reduce the quality of the final MDF board.

Forming and Pre Pressing

The dried fibers are deposited on a continuously moving screen passing through a forming machine. The fiber mat is then pre compressed between two continuous belts positioned to form a nip of decreasing thickness. The mat, considerably reduced in thickness, is then edge trimmed and conveyed to the main press.

Press

The mat is then passed continuously into the nip of a double steel band press operating at high temperature and pressure. The feed speed ranges from five meters per minute on the thicker board (18mm) to forty five meters per minute for the thinner board (2.5mm).

Finishing

The continuous MDF mat is trimmed to length as it leaves the press. The "cut to length" boards are then allowed to cool from both surfaces exposed to the air in a carousel star cooling unit. From the star cooler the boards are trimmed to final width specification and automatically stacked ready for sanding. After three days of intermediate storage, to ensure complete curing and equalizing of moisture content in the MDF, the boards are sanded to provide a homogenous wood panel with a sound smooth finish and exacting thickness tolerances.

Plant and Machineries

The details of the plant and machinery proposed to be purchased for both our new units has been mentioned under the section titled "Objects of the Issue" on page 31 of this Letter of Offer.

Capacity and Capacity Utilization

The details of existing installed and utilized capacity for the previous three years is given as under:

Year	**2007**		**2008**		**2009**	
Class of goods	**Installed capacity**	**Actual Utilization (%)**	**Installed capacity**	**Actual Utilization (%)**	**Installed capacity**	**Actual Utilization (%)**
Plywood (square meters)	167.50 lacs	77	210.00 lacs	86	240.00 lacs	96

Year	2007		2008		2009	
Class of goods	**Installed capacity**	**Actual Utilization (%)**	**Installed capacity**	**Actual Utilization (%)**	**Installed capacity**	**Actual Utilization (%)**
Particle Board (square meters)	20.00 lacs	18	20.00 lacs	61	20.00 lacs	24
Laminate (Sheets)	39.60 lacs	115	53.40 lacs	91	53.40 lacs	107
Decorative Veneer (square meters)	21.00 lacs	66	21.00 lacs	65	42.00 lacs	34

Plywood, particle board and decorative veneer are manufactured at our plants at Tizit, Nagaland, Kriparampur, West Bengal and at Pantnagar, Uttarakhand. Laminates and decorative veneers are manufactured at our plant at Behror, Rajasthan. We also manufacture plywood at our unit at Bamanbore in Gujarat.

The details of projected capacity and proposed capacity for the next 3 years are given as under:

Year	2010		2011		2012	
Class of goods	**Proposed capacity**	**Proposed utilisation (%)**	**Proposed capacity**	**Proposed utilisation (%)**	**Proposed capacity**	**Proposed utilisation (%)**
Plywood (square meters)	240.00 lacs	98	240.00 lacs	98	240.00 lacs	98
Particle Board (square meters)	20.00 lacs	40	20.00 lacs	40	20.00 lacs	40
Laminate (Sheets)	86.40 lacs	80	86.40 lacs	98	86.40 lacs	100
Decorative Veneer (square meters)	42.00 lacs	55	42.00 lacs	65	42.00 lacs	65
MDF (cubic meters)	1.80 lacs	-	1.80 lacs	35	1.80 lacs	50

Our Distribution and Marketing Network

We have a nationwide sales and distribution network in the form of our own marketing offices, dealers, distributors, sub-dealers and retailers. Our sales and marketing team periodically reviews new products, assesses market trends and develops and builds business relations. We have segregated our marketing team into two verticals with a focus on product categories which is plywood and particle board and lifestyle products laminates and veneers. We have a pan India marketing network consisting of 27 marketing offices, 3,445 dealers and distributors and a marketing team of 606 people. We have obtained registration for a branch office at Netherlands for the marketing of our laminates.

Human Resource

We have an experienced senior management team, comprising of experienced individuals with diverse skills in manufacturing, engineering, international business and finance, on whom we rely on to anticipate industry trends and capitalize on new business opportunities that may emerge. We believe

that a combination of our reputation in the market, our working environment and competitive compensation programs allow us to attract and retain these talented people.

We believe that our employees are the key to the success of our business. Our work force consists of our permanent employees and contractual and casual employees.

Recruitment

We conduct structured orientation programmes for our all new employees, specific to their responsibilities. We recruit the technical personnel and operatives based on their past experience and a good track record of performance.

Training and Development

We place special emphasis on the training of our employees to enable them to develop their skills and to meet changing requirements in the wood based industry. We focus on an initial learning programmes for our trainees as well as continuous learning programmes for all our employees. As a part of our strategy to improve operational efficiency, we regularly organize in-house training facilities to the existing as well as to new joinees.

Unions

We have entered into a union agreement with our workmen at our Behror unit. We have not experienced any material strikes, work stoppages, labour disputes or actions by or with our employees, and we have good relationship with our employees. We seek to adopt an open culture and a participative management style, to enable us to maximize the benefits from the knowledge and skills of our management.

Enterprise Resource Planning ("ERP")

We have, in order to accelerate the process of informed decision making, introduced ERP-SAP in April 2007 resulting in real time information on inventories, supply chain and consignment status across all products, locations and divisions across the country.

Quality

We are committed to achieve and sustain the reputation, both in domestic and international markets, as one of the market leaders in terms of quality of our products. We are also committed to fulfill the needs and expectation of our customers. We achieve this through the introduction of state-of-the art technology for the manufacture of our products, deployment of trained personnel along with adequate resources for the manufacture of our products and by striving towards continual overall improvement in the process of manufacture.

Plywood and allied products

We have a quality lab to ensure that the raw materials that we procure and our finished products are in line with ISI specifications. Our quality control lab is equipped with a universal testing machine to conduct tests on internal bonds, modules of elasticity, modulus of rupture and other similar tests on particle boards. Various tests like the screw holding test are conducted as a part of the quality check process.

We had appointed visual inspectors from the Indian Plywood Research and Training Institute to conduct quality checks. Visual inspections involve checking for blisters/de-lamination, cracks and surface problems in both plywood and particle boards.

Laminates and related products

We believe that our laminates are respected for their resistance to stains and abrasions. We have strengthened quality inspection of kraft paper around parameters like grammage, strength, thickness,

cleanliness, porosity and printability.

Competition

Despite brand building and aggressive marketing, we continue to face competition from the unorganized sector.

Our major competitors in plywood, decorative veneers and laminates are Archidply Industries Limited, Century Plyboards (India) Limited and Merino Industries Limited.

Intellectual Property

a. Trade Marks

We have eighty four trademarks registered in India and six trademarks registered outside India. We have further made forty applications for registration of trademarks in India and thirteen applications abroad which are currently pending registration.

Further, we have entered into a memorandum of understanding dated April 14, 2005 and a deed of assignment of trademark with Newmika Laminates Private Limited pursuant to which three trademarks have been assigned to us. We have filed application for recording such assignment of the said three trademarks with the Trade Marks Registry.

b. Patent

We have one patent registration in India.

c. Copyrights

We have six copyrights registered in India and four copyrights pending registration.

For further details of our intellectual properties, please refer to the section titled "Government Approvals" on page 288 of this Letter of Offer.

Our Offices and Production Facilities

We have acquired immovable properties for setting up of production facilities. Our manufacturing facilities at Kriparampur, West Bengal and Nalagarh, Himachal Pradesh are owned by us. Our manufacturing facilities at Pantnagar, Uttarakhand, Behror, Rajasthan, Bamanbore, Gujarat and Tizit, Nagaland have been leased to us for 90 years by State Industrial Development Corporation of Uttaranchal Limited, 99 years by Rajasthan State Industrial Investment Corporation, 99 years by the Gujarat Industrial Development Corporation and 99 years by Mr. Longmeth Konyak respectively.

Our Registered Office has been taken on license. Our corporate office is owned by us.

We do not propose to acquire any property from the net proceeds of the Issue.

Research and Development

We are carrying out research to increase the mechanical properties of plywood. Our focus is on research and development activities for the development of new products, designs, processes and improvement of systems in the existing products/processes.

We believe that research and development exercises accrue the following benefits:

- Improved product quality and increased timber recovery;
- Cost reduction, technology up-gradation;

- Reduced manufacturing and delivery time;
- Catering to changing/unique needs of customers.

Export Obligations

Currently, we have no outstanding export obligations.

Insurance

We have taken insurance to cover different risks which we believe is sufficient to cover all material risks to operations and revenues.

Our operations are subject to hazards inherent to manufacturing units, such as risks relating to work accidents, fire, earthquake, burglary and marine transit. This includes hazards that may cause injury and loss of life, damage and destruction of property and equipment.

Indebtedness

For details of our indebtedness, refer to the section titled "Description of Certain Indebtedness" on page 257 of this Letter of Offer.

Corporate Social Responsibility

Environmental Sensitivity

Environment management represents a concern for those engaged in the manufacture of plywood on account of the allegation of tree felling.

We have undertaken the following initiatives:

1. We have distributed saplings for planting over three years;
2. Only trees more than 10 years old were felled, while the younger ones were left untouched.

Health, Safety and Environment

We comply with applicable health, safety and environmental regulations and also maintain adequate fund reserves to meet claims relating to workmen's compensation, payment of group medical insurance and premiums for personal accident insurance policies.

Our environmental management policy requires compliance with local, state and central laws and regulations concerning environmental protection and related matters, such as the Environment Protection Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, and the Air (Prevention and Control of Pollution) Act, 1981.

We maintain a clean, green workplace across all our outfits. We enjoy a dust-free environment because of reduced emissions. We have made an efficient use of natural resources, energy, plant and people. We are engaged in responsible waste management and recycling. Our operations are in compliance with all relevant environmental legislations and statutory clearances from the state pollution control boards. We enjoy certifications like ISO 14001 and OHSAS 18001.

Waste/Emission Management Systems

We utilize the waste from the plywood division either as raw material for particle board unit or consumes the same in boiler.

Boiler ash from all its manufacturing units is supplied to brick manufacturers.

We have increased the use of agro-waste products like mustard husk and rice husk to reduce dependence on traditional energy sources like coal and diesel. This has reduced the emission of greenhouse gases

Pollution Control Equipment

We have installed the following pollution control equipments at our factories:

At Behror:

- Effluent treatment plant-II phase-BHR
- Boiler - chimney
- Effluent treatment plant
- Dust extraction system for sanding machine
- Bag filter - CPF 160-II phase
- Bag filter - VTA30 -phase -1
- Bag filter - VTA30 -phase -II

At Kriparampur:

- Dust collection system (WBS & DD.SAW)
- Waste removing machine
- Pollution control machine
- Dust extraction (bag filter)
- Dust extraction fan for D.D.Saw
- Bag filter-pollution equipment

At Rudrapur

- Dust collector with 5 hp motor
- Dust collector with 5 hp motor
- Effluent treatment plant
- Effluent treatment plant
- Sewage treatment plant model ET-50
- Dust collector with 5 hp motor
- Dust collectors with 2 hp motor (2 nos.)

At Tizit

- Dust collection system
- Water treatment plant
- Effluent tank
- Dust collection system
- Dust collection system
- Dust collection system

REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies, as prescribed by the Central or State Governments in India which are applicable to Greenply Industries Limited. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designated nor intended to substitute for professional legal advice. Additionally, the Subsidiaries are governed by various other regulations. Please note that there may be other regulations and policies governing us and our Subsidiaries outside India.

Setting up of the Central Empowered Committee by the Hon'ble Supreme Court:

The Central Empowered Committee (CEC) had been constituted by the Hon'ble Supreme Court by its order dated May 9, 2002 in the Writ Petition (Civil) Nos. 202/95 & 171/96 (Order). The CEC *inter alia* assesses the sustainable capacity of the forests of the State qua sawmills and timber based industry; the number of sawmills that can safely be sustained in the States and the optimum distance qua the State at which the sawmill is proposed to be located.

The *ratio decidendi* of the Order dated October 29, 2002 reads as under:

"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 will ensure strict compliance of this direction. There shall also be no relaxation of rules with regard to the grant of license without previous concurrence of the CEC."

Vide Press Note No.11 (1997 series) dated the July 17, 1997, plywood, veneer of all types and other wood based products such as particle board, medium density fibreboard/ block board have been de-licensed subject to locational conditions and relevant statutes/statutory/policy notifications such as the National Forest Policy and directions and decisions of the Hon'ble Supreme Court.

Vide Press Note No. 9 (1998 Series), the Government of India notified that the entrepreneurs who want to obtain approval from the Government for setting up any wood based project should obtain prior clearance from the Ministry of Environment & Forests before submitting the application to the Administrative Ministry/SIA and enclose a copy of "in principle" approval given by the Ministry of Environment & Forests.

Our manufacturing facilities have been granted the requisite permissions from the state forest authorities and the Central Empowerment Committee.

Our manufacturing activities are subject to, among other laws, environmental laws and regulations promulgated by the Ministry of Environment and Forest of Government of India, Saw Mill Rules, the State Forest Policy, State Pollution Control Board and Central Empowered Committee. These include laws and regulations about cutting of trees, discharge of effluents, polluted emissions, hazardous substances etc. On wood based industries, the Hon'ble Supreme Court of India has given specific directives from time to time and the same would be applicable to Company as well. Laws relating to excise, customs, sales-tax, value added tax, factory and labour related matters etc. are applicable to our Company, as they are applicable to other manufacturing establishments.

Labour Laws

We are required to comply with certain labour and industrial laws, which includes the Industries (Development and Regulation) Act, 1951, Industrial Disputes Act, 1947, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, Workmen Compensation Act, 1923, the Payment of Gratuity Act, 1972, the Payment of Wages Act, 1936 and the Factories Act, 1948, amongst others.

Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 ("**Industrial Disputes Act**") provides for mechanism and procedure

to secure industrial peace and harmony by investigation and settlement of industrial disputes by negotiations. The Industrial Disputes Act extends to whole of India and applies to every industrial establishment carrying on any business, trade, manufacture or distribution of goods and services irrespective of the number of workmen employed therein. Every person employed in an establishment for hire or reward including contract labour, apprentices and part time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work, is covered by the Act.

The Act also provides for (a) the provision for payment of compensation to the Workman on account of closure or lay off or retrenchment. (b) the procedure for prior permission of appropriate Government for laying off or retrenching the workers or closing down industrial establishments (c) restriction on unfair labour practices on part of an employer or a trade union or workers.

Factories Act, 1948

The Factories Act, 1948 ("**Factories Act**") defines a 'factory' to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and covers any premises where there are at least 20 workers who may or may not be engaged in an electrically aided manufacturing process. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that the occupier of a factory, *i.e.* the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers' health and safety, cleanliness and safe working conditions. Persons who design, manufacture, import or supply articles for use in a factory must ensure the safety of the workers in the factory where the articles are used. If the safety standards of the country where the articles are manufactured are above Indian safety standards, the articles must conform to the relevant foreign standards. There is a prohibition on employing children below the age of fourteen years in a factory. If there is violation of any provisions of the Factories Act or rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment for a term up to two years and/or with a fine up to Rs. 1 lacs or both, and in case of such violation continuing after conviction, with a fine of up to Rs.1,000 per day of violation. In case of a contravention which results in death or serious bodily injury, the fine shall not be less than Rs. 0.25 lacs in the case of an accident causing death, and Rs.5,000 in the case of an accident causing serious bodily injury. In case of contravention after a prior conviction, the term of imprisonment increases up to three years and the fine would be Rs. 3 lacs and in case such contravention results in death or serious bodily injury the fine would be a minimum of Rs. 0.35 lacs and Rs. 0.10 lacs, respectively.

The Employees State Insurance Act, 1948

The Employees State Insurance Act 1948, ("**ESI Act**") provides for certain benefits to employees in case of sickness, maternity and employment injury.

The ESI Act extends to the whole of India. It applies to all factories (including government factories but excluding seasonal factories) employing ten or more persons and carrying on a manufacturing process with the aid of power or employing 20 or more persons and carrying on a manufacturing process without the aid of power and such other establishments as the Government may specify.

A factory or other establishment, to which the ESI Act applies, shall continue to be governed by its provisions even if the number of workers employed therein falls below the specified limit or the manufacturing process therein ceases to be carried on with the aid of power, subsequently.

The ESI Act does not apply to the following:

i. Factories working with the aid of power wherein less than 10 persons are employed;
ii. Factories working without the aid of power wherein less than 20 persons are employed;
iii. Seasonal factories engaged exclusively in any of the following activities viz. Cotton ginning, cotton or jute pressing, decortications of groundnuts, the manufacture of coffee, indigo, lacs,

rubber, sugar (including gur) or tea or any manufacturing process incidental to or connected with any of the aforesaid activities, and including factories engaged for a period not exceeding seven months in a year in blending, packing or repackaging of tea or coffee, or in such other process as may be specified by the Central Government;

iv. A factory which was exempted from the provisions of the Act as being a seasonal factory will not lose the benefit of the exemption on account of the amendment of the definition of seasonal factory;

v. Mines subject to the Mines Act, 1952;

vi. Railway running sheds;

vii. Government factories or establishments, whose employees are in receipt of benefits similar or superior to the benefits provided under the Act and Indian naval, military or air forces.

The appropriate Government may exempt any factory or establishments or class of factories or establishments or any employee or class of employees from the provisions of the ESI Act. Every employee (including casual and temporary employees), whether employed directly or through a contractor, who is in receipt of wages upto Rs. 0.10 lacs per month is entitled to be insured under the ESI Act. However, apprentices engaged under the Apprentices Act are not entitled to the ESI benefits. Coverage of part time employees under the ESI Act will depend on whether they have contract of service or contract for service with the employer. The former is covered whereas the latter are not covered under the ESI Act.

Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972 (the "**Gratuity Act**"), an employee in a factory is deemed to be in 'continuous service' for a period of at least 240 days in a period of 12 months or 120 days in a period of six months immediately preceding the date of reckoning, whether or not such service has been interrupted during such period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee. An employee who has been in continuous service for a period of five years will eligible for gratuity upon his retirement, superannuation, death or disablement. The maximum amount of gratuity payable shall not exceed Rs. 3.50 lacs.

Payment of Bonus Act, 1965

Under the Payment of Bonus Act, 1965 (the "**Payment of Bonus Act**") an employee in a factory who has worked for at least 30 working days in a year is eligible to be paid bonus. 'Allocable surplus' is defined as 67% of the available surplus in the financial year, before making arrangements for the payment of dividend out of profit of our Company. The minimum bonus to be paid to each employee is 8.33% of the salary or wage or Rs. 100, which ever is higher, and must be paid irrespective of the existence of any allocable surplus. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to a maximum of 20% of such salary or wage. Contravention of the Act by a company will be punishable by proceedings for imprisonment up to six months or a fine up to Rs. 1,000 or both against those individuals in charge at the time of contravention of the Payment of Bonus Act.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 provides for the institution of compulsory provident fund, pension fund and deposit linked insurance fund for the benefit of employees in factories and other establishments. A liability is placed both on the employer and the employee to make contributions to the funds mentioned above.

Minimum Wages Act, 1948

The State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages generally consist of a basic rate of wages, cash value of supplies of essential commodities at concession rates and a special allowance, the aggregate of which reflects the cost of living index as notified in the Official Gazette. Workers are to be paid for overtime at overtime rates stipulated by the appropriate State Government. Any contravention may result in imprisonment of up to

six months or a fine of up to Rs. 500.

Workmen's Compensation Act, 1923

The Workmen's Compensation Act, 1923 ("WCA") has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

Inter-State Migrant Workmen's (Regulation of Employment and Conditions of Service) Act, 1979

The Act is applicable to an establishment, which employs five or more inter-state migrant workmen through an intermediary (who has recruited workmen from one state for employment in an establishment situated in another State). The inter state migrant workmen, in an establishment to which this Act becomes applicable, are required to be provided certain facilities such as housing, medical aid, travel expenses etc.

Environmental Laws

Manufacturing projects must also ensure compliance with environmental legislation such as the Water (Prevention and Control of Pollution) Act 1974 ("WPA"), the Air (Prevention and Control of Pollution) Act, 1981 ("APA") and the Environment Protection Act, 1986 ("EPA").

The WPA aims to prevent and control water pollution. This legislation provides for the constitution of a Central Pollution Control Board and State Pollution Control Boards. The functions of the Central Board include coordination of activities of the State Boards, collecting data relating to water pollution and the measures for the prevention and control of water pollution and prescription of standards for streams or wells. The State Pollution Control Boards are responsible for the planning for programmes for prevention and control of pollution of streams and wells, collecting and disseminating information relating to water pollution and its prevention and control; inspection of sewage or trade effluents, works and plants for their treatment and to review the specifications and data relating to plants set up for treatment and purification of water; laying down or annulling the effluent standards for trade effluents and for the quality of the receiving waters; and laying down standards for treatment of trade effluents to be discharged. This legislation debars any person from establishing any industry, operation or process or any treatment and disposal system, which is likely to discharge trade effluent into a stream, well or sewer without taking prior consent of the State Pollution Control Board.

The Central and State Pollution Control Boards constituted under the WPA are also to perform functions as per the APA for the prevention and control of air pollution. The APA aims for the prevention, control and abatement of air pollution. It is mandated under this Act that no person can, without the previous consent of the State Board, establish or operate any industrial plant in an air pollution control area.

The EPA has been enacted for the protection and improvement of the environment. The Act empowers the Central Government to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and so on. The Central Government may make rules for regulating environmental pollution.

Contract Labour (Regulation and Abolition) Act, 1970

Our Company engages for each of its manufacturing units and plants, the services of various contractors for various activities including working of the machinery, transferring the raw materials and the finished products, house keeping security and maintenance. These contractors in turn employ

contract labour whose number exceeds twenty in respect of some of the units and plants. Accordingly, our Company is regulated by the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 which requires Our Company to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labour.

Standards of Weights and Measures Act, 1976

Our Company is required to comply with the provisions of the Standards of Weights and Measures Act, 1976 and the rules made thereunder, particularly the Standards of Weights and Measures (Packaged Commodities) Rules, 1977.

Shops and Establishments legislations in various States

Our Company is governed by the various Shops and Establishments legislations, as applicable, in the states where it has its branch offices. These legislations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

Foreign Exchange Management Act ("FEMA") and the Regulations made thereunder:

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 thereunder, and the policy prescribed by the Department of Industrial Policy and Promotion, Government of India, the implementation of which is regulated by the FIPB.

HISTORY AND OTHER CORPORATE MATTERS

Our Executive Chairman, Mr. S.P. Mittal and our Managing Director, Mr. Rajesh Mittal, ventured into the industry by setting up a saw-mill in 1984 and a plant at Nagaland for the manufacture of plywood in 1988.

Our Company was incorporated under the Companies Act as a private limited company by the name of Mittal Laminates Private Limited pursuant to a certificate of incorporation bearing the registration no. 02-03484 dated November 28, 1990. The status of our Company was changed to a public limited company and the name was consequently changed to "Mittal Laminates Limited" pursuant to a fresh certificate of incorporation issued by the Registrar of Companies, Shillong ("RoC") on November 1, 1994.

With effect from April 1, 1994 ("Effective Date"), the Hon'ble High Court of Assam, Nagaland, Meghalaya, Manipur, Tripura, Mizoram and Arunachal Pradesh at Gauhati approved the scheme of amalgamation ("Amalgamation") for the amalgamation of another company called Greenply Industries Limited, having its registered office at P.O. Tizit, District Mon, Nagaland ("Transferor Company") with our Company. The Transferor Company was engaged in the business of manufacture of plywood, veneer and other allied products. From the Effective Date, the entire business, assets and liabilities of the Transferor Company was transferred to our Company, including the factory premises at Tizit. Pursuant to the terms of the Amalgamation, the shareholders of the Transferor Company were allotted three (3) equity shares of Rs. 10 each of our Company for every (2) equity shares, fully paid up, held by them in the Transferor Company. The Transferor Company was dissolved without winding up.

Consequent to the Amalgamation, the name of our Company was changed to "Greenply Industries Limited" pursuant to a fresh certificate of incorporation issued by the RoC on January 17, 1996.

Anticipating demand for laminates, we set up our first laminate manufacturing unit at Behror, Rajasthan in 1993 with an initial installed capacity of 12.00 lacs sheets per annum which has since been increased to 53.40 lacs sheets per annum. We commenced manufacturing of decorative veneers at our Behror Unit in 2003-2004 with an initial capacity of 21.00 lacs square meters per annum and have doubled the same to 42.00 lacs square meters effective July 2008.

Pursuant to a scheme of amalgamation, Worthy Plywoods Limited ("WPL") was amalgamated with our Company with effect from April 1, 1995. WPL was primarily engaged in manufacturing of plywood and veneers. WPL owned a plywood manufacturing facility which is situated at Kriparampur, South 24 Parganas, West Bengal and a 550 KW windpower unit in Tirunelveli, Tamil Nadu. Pursuant to the amalgamation, all assets and liabilities of WPL were transferred to our Company. Consequent to the scheme, four (4) Equity Shares of our Company were allotted to the shareholders of WPL for every five (5) fully paid-up equity shares of Rs. 10 each of WPL held by them. WPL was dissolved without winding up.

We further enhanced our plywood production capacity by setting up our unit at Pantnagar at Uttarakhand in June, 2006. The particle board unit at Uttarakhand commenced commercial production in December, 2006. We had acquired Galaxy Decor Private Limited and Platinum Veneers Private Limited as wholly owned subsidiaries of our Company in November 2007 and the said companies were amalgamated with our Company with effect from April 1, 2008. Pursuant of the amalgamation, the manufacturing unit at Bamanbore, Gujarat with a production capacity of 30 lacs sq. meters per annum was transferred to us. For details of the amalgamation, please refer to the section titled "History and Other Corporate Matters - Scheme of Amalgamation" on page 90 of this Letter of Offer. We are also in the process of commissioning a plant for the manufacture of MDF with a capacity of 1.80 lacs cubic meters per annum which we expect shall commercial production by March 2010.

We have acquired Greenlam Asia Pacific Pte. Limited, Singapore as a wholly owned subsidiary, in October 2006 to explore new markets for our laminates in south-east Asian countries. We have also promoted Greenlam America, Inc. in April 2008 as a wholly owned subsidiary, registered under the laws of the United States of America, for marketing and distributing our high pressure laminates in North America.

Our Company was listed in April 1995 pursuant to an offer for sale of 10 lacs equity shares by our Promoters.

Our Registered Office is located at Makum Road, Tinsukia Assam – 786 125 and our Corporate Office is located at 16-A Shakespeare Sarani, Kolkata – 700 071.

Major events in the history of our Company:

Year	Achievements
1993	Set up of the plant for the manufacturing of laminates at Behror, Rajasthan with a capacity of 12 lacs sheets per annum under the name "Mittal Laminates Private Limited".
1995	The equity shares of our Company were listed pursuant to an offer for sale.
1995	Amalgamation of the erstwhile Greenply Industries Limited with our Company with effect from April 1, 1994 pursuant to which the plywood manufacturing unit at Tizit, Nagaland was transferred to our Company. Pursuant to the amalgamation, the name of our Company was changed to "Greenply Industries Limited".
1998	Commenced manufacture of pre-laminated particle board at our unit at Behror, Rajasthan.
2002	Grant of ISO 9001 Certification for the Quality Management Systems for the Behror unit and ISO 14001 Certification for the Environmental Management Systems for the Behror unit.
2003	Grant of OHSAS 18001 Certification for the "Occupational Health and Safety Management System" for our Behror unit.
2003	Commenced manufacture of decorative veneers at our unit at Behror, Rajasthan.
2005	Received certificate for being a "Two-Star Export House" from the Director General, Foreign Trade, Government of India.
2005	Amalgamation of Worthy Plywood Limited with our Company pursuant to which the plywood manufacturing unit at Kriparampur, West Bengal was transferred to our Company.
2006	Acquisition of Greenlam Asia Pacific Pte. Limited, Singapore as a wholly owned subsidiary with the object of marketing our Company's laminates in the south east Asian markets.
2006	Setting up of unit at Pantnagar, Uttarakhand for the manufacture of plywood and particle boards.
2007	Acquisition of Galaxy Decor Private Limited and Platinum Veneers Private Limited as wholly owned subsidiaries which owned the plywood manufacturing facility at Bamanbore, Gujarat.
2008	Received GREENGUARD Certification for our Greenlam Laminates.
2008	Incorporated Greenlam America, Inc. as a wholly owned subsidiary in the state of Florida with the object of marketing our Company's high pressure laminates in North America.
2009	Amalgamation of Galaxy Decor Private Limited and Platinum Veneers Private Limited with our Company

Capacity Build-up of our Company

(Cumulative as at the period indicated)

Year	**Plywood** (sq. meters per annum)	**Laminates** (Sheets per annum)	**Decorative Veneers** (sq. meters per annum)	**Particle Board** (sq. meters per annum)
1987 – 1988	22,50,000	-	-	-
1992 – 1993	30,00,000	-	-	-
1993 – 1994	30,00,000	12,00,000	-	-
1995 – 1996	30,00,000	26,40,000	-	-

Year	**Plywood** (sq. meters per annum)	**Laminates** (Sheets per annum)	**Decorative Veneers** (sq. meters per annum)	**Particle Board** (sq. meters per annum)
2003 – 2004	30,00,000	26,40,000	21,00,000	-
2005 – 2006	97,50,000	39,60,000	21,00,000	-
2006 – 2007	1,80,00,000	39,60,000	21,00,000	20,00,000
2007 – 2008	2,10,00,000	53,40,000	21,00,000	20,00,000
2008 – 2009	2,40,00,000	53,40,000	42,00,000	20,00,000

Technology

We have, in order to accelerate the process of informed decision making, introduced ERP-SAP in April 2007 resulting in real time information on inventories, supply chain and consignment status across all products, locations and divisions across the country.

Raising of capital by our Company

Other than as disclosed under "Capital Structure"on page 16 of this Letter of Offer, we have not raised any capital either in the form of equity or debt.

Time and Cost Overruns

The scheduled date for full commencement of commercial production at our proposed project at Nalagarh will be December 2009 as against October 2009. Other than this shift, we have not faced any time and cost overruns in any of our projects.

Changes in our Registered Office

There has been no change in our Registered Office since incorporation.

Our Main Objects

The main objects of our Company as contained in the Memorandum of Association are as set forth below:

1. To cultivate, grow tobacco plants, piper, betel and areca and to manufacture, process, export, import and deal in products of tobacco, betel leaves and areca nuts, pan, pan masala, supari, cigarette, cigars, bidi, smoking mixture, tobacco pipes, tobacco pouches and cigarette papers.

2. To carry on the business in information technology, internet services, and to act as dealers, importers, exporters and manufacturers of computer, computer components, hardware, software, accessories, magnetic tapes, magnetic drums, magnetic discs, magnetic cards, magnetic core, magnetic tools, electronic audio and video equipments of all kinds of power supplies if generated or any customized specifications and all kinds of computer and microprocessor based system in India or abroad.

3. To carry on the business of Research and Development in the fields of Information Technology, Electronics, Computer Service and to make commercial use of the technologies so developed and to establish and run data processing and computer training centres and to import training on electronic data processing, computer software and hardware and to render consultancy services in the above field.

4. To carry on the business of manufacturers, dealers, importers and exporters of consumer goods, milk food, cooked foods, butter, cheese, infant food, dairy products, biscuits, tinned foods, panmasala, soaps, detergents, food packaging, paper products and to act as processors of edible oil, essential oil and plantation crops.

5. To own and run saw mills and factories in all its forms for conversion of raw timber in the shape of planks, scantlings, sleepers veneers, battens, for tea chests plywood, hardboards, blockboards, chipboards, commercial and teak plywood, packing cases, windows, panel doors, flush doors, laminated sheets, doors, windows, sleepers, beams, planks, batten and other requisites of construction works and other forms of sawn timber allied commodities and to install such machineries as may be required for the manufacture of Ammunition Boxes, Cable drums, shoe heels, bobbing, shuttles, picking bands and such other parts and implements as may be required for textile, silk, woolen and jute industry and the tea gardens.

6. To carry on business of timber merchants, saw mill owners and timber growers and to buy, sell, grow, prepare, manipulate, import, export and deal in timber and wood of all kinds and to manufacture and deal in articles of all kinds in the manufacture of which timber or wood is used and to carry on business as general merchants and to buy, clear, plant, and work on timber estates establish factories and workshop.

7. To carry on the business of exporters, importers, commission agents, distributors and to transact and carry on all kinds of agency and distribution business and act as selling agents of companies, and of firms or individuals.

8. To manufacture and/or deal in paper boards, hardboards, insulation boards, plywood, teakwood, C.P.Teak, firewood, plastic, laminated sheets, linoleum waxed paper and board, waterproofing materials tarpaulin, glass sheetings and fittings, resin, chemicals, plastic, bakelite, nylon, rubber and alkathene sheeting and tube and pipes etc, bamboos, firewood, rosewood, mango-wood, sandal wood, pine-wood and grasses, sabai, biri leaves and leaves of all products of forests, jungles.

9. To carry on manufacture and deal in wooden furniture, steel and cane furniture, decorators and builders etc, and to manufacture and deal in house furniture and fittings, interior decorators, motor body builders, commercial and industrial furniture and fittings and implements and tools of all description.

10. To plan, promote, generate, acquire by purchase in bulk, develop, distribute and accumulate power by wind, solar, hydro thermal, atomic, nuclear, biomass, coal, lignite, gas, ocean energy, geothermal or any other form by which energy, power can be produced and to transmit, distribute, sell and supply such power for captive consumption by the company and/or for consumption by the others and to construct, lay down, establish, fix and carry out necessary power stations and projects.

We are presently engaged in the manufacture of plywood, laminates and allied products.

The existing and proposed activities of our Company are within the scope of the objects clause of the Memorandum of Association.

Amendments to the Memorandum of Association

Since our incorporation, the following changes have been made to our Memorandum of Association:

Date of Amendment	Amendments
July 29, 1991	The authorised capital of our Company increased from Rs. 100 lacs to Rs. 250 lacs by creation of 1,50,000 equity shares of Rs. 100 each.
March 30, 1992	The authorised capital of our Company increased from Rs. 250 lacs to Rs. 500 lacs by creation of 2,50,000 equity shares of Rs. 100 each.
October 21, 1994	Sub- division of 5,00,000 equity shares of Rs. 100 each into 50,00,000 Equity shares of Rs. 10 each.
October 21, 1994	Conversion of Mittal Laminates Private Limited to a public limited company.
December 13, 1995	The authorised capital of our Company increased from Rs. 500 lacs to Rs. 1,000 lacs by creation of 50,00,000 equity shares of Rs. 10 each.

Date of Amendment	Amendments
January 13, 1996	Main objects of our Company were amended and thereby the following clause was inserted: *To plan, promote, generate, acquire by purchase in bulk, develop, distribute and accumulate power by wind, solar, hydro thermal, atomic, nuclear, biomass, coal, lignite, gas, ocean energy, geothermal or any other form by which energy, power can be produced and to transmit, distribute, sell and supply such power for captive consumption by the company and/or for consumption by the others and to construct, lay down, establish, fix and carry out necessary power stations and projects.*
January 13, 1996	Change of name of our Company from Mittal Laminates Limited to Greenply Industries Limited.
December 29, 1997	The authorised capital of our Company increased from Rs. 1,000 lacs to Rs. 1,200 lacs by creation of 20,00,000 cumulative redeemable preference shares of Rs. 10 each in addition to the then authorised capital of Rs. 1,000 lacs .
December 29, 1997	The authorised capital was reclassified into 60,00,000 equity shares of Rs, 10 each and 60,00,000 cumulative redeemable preference shares of Rs. 10 each.
March 29, 2000	The authorised capital of our Company increased from Rs. 1,200 lacs divided into 60,00,000 equity shares of Rs. 10 each and 60,00,000 cumulative redeemable preference shares of Rs. 10 each to Rs. 5,000 lacs divided into 4,40,00,000 equity shares of Rs. 10 each and 6,000,000 cumulative redeemable preference shares of Rs. 10 each.
March 29, 2000	Main objects of our Company were amended and thereby the following clauses were inserted: 1. To cultivate, grow tobacco plants, piper, betel and areca and to manufacture, process, export, import and deal in products of tobacco, betel leaves and areca nuts, pan, pan masala, supari, cigarette, cigars, bidi, smoking mixture, tobacco pipes, tobacco pouches and cigarette papers. 2. To carry on the business in information technology, internet services, and to act as dealers, importers, exporters and manufacturers of computer, computer components, hardware, software, accessories, magnetic tapes, magnetic drums, magnetic discs, magnetic cards, magnetic core, magnetic tools, electronic audio and video equipments of all kinds of power supplies if generated or any customized specifications and all kinds of computer and microprocessor based system in India or abroad. 3. To carry on the business of Research and Development in the fields of Information Technology, Electronics, Computer Service and to make commercial use of the technologies so developed and to establish and run data processing and computer training centres and to import training on electronic data processing, computer software and hardware and to render consultancy services in the above field. 4. To carry on the business of manufacturers, dealers, importers and exporters of consumer goods, milk food, cooked foods, butter, cheese, infant food, dairy products, biscuits, tinned foods, panmasala, soaps, detergents, food packaging, paper products and to act as processors of edible oil, essential oil and plantation crops.
September 29, 2000	Cancellation of resolution passed by the shareholder's in the Extra ordinary General Meeting held on March 29, 2000. The authorised share capital was thereby reduced to Rs. 1,200 lacs divided into 60,00,000 equity shares of Rs. 10 each and 60,00,000 cumulative redeemable preference shares of Rs. 10 each.
November 27, 2000	The authorised capital of our Company was increased from Rs. 1,200 lacs to Rs. 2,100 lacs by creation of 90,00,000 equity shares of Rs. 10 each. The authorised share capital was then re-classified as 1,60,00,000 equity shares of Rs. 10 each and 50,00,000 cumulative redeemable preference shares of Rs. 10 each.

Date of Amendment	Amendments
May 30, 2005	The face value of the Equity Shares was spilt to Rs. 5 each. Pursuant to the share-split, the authorised capital of our Company stood at Rs. 2,100 lacs divided into 3,20,00,000 Equity Shares and 50,00,000 cumulative redeemable preference shares of Rs. 10 each.
May 30, 2005	Clause 6A inserted in the ancillary objects: *Subject to the provisions of the Companies Act, 1956 to amalgamate, merge, enter into partnership or into any arrangement for sharing profits, union or interest, co-operation, joint venture or reciprocal concession with any person, firm, corporation or company in India or outside carrying on or engaged in any business or transaction which the company is authorised or engaged in or which can be carried on in conjunction or transaction which the company is authorised or engaged in or which can be carried on in conjunction therewith or which is capable of being conducted so as to directly to benefit the company and further to enter into any arrangement or contracts with any person, association or body corporate whether in India or outside, for such other purposes that may seem calculated beneficial and conductive to the objects of our Company.*

Our Subsidiaries:

As on date of this Letter of Offer, we have the following subsidiaries, brief details whereof are as follows:

1. Greenlam Asia Pacific Pte. Limited

Greenlam Asia Pacific Pte. Limited ("GAPL") was originally incorporated as "GIL International Pte. Limited" under the Companies Act (Cap. 50) of the Republic of Singapore on March 21, 2005. We acquired GAPL as a wholly owned subsidiary on October 17, 2006. Subsequently, its name was changed to Greenlam Asia Pacific Pte. Limited, with effect from January 2, 2008.

The registered office of Greenlam Asia Pacific Pte. Limited is located at 18 Sungei Kadut Street 2, Sungei Kadut Industrial Estate, Singapore 729 236.

GAPL is currently engaged in the business of trading of plywood, laminates and allied products.

Board of Directors

Name of director
Mr. Sudeep Jain
Mr. Saurabh Mittal

Shareholding Pattern as on August 31, 2009

Name of shareholder	Number of shares	Percentage of shareholding (%)
Greenply Industries Limited	4,30,642 of Singapore Dollar 1 each	100

Financial Performance

(Rs. in lacs except per share data)

Particulars	As of March 31		
	2009	2008	2007
Total Income	6,437.10	5,141.97	2,680.66
Profit/Loss after Tax	35.14	11.42	15.08

Equity Capital (par value Singapore Dollar 1 each)	125.31	106.75	101.95
Reserves and Surplus	51.32	6.52	(5.34)
Earnings/Loss per share	8.16	3.17	4.18
NAV per share	41.02	31.41	26.79
Accumulated profits/ (losses) not accounted for by our Company (Standalone)	63.77	28.63	6.86
Accumulated profits/ (losses) not accounted for by our Company (Consolidated)	-	-	-

To comply with the SEBI ICDR, the financial data for GAPL has been converted into Indian Rupees from Singapore Dollars at the following rates:

Revenue items – average rate for the year – Rs. 32.69 for 1 Singapore Dollar for 2009, Rs.27.915 for 1 Singapore Dollar for 2008 and Rs. 28.365 for 1 Singapore Dollar for 2007.

Balance sheet items – rate as on date – Rs. 33.30 for 1 Singapore Dollar for 2009, Rs. 29.60 for 1 Singapore Dollar for 2008 and Rs. 28.27 for 1 Singapore Dollar for 2007.

The company is an unlisted company and it has not made any public or right issue in the preceding three years. It has not become a sick company under the laws of Singapore and it is not under winding up.

2. Greenlam America, Inc.

Greenlam America, Inc. is a corporation incorporated on April 23, 2008, organized under the laws of the United States of America as a wholly owned subsidiary of our Company. The principal place of business of the company is located at 8669 NW 36th Street, Unit 350, Doral, Fl. 33166.

Greenlam America, Inc. is currently engaged in trading of high pressure laminates.

Board of Directors

Mr. Saurabh Mittal is the director of Greenlam America, Inc.

Shareholding Pattern as on August 31, 2009

Name of shareholder	Number of shares	Percentage of shareholding (%)
Greenply Industries Limited	350,000 shares of USD 1 each	100

Financial Performance

(Rs. in lacs except per share data)

Particulars	As of March 31, 2009*
Total Income	623.69
Profit/Loss after Tax	(204.91)
Equity Capital (par value US Dollar 1 each)	86.99
Reserves and Surplus	(204.91)
Earnings/Loss per share	(102.45)
NAV per share	(58.96)
Accumulated profits/ (losses) not accounted for by our Company (Standalone)	(169.77)
Accumulated profits/ (losses) not accounted for by our Company (Consolidated)	-

To comply with the SEBI ICDR, the financial data for Greenlam America Inc. has been converted into Indian Rupees from US Dollars at the following rates:

Revenue items – average rate for the year – Rs. 47.91 for 1 US Dollar for 2009

Balance sheet items – rate as on date – Rs. 50.72 for 1 US Dollar for 2009

The company is an unlisted company and it has not made any public or right issue in the preceding three years. It has not become a sick company under the meaning of the laws of America and it is not under winding up.

Scheme of Amalgamation

Scheme of Amalgamation (the "Scheme" or "Amalgamation Scheme") of Galaxy Decor Private Limited and Platinum Veneers Private Limited ("Transferor Companies") with Greenply Industries Limited ("Transferee Company")

The Scheme provided for the transfer of the undertakings of the Transferor Companies, as defined hereunder, to the Transferee Company.

The Amalgamation Scheme defines "**Undertaking of the Transferor Companies**" as:

"(i) All the properties, assets, debts, liabilities and obligations of the Transferor Company, immediately before the amalgamation.

(ii) Without generality of the foregoing clause the said undertakings shall include all rights, powers, interests, authorities, privileges, easements, liberties and all properties and assets, movable or immovable, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent of whatever nature and wherever situate including land, building, plant and machinery, vehicles, office equipments, faxes, computers, inventories, sundry debtors, cash and bank balance, loans and advances, leases, tenancy rights and agency rights, goodwill and all other interests and rights in or arising out of or relating to such property together with all licenses, trade marks, copy rights, patents, import entitlements, quotas, telephones, telexes or any other licenses or permissions held, applied for or as may be obtained hereafter by the Transferor Companies or which the Transferor Companies is entitled to and all debts, liabilities, duties and obligations of the Transferor Companies of whatsoever kind whether in India or abroad."

The appointed date of the Scheme is April 1, 2008 (the "**Appointed Date**")

Set forth below are certain key features of the Scheme:

Immovable and movable assets

With effect from the Appointed Date, the entire undertakings of the Transferor Companies, including all movable and immovable properties such as land, buildings, plans and machinery and all rights and interests arising out of such properties with all licenses obtained from central, state, quasi-governmental organisations, and all borrowings from financial institutions affecting the properties of the Transferor Companies was transferred and vested in the Transferee Company in accordance with section 394 of the Companies Act.

Liabilities

Under the Amalgamation Scheme, with effect from the Appointed Date, all liabilities, debts, duties and obligations of whatsoever nature was transferred to the Transferee Company in accordance with section 394 of the Companies Act.

Legal Proceedings

The Amalgamation Scheme provides that all legal and other proceedings and actions of whatsoever nature with which the Transferor Companies was concerned or to which it was a party, would be continued and prosecuted by or against the Transferee Company, in the same manner and to the same extent as they would have continued and prosecuted by or against the Transferor Companies if the Amalgamation Scheme had not been given effect to.

Employees

With effect from the Appointed Date, all the permanent employees of the Transferor Companies would become the permanent employees of the Transferee Company without interruption in service and on terms and conditions not less favourable than those subsisting with reference to the Transferor Company.

Accounting Treatment

With effect from the Appointed Date, the assets, liabilities, losses and reserves if the Transferor Company was accounted for and dealt with in the books of the Transferee Company as per the accounting standards.

Issue of Shares

Upon the Scheme becoming effective, the shares held by the Transferee Company in the Transferor Companies shall stand cancelled and no further shares shall be issued by the Transferee Company since both the Transferor Companies are wholly owned subsidiaries of the Transferee Company.

Dissolution of the Transferor Company

The Transferor Companies has been dissolved without going through the process of winding up on the Scheme being sanctioned by the Hon'ble High Court of Gauhati on April 30, 2009.

The Scheme was approved by the Hon'ble High Court of Gujarat at Ahmedabad on January 20, 2009 and the Hon'ble High Court of Gauhati on April 30, 2009.

As on date of this Letter of Offer, we have not entered into strategic or financial partnerships and other agreements.

MANAGEMENT

As per our Articles of Association, our Company cannot have less than three or more than twelve Directors on our Board, including ex-officio Directors but excluding debenture Directors, if any. We currently have ten Directors of which four are executive Directors and six are non-executive Directors.

The following table sets forth details regarding the Board of Directors as on the date of this Letter of Offer:

S. No.	Name, Father's Name, Designation, Address, Occupation, Term and DIN	Nationality	Age (years)	Other directorships, partnerships and trusteeships
1.	**Mr. Shiv Prakash Mittal** S/o Late Sanwarmal Palriwal Executive Chairman Address: Flat No.2NW 5 Queens Park Kolkata-700 019 Occupation: Business Term: February 1, 2007 to January 31, 2012 Date of Birth: April 7, 1949 DIN: 00237242	Indian	60	1. Himalaya Granites Limited 2. Greenply Leasing and Finance Limited 3. Prime Holdings Private Limited 4. Prime Properties Private Limited 5. Trade Combines 6. S.M. Palriwal Charitable Trust
2.	**Mr. Rajesh Mittal** S/o Late Sanwarmal Palriwal Managing Director Address: 13, Raja Santosh Road, Kolkata-700 027 Occupation: Business Term: January 1, 2006 to December 31, 2010 Date of Birth: November 10, 1962 DIN: 00240900	Indian	46	1. Dholka Plywood Industries Private Limited 2. Awadh Maintenance Private Limited 3. S. M. Management Private Limited 4. Trade Combines 5. S.M. Palriwal Charitable Trust
3.	**Mr. Saurabh Mittal** S/o Shiv Prakash Mittal Joint Managing Director and Chief Executive Officer Address: 66, Anadalok Khel Gaon Road, New Delhi-110 049	Indian	33	1. Himalaya Granites Limited 2. Prime Holdings Private Limited 3. Prime Properties Private Limited 4. Greenlam Asia Pacific Pte. Limited

S. No.	Name, Father's Name, Designation, Address, Occupation, Term and DIN	Nationality	Age (years)	Other directorships, partnerships and trusteeships
	Occupation: Business Term: September 1, 2006 to August 31, 2011 Date of Birth: October 6, 1975 DIN: 00273917			5. Greenlam America, Inc. 6. Trade Combines
4.	**Mr. Shobhan Mittal** S/o Shiv Prakash Mittal Executive Director Address: 5, Queens Park, Flat No. 2 NW, Kolkata-700 019 Occupation: Business Term: September 1, 2006 to August 31, 2011 Date of Birth: August 19, 1980 DIN: 00347517	Indian	28	1. Prime Holdings Private Limited 2. Dholka Plywood Industries Private Limited 3. Vanashree Properties Private Limited
5.	**Mr. Moina Yometh Konyak** S/o Late Moina Konyak Non-Executive Independent Director Address: Village- Ponkong, P.O- MON, District MON, Nagaland- 798 621 Occupation: Business Term: Liable to retire by rotation Date of Birth: August 2, 1957 DIN: 00669351	Indian	52	Nil
6.	**Mr. Gautam Dutta** S/o Late Murari Mohan Dutta Non Executive Independent Director, Nominee of IDBI Bank Limited	Indian	44	Nil

S. No.	Name, Father's Name, Designation, Address, Occupation, Term and DIN	Nationality	Age (years)	Other directorships, partnerships and trusteeships
	Address: 6 Sunny Park; Sunny Park Apartment, Flat 8/9, 9th Floor, B-Block, Kolkata- 700 019 Occupation: Service Term: with effect from September 8, 2008 until further notice Date of Birth: October 28, 1964 DIN: 02335468			
7.	**Mr. Susil Kumar Pal** S/o Late Jibon Krishna Pal Non Executive Independent Director Address: 36 Tara Sankar Sarani, Kolkata- 700 037 Occupation: Consultant Term: Liable to retire by rotation Date of Birth: January 3, 1943 DIN: 00268527	Indian	66	1. Balasore Alloys Limited 2. Webel-SL Energy Systems Limited
8.	**Mr. Vinod Kumar Kothari** S/o Sri Hanuman Mal Kothari Non Executive Independent Director Address: Krisha Building, 10th Floor Room No. 1012 224, AJC Bose Road, Kolkata – 700 017 Occupation: Professional Term: Liable to retire by rotation Date of Birth: September 1, 1961 DIN: 00050850	Indian	47	1. Gontermann –Piepers (India) Limited 2. Rupa and Company Limited 3. Vinod Kothari Consultants Private Limited 4. Wise Men's Consultancy Co. Private Limited 5. Academy of Financial Services Private Limited 6. Investec Capital Private Limited, Sri Lanka 7. Association of Leasing and Financial Services (a company under section 25 of the Companies Act)

S. No.	Name, Father's Name, Designation, Address, Occupation, Term and DIN	Nationality	Age (years)	Other directorships, partnerships and trusteeships
9.	**Mr. Anupam Kumar Mukerji** S/o Late Nirmal Chand Mukerji Non Executive Independent Director Address: I-1625, Chittaranjan Park, New Delhi-110 019 Occupation: Consultant Term: Liable to retire by rotation Date of Birth: August 27, 1936 DIN: 00396878	Indian	72	Nil
10.	**Ms. Sonali Bhagwati Dalal** D/o Sri Justice P.N. Bhagwati Non Executive, Independent Director Address: S-296, Greater Kailash-II, New Delhi-110 048 Occupation: Architect Term: Liable to retire by rotation Date of Birth: October 15, 1961 DIN: 01105028	Indian	47	1. Spazzio Design Architecture Private Limited

Relationship between Directors inter-se

Name of the Directors	Category of Directorships	Relationship between Directors
Mr. Shiv Prakash Mittal	Executive Chairman	1. Mr. Rajesh Mittal (Brother) 2. Mr. Saurabh Mittal (Son) 3. Mr. Shobhan Mittal (Son)
Mr. Rajesh Mittal	Managing Director	1. Mr. Shiv Prakash Mittal (Brother) 2. Mr. Saurabh Mittal (Brother's Son) 3. Mr. Shobhan Mittal (Brother's Son)
Mr. Saurabh Mittal	Joint Managing Director and CEO	1. Mr. Shiv Prakash Mittal (Father) 2. Mr. Rajesh Mittal (Uncle) 3. Mr. Shobhan Mittal (Brother)

Name of the Directors	Category of Directorships	Relationship between Directors
Mr. Shobhan Mittal	Executive Director	1. Mr. Shiv Prakash Mittal (Father) 2. Mr. Rajesh Mittal (Uncle) 3. Mr. Saurabh Mittal (Brother)

Except as stated above, none of the other Directors are related to each other.

Brief biography of our Directors

1. Mr. Shiv Prakash Mittal, our Executive Chairman, holds a bachelor's degree in science from the University of Calcutta. He was associated with Kitply Industries Limited for twenty one years and has been associated with Mittal Laminates Limited since 1991. He has over thirty years of experience in the fields of production and marketing in our industry. He is a director of the Indian Plywood Industries Research and Training Institute, Bengaluru and is also the vice president of Federation of Indian Plywood and Panel Industry, New Delhi.

2. Mr. Rajesh Mittal, our Managing Director, holds a bachelor's degree in commerce from the University of Dibrugarh, Assam. He started his career by setting up a saw mill unit at Tizit, Nagaland through Green Timber Industries Private Limited. He has been associated with us since inception. He has over twenty five years of experience in the fields of finance, administration and marketing.

3. Mr. Saurabh Mittal, our joint Managing Director and Chief Executive Officer, is a commerce graduate from D.G. Vaishnav College, University of Madras. He has been associated with Himalaya Granites Limited since 1996. He was the whole-time director of Himalaya Granites Limited from 1997 to 2002. He has been associated with us as a director for over a decade. He is a member of the Indian Laminates Manufacturers' Association.

4. Mr. Shobhan Mittal, an Executive Director on our Board, holds an MBA from the University of West Minister, London. He has been associated with us since 2006 and has been an Executive Director on our board for over two and a half years.

5. Mr. Moina Yometh Konyak, an Independent Director on our Board, holds a bachelor's degree in commerce. He was associated with his family business of trading in timber prior to joining our Company. He has more than twenty years of experience in the timber business. He has been associated with us since 1996.

6. Gautam Dutta, a Nominee Director on our Board appointed by IDBI Bank Limited, holds a bachelor's degree in electrical engineering from Bengal Engineering College, Shibpore. He also holds an advanced diploma in management from Indira Gandhi National Open University, New Delhi and is a Certified Associate of the Indian Institute of Bankers (CAIIB) from the Indian Institute of Banking and Finance. He was associated with the National Thermal Power Corporation from 1988 to 1994. Thereafter, he joined Industrial Development Bank of India Limited as an industrial finance officer with which he has been associated for almost fifteen years. Presently, he is the deputy general manager of IDBI Bank Limited.

7. Mr. Susil Kumar Pal, an Independent Director on our Board, holds a bachelor's degree in science and a master's degree in chemical engineering from Calcutta University. He was associated as the production and management executive of Bengal Waterproof Works Limited in 1968. Thereafter, he joined Allahabad Bank in 1972 as the technical officer for techno-economic viability study and appraisal of credit proposals of various industries and projects. He was associated with Allahabad Bank for over three decades and retired as the General Manager (Credit) in 2003.

8. Mr. Vinod Kumar Kothari, an Independent Director on our Board, is a qualified chartered accountant and a company secretary by education. He is also an author, a trainer and a consultant on specialised financial subjects such as securitisation, credit derivatives, accounting for financial instruments. He is the former Chairman of the Eastern India Regional Council of Institute of Company Secretaries of India. He is a director of the Association of Leasing and Financial

Services Companies, an association of over five hundred top leasing companies in India and is the editor of its newsletter Fin-n-lease. Mr. Kothari is also an executive director of the Asian Securitisation Forum.

9. Mr. Anupam Kumar Mukerji, an Independent Director on our Board, holds a master's degree in botany from the Birla Institute of Technology and Science, Pilani, Rajasthan and an AIFC diploma from Indian Forest College, Dehradun. He has served as a member of the Indian Forest Service for more than thirty five years and retired as the Director General of Forests, Government of India in September 1994. He also served as the Vice Chairman of the National Eco-Development Board and then as the National Consultant, FAO-UNDP, for preparation of the National Forestry Action Programme for India 1997. Presently is a member of various committees in the Ministry of Environment and Forests such as the Committee for International Negotiations in Forestry issues, Sustainable Forest Management, Chairman Revision of the Working Plan Code, Committee for Monitoring Projects Funded by ITTO and the Committee for Developing Policy Framework for Forests. He has also served as a member of the Steering Committee of the Planning Commission of India for preparation of the Forest and Environment Component and Natural Resource Development of the XIth Plan. He is currently, inter alia, the vice-chairman of the board of governors of Winrock International India and member of the advisory body of National Intellectual Property Rights Organization. He is presently serving as senior forestry advisor to NIIT-GIS in forest resource mapping and N.R.M. Consultancy in the JAICA supported forestry and poverty alleviation projects in Orissa and Tripura.

10. Ms. Sonali Bhagwati Dalal, an Independent Director on our Board, holds a bachelor's degree in technology from CEPT, Ahmedabad. She is an architect by profession and has more than twenty years of experience in the field. She has been associated with the Times of India since 1986 as one of the consulting editors. She has also been a member of the committee constituted by the Ministry of Environment for studying mining issues in Rajasthan in 1993 – 1994 and a member of the committee constituted by the Ministry of Environment for environmental impact assessment of a power plant in 1997 – 1998. She is the recipient of the "Society Interio Creative Excellence Honour" in 2005 and the "Zee Business Architect of the Year" award in 2006. He has been associated with us since 2007.

Compensation of our Directors

A. Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of commission and sitting fees. The commission payable is upto 1% of the net profits of our Company to all non executive directors together, excluding nominee directors, or Rs. 2 lacs per annum per non-executive director, whichever is lesser, computed in accordance with section 309 of the Companies Act. The commission payable to the Non-Executive Directors is decided by the Board based on a number of factors, including their contribution/valuable advice provided to our Company.

The sitting fees to the Non- Executive Directors for the Board meetings and committee meetings is as stated below:

1. Board Meeting and Right Issue Committee – Rs. 10,000 per meeting
2. Audit Committee - Rs. 5,000 per meeting
3. Other Committees - Nil

The following table sets forth all compensation paid by our Company to the Non-Executive Directors for the financial year ended March 31, 2009:

Name of the Director	Sitting fees (Rupees in lacs)	Commission (Rupees in lacs)	Total (Rupees in lacs)	Number of shares held in our Company
Mr. Moina Yometh Konyak	0.10	2.00	2.10	Nil
Mr. Gautam Dutta	Not Applicable	Not Applicable	Not Applicable	Nil

Name of the Director	Sitting fees (Rupees in lacs)	Commission (Rupees in lacs)	Total (Rupees in lacs)	Number of shares held in our Company
Mr. Susil Kumar Pal	0.52	2.00	2.52	Nil
Mr. Vinod Kumar Kothari	0.62	2.00	2.62	Nil
Mr. Anupam Kumar Mukerji	0.43	2.00	2.43	Nil
Ms. Sonali Bhagwati Dalal	NIL	2.00	2.00	Nil

Rs. 0.50 lacs were paid to IDBI Bank for its nominee attending the meetings of the Board as sitting fees.

B. Executive Directors

Remuneration to the executive directors is decided based on the years of experience and contribution made by the respective executive directors and is consistent with the existing industry practice. No sitting fees are paid to the Executive Directors for attending the Board or its Committee meetings.

Terms of appointment of the Executive Directors

1. Mr. Shiv Prakash Mittal

Mr. Shiv Prakash Mittal was inducted as an Executive Chairman on the Board of our Company by resolution of the shareholders at the AGM dated July 11, 2007 for a period of 5 years with effect from February 01, 2007. The remuneration payable to him as revised and approved by the resolution of shareholders at the AGM dated August 07, 2008 is detailed herein below:

a. Salary: Rs. 2.50 lacs per month.
b. Commission: upto 2% of the net profits of our Company in an accounting year.
c. Accommodation: Free furnished accommodation with gas, electricity, water, furnishing, servants, security, drivers etc.
d. Medical Benefits: Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home, and surgical charges for himself and family subject to ceiling of two month's salary in a year.
e. Travel expenses: Reimbursements of actual traveling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of our Company.
f. Club membership: Reimbursement of membership fees for a maximum of two clubs.
g. Insurance: Personal accidents and Mediclaim Insurance Policy, Premium not to exceed Rs. 1 lac per annum.
h. Miscellaneous: Car, telephone, cell phone, and personal computer shall be provided and our Company shall meet their maintenance and running expenses. The use of above at residence for official purpose shall not be treated as perquisites.
i. Other benefits like gratuity, provident fund, leave etc as applicable to the employees of our Company.

He shall not be entitled to receive sitting fees for attending meetings of the directors or any committee thereof. His appointment may be terminated by either party by giving three month's notice or salary in lieu thereof or by mutual consent.

2. Mr. Rajesh Mittal

Mr. Rajesh Mittal was inducted as Managing Director on the Board of our Company by resolution of the shareholders at the EGM dated December 13, 1995 and reappointed on September 25, 2001. He was again re-appointed as the Managing Director on the Board of our Company by resolution of the shareholders at the EGM dated December 30, 2005 for a period of 5 years with effect from January 1, 2006. The remuneration payable to him as revised and approved by the resolution of shareholders at the AGM dated August 07, 2008 is detailed herein below:

a. Salary: Rs. 2 lacs per month.

b. Commission: upto 2% of the net profits of our Company in an accounting year.
c. Accommodation: Free furnished accommodation with gas, electricity, water, furnishing, servants, security, drivers etc.
d. Medical Benefits: Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of two month's salary in a year.
e. Travel expenses: Reimbursements of actual traveling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of our Company.
f. Club membership: Reimbursement of membership fees for a maximum of two clubs.
g. Insurance: Personal accidents and Mediclaim Insurance Policy, Premium not to exceed Rs. 1 lac per annum.
h. Miscellaneous: Car, telephone, cell phone, and personal computer shall be provided and our Company shall meet their maintenance and running expenses. The use of above at residence for official purpose shall not be treated as perquisites.
i. Other benefits like gratuity, provident fund, leave etc as applicable to the employees of our Company.

He shall not be entitled to receive sitting fees for attending meetings of the directors or any committee thereof. His appointment may be terminated by either party by giving three month's notice or salary in lieu thereof or by mutual consent.

3. Mr. Saurabh Mittal

Mr. Saurabh Mittal was inducted as Whole Time Director on the Board of our Company by resolution of the shareholders at the EGM dated March 30, 2002. He was appointed as the Joint Managing Director of our Company by resolution of the shareholders at the EGM dated 30 May, 2005. He was subsequently reappointed as the Joint Managing Director and Chief Executive Officer on the Board of our Company by resolution of the shareholders at the AGM dated July 11, 2007 for a period of 5 years with effect from September 01, 2006. The remuneration payable to him as revised and approved by the resolution of shareholders at the AGM dated August 07, 2008 is detailed herein below:

a. Salary: Rs. 1.75 lacs per month.
b. Commission: upto 2% of the net profits of our Company in an accounting year.
c. Accommodation: Free furnished accommodation with gas, electricity, water, furnishing, servants, security, drivers etc.
d. Medical Benefits: Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of two month's salary in a year.
e. Travel expenses: Reimbursements of actual traveling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of our Company.
f. Club membership: Reimbursement of membership fees for a maximum of two clubs.
g. Insurance: Personal accidents and Mediclaim Insurance Policy, Premium not to exceed Rs. 1 lac per annum.
h. Miscellaneous: Car, telephone, cell phone, and personal computer shall be provided and our Company shall meet their maintenance and running expenses. The use of above at residence for official purpose shall not be treated as perquisites.
i. Other benefits like gratuity, provident fund, leave etc as applicable to the employees of our Company.

He shall not be entitled to receive sitting fees for attending meetings of the directors or any committee thereof. His appointment may be terminated by either party by giving three month's notice or salary in lieu thereof or by mutual consent.

4. Mr. Shobhan Mittal

Mr. Shobhan Mittal was inducted as an Executive Director on the Board of our Company by resolution of the shareholders at the AGM dated July 11, 2007 for a period of 5 years with effect from September 01, 2006. The remuneration payable to him as revised and approved by the resolution of shareholders at the AGM dated August 07, 2008 is detailed herein below:

a. Salary: Rs. 1 lac per month.
b. Commission: upto 2% of the net profits of our Company in an accounting year.
c. Accommodation: Free furnished accommodation with gas, electricity, water, furnishing, servants, security, drivers etc.
d. Medical Benefits: Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of two month's salary in a year.
e. Travel expenses: Reimbursements of actual traveling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of our Company.
f. Club membership: Reimbursement of membership fees for a maximum of two clubs.
g. Insurance: Personal accidents and Mediclaim Insurance Policy, Premium not to exceed Rs. 1 lac per annum.
h. Miscellaneous: Car, telephone, cell phone, and personal computer shall be provided and our Company shall meet their maintenance and running expenses. The use of above at residence for official purpose shall not be treated as perquisites.
i. Other benefits like gratuity, provident fund, leave etc as applicable to the employees of our Company.

He shall not be entitled to receive sitting fees for attending meetings of the directors or any committee thereof. His appointment may be terminated by either party by giving three month's notice or salary in lieu thereof or by mutual consent.

In the Annual General Meeting held on August 7, 2009 our Company has resolved to abate the annual commission for the financial year ended March 31, 2009 to the Executive Directors of the Company to which they are entitled as per their terms of remuneration, as mentioned above, i.e 2% each of net profit of the Company computed in the manner referred to in Section 198(1) of the Companies Act subject to availability of net profit.

Remuneration paid to our Executive Directors for the year ended March 31, 2009

(Rs. in lacs)

Mr. Shiv Prakash Mittal	49.55
Mr. Rajesh Mittal	45.78
Mr. Saurabh Mittal	49.41
Mr. Shobhan Mittal	14.54

Bonus and/or profit sharing plan for the Directors

There is no profit sharing plan with our Directors. We do not pay bonuses to our Directors.

Benefits on termination

Our Company does not provide for benefits on termination of employment to our Executive Directors.

Shareholding of the Directors of our Company

The following table details the shareholding of the Directors in their personal capacity as at the date of this Letter of Offer.

Name of Directors	Number of Equity Shares (Pre-Issue)
Mr. Shiv Prakash Mittal	3,78,000
Mr. Rajesh Mittal	6,61,180
Mr. Saurabh Mittal	1,59,000
Mr. Shobhan Mittal	4,72,400

Details of the transactions in Equity Shares by our Directors during the last six months

None of our Directors has undertaken any transactions in the Equity Shares during the last six months.

Changes in our Board of Directors during the last three years

Name	Date of change	Reasons
Mr. Vinod Kumar Kothari	May 31, 2006	Appointed as Additional Director
Mr. Shobhan Mittal	August 8, 2006	Appointed as Additional Director
Mr. Anupam Kumar Mukerji	August 8, 2006	Appointed as Additional Director
Ms. Sonali Bhagwati Dalal	January 22, 2007	Appointed as Additional Director
Ms. Ratna Barua	September 8, 2008	Nomination withdrawn by IDBI Bank Limited
Mr. Gautam Dutta	September 8, 2008	Appointed as Nominee Director by IDBI Bank Limited

Interest of Directors:

All of our Directors may be deemed to be interested to the extent of commission and fees payable to them for attending meetings of the Board/ committee thereof as well as to the extent of the remuneration paid to them for services rendered as officers of our Company.

All of our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them and that may be subscribed for or allotted to them in the Issue in terms of the Letter of Offer and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allotted to their relatives and to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and / or trustees.

The Articles of Association provide that the Directors and officers shall be indemnified by our Company against loss, if any, in defending any proceeding brought against Directors and officers in their capacity as such, if the indemnified Director or officer receives judgment in his favour or is acquitted in such proceeding. For further details, please refer Article 204 of the Articles of Association.

Except as disclosed in the section titled "Related Party Transactions" on page 128 of the Letter of Offer, our Company has not entered into any contract, agreement or arrangement during the preceding two years from the date of the Letter of Offer in which the Directors 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.

Our Directors are not interested in any property acquired by our Company within two years of the date of the Letter of Offer.

For further details on the interests of Directors, please refer to the section titled "Related Party Transactions" on page 128 of the Letter of Offer.

Borrowing Powers of our Board

Our Articles of Association authorise our Board, to borrow moneys and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit. Please refer to the section titled "Main Provisions of the Articles of Association" on page 377 of this Letter of Offer. Our shareholders at their meeting dated August 07, 2008 by way of ordinary resolution, authorised our Board to borrow upto Rs. 100,000 lacs.

Corporate Governance

There are five committees constituted under the Board of Directors, which have been constituted and function in accordance with the relevant provisions of the Act and the Listing Agreement: (i) Audit committee, (ii) Remuneration committee (iii) Share Transfer and Investors Grievance Committee (iv) Operational Committee (erstwhile Investment and Borrowing Committee) and (v) Right Issue Committee. We are in compliance with the corporate governance requirements under the listing agreement entered into by our Company with the Stock Exchanges.

Details of each Committee, its scope, composition and meetings for the current year are given below:

1. Audit Committee

The Audit Committee was constituted by the Board on May 25, 2001. It comprises of four Non-Executive Independent Directors and two Executive Promoter Director. The members of the committee are:

1. Mr. Susil Kumar Pal, Chairman, Independent Director
2. Mr. Gautam Dutta, Independent Director
3. Mr. Vinod Kumar Kothari, Independent Director
4. Mr. Anupam Kumar Mukerji, Independent Director
5. Mr. Saurabh Mittal, Executive Director
6. Mr. Shiv Prakash Mittal, Executive Director

Mr. Kaushal Kumar Agarwal, Company Secretary, acts as Secretary of the Audit Committee in terms of Clause 49 of the Listing Agreement.

The broad terms of reference were revised by the Board on December 6, 2005 and include the following as is mandated in Clause 49 of listing agreement and Section 292A of Companies Act, 1956:

1. Oversight of our 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 auditors 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:
   (a) Matters required to be included in the directors' responsibility statement to be included in the Board's report in terms of clause 2AA of Section 217 of the Companies Act, 1956;
   (b) Changes, if any, in accounting policies and practices and reasons for the same;
   (c) Major accounting entries involving estimates based on the exercise of judgement by management;
   (d) Significant adjustments made in the financial statements arising out of the audit findings;
   (e) Compliance with listing and other legal requirements relating to financial statements;
   (f) Disclosure of any related party transactions; and
   (g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
7. 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 overage and frequency of internal audit;
8. Discussion with internal auditors any significant findings and follow-up thereon;

9. 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;
10. 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;
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors;
12. To review the functioning of the whistle blower mechanism, in case the same is existing; and
13. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The Audit Committee had met five times in the financial year ended March 31, 2009.

2. Remuneration Committee

The Remuneration Committee was constituted on June 6, 2003 and comprises of all Non-Executive Independent Directors. The members of the committee are:

1. Mr. Susil Kumar Pal, Chairman, Independent Director
2. Mr. Gautam Dutta, Independent Director
3. Mr. Anupam Kumar Mukerji, Independent Director

The broad terms of reference includes the following:

To discuss, approve and recommend the appointment, re-appointment of Executive Directors and Managing Directors and also to fix their remuneration packages and designation.

The Remuneration Committee had not met in the financial year ended March 31, 2009.

3. Share Transfer and Investors' Grievance Committee

The Share Transfer and Investors' Grievance Committee was constituted on February 25, 2002 and comprises of two Non-Executive Independent Directors and two Executive Directors. The members of the committee are:

1. Mr. Anupam Kumar Mukerji, Chairman, Independent Director
2. Mr. Rajesh Mittal, Executive Director
3. Mr. Saurabh Mittal, Executive Director
4. Mr. Susil Kumar Pal, Independent Director

Mr. Kaushal Kumar Agarwal, Company Secretary, acts as secretary to the Committee and as Compliance Officer of our Company.

The broad terms of reference includes the following:

(1) Transfer, transmission, transition, dematerialization, rematerialisation of securities issued by our Company;
(2) Splitting, consolidating, issuing duplicate share certificate on such term as may be beneficial to the interest of our Company; and
(3) Redressal of investor/shareholder's complaint relating to transfer/ transmission/ dematerialization/ rematerialisation of shares, non receipt of Balance Sheet/Notice/ Dividend and other mails and review the system of communication to shareholders and other services to the shareholders/investors and look after such other matter relating to the shareholders/investors and look after such other matter relating to the interest of shareholders/investors as may be referred by the Board of Directors from time to time.

The Investors' Grievance Committee had met twice in the financial year ended March 31, 2009.

4. Operational Committee

The Company's Operational Committee (erstwhile Investment and Borrowing Committee) was constituted by the Board on September 19, 2001 and comprises of four directors, one Non-Executive Independent Directors and three Executive Directors. The members of the committee are:

1. Mr. Shiv Prakash Mittal, Executive Director
2. Mr. Rajesh Mittal, Executive Director
3. Mr. Saurabh Mittal, Executive Director
4. Mr. Susil Kumar Pal, Independent Director

The committee meets as and when required to consider matters assigned to it by the Board of Directors from time to time.

The broad terms of reference includes the following:

(1) To avail loan up to the maximum limit of Rs. 2,000 lacs in a single transaction from any Bank/financial institutions/lenders and to hypothecate/mortgage the assets of our Company accordingly subject to overall borrowing limit up to Rs. 25,000 lacs;
(2) To accept/approve the renewal of loan/credit facilities including interchangeability of loan/credit facilities sanctioned by the Bank/financial institutions/lenders and to hypothecate/mortgage the assets including immovable properties of the company accordingly from time to time subject to overall borrowing limit up to Rs. 25,000 lacs;
(3) To enter into forward contracts for hedging/ derivatives with various banks from time to time as may be required in the ordinary course of business;
(4) To invest fund of our Company upto Rs. 500 lacs in Capital Market, Money market and in all other profitable opportunities;
(5) To make loan and/or give Corporate Guarantee upto Rs. 500 lacs to such persons on such terms as may deem beneficial to our Company;
(6) To avail vehicles loan from any Bank/Institutions/Lenders for the business of our Company;
(7) To give power/authorization to any Director or Company Secretary of our Company to sign and file any Forms and/or application required to be filed with Registrar of Companies from time to time;
(8) To open and close the Banking accounts of our Company;
(9) To change the Signatories of the Bank accounts whenever required;
(10) To give power/authorization/duties whenever required to a person on behalf of our Company in relation to business operations of our Company;
(11) To affix or authorise fixation of the Common seal of our Company to such documents/ papers in connection with above powers as may be necessary; and
(12) To do all such acts, things or deeds as may be necessary or incidental to exercise of the above powers.

Further, it was decided by the Board members that our Company could avail loan beyond Rs. 2,000 lacs in a single transaction from any Bank/Financial institutions/lenders only by passing Board resolution at the meting of the Board of Directors.

The Operational Committee had met seventeen times in the financial year ended March 31, 2009.

5. Right Issue Committee:

The Company's Right Issue Committee was constituted by the Board on March 7, 2009 and comprises of five directors, two Non-Executive Independent Directors and three Executive Directors. The members of the committee are:

1. Mr. Shiv Prakash Mittal, Chairman, Executive Director
2. Mr. Rajesh Mittal, Executive Director
3. Mr. Saurabh Mittal, Executive Director
4. Mr. Vinod Kumar Kothari, Independent Director

5. Mr. Susil Kumar Pal, Independent Director

The broad terms of reference includes the following:

(1) to appoint registrars and other intermediaries and advisors necessary for the Rights Issue;

(2) to finalise the Letter of Offer subject to concurrence of Directors, Composite Application Form, abridged Letter of Offer (if approved) and other documents and to file the same with the stock exchanges and other concerned authorities and issue the same to the equity shareholders of our Company;

(3) to approve all notices, including any advertisement(s) required to be issued, as allowed by SEBI and such other applicable authorities and to decide on other terms and conditions of the Rights Issue;

(4) to decide the price and premium of the Rights Issue;

(5) to decide the ratio in which the Equity Shares will be issued to the existing shareholders, in consultation with the Lead Manager;

(6) To decide the number of detachable warrants that would be issued to the existing shareholders against the equity shares allotted through this Rights Issue;

(7) to decide the Record Date in consultation with the Stock Exchanges;

(8) to take necessary actions and steps for obtaining relevant approvals, consents from FIPB, SEBI, Stock Exchanges, RBI and such other authorities as may be necessary in relation to the Rights Issue;

(9) to obtain necessary approvals and listing for renounce forms and Equity Shares issued with warrants attached thereto in Rights Issue from BSE and NSE;

(10) to appoint the Collecting Bankers for the purpose of collection of application money for the proposed Rights Issue at the mandatory collection centers at the various locations in India;

(11) To do all such acts, deeds, matters and things as may be necessary for availing of the ASBA mechanism as present under the SEBI ICDR;

(12) to open two separate Bank Accounts with any nationalised Bank / Private Bank / Foreign Bank for the purpose of the Right Issue;

(13) to decide on the marketing strategy of the Rights Issue and the costs involved;

(14) to decide date of opening and closing of the Rights Issue and to extend, vary or alter the same as it may deem fit at its absolute discretion or as may be suggested or stipulated by SEBI, stock exchanges or other authorities from time to time;

(15) to do all such necessary acts, things, execution of documents, undertaking for listing of equity shares issued with warrants attached thereto, on BSE and NSE issued in Rights Issue;

(16) to issue and allot Equity Shares with warrants attached thereto (including new certificates where required) in consultation with the Lead Manager, Registrar, and the designated stock exchange and other stock exchanges where existing equity shares are listed, if necessary, representing the Equity Shares issued with warrants attached thereto, as part of the Rights Issue with new distinctive numbers as laid down in the Companies (Issue of Share Certificates) Rules, 1960 and to do all necessary acts, things, execution of

documents, undertaking, etc. with NSDL / CDSL in connection with admitting of equity shares with warrants attached thereto, issued in Rights issue;

(17) to incur necessary expenses such as fees of various agencies, filing fees, stamp duty, etc;

(18) to enter the names of the allottees in the Register of Members of our Company;

(19) to decide the mode and manner of allotment of Equity Shares with warrants attached thereto, if any not subscribed and left / remaining after allotment of Equity Shares applied by the shareholders and renounces;

(20) to apply to regulatory authorities seeking their approval for allotment of any unsubscribed portion of the Rights Issue (in favour of the parties willing to subscribe to the same);

(21) to settle any question, difficulty or doubt that may arise in connection with the Rights Issue including the issue and allotment of the Equity Shares with warrants attached thereto, as aforesaid and to do all such acts, deeds and things as the Board may in its absolute discretion consider necessary, proper, desirable or appropriate for settling such question, difficulty or doubt and making the said Rights Issue and allotment of Equity Shares with warrants attached thereto;

(22) to file necessary returns, make declarations / announcements, furnish information, etc, to the concerned authorities in connection with the Rights Issue;

(23) to sign and execute any other document, agreement, undertaking in connection with the Rights Issue; and

(24) to take all such other steps as may be necessary in connection with this Rights Issue.

The Rights Issue Committee had not met in the financial year ended March 31, 2009.

We have complied during the financial year immediately preceding the date of the Letter of Offer with respect to the following:

a) provisions of the Listing Agreement with respect to reporting and compliance under Clause 35, 40A, 41 and 49;

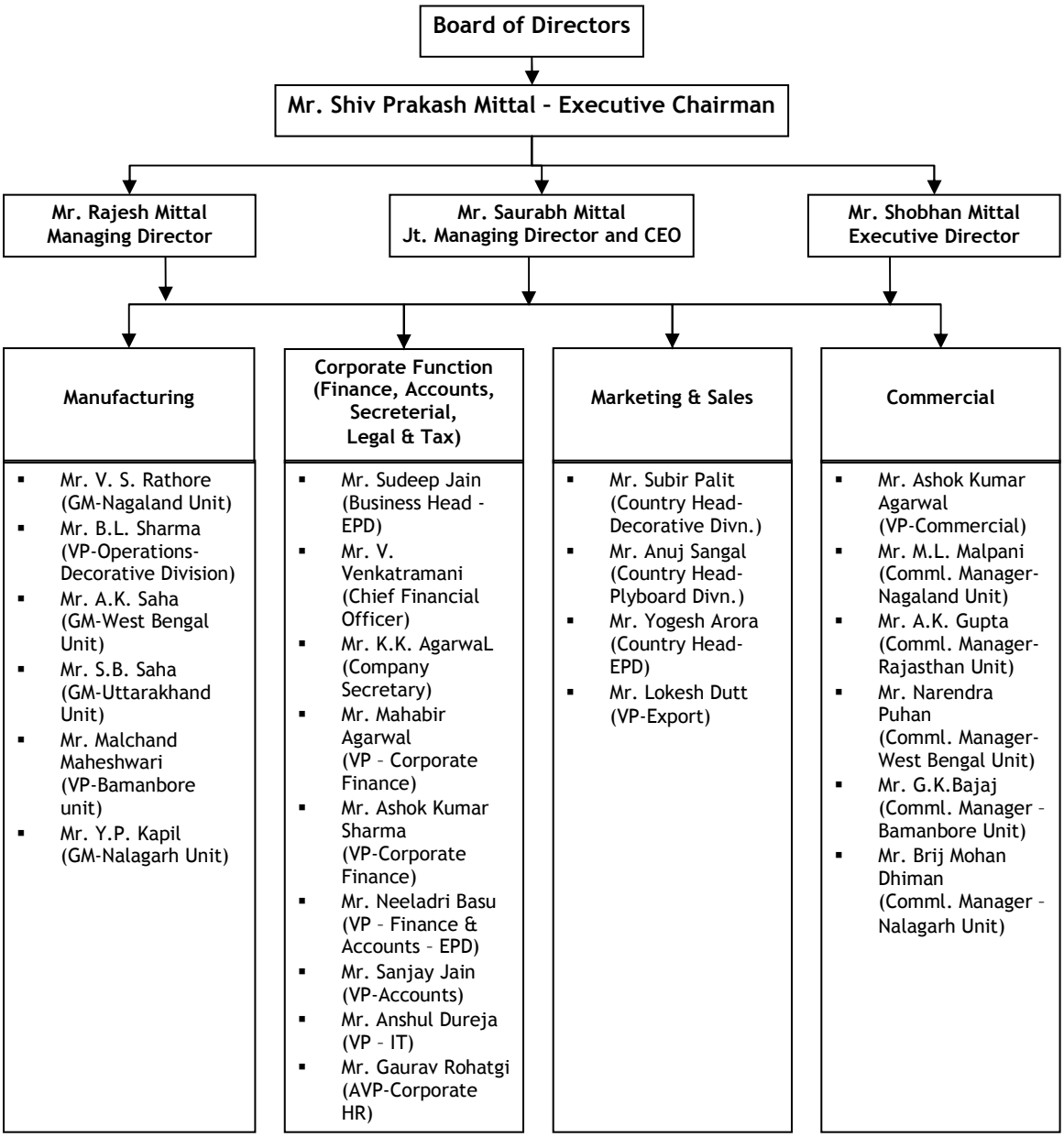
b) provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 1997, with respect to reporting in terms of Regulation 8 (3) pertaining to disclosure of changes in shareholding and Regulation 8A pertaining to disclosure of pledged shares;

c) provisions of the SEBI (Prohibition of Insider Trading) Regulation, 1992, with respect to reporting in terms of Regulation 13.

In terms with the SEBI Circular no. SEBI/CFD/DCR/TO/152758/2009 dated February 03, 2009, the Promoters have reported to our Company that they have not pledged the shares.Our Company has complied with the disclosure requirement pertaining to pledged/encumbered shares in terms of clause 35 and 41 of the Listing Agreement.

Management Organizational Structure Chart

The organization structure of our Company is given below:



Key Managerial Personnel

The details of our Company's key managerial personnel are as follows:

Mr. Virendra Singh Rathore, aged 47 years, is the General Manager of our unit at Tizit, Nagaland. Mr. Rathore is commerce graduate from Kanpur University. He has been associated with us since April 1, 1986. His association with the plywood and veneer industry dates back to over two and a half decades. He was been associated with Victory Veneers Private Limited before joining our Company. Mr. Rathore has been paid a remuneration of Rs. 30.99 lacs for the financial year 2008-2009.

Mr. Banwari Lal Sharma, aged 50 years, is the Vice President-Operations of our decorative division. Mr. Sharma holds a masters degree in science from University of Rajasthan, Jaipur and a bachelors' degree in law from Barkatullah University, Bhopal. He has also completed the post-graduate diploma in labour laws and Industrial Relations from Barkatullah University, Bhopal in 1993. He has been

associated with our Company since February 17, 1997. He has over twenty seven years of experience in the wood panel/Laminate industry. Prior to joining our Company he was associated with Marino Panel Products. Mr. Sharma has been paid a remuneration of Rs. 22.00 lacs for the financial year 2008-2009.

Mr. Yogesh Arora aged 52 years, is the Country Head of our Engineered Panel Division. Mr. Arora holds a bachelors' degree in science from Delhi University. He has vast experience of about 32 years in sales and marketing including, 23 years in wood panel industry, and has been associated with various organizations like Glaxo, Blow Past, Burials. Prior to joining our Company, he was associated with Bajaj Group as Director Marketing & Operations. He joined us on April 4, 2009.

Mr. Arabinda Kumar Saha, aged 57 years, is the General Manager of our unit at Kriparampur, West Bengal. Mr. Saha is a science graduate from Dibrugarh University. He has been associated with our Company since October 1, 1999. He has over thirty five years of experience in the wood panel industry. Prior to joining our Company, he was associated with Kitply Industries Limited. Mr. Saha has been paid a remuneration of Rs. 17.81 lacs for the financial year 2008-2009.

Mr. Sukhendu Bikash Saha, aged 59 years, is the General Manager of our unit at Pantnagar, Uttarakhand. Mr. Saha holds a bachelors' degree in arts from Dibrugarh University. He has been associated with our Company since December 12, 2007. He has over thirty six years of experience in the wood panel industry. Prior to joining our Company, he was associated with Wood Craft International Limited. Mr. Saha has been paid a remuneration of Rs. 14.28 lacs for the financial year 2008-2009.

Mr. Vishwanathan Venkatramani, aged 45 years, is the Chief Financial Officer of our Company. He is responsible for the accounting and finance functions of our company. He is a qualified chartered accountant from the Institute of Chartered Accountants of India. He has an overall experience of 22 years and has been associated with our Company since July 1, 1995. Prior to joining our Company, he was Financial Controller of MKJ Enterprises Limited. Mr. Venkatramani has been paid a remuneration of Rs. 22.00 lacs for the financial year 2008-2009.

Mr. Kaushal Kumar Agarwal, aged 32 years, is the Company Secretary. Mr. Agarwal is a commerce graduate from Calcutta University and is a fellow member of the Institute of Company Secretaries of India. He has been associated with our Company since July 11, 2002. He has approximately nine years of experience in the field of secretarial and legal functions of listed Companies. Prior to joining our Company, he was associated with Century Extrusions Limited. Mr. Agarwal has been paid a remuneration of Rs. 12.00 lacs for the financial year 2008-2009.

Mr. Ashok Kumar Sharma, aged 40 years, is the Vice President-Corporate Finance. Mr. Sharma is a commerce graduate from Calcutta University and is a qualified chartered accountant. He has been associated with our Company since August 16, 2002. He has over fifteen years of experience in the field of accounts, finance and other commercial functions. Prior to joining our Company, he was associated with Himalaya Granites Limited, a Group Company of Greenply Industries Limited. Mr. Sharma has been paid a remuneration of Rs. 20.72 lacs for the financial year 2008-2009.

Mr. Anshul Dureja, aged 32 years, is the Vice President – IT. He has over ten years of experience in the field of information technology and has handled various roles in manufacturing and telecom verticals. He holds a bachelor's degree in engineering from Walchand Institute of Technology, Solapur, Maharashtra and an MBA from IGNOU. Mr. Dureja has been associated with our Company since May 1, 2008. Prior to joining our Company, he was associated with Ranbaxy Laboratories Limited. Mr. Dureja has been paid a remuneration of Rs. 22.00 lacs for the financial year 2008-2009.

Mr. Subir Palit, aged 48 years, is the country head for our decorative division. Mr. Palit is a MBA from Birla Institute of Technology, Mesra, holds a CGM from IIM-Calcutta and a post graduate diploma in foreign trade from IIEM. He has been associated with our Company since November 15, 2007. He has over twenty three years of experience in Consumer durable Industry. Prior to joining our Company, he was associated with Hyundai Electronics India Limited. Mr. Palit has been paid a remuneration of Rs. 36.00 lacs for the financial year 2008-2009.

Mr. Anuj Sangal, aged 41 years, is the country head for our ply & board division. Mr. Sangal holds a bachelors degree in engineering in Civil Engineering from National Institute of Technology, Jaipur and is a MBA (Gold medalist) from FMS, Banaras Hindu University, Varanasi. He has been associated with our Company since May 1, 2006. He has over sixteen years of experience in reputed companies like Gujarat Guardian Limited (Modiguard), Saint Gobain, Atul Group. Prior to joining our Company, he was associated with Pidilite Industries Limited. Mr. Sangal has been paid a remuneration of Rs. 36.00 lacs for the financial year 2008-2009.

Mr. Lokesh Dutt, aged 42 years, is the Vice President-Exports of our decorative division. Mr. Dutt holds a bachelors' degree in Mechanical engineering from Karnataka University. He has been associated with our Company since July 1, 2002. He has over sixteen years of experience in the field of production and exports. Prior to joining our Company, he was associated with Himalaya Granites Limited, a Group Company. Mr. Dutt has been paid a remuneration of Rs. 14.00 lacs for the financial year 2008-2009.

Mr. Ashok Kumar Agarwal, aged 44 years, is the Vice President-Commercial of our ply & Board division. Mr. Agarwal is a commerce graduate from Calcutta University and holds a bachelors degree in law from Surendra Nath College, Calcutta University and is a qualified chartered accountant. He has been associated with our Company since April 1, 1993. He has over twenty five years of experience in wood panel industry. Prior to joining our Company, he was associated with BTW Industries Limited. Mr. Agarwal has been paid a remuneration of Rs.18.00 lacs for the financial year 2008-2009.

Mr. Sudeep Jain, aged 47 years, is the Business Head of the Engineered Panel Division. Mr. Jain is a qualified chartered accountant. He has been associated with our Company since May 26, 2009. He has approximately 22 years of experience in the plywood and laminates industry. Prior to joining our Company, he was associated with Lion Forestry Limited, Singapore.

Mr. Mahabir Agarwal, aged 38 years, is the Vice President- Corporate Finance of our Company. Mr. Agarwal holds a bachelor of commerce degree from Calcutta University. He has been associated with our Company since May 29, 2009. He has over 18 years of experience in banking and finance. Prior to joining our Company, he was associated with Narottam Ply Private Limited.

All the above Key Managerial Personnel are permanent employees of our Company.

None of the Key Managerial Personnel are related to any of our Directors. Mr. Arabinda Kumar Saha and Mr. Sukhendu Bikash Saha are full blood brothers.

Bonus and/or profit sharing plan for the Key Managerial Personnel

There is no profit sharing plan with our Key Managerial Personnel. We do not pay bonuses to our Key Managerial Personnel.

Shareholding of Key Managerial Personnel

Following are the details of the shareholding of our key managerial personnel in our Company:

S. No.	Key Managerial Personnel	Number of Equity Shares held as on August 21, 2009
1.	Mr. Virendra Singh Rathore	2,002
2.	Mr. Subir Palit	900
3.	Mr. Banwari Lal Sharma	500
4.	Mr. Mahabir Agarwal	201
5.	Mr. Ashok Kumar Agarwal	75
6.	Mr. Arabinda Kumar Saha	2
7.	Mr. Vishwanathan Venkatramani	2
8.	Mr. Sudeep Jain	2

Loans availed by the Key Managerial Personnel from our Company are as follows:

Name	Loan Amount Outstanding as on March 31, 2009 (Rs. in lacs)	Nature of Loan
Mr. Anuj Sangal	6.00	Housing Loan
Mr. Kaushal Kumar Agarwal	1.95	Housing Loan
Mr. Ashok Kumar Agarwal	8.00	Housing Loan
Mr. Virendra Singh Rathore	11.02	Housing Loan
Mr. Subir Palit	0.60	Personal Loan
Mr. Lokesh Dutt	2.50	Personal Loan

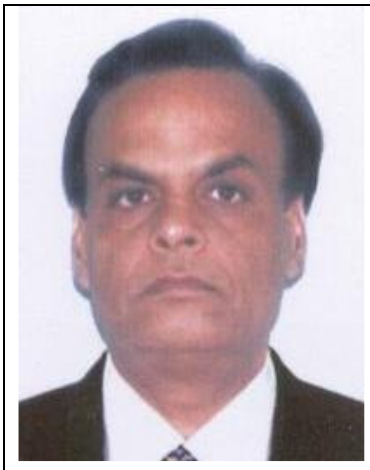
Changes in the Key Managerial Personnel during the last three years

Name	Designation	Date of change	Reasons
Mr. Mahabir Agarwal	Vice President-Corporate Finance	November 20, 2007	Resignation
Mr. Dabinder Singh	Head-IT	May 8, 2008	Resignation
Mr. Uttam Kumar Sharma	Vice President-Accounts & Finance (Decorative Division)	November 8, 2008	Resignation
Mr. Sukhendu Bikash Saha	General Manager, Uttarakhand Unit	December 12, 2007	Appointment
Mr. Anshul Dureja	Vice-President – IT	May 1, 2008	Appointment
Mr. Subir Palit	Country Head – Decorative Division	November 15, 2007	Appointment
Mr. Yogesh Arora	Country Head - Engineered Panel Division	April 4, 2009	Appointment
Mr. Mahabir Agarwal	Vice President-Corporate Finance	May 29, 2009	Appointment
Mr. Sudeep Jain	Business Head - Engineered Panel Division	May 26, 2009	Appointment

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal, Mr. Saurabh Mittal and Mr. Shobhan Mittal are the Promoters of our Company

	**Mr. Shiv Prakash Mittal,** *Executive Chairman* Passport number – F9514813 Voters identity number – NA Driving license number – F/4679/TSK Permanent Account Number – AEAPM0196F Bank Account Details: Axis Bank Limited, Bank Account No: 005010100076085 Director's Identification Number: 00237242
	**Mr. Rajesh Mittal,** *Managing Director* Passport number – F2215384 Voters identity number – HZG3795804 Driving license number – WB-011995216476 Permanent Account Number – AEAPM5903N Bank Account Details: Axis Bank Limited, Bank Account No: 005010100075518 Director's Identification Number: 00240900
	**Mr. Saurabh Mittal,** *Joint Managing Director and Chief Executive Officer* Passport number – F8806040 Voters identity number – UJE0944181 Driving license number – 19, 386/Tsk Permanent Account Number – AEAPM5901Q Bank Account Details: Axis Bank Limited, Bank Account No: 007010100194624 Director's Identification Number: 00273917

	**Mr. Shobhan Mittal,** *Executive Director* Passport number – G6441548 Voters identity number – NA Driving license number – WB-012008589238 Permanent Account Number – AGTPM0891N Bank Account Details: Axis Bank Limited , Bank Account No: 005010100129633 Director's Identification Number: 00347517

For further details of our Promoters, please refer to the section titled "Management" and for details of any outstanding litigation by and against them, please refer to the sections titled "Outstanding Litigations and Defaults" on page 92 and page 272 respectively of this Letter of Offer.

We confirm that the details of the permanent account numbers, bank account numbers and passport numbers of our Promoters shall be submitted to the Stock Exchanges at the time of filing the Letter of Offer with the Stock Exchanges.

Common Pursuits

For further details on the related party transactions, to the extent of which our Company is involved, please refer to the section titled "Related Party Transactions" on page 128 of this Letter of Offer.

We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, if at all and as and when they may arise.

As of date of this Letter of Offer, none of our Promoters or Directors is involved any ventures which are in the same line of activity or business as that of our Company.

Interest of our Promoters

The Promoters may be deemed to be interested to the extent of the Equity Shares held by them and their relatives and benefit from holding directorship in our Company.

Except as disclosed above and in the section titled "Related Party Transactions" on page 128 of the section titled "Financial Information", the Promoters have no interest other than reimbursement of expenses incurred, normal remuneration, or benefits, if any.

Interest in any property acquired by our Company within two years of the date of this Letter of Offer

The Promoters are not interested in any property that has been acquired by our Company within two years from the date of filing of this Letter of Offer.

Payments of benefits to our Promoters during the last two years

Except as stated in the section titled "Related Party Transactions" on page 128 of this Letter of Offer, there has been no payment of benefits to our Promoters during the last two years from the date of filing of this Letter of Offer.

Other Confirmations

Except as stated in the section titled "Related Party Transactions" on page 128 of this Letter of Offer, our Company has neither made any payments in cash or otherwise to the Promoters or to firms or companies in which our Promoters are interested as members, directors or promoters nor have our Promoters been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company. Our Company has not advanced loans to the Group Companies but has received interest-free unsecured loans amounting to 2,428.00 lacs as stated in the table below:

(Rs. in lacs)

S. No.	Name of the company	Outstanding amount as on August 31, 2009
1.	Greenply Leasing & Finance Limited	726.00
2.	Prime Holdings Private Limited	1,000.00
3.	S.M. Management Private Limited	500.00
4.	Vanashree Properties Private Limited	202.00
	Total	**2,428.00**

Our Promoters and Promoter Group, including relatives of the Promoters have confirmed that they have not been detained as willful defaulters by the RBI or any other governmental authority. Further, there are no violations of securities laws committed by our Promoters and Promoter Group in the past or are pending against them.

Companies of the Promoter Group referred to the BIFR/ under winding up / having negative net worth

Except as stated in the section titled " - Promoter Group Entities" on page 113 of this Letter of Offer, none of the Promoter Group companies are either referred to the BIFR or are winding up or have a negative net worth.

Disassociation of the Promoters from other companies in the last three years:

There are no companies from which any of the Promoters have disassociated themselves in the last three years.

Promoter Group:

In addition to the Promoters named above, the following natural persons, companies, HUF, trusts and partnerships form a part of the Promoter Group.

The natural persons who are part of the Promoter Group (due to their relationship with the individual Promoters), other than the individual Promoters named above, are as follows:

Promoter Group Entities:

a. The natural persons who are part of our Promoter Group (due to the relationship with our Promoters), other than the Promoters named above are as follows:

Name	Relationship with the Promoter
Ms. Shakuntala Devi Palriwal	Mother of Mr. Shiv Prakash Mittal and Mr. Rajesh Mittal
Ms. Usha Dhurka	Sister of Mr. Shiv Prakash Mittal and Mr. Rajesh Mittal
Ms. Kiran Loyalka	Sister of Mr. Shiv Prakash Mittal and Mr. Rajesh Mittal
Ms. Santosh Mittal	Spouse of Mr. Shiv Prakash Mittal and mother of Mr. Saurabh Mittal and Mr. Shobhan Mittal
Ms. Karuna Mittal	Spouse of Mr. Rajesh Mittal

Name	Relationship with the Promoter
Mr. Sanidhya Mittal	Son of Mr. Rajesh Mittal
Ms. Surbhi Mittal	Daughter of Mr. Rajesh Mittal
Ms. Parul Mittal	Spouse of Mr. Saurabh Mittal
Mr. Jai Mittal	Son of Mr. Saurabh Mittal
Ms. Jia Mittal	Daughter of Mr. Saurabh Mittal
Ms. Chitwan Mittal	Spouse of Mr. Shobhan Mittal

b. Companies, firms HUFs and Trusts which form part of our Promoter Group are as follows:

Companies

1. Himalaya Granites Limited
2. Greenply Leasing and Finance Limited
3. Prime Holdings Private Limited
4. Prime Properties Private Limited
5. S.M. Management Private Limited
6. Dholka Plywood Industries Private Limited
7. Vanashree Properties Private Limited

Partnership Firm

1. Trade Combines

HUFs

1. Rajesh Mittal (HUF)
2. Shiv Prakash Mittal (HUF)
3. Saurabh Mittal (HUF)

Trust

1. S.M. Palriwal Charitable Trust

Other than those stated above, there are no partnership firms, trusts, HUFs, proprietorships or other entities that are part of the Promoter Group.

Listed Group Company

Himalaya Granites Limited

Himalaya Granites Limited ("HGL") was originally incorporated as Himalaya Granites Private Limited on December 11, 1987. HGL was converted into a public limited company on March 21, 1994 pursuant to a fresh certificate of incorporation. The registered office of HGL is located at New No. 29, Old No. 12, 3B Riyaz Garden, Kodambakkam High Road, Nugambakkam, Chennai 600 034, Tamil Nadu.

The main objects of HGL are as follows:

1. To search for minerals, precious, and semi- precious stones and quartz and acquire, by lease, acquisition or grant, mining and other rights and to win, open and work mines, quarries, minerals, granites, quartz, precious, semi-precious stones and other like substances to be procured therefrom, in India or abroad, and to treat and make marketable, and/or convert such ores into metal, or otherwise to deal with the produce of the mines and quarries and other produce of the company.

2. To acquire by purchase or otherwise, any ores or mineral produce for the purpose of working and rendering the same marketable, and selling and disposing off the same, and to carry on any business or processing on connection with the development of the company's mines and

property or which may seem calculated to enhance the value thereof and to carry on trading in minerals, granites, quartz, precious and semiprecious stones, and other like substance for sale or export to foreign countries or for purposes which may seem conducive to the attainment of any of the aforesaid objects of the company.

3 To acquire, work and deal in any mine, metals minerals and other like substances and to acquire, produce by manufacture, treat, deal in, dispose off or otherwise turn to account any mineral or mineral products.

4. To deal by way of barter or otherwise, in the export and import of minerals and other materials used in, or obtained from, all or any of the mining, processing and manufacturing and allied operations of the company, and to dispose off by sale or otherwise any material the company acquires, in connection with such export import transactions.

5. To establish, promote, start, acquire, improve, acquire, develop, collaboration, run and manage unite for cutting and polishing of granites and other like substances with foreign collaboration and run manufacturing unit of surface plates out of granites and other allied industries to cater to local and export market directly or through any approved Government agencies and through any approved private agencies.

6. To promote, acquire, construct, build, establish, improve, develop, equip, manage and run any mineral, metallurgical, chemical processing or manufacturing plant or factory or other allied industries.

Equity Shareholding Pattern as on June 30, 2009

	Category of shareholder	Number of shareholders	Total number of shares	Percentage
(A)	**Shareholding of Promoter and Promoter Group**			
(a)	Individuals/ Hindu Undivided Family	12	11,22,250	37.35
(b)	Bodies Corporate	3	5,94,800	19.79
	Total Shareholding of Promoter and Promoter Group	**15**	**17,17,050**	**57.14**
(B)	**Public shareholding**			
(b)	Financial Institutions/ Banks	1	100	0.00
(a)	Bodies Corporate	43	3,02,436	10.06
(b)	Individuals-			
	i) Individual shareholders holding nominal share capital up to Rs.1 lac	1,369	3,37,149	11.22
	ii) Individual shareholders holding nominal share capital in excess of Rs.1 lac	13	6,48,265	21.57
	Total public shareholding	**1,426**	**12,87,950**	**42.85**
	Total (A)+(B)	**1,441**	**30,05,000**	**100.00**

Board of directors

Name	Nature of directorship/designation
Mr. Shiv Prakash Mittal	Chairman and non-executive Director
Mr. Mahesh Kumar Malpani	Independent Director
Mr. Beni Gopal Saraf	Independent Director
Mr. Saurabh Mittal	Non-executive Director
Ms. Janaki Venkatramani	Independent Director
Mr. Ramesh Kumar Haritwal	Managing Director and Chief Executive Officer

Financial Performance

The brief financial details of Himalaya Granites Limited extracted from the audited accounts for the past three financial years are as follows:

(Rs. in lacs except per share data)

Particulars	For the year ending March 31, 2007	For the year ending March 31, 2008	For the year ending March 31, 2009
Equity capital	300.50	300.50	300.50
Reserves & Surplus (excluding revaluation reserves)	1,763.09	1,461.04	876.54
Total sales	1,315.07	1,142.80	122.85
Profit after tax	(123.50)	(323.02)	(584.50)
EPS and Diluted EPS (Rs.)	(4.11)	(10.75)	(19.45)
NAV per share (Rs.)	68.67	58.62	39.17

Material Notes to Financial Statements

Audit Qualifications

The following qualifications have been provided in the financial statements of HGL for the year ended March 31, 2009:

The financial report has been prepared on the basis that the company is a going concern, which assumes continuity of normal business activities and the realization of assets and the settlement of liabilities in the ordinary course of business. Having failed to resolve the labour dispute amicably, the Company declared a lock-out in `its factory on 17-03-2008 and after failure of the reconciliation proceedings by the intervention of the Deputy Commissioner of Labour and other concerned Government Authorities, the workers of the company are being paid their dues. The production facilities of the Company are, thus, lying closed continuously since 27-02-2008 and to the best of our information and belief, the management has not yet drawn any future plan for revival of the closed business. These events indicate a material uncertainty and cast significant doubt on the company's ability to continue as a going concern. However, in the opinion of the management, the company would be able to realize its assets and discharge its liabilities in the normal course of business and accordingly, the accounts have been prepared on the assumption that it is a going concern and as such, no adjustments have been made to the financial report relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities, except that a sum of Rs 1,95,10,493/- has been written off on account of damage / deterioration of inventory.

Share Quotation

The equity shares of Himalaya Granites Limited are listed on the BSE. The highest and the lowest price of the equity shares of Himalaya Granites Limited in the last six months are as follows:

BSE:

Month	Date of highest trading in the month	High (Rs.)	Volume	Date of lowest trading in the month	Low (Rs.)	Volume	Average Price (Rs.)
August 2009	August 26, 2009	11.02	798	August 13, 2009	8.55	101	9.61
July 2009	July 13, 2009	9.14	700	July 24, 2009	7.95	1379	8.55
June 2009	June 1, 2009	11.10	300	June 24, 2009	8.56	50	9.83
May 2009	May 26, 2009	11.34	1999	May 20, 2009	9.70	284	10.52
April 2009	April 1, 2009	10.88	500	April 15, 2009	9.84	1	10.36
March 2009	March 16, 2009	11.55	1	March 25, 2009	9.89	200	10.70

The closing price of the equity shares of Himalaya Granites Limited as at September 11, 2009 on the BSE is Rs. 9.52
(Source: BSE website)

Himalaya Granites Limited has not been restrained by SEBI or any other regulatory authority in India from accessing the capital markets for any reason.

Himalaya Granites Limited is not a sick industrial unit within the purview of Section 3 (1) (o) of the Sick Industrial Companies (Special Provisions) Act, 1985 and is not in the process of winding up. Following the strike by the workers of the company and the subsequent lock-out by the management in March 2008, efforts were made to find a mutually acceptable solution in tripartite talk between management, union and the government represented by the Deputy Commissioner of Labour, Chennai. A memorandum of settlement was executed between company and the workers under section 12(3) of Industrial Dispute Act, 1947 and the workers have voluntarily quit the services of the company in terms of the said memorandum of settlement.

Disclosure on Capital Issues

Himalaya Granites Limited has not made any public or rights issue in the last three years.

Himalaya Granites Limited had issued 9,00,000 equity shares of Rs. 10 each at a price of Rs. 30 each for cash, pursuant to a prospectus filed with the RoC, Tamil Nadu on December 1994.

Promise vs. Performance

The proceeds of the issue by Himalaya Granites Limited were used for the following objects:

1. Capacity expansion of the existing 100% export oriented granite processing unit manufacturing Monuments, Tomb Stone and Memorials from the present installed capacity of 9,000 Sq. mtrs per annum to 12,000 Sq. Mtrs per annum.
2. Acquisition and development of granite quarries for long term captive sourcing of raw material requirements of the above unit.
3. Acquisition of quarrying and material handling equipments.
4. Expense of the issue.

There were certain deviations in the projected numbers.

The promise v. performance under the public issue was as under:

(Rs. in lacs)

	1994-1995		1995-1996		1996-1997	
	Projected	**Actual**	**Projected**	**Actual**	**Projected**	**Actual**
Installed Capacity (Sq. Mtrs.)	9,000	12,000	12,000	12,000	12,000	12,000
Production (Sq. Mtrs.)	8,100	4,636	9,600	6,176	10,800	5,892
Percentage of Utilisation	90%	39%	80%	51%	90%	49%
Total Sales	733.52	599.98	899.94	1,079.26	1,020.25	1,098.39
Profit before Interest & Depreciation	312.00	253.50	381.39	421.48	427.29	326.89
Interest	55.75	31.00	60.42	11.59	55.81	14.28
Depreciation	28.31	32.82	42.52	43.87	43.59	62.96
Profit before Tax	227.94	189.68	278.45	366.02	327.89	249.65
Profit after Tax	227.94	189.68	278.45	365.96	327.89	237.15
Dividend	20%	25%	25%	31%	30%	20%
Equity Capital	300.50	300.50	300.50	300.50	300.50	300.50
Reserves & Surplus	599.71	551.93	803.04	823.95	1,040.78	994.24
Net Worth	756.51	824.73	963.34	1,092.18	1,204.58	1,266.40
Book Value per Share (Rs)	25.17	27.45	32.06	36.35	40.09	42.14
EPS (Rs/Share)	7.59	6.31	9.27	12.18	10.91	7.89
Cash EPS (Rs/Share)	8.65	7.40	10.80	13.64	12.48	9.99

Mechanism for redressal of investor grievances:

For redressal of investor grievances, Himalaya Granites Limited has nominated its company secretary as the compliance officer. The compliance officer is responsible for attending to investor queries and complaints. Detailed status of investor complaints and complaints from regulatory authorities relating to investor complaints received during a quarter and the action taken thereon is presented before the shareholders' grievance committee from time to time for their review and comments/ suggestions.

Generally, investors' queries are attended within a week.

Himalaya Granites Limited confirms that its name has not appeared in the list of SEBI with the highest number of outstanding investor complaints.

As of September 14, 2009, there were no investor complaints pending against Himalaya Granites Limited.

Unlisted Group Companies

1. Greenply Leasing and Finance Limited

Greenply Leasing and Finance Limited ("GLFL") was incorporated on November 1, 1994. The registered office of GLFL is located at 16A Shakespeare Sarani, 2nd Floor, Kolkata, West Bengal 700

071, India. GLFL is a non-deposit taking non-banking finance company registered with the RBI having registration no. B.05.05446. It is currently carrying on the business of investment in securities.

Shareholding Pattern as on August 31, 2009

Name of the Shareholders	No. of equity shares of the face value of Rs. 10 each	Percentage holding (%)
Mr. Shiv Prakash Mittal	2,95,000	22.05
Mr. Shobhan Mittal	138,200	10.33
Shiv Prakash Mittal (HUF)	145,000	10.84
Ms. Santosh Mittal	70,000	5.23
Ms. Parul Mittal	67,500	5.05
Mr. Saurabh Mittal	155,000	11.59
Saurabh Mittal (HUF)	30,000	2.24
Ms. Chitwan Mittal	25,000	1.87
Ajitnath Steels Private Limited	50,000	3.74
Binod Resources Private Limited	18,000	1.35
Chancellor Commodeal Private Limited	64,000	4.78
Ganesh Vincom Private Limited	37,500	2.80
Himgiri Dealers Private Limited	74,000	5.53
Panghat Commercial Private Limited	25,000	1.87
Safeaid Finance Company Private Limited	34,000	2.54
Safed Tracom Private Limited	17,000	1.27
Supreme Tie - Up Private Limited	66,500	4.97
Usha Polychem India Private Limited	26,000	1.94
Total	**13,37,700**	**100.00**

Board of directors

Name	Nature of directorship/designation
Mr. Shiv Prakash Mittal	Non-executive director
Ms. Santosh Mittal	Non-executive director
Ms. Parul Mittal	Non-executive director
Mr. Shalabh Jalan	Non-executive director
Mr. Alok Kumar Agarwalla	Non-executive director

Financial Performance

The brief financial details of GLFL extracted from the audited accounts for the past three financial

years are as follows:

(Rs. in lacs except per share data)

Particulars	For the year ending March 31, 2007	For the year ending March 31, 2008	For the year ending March 31, 2009
Equity capital	37.07	95.07	133.77
Reserves & Surplus (excluding revaluation reserves)	42.85	599.99	810.43
Total income	27.90	41.23	25.17
Profit After Tax	22.47	35.14	16.94
EPS and Diluted EPS (Rs.)	6.06	5.66	1.78
NAV per share (Rs.)	21.56	73.11	70.58

2. Prime Holdings Private Limited

Prime Holdings Private Limited ("PHPL") was incorporated on February 23, 1994. The registered office of PHPL is located at Makum Road, Tinsukia, Assam, India, 786125. PHPL is a non-deposit taking non-banking finance company registered with the RBI having registration no. 08.00040. It is currently carrying on the business of investment in securities.

Shareholding Pattern as on August 31, 2009

Name of the Shareholders	No. of equity shares of the face value of Rs. 10 each	Percentage holding (%)
Mr. Shiv Prakash Mittal	3,21,000	16.39
Shiv Prakash Mittal (HUF)	2,95,750	15.10
Ms. Santosh Mittal	1,30,000	6.64
Ms. Parul Mittal	1,00,000	5.10
Mr. Saurabh Mittal	3,21,730	16.42
Mr. Shobhan Mittal	65,520	3.34
Ashiana Properties Private Limited	1,00,000	5.10
Binod Resources Private Limited	1,00,000	5.10
Chancellor Commodeal Private Limited	69,500	3.55
Edmund Plantation Private Limited	62,500	3.19
Harvard Trading Private Limited	25,000	1.28
Himgiri Dealers Private Limited	43,000	2.19
R. A. Trading Private Limited	1,00,000	5.10
Safeaid Finance Company Private Limited	62,500	3.19
Supreme Tie Up Private Limited	62,500	3.19
Suryalata Trexim Private Limited	12,500	0.64
Usha Polychem India Private Limited	87,500	4.47
Total	**19,59,000**	**100.00**

Board of directors

Name	Nature of directorship/designation
Mr. Shiv Prakash Mittal	Non-executive director
Mr. Saurabh Mittal	Non-executive director
Mr. Shobhan Mittal	Non-executive director

Financial Performance

The brief financial details of PHPL extracted from the audited accounts for the past three financial years are as follows:

(Rs. in lacs except per share data)

Particulars	For the year ending March 31, 2007 (Rs.)	For the year ending March 31, 2008 (Rs.)	For the year ending March 31, 2009 (Rs.)
Equity capital	123.40	123.40	195.90
Reserves & Surplus (excluding revaluation reserves)	445.18	470.55	730.39
Total income	93.72	69.68	59.35
Profit After Tax	61.76	25.37	42.24
EPS and Diluted EPS (Rs.)	5.00	2.06	3.42
NAV per share (Rs.)	45.94	48.03	47.24

3. Prime Properties Private Limited

Prime Properties Private Limited ("PPPL") was incorporated on July 30, 1997. The registered office of PPPL is located at Makum Road, Tinsukia, Assam - India, 786125. It is currently carrying on the business of real estate development.

Shareholding Pattern as on August 31, 2009

Name of the Shareholders	No. of equity shares of the face value of Rs. 10 each	Percentage holding (%)
Saurabh Mittal (HUF)	2,29,400	46.03
Ms. Parul Mittal	15,000	3.01
Mr. Saurabh Mittal	2,54,000	50.96
Total	**4,98,400**	**100.00**

Board of directors

Name	Nature of directorship/designation
Mr. Shiv Prakash Mittal	Non-executive director
Mr. Saurabh Mittal	Non-executive director

Financial Performance

The brief financial details of PPPL extracted from the audited accounts for the past three financial years are as follows:

(Rs. in lacs except per share data)

Particulars	For the year ending March 31, 2007	For the year ending March 31, 2008	For the year ending March 31, 2009
Equity capital	49.84	49.84	49.84
Reserves & Surplus (excluding revaluation reserves)	44.15	62.84	62.84
Total income	14.00	19.58	8.00
Profit After Tax	(12.11)	(40.81)	(47.82)
EPS and Diluted EPS (Rs.)	(2.43)	(8.19)	(9.59)
NAV per share (Rs.)	18.86	10.68	1.09

4. S. M. Management Private Limited

S.M. Management Private Limited ("SMMP") was incorporated on December 24, 1992. The registered office of SMMP is located at Makum Road, Tinsukia, Assam- India, 786125. SMMP is a non-deposit taking non-banking finance company registered with the RBI having registration no. 0800174. They are currently carrying on the business of investment in securities.

Shareholding Pattern as on August 31, 2009

Name of the Shareholders	No. of equity shares of the face value of Rs. 10 each	Percentage holding (%)
Karuna Mittal	1,50,000	5.66
Sakuntala Devi Palriwal	4,00,000	15.09
Rajesh Mittal	2,800	0.11
Rajesh Mittal (HUF)	6,78,650	25.60
Edmund Plantation Private Limited	60,000	2.26
Safeaid Finance Company Private Limited	1,80,000	6.79
Usha Polychem India Private Limited	1,40,000	5.28
Ajitnath Steels Private Limited	80,000	3.02
Ashiana Properties Private Limited	1,80,000	6.79
Bangtesh Enterprises Private Limited	40,000	1.51
Supreme Tie- Up Private Limited	1,20,000	4.53
Himgiri Dealers Private Limited	1,60,000	6.03
Gajanan Dealers Private Limited	80,000	3.02
Gouri Merchandise Private Limited	72,000	2.72
Idea Vinimay Private Limited	20,000	0.75
Kashmir Motor & General Finance Private Limited	80,000	3.02

Morning Glory Vinimay Private Limited	40,000	1.51
R. A. Trading Private Limited	1,68,000	6.34
Total	**26,51,450**	**100.00**

Board of directors

Name	Nature of directorship/designation
Mr. Rajesh Mittal	Non-executive director
Ms. Karuna Mittal	Non-executive director

Financial Performance

The brief financial details of SMMP extracted from the audited accounts for the past three financial years are as follows:

(Rs. in lacs except per share data)

Particulars	For the year ending March 31, 2007	For the year ending March 31, 2008	For the year ending March 31, 2009
Equity capital	123.14	123.14	265.15
Reserves & Surplus (excluding revaluation reserves)	174.41	230.02	474.08
Total income	87.66	63.57	48.80
Profit After Tax	57.03	55.61	31.06
EPS and Diluted EPS (Rs.)	4.87	4.52	2.51
NAV per share (Rs.)	24.16	28.68	27.88

5. Dholka Plywood Industries Private Limited

Dholka Plywood Industries Private Limited ("DPIPL") was incorporated on March 13, 2000. The registered office of DPIP is located at 206, Silver Oaks Building, Near Mahalaxmi Cross Road Paldi, Ahmedabad, Gujarat, 380 007 India. They are yet to commence any business operations as on date of this Letter of Offer. However, by their articles of association, they are empowered to undertake the business of manufacture and sale of timber, plywood and other allied products.

Shareholding Pattern as on August 31, 2009

Name of the Shareholders	No. of equity shares of the face value of Rs. 10 each	Percentage holding (%)
Mr. Shiv Prakash Mittal	10,010	99.80
Mr. Rajesh Mittal	10	0.10
Mr. Shobhan Mittal	10	0.10

Total	10,030	100.00

Board of directors

Name	Nature of directorship/designation
Mr. Rajesh Mittal	Non-executive director
Ms. Shobhan Mittal	Non-executive director

Financial Performance

The brief financial details of DPIP extracted from the audited accounts for the past three financial years are as follows:

(Rs. in lacs except per share data)

Particulars	For the year ending March 31, 2007	For the year ending March 31, 2008	For the year ending March 31, 2009
Equity capital	1.00	1.00	1.00
Reserves and surplus (excluding revaluation reserves)	(8.57)	(8.76)	(8.87)
Total income	Nil	Nil	Nil
Profit After Tax	Nil	Nil	Nil
EPS and Diluted EPS (Rs.)	Nil	Nil	Nil
NAV per share (Rs.)	(75.45)	(77.38)	(78.48)

6. Vanashree Properties Private Limited

Vanashree Properties Private Limited ("VPPL") was incorporated on May 30, 2008. The registered office of VPPL is located at Makum Road, Tinsukia, Assam - 786125. They are currently not carrying on any business. The memorandum of association of VPPL allows it to carry on real estate development.

Shareholding Pattern as on August 31, 2009

Name of the Shareholders	No. of equity shares of the face value of Rs. 100 each	Percentage holding (%)
Mr. Shobhan Mittal	5,000	2.56
Ms. Chitwan Mittal	5,000	2.56
Supreme Tie Up Private Limited	30,000	15.38
Safeaid Finance Company Private Limited	20,000	10.26
R.A. Trading Private Limited	20,000	10.26

Name of the Shareholders	No. of equity shares of the face value of Rs. 100 each	Percentage holding (%)
Usha Polychem India Private Limited	30,000	15.38
Himgiri Dealers Private Limited	35,000	17.96
Morning Glory Vinimay Private Limited	25,000	12.82
Ashiana Properties Private Limited	25,000	12.82
Total	**195,000**	**100.00**

Board of directors

Name	Nature of directorship/designation
Mr. Shobhan Mittal	Non-executive directors
Ms. Chitwan Mittal	Non-executive directors

Financial Performance

The financial statements of the company from incorporation to the year ended March 31, 2009 is as follows:

(Rs. in lacs except per share data)

Particulars	For the year ending March 31, 2009
Equity capital	195.00
Reserves and surplus (excluding revaluation reserves)	Nil
Total income	Nil
Profit After Tax	(0.72)
EPS and Diluted EPS (Rs.)	(5.39)
NAV per share (Rs.)	9.85

Partnership Firms

Trade Combines

Trade Combines is a partnership firm formed under a deed of partnership dated April 1, 1985. The office of Trade Combine is located at New B K Market, 16-A Shakespeare Sarani, Kolkata – 700 071, West Bengal .Trade Combine is currently carrying on the business of trading in shares and cane baskets.

Partners and profit sharing ratio

The following are the partners of Trade Combine and their profit sharing ratio:

Name of the Partners	Profit Sharing ratio (%)
Mr. Rajesh Mittal	25%
Ms. Santosh Mittal	10%
Mr. Saurabh Mittal	10%
Ms. Karuna Mittal	30%
Mr. S. P. Mittal	25%
Total	**100.00**

Financial Performance

The brief financial details of Trade Combine extracted from the audited accounts for the last three financial years are as follows:

(Rs. in lacs)

Particulars	For the year ending March 31, 2007	For the year ending March 31, 2008	For the year ending March 31, 2009
Total Income	76.54	70.60	40.78
Profit/ loss after taxation	33.56	32.27	0.03
Partners capital (Overdrawn)	(42.49)	105.17	(42.52)

Hindu Undivided Families forming part of our Promoter Group

1. Rajesh Kumar Mittal (HUF)

Rajesh Kumar Mittal (HUF) formed during the year 1986. The karta is Mr. Rajesh Mittal.

Members as of August 31, 2009

a. Karuna Mittal
b. Surbhi Mittal
c. Sanidhya Mittal

Financial Performance

(Rs. in lacs)

	March 31, 2007	March 31, 2008	March 31, 2009
Income	5.96	7.28	5.58
Profit/ loss after tax	5.69	6.64	5.00

2. Shiv Prakash Mittal (HUF)

Shiv Prakash Mittal (HUF) was formed during the year 1976. The karta is Mr. Shiv Prakash Mittal.

Members as of August 31, 2009

a. Santosh Mittal
b. Saurabh Mittal
c. Shobhan Mittal

Financial Performance

(Rs. in lacs)

	March 31, 2006	March 31, 2007	March 31, 2008
Income	1.68	7.48	6.84
Profit/ loss after tax	1.67	7.27	6.75

3. Saurabh Mittal (HUF)

Saurabh (HUF) was formed on February 23, 2006. The karta is Mr. Saurabh Mittal.

Members as of August 31, 2009

a. Parul Mittal
b. Jai Mittal
c. Jia Mittal

Financial Performance

(Rs. in lacs)

	March 31, 2007	March 31, 2008	March 31, 2009
Income	1.39	1.36	1.63
Profit/ loss after tax	1.35	1.33	1.62

Trust

1. S.M. Palriwal Charitable Trust

S.M. Palriwal Charitable Trust is a public charitable trust set up vide trust deed dated March 27, 1995 for the purpose to assist, finance, support, establish and maintain any institution meant for the relief of the poor, medical relief, education and the advancement of any other objects of general public utility, not involving the carrying of any activity for profit, in the territories of India, or for a charitable purpose which tends to promote international welfare in which India is interested.

Board of trustees

1. Shiv Prakash Mittal
2. Rajesh Mittal
3. Shakuntala Devi Palriwal
4. Santosh Mittal
5. Karuna Mittal

Financial performance

(Rs. in lacs)

	As on March 31, 2007	As on March 31, 2008	As on March 31, 2009
Total Income	2.28	2.39	3.87
Applied for charitable purpose	3.69	2.09	3.23
Excess receipts over payments	(1.41)	(0.30)	0.56
PAT	(1.41)	(0.30)	0.56

Except as stated in the "Related Party Transactions" on page 128 of this Letter of Offer, none of the Promoter Group Companies have business interests in our Company.

RELATED PARTY TRANSACTIONS

Our Company has various transactions with related parties, including the Subsidiaries, our Directors, employees and their relatives, our Promoters and the Promoter Group entities.

These related party transactions include the following:

- Sales, services and other recoveries
- Sale of fixed assets
- Purchase of goods
- Payment against services
- Finance charges
- Dividend payments;
- Loans/advances given and received back;
- Loans/advances taken and paid back;
- Managerial remuneration;

For details on our Company's related party transactions on standalone basis see Annexure O to our restated standalone financial information in the section titled "Financial Statements" on page 172 of this Letter of Offer.

For details on our Company's related party transactions on consolidated basis see Annexure O to our restated consolidated financial information in the section titled "Financial Statements" on page 222 of this Letter of Offer.

DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of the dividend recommended by the board of directors. Under the Companies Act, 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 previous fiscal years or out of both.

The Company does not have a formal dividend policy. The declaration and payment of dividend will be recommended by our Board of Directors and approved by its shareholders, at their discretion, and will depend on a number of factors, including but not limited to its profits, capital requirements and overall financial condition.

The table below sets forth the details of the dividends declared by us on our Equity Shares on a standalone basis during the last five fiscal years:

Particulars	**For the year ended**				
	March 31, 2009	**March 31, 2008**	**March 31, 2007**	**March 31, 2006**	**March 31, 2005**
Equity Shares					
Rate of Dividend	30%	60%	50%	40%	25%
Dividend Amount (Rs. in lacs)	254.96	503.92	413.48	265.85	126.65
Tax on above dividend (Rs. in lacs)	43.33	85.64	65.39	37.29	17.04
Dividend per share (Rs.)	1.50	3.00	2.50	2.00	2.50
Preference Shares					
6% Cumulative Redeemable Non-convertible Preference Shares					
Rate of Dividend (% p.a.)		-	-	6%	6%
Dividend Amount (Rs. in lacs)		-	-	18.85	0.57
Tax on above dividend (Rs. in lacs)		-	-	2.64	0.07

The amounts paid as dividends in the past are not necessarily indicative of the dividend policy of our Company or dividend amounts, if any, in the future.

Dividends are payable within 30 days of approval by our shareholders at our Annual General Meeting. The Articles of Association also give the Board the discretion to declare and pay interim dividends without shareholder approval at an Annual General Meeting. When dividends are declared, all the shareholders whose names appear in the share register as on the “record date” or “book closure date” are entitled to be paid dividend declared by our Company. Any shareholder who ceases to be a shareholder prior to the record date, or who becomes a shareholder after the record date, will not be entitled to the dividend declared by our Board.

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

AUDITORS' REPORT
ON
RESTATED STANDALONE FINANCIAL INFORMATION

(As required by Part II of Schedule II of the Companies Act, 1956)

The Board of Directors,
Greenply Industries Limited
Makum Road,
Tinsukia.

Dear Sirs,

In continuation of our Report, dated July 30, 2009, on the Restated Standalone Financial Information M/s. GREENPLY INDUSTRIES LIMITED (hereinafter referred to as the Company) for each of the financial years ended on March 31, 2009, 2008, 2007, 2006 and 2005 and other financial information mentioned therein (Annexures A – R), we further report that, in view of the Securities and Exchange Board of India (SEBI) circular number SEBI/CFD/DIL/ICDRR/1/2009/03/09 dated September 3, 2009, wherein the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 have been notified and SEBI (Disclosure and Investor Protection) Guidelines, 2000 have been rescinded, the words "SEBI (Disclosure and Investor Protection) Guidelines, 2000" ("the Guidelines") be read as SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the ICDR Regulations"). Further this shall form as an integral part of above mentioned report dated July 30, 2009.

For D. DHANDARIA & COMPANY,
(Chartered Accountants)

(Dindayal Dhandaria)
Partner
Membership No. 10928

Place: Kolkata
Dated: September 7, 2009

AUDITORS' REPORT
ON
RESTATED STANDALONE FINANCIAL INFORMATION
(As required by Part II of Schedule II of the Companies Act, 1956)

The Board of Directors,
Greenply Industries Limited
Makum Road,
Tinsukia.

1. We have examined the attached Standalone Restated Financial Information of **M/s. GREENPLY INDUSTRIES LIMITED** (hereinafter referred to as the Company) for each of the financial years ended on March 31, 2009, 2008, 2007, 2006 and 2005 prepared by the Company and approved by the Board of Directors of the Company in its meeting held on July 30, 2009 for the proposed Rights Issue of equity shares of the Company, in accordance with the requirements of:

    a. Paragraph B (1) of part II of Schedule II to the Companies Act, 1956 (hereinafter referred to 'the Act').

    b. The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000 ('the Guidelines') and the clarification issued by the Securities and Exchange Board of India (hereinafter referred to as 'the SEBI') on January 19, 2000 as amended from time to time, in pursuance of section 11 of the Securities and Exchange Board of India Act, 1992.

2. We have examined such Restated Financial Information taking into consideration:

    a. The terms of reference dated March 7, 2009 received from the Company, requesting us to carry out the assignment in connection with the Offer document being issued by the Company for its proposed rights issue; and

    b. The Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

3. The Restated Financial Information furnished in this Report is based on the financial statements which have been audited by us for the financial years ended on March 31, 2009, 2008, 2007, 2006 and 2005 and approved by the Board of Directors. The restated financial statements for the financial years ended March 31, 2009, 2008, 2007, 2006 and 2005 have been extracted by the management from the audited financial statements of the Company for the respective period / years and approved by the Board of Directors. These Financial information are the responsibility of the Company's management. Our responsibility is to express an opinion on these accounts based on our audit.

4. In accordance with the requirements of Paragraph B of Part II of Schedule II of the Act, the SEBI guidelines and terms of our engagement agreed with you, we report that:

    a. The Restated Summary Statement of Assets and Liabilities of the Company (Standalone), as at March 31, 2009, 2008, 2007, 2006 and 2005 as set out in Annexure A to this Report, are after making such adjustments and regroupings, as in our opinion are appropriate and more fully described in the Summary of Significant Accounting Policies and Summary of Selected Notes on Restated Summary Statements (Standalone) appearing in Annexure D to this Report.

    b. The Restated Summary Statement of Profit and Loss of the Company (Standalone) for the financial years ended March 31, 2009, 2008, 2007, 2006 and 2005 as set out in Annexure B to this Report after making such adjustments and regroupings, as in our opinion are appropriate and more fully described in the Summary of Significant Accounting Policies and Summary of Selected Notes on Restated Summary Statements (Standalone) appearing in Annexure D to this Report.

c. The Restated Summary Statement of Cash Flow (Standalone) for the financial years ended March 31, 2009, 2008, 2007, 2006 and 2005 as set out in Annexure C to this Report are after making such adjustments and regroupings, as in our opinion are appropriate and more fully described in the Summary of Significant Accounting Policies and Summary of Selected Notes on Restated Summary Statements (Standalone) appearing in Annexure D to this Report.

d. The Statement of Summary of Significant Accounting Policies and Summary of Selected Notes on Restated Financial Statements (Standalone), as appearing in Annexure D to this Report applies to all reporting periods in the financial information, described in para 4 (a), (b) and (c) above.

e. On the basis of our examination of these 'Restated Summary Statements (Standalone)", as highlighted above, we state that:

   i) There is no adjustment on account of changes in accounting policies.

   ii) As explained in Note no. 4.01.01 of Annexure D, qualifications in the auditors' report which require any adjustment in the "Restated Summary Statements" have been made.

   iii) Notes on adjustments for Restated Summary Statement are given in Note 5.0 of Annexure D to this Report.

   iv) There are no exceptional and/or extra-ordinary items which need to be disclosed separately in the Restated Summary Statements and

   v) The revaluation reserves have been excluded in the "Restated Summary Statements" and corresponding adjustments have been made in the Gross Book Value of the Fixed Assets.

   vi) Restated Standalone financial information has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate. The impact of such adjustments has been stated in Para 5.02 of Annexure D to the Restated Financial Information.

As a result of these adjustments, the amounts reported in the above stated statements/financial information as at March 31, 2009, 2008, 2007, 2006 and 2005 are not necessarily the same as those appearing in the audited financial statements for the relevant financial years/period.

5. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2009 and accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to March 31, 2009.

Other Financial Information:

6. At the Company's request, we have also examined the following financial information proposed to be included in the Offer Document prepared by the Management and approved by the Board of Directors of the Company and annexed to this Report relating to the Company for the years ended March 31, 2009, 2008, 2007, 2006 and 2005.

   i) Statement giving details of Tangible and Intangible Assets, enclosed in Annexure E.
   ii) Statement of Investments, enclosed in Annexure F;
   iii) Statement of Sundry Debtors, enclosed in Annexure G;
   iv) Statement of Loans & Advances, enclosed in Annexure H;
   v) Statement of secured loans and assets charged as securities, enclosed in Annexure I.
   vi) Statement of unsecured loans, enclosed in Annexure J.

vii) Statement of Sales enclosed in Annexure K;
viii) Statement of Items of Other Income, enclosed in Annexure L;
ix) Statement of Dividend paid by the Company, enclosed in Annexure M.
x) Capitalisation Statement as at March 31, 2009, enclosed in Annexure N;
xi) Statement of Related Party Transactions, enclosed in Annexure O;
xii) Statement of Accounting Ratios based on the adjusted profits relating to earnings per share, return on net worth, net asset value per share, enclosed in Annexure P;
xiii) Statement of details of Segment Reporting, enclosed in Annexure Q;
xiv) Statement of Tax Shelters, enclosed in Annexure R;
xv) Statement of Contingent Liabilities, as appearing in Note No. 7 of Annexure D to this Report.

7. In our opinion, the financial information as disclosed in the annexures to this report, read with the respective Summary of Significant Accounting Policies and Summary of Notes on Restated Summary Statements (Standalone) disclosed in Annexure D and after making adjustments and regroupings as considered appropriate has been prepared in accordance with Part II of Schedule II of the Act and the Guidelines.

8. The report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statement referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. The report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed rights issue of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For D. DHANDARIA & COMPANY,
(Chartered Accountants)

(Dindayal Dhandaria)
Partner
Membership No. 10928

Place: Kolkata
Dated: July 30, 2009

Annexure A

Standalone Restated Summary Statement of Assets and Liabilities of our Company

(Rs. in lacs)

	Particulars	As at				
		Mar 31, 2009	**Mar 31, 2008**	**Mar 31, 2007**	**Mar 31, 2006**	**Mar 31, 2005**
A	**Fixed Assets**					
	a) Tangible Assets					
	Gross block	26,654.43	22,935.75	17,808.51	10,700.62	6,873.07
	Less : Depreciation/ Amortisation up to date	7,148.69	5,581.64	4,477.58	4,074.92	2,874.97
	Net Block	19,505.74	17,354.11	13,330.93	6,625.70	3,998.10
	b) Intangible Assets (Trademark)					
	Gross block	408.58	68.58	68.58	68.58	-
	Less : Depreciation/ Amortization up to date	93.72	18.86	12.01	5.15	-
	Net Block	314.86	49.72	56.57	63.43	-
	c) Capital Work in Progress	5,168.97	256.98	1,288.85	3,315.38	93.68
	Total (A) (a+b+c)	**24,989.56**	**17,660.81**	**14,676.35**	**10,004.50**	**4,091.78**
B	**Investments**	**221.26**	**498.17**	**113.17**	**10.56**	**10.53**
C	**Current Assets , Loans and**					
	Advances:					
	Inventories	16,608.93	14,456.36	11,287.51	8,446.45	4,732.89
	Sundry Debtors	13,541.34	9,557.29	7,250.08	5,075.42	4,140.90
	Cash and Bank Balances	1,621.01	923.97	1,474.98	622.59	201.78
	Loans and Advances	6,865.17	5,027.45	2,583.67	1,731.04	902.48
	Total (C)	**38,636.45**	**29,965.07**	**22,596.24**	**15,875.50**	**9,978.05**
D	**Liabilities and Provisions**					
	Secured Loans	19,272.31	13,386.18	12,546.27	10,376.80	6,618.04
	Unsecured Loans	6,527.06	3,725.56	2,111.15	2,003.48	1,133.77
	Current Liabilities and Provisions	19,260.05	15,428.25	11,616.01	6,702.54	2,585.48
	Deferred Tax Liability	1,258.07	1,229.63	581.54	488.95	272.96
	Total (D)	**46,317.49**	**33,769.62**	**26,854.97**	**19,571.77**	**10,610.25**
E	**Networth (A+B+C- D)**	**17,529.78**	**14,354.43**	**10,530.79**	**6,318.79**	**3,470.11**
F	**Represented by**					
i	Share Capital	849.87	849.87	884.75	985.98	820.83
ii	Reserves & Surplus (Excluding Revaluation Reserve)	16,690.86	13,504.56	9,646.04	5,332.87	2,649.40
	Less: Miscellaneous Expenditure to the extent not written off or adjusted	10.95	-	-	0.06	0.12
	Reserves & Surplus (Net)	16,679.91	13,504.56	9,646.04	5,332.81	2,649.28
G	**Networth (i + ii)**	**17,529.78**	**14,354.43**	**10,530.79**	**6,318.79**	**3,470.11**

Note: The above statement should be read with the Significant Accounting Policies and selected notes to accounts for Restated Standalone Financial information.

Annexure – B

Standalone Restated Summary Statement of Profit and Loss of the Company

(Rs. in lacs)

Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006	For the year ended March 31, 2005
Income					
Sales & Services (Refer Annexure K)	72,253.08	54,302.23	39,050.91	25,829.42	16,267.59
Other Income (Refer Annexure L)	215.54	142.16	80.89	91.33	100.98
	72,468.62	54,444.39	39,131.80	25,920.75	16,368.57
Increase (Decrease) in Inventories	957.18	1,621.86	1,338.57	102.94	282.90
Total	**73,425.80**	**56,066.25**	**40,470.37**	**26,023.69**	**16,651.47**
Expenditure					
Purchase	3,162.35	1,614.43	181.64	75.63	386.45
Operating Cost	44,607.02	33,960.24	26,863.13	17,479.52	11,973.63
Personnel Cost	5,925.52	3,943.57	2,912.91	1,473.01	655.62
Administrative and Other Expenses	3,297.70	2,682.82	1,765.37	1,120.03	553.18
Selling and Distribution Expenses	6,933.96	5,617.75	4,227.22	2,711.66	1,341.29
Loss due to fluctuation in Foreign Exchange Rates	1,600.05	-	-	-	-
Financial Charges	1,963.07	1,811.87	1,174.79	763.93	614.22
Depreciation / Amortization	1,704.80	1,315.51	864.83	633.40	416.02
Total	**69,194.47**	**50,946.19**	**37,989.89**	**24,257.18**	**15,940.41**
Profit before Tax and Exceptional Items	4,231.33	5,120.06	2,480.48	1,766.51	711.06
Exceptional Items / Extraordinary Items	-	-	-	-	-
Profit before Tax	4,231.33	5,120.06	2,480.48	1,766.51	711.06
Provision for Taxation - Current Tax	500.00	570.09	259.43	136.75	93.56
- Deferred Tax	28.44	648.09	92.59	28.61	194.55
- Fringe Benefit Tax	66.12	47.50	33.00	30.75	-
Income Tax for Earlier Years	-	0.35	-	-	-
Mat Credit	108.98	-	(95.31)	(25.14)	-
Profit /(Loss) after tax	3,527.79	3,854.03	2,190.77	1,595.54	422.95
Profit acquired on amalgamation	-	-	-	136.10	-
Balance Brought Forward	5,537.08	2,772.61	1,560.71	353.69	275.08
Less: Appropriations					
Interim Dividend	-	248.96	164.52	101.32	75.99
6% Cumulative Redeemable Preference Shares	-	-	-	18.85	0.57
Equity Shares	254.96	254.96	248.96	164.52	50.66
Tax on Distribution of Dividend	43.33	85.64	65.39	39.93	17.12
Transfer to General Reserve	500.00	500.00	500.00	200.00	200.00
Total of Appropriations	798.29	1,089.56	978.87	524.62	344.34
Balance Carried to Balance Sheet	**8,266.58**	**5,537.08**	**2,772.61**	**1,560.71**	**353.69**
Net Profit / (Loss) Before Adjustment as per Audited Statement (PAT)	3,730.62	3,873.46	2,252.32	1,408.50	528.01
Total of other Adjustments (see para 5.02 of annexure D)	(202.83)	(19.43)	(61.55)	187.04	(105.06)
Net Profit / (Loss) After Adjustments	**3,527.79**	**3,854.03**	**2,190.77**	**1,595.54**	**422.95**

Note :

1) The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure – C

Standalone Restated Summary Statement of Cash Flow of the Company

(Rs. in lacs)

Particulars		For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006	For the year ended March 31, 2005
A	**Cash Flow from Operating Activities**					
	Net Profit /(loss) before Tax	4,231.33	5,120.06	2,480.48	1,766.51	711.06
Adjustment for :						
	Depreciation/ Amortization	1,704.80	1,315.51	864.83	633.40	416.02
	Interest Expenses	2,281.94	1,947.46	1,283.26	929.75	720.85
	Loss on Sale of Assets/ impairment	11.42	10.07	36.42	14.86	10.01
	Gratuity	140.02	34.91	106.43	64.45	16.01
	Interest Income	(318.87)	(135.59)	(108.47)	(165.82)	(106.63)
	Dividend Received	(0.12)	(1.62)	(14.24)	(1.56)	(0.13)
	Profit on sale of Investments	-	-	(0.24)	(56.25)	(5.21)
	Miscellaneous Expenses Written Off	-	-	0.06	0.06	0.96
Operating Profit before Working Capital						
	Charges	**8,050.52**	**8,290.80**	**4,648.53**	**3,185.40**	**1,762.94**
Adjustment for :						
	Decrease / (increase) in Inventories	(1,704.56)	(3,168.85)	(2,841.06)	(1,643.45)	(385.92)
	Decrease/ (increase)in Trade and Other Receivables	(5,518.34)	(4,334.95)	(2,969.06)	687.89	(52.54)
Receivables						
	Increase / (Decrease) in Trade and Other payable	3,324.56	3,615.55	4,904.97	2,111.41	(262.62)
	Cash Generated from Operation	**4,152.18**	**4,402.55**	**3,743.38**	**4,341.25**	**1,061.86**
	Less: Direct Taxes Paid (Net of Refunds)	737.69	909.09	370.21	272.95	60.22
	Less: Gratuity Paid	53.94	34.91	13.81	18.47	6.93
	Net Cash Flow From operating Activities	**3,360.55**	**3,458.55**	**3,359.36**	**4,049.83**	**994.71**
B	**Cash Flow from Investing Activities**					
	Purchase of Fixed Assets (Including capital work in Progress)	(8,388.43)	(4,362.21)	(5,743.78)	(5,471.57)	(1,427.22)
	Purchase of Investments	(108.09)	(385.00)	(104.21)	-	(13.40)
	Increase / (Decrease) in FD's	(751.34)	628.21	(843.36)	(3.14)	36.49
	Proceeds from sale of Fixed Assets	60.22	52.17	170.68	35.49	16.45
	Proceeds from Sale of Investments	-	-	1.84	108.35	18.61
	Interest Received	318.87	135.59	108.47	165.82	106.63
	Dividend Received	0.12	1.62	14.24	1.56	0.13
	Net Cash Flow From Investing Activities	**(8,868.65)**	**(3,929.62)**	**(6,396.12)**	**(5,163.49)**	**(1,262.31)**
C	**Cash Flow from Financing Activities**					
	Proceeds from Issue of share capital	-	559.17	3,501.50	-	-
	Preference Share Capital Redeemed			(1,001.47)		
	Share Issue Expenses	(10.95)				
	Less: Interest Paid	(2268.98)	(1882.68)	(1334.69)	(907.56)	(706.42)
	Dividend & Distribution	(298.29)	(582.54)	(396.70)	(173.93)	(187.79)

Particulars		For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006	For the year ended March 31, 2005
	Tax					
	Proceeds from Log Term Borrowing	7,960.34	2,454.32	2,277.15	2,488.09	1,136.60
	Net Cash Flow from Financing Activities	**5,382.12**	**548.27**	**3,045.79**	**1,406.60**	**242.39**
	Net Cash Flow during the period /year (A+B+C)	(125.98)	77.20	9.03	292.94	(25.21)
	Cash and cash Equivalents received on Merger	71.68	-	-	124.73	-
	Cash and cash Equivalents at the beginning of the period/year	598.26	521.06	512.03	94.36	119.57
	Cash and Cash Equivalents at the end of the period / year	**543.96**	**598.26**	**521.06**	**512.03**	**94.35**
Cash and Cash Equivalents at the end of the period/ year comprises of :						
	Cash in hand	175.63	162.58	74.21	93.64	48.32
	Balance with Scheduled Banks in Current Accounts	367.93	435.20	431.28	407.25	34.81
	Cheques / drafts /credit card slip in Hand	0.40	0.48	15.57	11.14	11.22
	Total Cash and Cash equivalents	**543.96**	**598.26**	**521.06**	**512.03**	**94.35**

Notes :

1	Assets and Liabilities received pursuant to the Scheme of Arrangement and business acquired are not considered in the above cash flow statement , being non cash transaction
2	The above statement be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure D

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND SUMMARY OF SELECTED NOTES ON RESTATED SUMMARY STATEMENTS (STANDALONE):

1.00 SIGNIFICANT ACCOUNTING POLICIES:

1.01 DISCLOSURE OF ACCOUNTING POLICIES (AS-1):

1.01.01 NATURE OF OPERATION

Company is an interior infrastructure company engaged in the business of manufacturing plywood and allied products, laminates, particle boards, etc. through its factories at various locations and branches & dealers' network spread all over the country. It also has two wholly owned overseas subsidiary companies. These subsidiary companies are operating in Singapore and Florida. The Overseas subsidiaries are engaged in the business of trading in similar products.

1.01.02 ACCOUNTING CONCEPTS & BASIS OF PRESENTATION

The restated summary statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.

1.01.03 USE OF ESTIMATES:

The preparation of Restated Summary Statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Restated Summary Statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.02 VALUATION OF INVENTORIES (AS-2):

1.02.01 Stock of Raw Materials, Stores and spare parts are valued at cost; and of those in transit, at port and at Bonded Warehouse related to these items are valued at cost to date.

Materials and supplies held for use in the production of inventories are not written down below cost of the finished products in which they will be incorporated are expected to be sold at or above cost. However, when there has been a decline in the price of materials and it is estimated that the cost of the finished products will exceed net realizable value, the materials are written down to net realizable value. In such circumstances, the replacement cost of the materials may be the best available measure of their net realizable value.

1.02.02 Goods-in-process is valued at cost.

1.02.03 Stock Finished goods and semi-finished goods are valued at cost or net realisable value whichever is lower.

1.02.04 Waste and scraps are accounted at estimated realisable value.

1.02.05 Cost of inventories is generally ascertained on the 'weighted average' basis. Goods-in-process, finished and semi-finished goods are valued on absorption cost basis.

1.03 CASH FLOW STATEMENT (AS – 3):

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated. Cash and cash equivalents in the balance sheet comprise cash at bank (excluding term deposits), cash/cheques in hand and short term investments with an original maturity of three months or less.

1.04 CONTINGENCIES AND EVENTS OCCURRING AFTER RESTATED SUMMARY STATEMENTS (AS -4):

Disclosure of contingencies and events occurring after restated summary statements as required by the accounting standard is furnished in the Notes on Restated Summary Statements.

1.05 NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES (AS – 5):

Net Profit or loss for the periods is shown separately in the Profit & Loss Account. As regards the prior period items, the Accounting Standard AS-5 requires separate disclosure thereof, whereas the SEBI guidelines require the same to be adjusted in arriving at the profits of the years to which they relate irrespective of the years in which the event had occurred. In accordance with the said guidelines, Prior period items have been restated as disclosed in Para 5.03 below.

1.06 DEPRECIATION (AS – 6):

1.06.01 Depreciation on Fixed Assets is provided for on straight-line method in accordance with and generally at the rates specified in Schedule XIV to the Companies Act, 1956. Leasehold lands at Kriparampur and Rudrapur units are amortised over the period of lease. Other leasehold lands are not amortised.

1.06.02 Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period of use of such assets. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units.

1.06.03 Depreciation on Intangible assets (Trademarks & Goodwill) is provided for on straight-line method over its estimated period of use.

1.07 REVENUE RECOGNITION (AS -9):

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1.07.01 **Sale of Goods**: Sales are accounted for on despatch of products to customers. Gross sales shown in the Profit & Loss Account are inclusive of Excise Duty, Value added Tax/Sales Tax and the value of self-consumption and inter-transfers but excludes discounts. Net sales are shown after deducting Excise duty and Value Added Tax/Sales Tax which are disclosed at appropriate places.

1.07.02 **Interest**: Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

1.07.03 **Dividend**: Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.

1.07.04 **Export Incentives**: Various Export Incentives being benefits arising from exports entitling the Company to import goods free of duty under the "Duty Entitlement Pass Book under Duty Exemption Scheme (DEPB)", Duty Free Replenishment Certificate (DFRC) and Duty Free

Import Authorisation (DFIA) are accounted for in the year in which the benefits accrue to the Company.

1.07.05 In case of manufacturing units exempt from payment of VAT/Sales tax under State laws, VAT input credit receivable is carried forward as an asset to the extent it is eligible for set-off in subsequent years.

1.08 ACCOUNTING FOR FIXED ASSETS (AS – 10):

1.08.01 Fixed assets are stated at cost less accumulated depreciation. The Accounting Standard AS-10 requires that the fixed assets, which are revalued, should be stated at revalued amounts as a result of their revaluation. However for the purpose of restated financial information, fixed assets have also been restated so as to exclude the revalued amount

1.08.02 Cost includes borrowing costs as per Accounting Standard AS-16 issued by Institute of Chartered Accountants of India (ICAI) and all incidental expenditure net of CENVAT, Service Tax Input Credit and VAT Input Credit, wherever applicable.

1.08.03 Revenue expenses incurred in connection with project implementation insofar as such expenses relate to the period prior to the commencement of commercial production are treated as part of project cost and capitalized.

1.09 ACCOUNTING FOR THE EFFECTS IN FOREIGN EXCHANGE RATES (AS – 11):

1.09.01 Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions.

1.09.02 In conformity with revised Accounting Standard (AS – 11), issued by the Institute of Chartered Accountants of India (ICAI), monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the difference between the forward rate and exchange rate on the date of transaction, such difference having been amortised over the life of the contract.

1.09.03 Non-monetary items carried at historical cost are reported using the rate at the date of transaction.

1.10 ACCOUNTING FOR INVESTMENT (AS – 13):

Investments, being long term in nature, are valued at cost of acquisition. Adjustment for increase/decrease in the value of investments, if any, will be accounted for on realisation of the investments. However, provision for diminution shall be made to recognize a decline, other than temporary, in the value of the Investments, such reduction being determined and made for investment individually.

1.11 ACCOUNTING FOR AMALGAMATION (AS – 14):

The accounting for amalgamations is made pursuant to the provisions of the Companies Act, 1956 and other applicable statutes pursuant to a Scheme of Amalgamation sanctioned by the High Court(s). The Amalgamation has been accounted for under the "Pooling of Interest method" as prescribed by AS-14, Accounting for Amalgamations issued by the ICAI.

1.12 EMPLOYEE BENEFITS (AS – 15):

1.12.01 Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

1.12.02 Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of past employment and other long term benefits are charged to the profit and loss account.

1.13 BORROWING COSTS (AS – 16):

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.14 SEGMENT REPORTING (AS – 17):

1.14.01 Identification of Segments:

Primary Segment

Business Segment:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing & Sale of (a) Plywood & Allied products; and (b) Laminates.

Secondary Segment

Geographical Segment:

The analysis of geographical segment is based on the geographical location of the customers.

The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

1.14.02 Allocation of Common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

1.14.03 Unallocated items:

The Corporate and Other Segment include general corporate income and expense items, which are not allocated to any business segment.

1.15 RELATED PARTY DISCLOSURES (AS – 18):

Disclosure of related parties as required by the accounting standard is furnished in the Selected Notes on Restated Summary Statements.

1.16 EARNINGS PER SHARE (AS – 20):

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period

attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 ACCOUNTING FOR TAXES ON INCOME (AS – 22):

The differences that result between the profit considered for income taxes and the profit as per the Restated Summary Statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full fiscal year.

1.18 DISCONTINUING OPERATIONS (AS – 24):

This Standard is not applicable in case of the Company as the Company has not discontinued any operations during the year.

1.19 INTERIM FINANCIAL REPORTING (AS – 25):

The quarterly financial results are published in accordance with the requirements of Listing agreements with stock exchanges.

1.20 INTANGIBLE ASSETS (AS – 26):

1.20.01 The values of internally generated intangible assets are not recognized in the accounts.

1.20.02 Intangible assets acquired by payment e.g., Trade marks are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

1.21 IMPAIRMENT OF ASSETS (AS – 28):

There is no indication of any impairment based on internal/external factors in relation to the assets of the Company and as such, this Standard is not applicable in case of the Company.

1.22 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (AS – 29):

1.22.01 Provisions are made for present obligations arising as a result of past events.

1.22.02 Contingent liabilities are not provided for but are disclosed by way of Selected Notes on Restated Summary Statements.

1.22.03 Contingent assets are not accounted for but are disclosed by way of Selected Notes on Restated Summary Statements.

1.23 CENTRAL EXCISE DUTY:

Excise Duty liability accruing on manufacture is accounted for as and when the liability for payment arises under the Central Excise Act, 1944. Duty on finished goods lying at stock at factory at the close of the year has not been provided for in the accounts and hence not included in the valuation of inventory of such goods. However the said liability if accounted would have no impact on the financial results for the accounting period.

1.24 CONSUMPTION OF RAW MATERIALS, STORES & SPARE PARTS ETC.:

Raw Materials, Stores and spare parts etc., consumed are exclusive of (a) Excise Duty on inputs under Cenvat Scheme, (b) Insurance Claims received (c) Entry Tax under Rajasthan Local Sales Tax Act under set-off scheme and (d) VAT Input Credit under State laws, wherever applicable.

1.25 SERVICE TAX & CESS:

Various expenses are accounted for after deducting the input tax credit available in respect of Service Tax, Education Cess and Secondary & Higher Education Cess.

1.26 TAXATION:

1.26.01 Tax expenses comprise of income tax, fringe benefit tax, corporate dividend tax, deferred tax including applicable surcharge and cess.

1.26.02 Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

1.26.03 MAT (Minimum Alternate Tax) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying out of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

1.26.04 Provision for deferred tax or credit for release thereof is accounted for as ascertained in accordance with principles stated in para 1.17 hereinabove.

1.26.05 Fringe Benefit Tax (FBT) payable under the provisions of section 115WC of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Fringe Benefits tax" issued by the ICAI regarded as an additional income tax and considered in determination of profit for the year.

1.26.06 Tax on distributed profits payable in accordance with the provisions of section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

1.26.07 The income of the Company from its units at Rudrapur and Tizit are eligible for deduction under Section 80-IC of the Income Tax Act, 1961.

2.00 COMPARABILITY:

The figures of the previous year ended March 31, 2009 are not comparable with those of other years to the extent that with effect from 1st April, 2008, two companies namely viz. Platinum Veneer Pvt. Ltd. and Galaxy Decor Pvt. Ltd. have been merged with the company and their assets and liabilities vested in the company.

3.0 SUMMARY OF SELECTED NOTES TO ACCOUNTS:

3.01 Splitting up of Equity Shares

During the financial year ended March 31, 2006, one Equity Share of the Company of Rs 10 each has been split up into two equity shares of Rs 5/- each.

3.02 For the financial year ended March 31, 2008 – Effective from November 1, 2007, the Company acquired 100% equities of (a) Platinum Veneers Private Limited, Rajkot and (b) Galaxy Decor Private Limited, Rajkot. The wholly owned subsidiary companies were amalgamated with the company with effect from April 1, 2008.

3.03 **For the financial year ended March 31, 2006 - Amalgamation of Worthy Plywoods Limited (WPL) with the Company (Greenply Industries Limited).**

3.03.01 Pursuant to the scheme of amalgamation sanctioned by the Gauhati High Court, the assets and liabilities of Worthy Plywoods Limited (WPL), a company engaged primarily in the business of manufacture and sale of plywood and veneer, were transferred to and vested in the Company (under the Pooling of interest method) with effect from 1st April, 2005. Accordingly, the Scheme was been given effect in financial statements for the year ended March 31, 2006.

3.03.02 All assets and liabilities of WPL were recorded at their book values as recorded in WPL's books of account.

3.03.03 Pursuant to the Scheme referred to in para 3.03.01 above, 3303136 equity shares of Rs.5 each had been issued to the shareholders of WPL in the ratio 4 (four) new equity shares of Rs.5 each in GIL as fully paid – up for every 5 (five) equity shares of Rs.10 each fully paid – up held by them in the capital of WPL.

3.03.04 In compliance with listing requirements of SEBI, the dividend on shares allotted on amalgamation of WPL, had been proposed on pari passu basis with effect from the date of amalgamation.

3.04 **Information regarding Micro, Small and Medium Enterprises:**

3.04.01 As at March 31, 2009 and March 31, 2008, no supplier has intimated the Company about its status as Micro or Small enterprises or its registration with the appropriate authority under Micro, Small and Medium Enterprises Act, 2006. So, no disclosure is made. The Company has compiled this information based on the current information in its possession.

3.04.02 As at March 31, 2007, 2006 and 2005, there were no specific claims from suppliers under the 'Interest on delayed payments to Small Scale Undertakings Act, 1993".

3.05 **Employee Benefits:**

For the financial years ended March 31, 2007, 2006 and 2005:

3.05.01 Retirement benefits to employees comprise contributions to provident fund and gratuity. Provident Fund contributions are charged to Profit and Loss Account. Provision for gratuity to those who have put in qualifying period of service under the Payment of Gratuity Act, 1972 was made on the assumption that all employees as are entitled to gratuity retire at the end of the Accounting year

3.05.02 Leave wages were accounted for when the employees proceed on leave or at the time of encashment.

For the financial year ended March 31, 2008:

3.05.03 Pursuant to adoption of Accounting Standard (AS) 15, the present value of obligations in respect of Defined Benefit Plans has been actuarially measured at the year-end on a discounted basis by the Projected Unit Credit Method on the basis of third-party actuarial valuation. The existing provision in the books being more than the required amount, a sum of Rs. 95.16 lacs has been adjusted against the opening balance of General Reserve.

3.05.04 Defined Contribution Plan: Employee benefits in the form of Provident Fund and ESIC are considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 and Employees' State Insurance Act, 1948, respectively, are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.

3.05.05 Defined Benefit Plan: Retirement benefits in the form of gratuity are considered as defined benefit obligations and are provided for on the basis of third party actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet.

3.05.06 As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation. The existing liability as per books being more than the present value of obligations at the year end, the surplus amounting to Rs. 95.16 lacs has been credited to General Reserve. Defined Benefit Obligation at the year end amounted to Rs. 182.17 lacs.

3.05.07 Actuarial assumptions:

Mortality Table (LIC)	LICI 1994-1996
Discount Rate (per annum)	8
Expected Rate of Return on plan assets (per annum)	-
Rate of escalation in salary (per annum)	6

3.05.08 The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

3.05.09 The above information is certified by the actuary.

3.05.10 Para 132 of Accounting Standard 15 (revised 2005) does not require any specific disclosures except where expense resulting from compensated absence is of such size, nature or incidence that its disclosure is relevant under Accounting Standard 5 or Accounting Standard 18. In the opinion of the management the expense resulting from compensated absence is not significant and hence no disclosures are prepared under various paragraphs of AS 15 (revised 2005).

3.05.11 In case of all the financial periods covered by this report, inventories are taken, valued and certified by the management.

3.05.12 In case of all the financial periods covered by this report, balances under Sundry Debtors, Sundry Creditors, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

3.06 Borrowing costs capitalised are as follows:

	(Rs. in lacs)
For the financial year ended March 31, 2009	407.47
For the financial year ended March 31, 2008	29.52
For the financial year ended March 31, 2007	157.78
For the financial year ended March 31, 2006	113.72
For the financial year ended March 31, 2005	28.94

3.07 Raw Materials Consumed includes cost of raw materials sold as follows:

	(Rs. in lacs)
For the financial year ended March 31, 2009	491.86
For the financial year ended March 31, 2008	707.56
For the financial year ended March 31, 2007	17.65
For the financial year ended March 31, 2006	45.69

	(Rs. in lacs)
For the financial year ended March 31, 2005	33.41

3.08 Company's Tizit (Nagaland) unit is entitled to exemption from levy of Central Excise Duty with effect from 16.05.2005 as per Notification No. 32/99-CE dated 08.07.1999 of Central Excise Department. The Central Excise Duty debited to Profit & Loss Account is net of refund received under such exemption as follows:

	(Rs. in lacs)
For the financial year ended March 31, 2009	254.38
For the financial year ended March 31, 2008	479.32
For the financial year ended March 31, 2007	810.99
For the financial year ended March 31, 2006	564.60

There have been some changes in the area based exemption scheme operating in the North-Eastern states with effect from April 1, 2008. Upto March 31, 2008 the scheme provided for refund of duty to the manufacturer for the quantum of duty paid in cash or through PLA. With effect from April 1, 2008 there have been some changes in the exemption Scheme incorporated through Notification No. 17/2008-CE; 18/2008-CE and 20/2008-CE all dated March 27, 2008. The current notification provides that the extent of exemption shall henceforth be equivalent to the duty payable on value addition carried out by the unit in those areas. The rates of value addition for goods falling under different chapters of the Central Excise Tariff have been prescribed in the Notification. The amount of refund due to the unit at the end of the month would be computed by simply multiplying the total duty payable by it with the applicable rate of value addition subject to a maximum of the actual duty paid by the Unit in cash or through PLA.

Change in Accounting Policies:

For the financial year ended March 31, 2008:

3.08.01 Prior to financial year ending on March 31, 2008, excise Duty on finished goods lying in stock with branches and / or in transit at the close of the year was included in the valuation of inventory at the rate of duty in force at the close of the year. From March 31, 2008, such excise duty is included in the valuation of inventory at the rate of duty in force at the time of clearance of goods from the factory. However, the effect of this change on financial results is not ascertainable.

3.08.02 Prior to financial year ending on March 31, 2008, closing stock of raw materials lying in Kriparampur Unit of the Company was valued at cost on FIFO basis. From March 31, 2008, the said stock is valued on Weighted Average basis. However, the effect of this change on financial results is not ascertainable

4.0 AUDITORS' QUALIFICATION AND REMARKS:

4.01 **Audit qualifications / remarks, which require any corrective adjustment in the financial information, are as follows:**

4.01.01 The auditors have qualified the reports for the financial years ended March 31, 2009, 2008, 2007, 2006 and 2005 for credit of export incentives in the Profit and Loss Account in the years of export on the basis of rates of duty in force as at the end of respective financial years. As the actual duty saving is dependant upon actual imports and rates of duty at the time of actual imports, this resulted into overstatement of profit for the aforesaid years. Accordingly, adjustments are made to the financial statement, as restated for each of these years as follows:

Adjustments	(Rs. In lacs)
For the financial year ended March 31, 2009	-273.87
For the financial year ended March 31, 2008	110.76
For the financial year ended March 31, 2007	-167.29
For the financial year ended March 31, 2006	33.89
For the financial year ended March 31, 2005	-39.82

The figures for the financial year ended March 31, 2005 stated above are after considering the impact of duty benefits accounted for in earlier years amounting to Rs. 123.73 lacs by which amount the 'Profit brought forward from previous year' has been adjusted accordingly.

4.02 **Other audit qualifications / remarks, which do not require any corrective adjustment in the financial information are as follows:**

The auditors have qualified the report for the financial years ended March 31, 2006 and 2005 that leave salary and wages and sale of waste and scraps are accounted for on cash basis. However, no corrective adjustment is made as the amounts are not considered material by the Management.

4.03 **Auditors' comments under CARO 2003:**

4.03.01 For the financial years ended March 31, 2009, 2008, 2007, 2006 and 2005, the auditors had reported that certain disputed amounts had not been deposited by the Company and further qualified their report that such amounts have not been provided for in books. The year-wise details are not given here as the 'Statement of disputed dues as at March 31, 2009 given in para 4.03.02 herein below, summarises the up-to-date position of such disputed dues after eliminating the items which have since been paid or settled otherwise.

4.03.02 Statement of disputed dues as at March 31, 2009

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
A) i) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	8.70 1.66 0.05	1997 – 1998	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
ii) West Bengal Sales Tax Act,1994	Sales Tax Penalty (Declaration Form 11)	0.67 0.01	2001 – 2002	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
iii) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	38.52	1993 – 1994, 1996 – 1997, 1997 – 1998 & 1998 – 1999	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
iv) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	70.61	1999 – 2000 & 2000 – 2001	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
v) West Bengal Sales Tax	Sales Tax Surcharge & Additional Surcharge Penalty	0.18	2002 – 2003	Assistant Commissioner of Commercial Taxes, Corporate Division.

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Act,1994	(For short submission of Declaration Form 11)			
vi) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	0.02	2004 – 2005	Assistant Commissioner of Commercial Taxes, Corporate Division.
vii) West Bengal Sales Tax Act,1994	Disallowance of Input Vat and Addition of Extra Purchase	27.10	2005 – 2006	Assistant Commissioner of Commercial Taxes, Corporate Division.
B) Delhi Sales Tax Act, 1975	Sales Tax (For short submission of ST – 1 Form)	0.12	2003 – 2004	Deputy Commissioner (Appeal – IV), New Delhi.
C) i) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	1.72	1997 – 1998	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
ii) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	1.57	2001 – 2002	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
iii) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	130.44	1993 – 1994, 1996 – 1997, 1997 – 1998 & 1998 – 1999	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
iv) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	32.43	1999 – 2000 & 2000 – 2001	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
v) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	0.14	2004 – 2005	Assistant Commissioner of Commercial Taxes, Corporate Division, Kolkata.
vi) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	42.68	2005 – 2006	Assistant Commissioner of Commercial Taxes, Corporate Division, Kolkata
D) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	0.33	2005 – 2006	Deputy Commissioner of Commercial Taxes (Appeals), Jaipur.
E) Rajasthan Sales Tax Act, 1994	Sales Tax	1.16	2005 – 2006	Deputy Commissioner of Commercial Taxes (Appeals), Jaipur.
F) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	0.32	2003 – 2004	Deputy Commissioner (Appeal – IV), New Delhi.
G) Rajasthan Sales Tax Act, 1994	Sales Tax (For short submission of ST-17 Forms)	30.78	2006 – 2007	Deputy Commissioner of Commercial Taxes (Appeals), Alwar.
H) Central Sales Tax	Sales Tax (For short submission of	613.42	2006 – 2007	Deputy Commissioner of Commercial Taxes

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Act, 1956	Declaration Form C)			(Appeals), Alwar.
I)Tamil Nadu Governme nt Sales Tax Act	Differential Tax Rate 16%	5.33	2002-2003	Hon'ble High Court at Madras
J) Tamil Nadu Governme nt Sales Tax Act	Differential Tax Rate	18.40	2003-2004	Hon'ble High Court at Madras
K) Tamil Nadu Governme nt Sales Tax Act	Differential Tax Rate	21.95	2004-2005	Hon'ble High Court at Madras
L) Central Excise Act, 1944	Central Excise (Penalty along with Interest for removal of capital goods)	1.17	2006-2007	Commissioner (Appeals), Central Excise, Jaipur-1
M) Central Excise Act, 1944	Non-payment of service tax on Business Auxiliary Service from Foreign Banks	0.96	2007-2008	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
N) Central Excise Act, 1944	Challenge against order sanctioning refund to Company	5.95	2008-2009	Commissioner (Appeals), Central Excise, Jaipur
O) Central Excise Act, 1944	Wrong claim of Cenvat Credit on Service Tax paid on Input Services	4.89	2007-2008	Deputy Commissioner, Central Excise, Jorhat
P) Central Excise Act, 1944	Wrong claim of Cenvat Credit on Service Tax paid on Input Services	0.65	2006-2007	Deputy Commissioner, Central Excise, Jorhat
Q) Central Excise Act, 1944	Non-payment of Excise Duty on Financial Charges realised	11.06	2002-2003 to 2004-2005	Commissioner of Central Excise, Dibrugarh
R) Central Excise Act, 1944	a) Disallowance of Cenvat Credit b) Penalty imposed on Company, Managing Director and an Executive	769.94 1900.58	2006-2007 to 2007-2008	Customs, Excise and Service Tax Appellate Tribunal, East Zonal Bench, Kolkata
S) Central Excise Act, 1944	a) Valuation of Goods b) Penalty	13.64 13.64	2006-2007 to 2007-2008	Commissioner (Appeals) Central Excise, Kolkata
T) Income Tax Act 1961	i) Disallowance of deduction under Section 80IC of the Act ii) Disallowance of deduction in respect of export incentives	38.27 129.66	2005-2006	Commissioner (Appeals) Central III, Kolkata

5.0 NOTES ON ADJUSTMENTS FOR RESTATED FINANCIAL STATEMENTS:

5.01 EMPLOYEE BENEFITS:

5.01.01 The Accounting Standard (AS) 15, "Employee Benefits (revised 2005)", issued by the Council of Institute of Chartered Accountants of India, originally comes into effect in respect of the accounting periods commencing on or after April 01, 2006 and was mandatory in nature from that date. Consequently, the above standard becomes applicable to the Company for any period on or after the effective date. However, subsequently the Council of the Institute has deferred the mandatory applicability of the standard for all periods on and after 7 December 2007. The Company adopted the Accounting Standard (AS) 15, "Employee Benefits (Revised 2005)", for the first time in preparing the financial statements for the year ended 31st March, 2008. Due to practical difficulties in retrospective application of Revised Accounting Standard (AS) 15, the impact on account of changes is not quantifiable in the individual years and has not been considered as an adjustment item for the purpose of restatement for the years ended March 31, 2007, 2006 and 2005.

5.01.02 Pursuant to adoption of the Accounting Standard (AS) 15 (Revised), the present value of obligations in respect of defined benefit plans was actuarially measured at the year-end on March 31, 2008 on discounted basis by the Projected Unit Credit Method on the basis of third party actuarial valuation. The then existing Provision for Gratuity in the books being more than the required amount, a sum of Rs. 95.16 lacs was adjusted against the opening balance of General Reserve in the financial year ended March 31, 2008. This adjustment was done by debiting Provision for Gratuity and crediting General Reserve However, in accordance with the Report of another Actuary received thereafter for the same date , the present value of obligations in respect of defined benefit plans have been re-ascertained and consequently, the aforesaid adjustment is reversed by the said amount of Rs. 95.16 lacs and a further sum of Rs. 0.56 lacs is debited to the Restated Statement of Profit and Loss for the financial year ended March 31, 2008.

5.02 Below mentioned is the summary of results of restatements in the audited accounts for the respective years and its impact on the profit or loss of the Company:

Rs. in lacs

Particulars	Reference to note	As at				
		March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
Prior Period Expenses	5.03	29.62	(17.09)	(5.19)	26.45	0.99
Gratuity Expenses	5.01.02	0.56	(0.56)	-	-	-
Prior Period Income	5.03	(0.35)	0.33	(2.18)	(9.01)	11.21
Sales Tax/VAT demand	5.04	18.76	14.00	1.85	(4.00)	(9.35)
Export Incentives	5.05	(273.87)	110.76	(167.29)	33.89	(39.82)
Differential Central Excise Duty	5.06	22.10	(1.98)	(3.60)	64.78	(22.53)
MAT credit	5.07	-	(120.45)	95.31	25.14	-
Income Tax for earlier years	5.08	0.35	(0.35)	8.98	1.54	-
Provision for Taxation (Current)	5.09	-	(4.09)	10.57	48.25	(45.56)
Total		(202.83)	(19.43)	(61.55)	187.04	(105.06)

5.03 PRIOR PERIOD ADJUSTMENTS:

During the financial years ended March 31, 2009, 2008, 2007, 2006 and 2005, certain items of income/expenses have been identified as prior period items. For the purpose of this Statement, such prior period items have been appropriately adjusted in the respective years. The adjustments relating to financial year ended March 31, 2005 has been adjusted in the opening balance in Profit & Loss Account.

5.04 **SALES TAX/VAT DEMAND**

During the financial years ended March 31, 2009, 2008, 2007, 2006 and 2005, the Company provided for Sales Tax/Vat demand raised. For the purpose of this Statement, such demands have been appropriately adjusted in the respective years. The adjustments relating to financial year ended March 31, 2005 has been adjusted in the opening balance in Profit & Loss Account.

5.05 **EXPORT INCENTIVES**

For the financial years ended March 31, 2009, 2008, 2007, 2006 and 2005, the auditors have qualified their reports for credit of unearned duty savings by way of export incentives in the Profit and Loss Account in the said period of export on the basis of rates of duty in force as at the end of period. As the actual duty saving is dependant upon actual imports and rates of duty at the time of actual imports, this resulted into overstatement of profit for the period. Accordingly, necessary adjustment has been made in the financial periods covered by the financial statement, as restated. The adjustments relating to financial year ended March 31, 2005 has been adjusted in the opening balance in Profit & Loss Account.

5.06 **DIFFERENTIAL CENTRAL EXCISE DUTY**

During the financial years ended March 31, 2009, 2008, 2007 and 2006, the Company debited Differential Central Excise Duty to its Profit & Loss account. For the purpose of this Statement, these payments have been adjusted in the respective financial years. The adjustments relating to financial year ended March 31, 2006 which do not pertain to the financial year ended March 31, 2005, have been adjusted in the opening balance in Profit & Loss Account.

5.07 **MAT CREDIT**

During the financial years ended March 31, 2008, the Company accounted for MAT credit entitlement for Rs. 120.45 lacs. For the purpose of this Statement, MAT credit entitlement is adjusted in the financial years ended March 31, 2007 and March 31, 2006.

5.08 **INCOME TAX FOR EARLIER YEARS**

During the financial years ended March 31, 2009, 2007 and 2006 the Company debited Income tax paid for earlier years in its Profit and Loss Account amounting to Rs.0.35 lacs, Rs. 8.98 lacs and Rs. 1.54 lacs respectively. For the purpose of this Statement, a sum of Rs. 0.35 lacs has been adjusted in the financial year ended March 31, 2008 and the remaining sum of Rs. 10.52 lacs have been adjusted in the opening balance in Profit & Loss Account.

5.09 **PROVISION FOR TAXATION**

Provision for Taxation made for the financial years ended March 31, 2008, 2007, 2006 and 2005 have been restated on the basis of restated statement of profit & loss account.

6.0 MATERIAL REGROUPING

6.01 During the financial year ended March 31, 2007, 'Sales Tax and Turnover Tax' was deducted from Sales which was earlier shown in 'Administrative, Selling, Distribution and Other Expenses' and thereafter, it has been deducted from Sales in all other financial periods covered by this Report. Accordingly, the figures of the financial years ended March 31, 2006 and 2005 have been regrouped in the Restated Summary Statements.

6.02 During the financial year ended March 31, 2008, 'Other Repairs' was regrouped from 'Manufacturing Expenses' to 'Administrative, Selling, Distribution and Other Expenses'. Accordingly, the figures of the financial years ended March 31, 2007, 2006 and 2005 have been regrouped in the Restated Summary Statements. The 'Administrative, Selling, Distribution and Other Expenses' have been bifurcated into 'Administrative Expenses' and 'Selling Expenses'.

7.0 CONTINGENT LIABILITIES NOT PROVIDED FOR:

Rs. in lacs

Particulars	As at				
	March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
Estimated amount of contract remaining to be executed on capital account (net of advances)	15,946.80	8275.98	543.14	2,288.00	709.00
Guarantees given on behalf of Subsidiaries	2,197.80	458.80	155.49	-	-
Guarantees given on behalf of other Companies	-	-	-	-	-
Guarantees given by banks on our behalf	195.26	333.05	75.59	60.58	65.96
Claim against the Company not acknowledged as debts	27.71	20.00	20.00	20.00	20.00
Legal cases against the Company	-	-	-	-	-
Disputed demands of statutory dues not provided for	3938.72	750.62	757.15	673.91	74.78
Letter of Credit established but material not received	1019.32	769.55	1068.59	557.24	473.54

8.0 EXPORT OBLIGATIONS AS ON MARCH 31, 2009 - NIL

Annexure - E

Statement giving details of Fixed Assets									
	March 31, 2009			March 31, 2008			March 31, 2007		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Tangible Assets									
Freehold Land	1,104.85	-	1,104.85	56.57	-	56.57	56.56	-	56.56
Leasehold Land	758.47	29.43	729.04	710.73	21.59	689.14	710.73	14.26	696.47
Land Development	377.93	14.23	363.70	377.93	10.43	367.50	377.93	6.64	371.29
Plantations	125.51	-	125.51	125.51	-	125.51	125.51	-	125.51
Buildings	5,352.07	662.64	4,689.43	4,769.97	523.13	4,246.84	3,688.97	391.43	3,297.54
Plant & Machinery	15,604.05	5,476.05	10,128.00	14,279.97	43,07.94	9,972.03	1,1385.54	3,571.85	7,813.69
Furniture & Fixtures	709.15	128.84	580.31	558.16	93.50	464.66	291.11	66.98	224.13
Vehicles	1,088.67	247.72	840.95	819.03	178.84	640.19	472.05	149.28	322.77
Heavy Vehicles	99.18	48.19	50.99	76.49	42.65	33.84	46.83	28.93	17.90
Office Equipment	1,434.55	541.59	892.96	1,161.39	403.56	757.83	653.28	248.21	405.07
Total (A)	**26,654.43**	**7,148.69**	**19,505.74**	**2,2935.75**	**5,581.64**	**17,354.11**	**1,7808.51**	**4,477.58**	**13,330.93**
Capital Work in Progress									
Plant & Machinery	4,017.81	-	4,017.81	244.99	-	244.99	1,288.85	-	1,288.85
Incidental Expenditure pending capitalisation	1,151.15	-	1,151.15	11.99	-	11.99	-	-	-
Total (B)	**5,168.96**	**-**	**5,168.96**	**256.98**	**-**	**256.98**	**1,288.85**	**-**	**1,288.85**
Intangible Assets									
Goodwill	340.00	68.00	272.00						
Trademarks	68.58	25.72	42.86	68.58	18.86	49.72	68.58	12.01	56.57
Total (C)	**408.58**	**93.72**	**314.86**	**68.58**	**18.86**	**49.72**	**68.58**	**12.01**	**56.57**
TOTAL (A+B+C)	**32,231.97**	**7,242.41**	**24,989.56**	**23261.31**	**5600.50**	**17660.81**	**19165.94**	**4489.59**	**14676.35**

	March 31, 2006			March 31, 2005		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Tangible Assets						
Freehold Land	9.63	-	9.63	2.06	-	2.06
Leasehold Land	707.13	6.93	700.20	75.81	-	75.81
Land Development	371.75	2.86	368.89	18.69	-	18.69
Plantations	125.51	-	125.51	125.51	-	125.51
Buildings	1,915.41	304.63	1,610.78	1,319.55	199.07	1,120.48
Plant & Machinery	6,448.90	3,336.84	3,112.06	4,616.92	2,349.92	2,267.00
Furniture & Fixtures	238.12	52.48	185.64	114.89	39.70	75.19
Vehicles	392.23	130.53	261.70	250.19	94.38	155.81
Heavy Vehicles	29.05	27.60	1.45	29.05	27.60	1.45
Office	462.89	213.06	249.83	320.40	164.30	156.10

	March 31, 2006			March 31, 2005		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Equipment						
Total (A)	**10,700.62**	**4,074.93**	**6,625.69**	**6,873.07**	**2,874.97**	**3,998.10**
Capital Work in Progress						
Plant & Machinery	3,027.08	-	3,027.08	93.68	-	93.68
Incidental Expenditure pending capitalisation	288.30	-	288.30	-	-	-
Total (B)	**3,315.38**	**-**	**3,315.38**	**93.68**	**-**	**93.68**
Intangible Assets						
Trademarks	68.58	5.15	63.43	-	-	-
Total (C)	**68.58**	**5.15**	**63.43**	**-**	**-**	**-**
TOTAL (A+B+C)	**14,084.58**	**4,080.08**	**10,004.50**	**6,966.75**	**2,874.97**	**4,091.78**

Note:
The above statement be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure - F

Standalone Details of Investments of the Company

(Rs. in lacs)

Particulars	As at				
	March, 31 2009	March, 31 2008	March, 31 2007	March, 31 2006	March, 31 2005
Long Term (At cost) – Quoted					
In Others - Non-Trade					
Equity Shares of Himalaya Granites Limited	8.14	8.14	8.14	8.14	0.13
Equity Shares of Indian Overseas Bank Limited	0.82	0.82	0.82	0.82	-
Long Term (At cost) - Unquoted					
In Subsidiaries - Trade					
Equity Shares of Greenlam Asia-Pacific Pte. Limited (Formerly: Gil Inter-continental Pte. Limited)	125.31	104.21	104.21	-	-
Equity Shares of Greenlam America, Inc.	86.99	-	-	-	-
Equity Shares of Platinum Veneers P. Limited	-	195.00	-	-	-
Equity Shares of Galaxy Decor P. Limited	-	190.00	-	-	-
In Others - Non-Trade					
Equity Shares of Worthy Plywoods Limited	-	-	-	-	9.60
Equity Shares of Prime Properties Private Limited	-	-	-	1.50	0.80
Equity Shares of Green Tea Industries Private Limited	-	-	-	0.10	-
Total	221.26	498.17	113.17	10.56	10.53
Investments in Related Parties	220.44	497.35	112.35	9.74	10.53
Aggregate Cost - Unquoted	212.30	489.21	104.21	1.60	10.40
Aggregate Cost - Quoted	8.96	8.96	8.96	8.96	0.13

Note: The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure - G

Standalone Restated Summary Statement of Sundry Debtors of the Company

(Rs. in lacs)

	As at				
Particulars	**March 31, 2009**	**March31, 2008**	**March 31, 2007**	**March 31, 2006**	**March 31, 2005**
Debts for period exceeding six months (Considered good and recoverable)	559.17	153.17	101.92	139.56	90.86
Others	12,982.17	9,404.12	7,148.16	4,935.86	4,050.04
	13,541.34	9,557.29	7,250.08	5,075.42	4,140.90
Less: Provision for Doubtful Debts	-	-	-	-	-
Total Sundry Debtors	13,541.34	**9,557.29**	**7,250.08**	**5,075.42**	**4,140.90**
Amount due from Related Parties					
Amount due from related parties includes:	1,723.54	386.92	106.90	84.07	-
From Promoters	-	-	-	-	-
From Promoter Group	1,723.54	386.92	106.90	84.07	-
Total	**1,723.54**	**386.92**	**106.90**	**84.07**	**-**

Notes:

1 Detail of related party transactions and balances have been disclosed in 'Annexure-O'.

2 The above Statement should be read with the Significant Accounting Policies and Selected notes to accounts for Restated Summary Statements as appearing in Annexure D to this report.

Annexure - H

Standalone Restated Summary Statement of Loans and Advances of the Company

(Rs. in lacs)

	As at				
Particulars	**March 31, 2009**	**March 31, 2008**	**March 31, 2007**	**March 31, 2006**	**March 31, 2005**
Loans and Advances to Subsidiary Companies	-	711.20	-	-	-
Loan to Employees & Others	154.82	162.52	128.88	50.12	40.84
Advance recoverable in cash or in kind or for value to be received and/or to be adjusted	6,358.57	3,878.87	2,212.94	1,528.99	769.32
Deposits	351.78	274.86	241.85	151.93	92.32
TOTAL	**6,865.17**	**5,027.45**	**2,583.67**	**1,731.04**	**902.48**
Amount due from Related Parties	-	711.21	-	-	-
Amount due from related parties includes:					
From Promoters	-	-	-	-	-
From Promoter Group/ Subsidiaries	-	711.21	-	-	-
Total	-	**711.21**	**-**	**-**	**-**

Notes:

1 Detail of related party transactions and balances have been disclosed in 'Annexure-O'.

2 The above Statement should be read with the Significant Accounting Policies and Selected notes to accounts for Restated Summary Statements as appearing in Annexure D to this report.

Annexure I

Standalone Details of Secured Loans of the Company

(Rs. in lacs)

Sr. No.	Particulars	Rate of Interest	Repayment Schedule	Balance as at				
				March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
A.	**Secured Loans**							
1	**Hire Purchase Finance/ Vehicle loans from HDFC Bank Limited**	**9.00%**	**36 Monthly**	**8.34**	**12.01**	**-**	**-**	**-**
	Secured against hypothecation of specific vehicle, charge not registered u/s. 125 of the Companies Act, 1956.		Installments commencing From 31st May, 2008 and ending in April, 2011					
2	**Term Loan from Industrial Investment Bank of India Limited (IIBI)**			-	-	-	-	105.00
	Secured by first mortgage and charge on the immovable and movable properties, save and except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with IIBI.							
3	**Term Loan from Industrial Development Bank of India (IDBI)**			-	-	-	200.00	450.00
	Secured by first mortgage and charge on the immovable and movable properties, save and except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with IDBI Bank							
4	**Term Loan from Industrial Development Bank of India (IDBI)(WPL)**			-	-	-	45.00	-

Sr. No.	Particulars	Rate of Interest	Repayment Schedule	Balance as at				
				March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
	Secured by first mortgage and charge on the immovable and movable properties located at Kriparampur (West Bengal) and Tinsukia (Assam), save and except current assets, both present and future, second charge over the current assets and personal guarantee of two directors of our Company ranking on pari passu basis.							
5	**Term Loan from Industrial Development Bank of India (IDBI)(FCNR)**	**11.25%**	**2 Half Yearly**	**-**	**901.61**	**1,483.43**	**1,530.11**	**-**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), Save & except current assets, Both present and future, second charge Over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with IDBI Bank		Installments payable in June, 2008 & December 2008					
6	**Term Loan from ING Vysya Bank Limited (VB)**	**10.00%**	**36 Monthly**	**833.33**	**1,000.00**	**9.29**	**134.29**	**259.24**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with ING Vysya Bank		Installments commencing from October 31, 2008 and ending in September 30, 2011					
7	**Term Loan from**	**12.75%**	**48 Monthly**	**42.93**	**229.93**	**566.14**	**885.76**	**1,113.73**

Sr. No.	Particulars	Rate of Interest	Repayment Schedule	Balance as at				
				March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
	State Bank of India							
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with State Bank of India		Installments commencing from July 2005 and ending in June 2009					
8	**Term Loan from Axis Bank Limited (Formerly: UTI Bank Limited)**			**1,301.55**	**2,109.34**	**1,371.63**	**495.40**	**575.00**
	TL-1	**8.50%**						
	TL-2	**8.75%**						
	TL-3	**9.25%**	**22 Monthly**					
			Installments commencing from April 2007 and ending in December 2008					
	TL-4	**9.25%**	**48 Monthly**					
			Installments commencing from July 2005 and ending in June 2009					
	TL-5	**10.00%**	**36 Monthly**					
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with Axis Bank Limited		Installments Commencing from September 2008 and ending in August 2011					

Sr. No.	Particulars	Rate of Interest	Repayment Schedule	Balance as at				
				March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
9	**Term Loan from UTI Bank Limited (WPL)**			**-**	**-**	**-**	**1,701.15**	**-**
	Secured by first mortgage and charge on the immovable and movable properties located at Kriparampur (West Bengal) and Tinsukia (Assam), save and except current assets, both present and future, second charge over the current assets and personal guarantee of two directors of our Company ranking on pari passu basis.							
10	**Term Loan from Export Import Bank of India**	**7.80% Payable**	**18 Quarterly**	**611.09**	**833.32**	**1,000.00**	**1,000.00**	**-**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with EXIM Bank.	Quarterly	Installments commencing From September 2007 and ending in December 2011					
11	**Term Loan from State Bank of Hyderabad**	**Originally**	**42 Monthly**	**749.97**	**1,178.42**	**1,509.79**	**1,342.53**	**-**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with State Bank of Hyderabad.	Sanctioned at 7.75%, subsequently revised to 12%	Installments Commencing from July 2007 and ending in December 2010					

Sr. No.	Particulars	Rate of Interest	Repayment Schedule	Balance as at				
				March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
12	**Term Loan from State Bank of Indore**	**Originally**	**42 Monthly**	**1,541.13**	**1,141.70**	**1,500.00**	**-**	**-**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with State Bank of Indore.	Sanctioned at 7.75%, subsequently revised to 10.75%	Installments Commencing from July 2007 and ending in December 2010					
13	**Term Loan from Industrial Development Bank of India Limited**	**10.75%**	**16 Quarterly**	**2,500.00**	**1,200.00**	**-**	**-**	**-**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with IDBI Bank.		Installments commencing from April 2009 and ending in January 2013					
14	**Term Loan from Industrial Development Bank of India (IDBI)**	**12.00%**	**20 Equal**	**1,350.00**	**-**	**-**	**-**	**-**
	Secured by first mortgage and charge on the immovable and movable properties, save and except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with IDBI Bank	IDBI BPLR (14.25% on date of Sanction) less 2.25%	Quarterly Installments commencing from October 2011, i.e. a moratorium of one and a half years from the date of Commercial					

Sr. No.	Particulars	Rate of Interest	Repayment Schedule	Balance as at				
				March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
			Production					
15	**Term Loan from Industrial Development Bank of India (IDBI)**	**12.50%**	**54 Monthly**	**1,000.00**	**-**	**-**	**-**	**-**
	Secured by first mortgage and charge on the immovable and movable properties, save and except current assets, both present and future, second charge over the current assets of our Company and personal guarantee of three directors of our Company ranking on pari passu basis with IDBI Bank	IDBI BPLR (13.50% on date of Sanction) less 1.00%	Installments commencing after a moratorium of 12 months from the date of Commercial Production					
16	**Term Loan from Standard Chartered Bank** Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second pari passu charge over the current assets of our Company.	6 Months JPY LIBOR + 2% per annum Interest Payment to be six monthly.	Repayment to start from the end of 30th Month of first drawdown as per following table. 30th Month 10% 36th Month 10% 42nd Month 10% 48th Month 10% 54th Month 15% 60th Month 15% 66th Month 15% 72nd Month- 5%	2,795.10	-	-	-	-

Sr. No.	Particulars	Rate of Interest	Repayment Schedule	Balance as at				
				March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
	Secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the company, on pari passu basis, and personal guarantee of three Directors of our Company.							
17	**Working Capital from Export Import Bank of India Limited (Exim Bank) (FCNR)**	**LIBOR+100 BPS**		**-**	**398.90**	**433.75**	**447.40**	**439.15**
	Secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the company, on pari passu basis, and personal guarantee of three Directors of our Company.							
18	**Working Capital Rupee Loan**	**11% to 14.75%**		**1,539.79**	**3,710.95**	**4,002.24**	**1,175.91**	**1,424.22**
	Secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the company, on pari passu basis, and personal guarantee of three Directors of our Company.							
19	**Working Capital FCNR(B)/PC Loan**			**3,855.03**	**-**	**-**	**749.25**	**2251.70**
	Secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the company, on pari passu basis, and personal guarantee of three Directors of our Company.							
20	**Working Capital Loan from Export Import Bank of India**			**1,144.05**	**670.00**	**670.00**	**670.00**	**-**

Sr. No.	Particulars	Rate of Interest	Repayment Schedule	Balance as at				
				March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
	Secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the company, on pari passu basis, and personal guarantee of three Directors of our Company.							
	Total Secured Loans			**19,272.31**	**13,386.18**	**12,546.27**	**10,376.80**	**6,618.04**
Notes:								
1	Repayment Schedule given above is applicable only for Loans outstanding as on March 31, 2009.							

2	The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report

Annexure - J

Standalone Details of Unsecured Loans of the Company

(Rs. in lacs)

Sr. No.	Particulars	Balance as at				
		March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
B	**Unsecured Loans**	**1,500.00**	**1,500.00**	**-**	**-**	**-**
1	From Banks -	1,500.00	1,500.00	-	-	-
	Short Term for periods ranging from 7 to 11					
	months and interest rates varying from					
	12.50% to 14.35%.					
2	**From Banks - Vehicle Finance**	**412.26**	**377.04**	**127.16**	**91.27**	**42.26**
	From Banks	**412.26**	377.04	127.16	91.27	42.26
	All loans repayable in installments over the					
	next 3 years, interest rates varying from					
	7.22% to 14.50%					
3	**From Corporate Bodies**	**4,609.00**	**1,825.00**	**1,980.00**	**1,910.08**	**1,080.00**
a)	Short term, repayable on demand and	**4,609.00**	1,825.00	1,980.00	1,135.00	1,080.00
	interest payable at rates varying from					
	9% to 11%.					
b)	Short term, repayable on demand and					
	interest free	-	-	-	775.08	-
4	Interest Accrued and due	5.80	23.52	3.99	2.13	11.51
	Total Unsecured Loans	**6,527.06**	**3,725.56**	**2,111.15**	**2,003.48**	**1,133.77**

Note:

The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure - K

Standalone Restated Summary Statement of Sales of the Company

(Rs. in lacs)

Sr. No.	Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006	For the year ended March 31, 2005	Nature
1	**Sales (net of Returns and Excise Duty)**						
	Sales (net of Returns)	82,952.80	63,185.84	46,952.46	30,822.10	18,840.19	
	Add / (Less): Adjustment for Export Incentives	(273.87)	110.76	(167.29)	33.89	(39.82)	
		82,678.93	63,296.60	46,785.17	30,855.99	18,800.37	
	Less: Central Excise Duty	3,940.21	3,944.76	4,033.44	2,803.82	1,599.29	
	Less: Sales Tax/VAT	6,485.64	5,049.61	3,700.82	2,222.75	933.49	
	Net Sales	72,253.08	54,302.23	39,050.91	25,829.42	16,267.59	Recurring
1A	Traded Normally	72,253.08	54,302.23	39,050.91	25,829.42	16,267.59	Recurring
	Total	**72,253.08**	**54,302.23**	**39,050.91**	**25,829.42**	**16,267.59**	
	From Related Parties	2,414.06	1,154.65	191.82	187.51	0.08	
	With related parties includes:						
	From Promoters	-	-	-	-	-	
	From Promoter Group	2,414.06	1,154.65	191.82	187.51	0.08	
	Total	2,414.06	1,154.65	191.82	**187.51**	**0.08**	

Note:

1 Detail of related party transactions and balances have been disclosed in 'Annexure-O'.

2 The goods traded by our Company are same as manufactured by it. Although purchase of such goods is shown separately, the sales of purchased goods could not be ascertained separately and forms part of sale of the manufactured goods.

3 The above Statement should be read with the Significant Accounting Policies and Selected notes to accounts for Restated Summary Statements as appearing in Annexure D to this report.

Annexure - L

Standalone Restated Summary Statement of Other Income of the Company

(Rs. in lacs)

Sr. No.	Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006	For the year ended March 31, 2005	Nature
1	Carbon credits	126.53	-	-	-	-	Recurring
2	Royalty Received	-	-	-	-	33.73	Non-recurring
3	Dividend on long term Investments (gross)	0.12	1.62	14.24	1.55	0.13	Recurring
4	Profit on sale of Investments	-	-	0.24	56.25	5.21	Non-recurring
5	Profit on sale of Fixed Assets	-	-	-	-	3.24	Non-recurring
6	Insurance Claim Received	48.84	58.87	31.61	12.56	9.29	Non-recurring
7	Interest Received (Gross)						
8	Exchange Gain Realised	-	53.44	-	-	33.49	Non-recurring
9	Balance Written Off	10.65	0.68	0.75	4.65	4.17	Non-recurring
10	Interest Subsidy Received	-	5.51	30.61	8.28	-	Recurring
11	Prior Period Income	-	0.35	0.02	2.20	11.21	Non-recurring
12	Miscellaneous Income	29.40	21.69	3.42	5.84	0.51	Recurring
	Total	**215.54**	**142.16**	**80.89**	**91.33**	**100.98**	
	From Related Parties	-	1.52	3.90	1.52	33.86	
	With related parties includes:						
	From Promoters	-	-	-	-	-	
	From Promoter Group	-	1.52	3.90	1.52	33.86	
	Total	**-**	**1.52**	**3.90**	**1.52**	**33.86**	

Note:

1 Detail of related party transactions and balances have been disclosed in 'Annexure-O'.

2 The above Statement should be read with the Significant Accounting Policies and Selected notes to accounts for Restated Summary Statements as appearing in Annexure D to this report.

Annexure - M

DIVIDENDS

Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006	For the year ended March 31, 2005
Equity Shares					
Rate of Dividend	30%	60%	50%	40%	25%
Dividend Amount (Rs in Lacs)	254.96	503.92	413.48	265.85	126.65
Tax on above Dividend (Rs in Lacs)	43.33	85.64	65.39	37.29	17.04
Face Value of Equity Share (Rs)	5	5	5	5	10
Dividend per Share (Rs)	1.50	3.00	2.50	2.00	2.50
Preference Shares					
6% Cumulative Redeemable Non-Convertible Preference Shares					
Rate of Dividend (% p.a.)	-	-	-	6%	6%
Dividend Amount (Rs in Lacs)	-	-	-	18.85	0.57
Tax on above Dividend (Rs in Lacs)	-	-	-	2.64	0.07

Annexure – N

CAPITALISATION STATEMENT
Standalone Capitalisation statement of the Company as at March 31, 2009

Particulars	Pre-Issue as at March 31, 2009	As at March 31, 2009 (Adjusted for Rights Issue only)*
Debts :		
Short Term	15,719.27	15,719.27
Long Term	10,080.10	10,080.10
Total	**25,799.37**	**25,799.37**
Shareholders' Funds:		
Equity Share Capital	849.87	1,206.82
Reserves & Surplus (Excluding Revaluation Reserves)	16,690.86	22,758.95
Less: Miscellaneous Expenditure (to the extent not written off)	(10.95)	(10.95)
Total	**17,529.78**	**23,954.82**
Long Term Debt/ Equity Ratio	**0.58**	**0.42**

Notes:

1. Short term debts is considered as debt having original repayment term not exceeding 12 months.
2. Short term debts include installment of long term debts repayable within one year.
3. Long term debt is considered as debt other than short term debt as defined above.
4. The figures disclosed above are based on the Restated Summary Financial Statement of the Company as at March 31, 2009.
5. The above statement should be read with the Significant Accounting Policies and Summary of Selected Notes to Accounts, as appearing in Annexure D to this report.

*The capitalisation statement has been prepared based on the management's assumption that the proposed Rights Issue of Equity Shares by our Company of 50,99,234 Equity Shares to be issued at the rate of Rs 90 per Equity Shares would be subscribed fully and includes proceeds from 20,39,694 Detachable Warrants converted at the Floor Price

Annexure – O

Standalone Restated Summary Statement of Related Party Transactions

List of Parties where control exists

Name of Subsidiaries	Extent of Holding (In Percentage) as at				
	March 31, 2009	March 31, 2008	March 31, 2007	March 31, 2006	March 31, 2005
Greenlam Asia Pacific Pte. Limited (formerly Pacific Pte. Limited (formerly GIL Intercontinental PTE Limited)	100%	100%	100%		
Greenlam America, Inc.	100%				
Platinum Veneers P. Limited		100%			
Galaxy Decor P. Limited		100%			

Other Related Parties

Year ended March 31, 2009	Year ended March 31, 2008	Year ended March 31, 2007	Year ended March 31, 2006	Year ended March 31, 2005
Himalaya Granites Limited	Himalaya Granites Limited	Himalaya Granites Limited	Himalaya Granites Limited	Himalaya Granites Limited
Dholka Plywood Ind.P.Limited	Dholka Plywood Ind.P.Limited	Dholka Plywood Ind.P.Limited	Dholka Plywood Ind.P.Limited	
Greenply Leasing & Finance Limited	Greenply Leasing & Finance Limited	Greenply Leasing & Finance Limited	Greenply Leasing & Finance Limited	Greenply Leasing & Finance Limited
Trade Combines	Trade Combines	Trade Combines	Trade Combines	Trade Combines
				Worthy Traders
Prime Holdings P. Limited	Prime Holdings P. Limited	Prime Holdings P. Limited	Prime Holdings P. Limited	
Prime Properties P. Limited	Prime Properties P. Limited	Prime Properties P. Limited	Prime Properties P. Limited	
S.M. Management P. Limited	S.M. Management P. Limited	S.M. Management P. Limited	S.M. Management P. Limited	
S.M. Palriwal Charitable Trust	S.M. Palriwal Charitable Trust	S.M. Palriwal Charitable Trust	S.M. Palriwal Charitable Trust	S.M. Palriwal Charitable Trust
Shakuntala Devi Palriwal	Shakuntala Devi Palriwal	Shakuntala Devi Palriwal	Shakuntala Devi Palriwal	Shakuntala Devi Palriwal
Santosh Mittal	Santosh Mittal	Santosh Mittal	Santosh Mittal	Santosh Mittal
Karuna Mittal	Karuna Mittal	Karuna Mittal	Karuna Mittal	Karuna Mittal
Parul Mittal	Parul Mittal	Parul Mittal	Parul Mittal	Parul Mittal
Surbhi Mittal	Surbhi Mittal	Surbhi Mittal	Surbhi Mittal	Surbhi Mittal
Chitwan Mittal	Chitwan Mittal	Chitwan Mittal		

Director / Key Management Personnel				
Year ended March 31, 2009	**Year ended March 31, 2008**	**Year ended March 31, 2007**	**Year ended March 31, 2006**	**Year ended March 31, 2005**
Shiv Prakash Mittal	Shiv Prakash Mittal	Shiv Prakash Mittal	Shiv Prakash Mittal	Shiv Prakash Mittal
Rajesh Mittal	Rajesh Mittal	Rajesh Mittal	Rajesh Mittal	Rajesh Mittal
Saurabh Mittal	Saurabh Mittal	Saurabh Mittal	Saurabh Mittal	Saurabh Mittal
Shobhan Mittal	Shobhan Mittal	Shobhan Mittal	Shobhan Mittal	Shobhan Mittal
			K.C. Jain	K.C. Jain
M.Y. Konyak	M.Y. Konyak	M.Y. Konyak	M.Y. Konyak	M.Y. Konyak
Susil Kumar Pal	Susil Kumar Pal	Susil Kumar Pal	Susil Kumar Pal	
			Janaki Venkatramani	Janaki Venkatramani
Vinod Kumar Kothari	Vinod Kumar Kothari	Vinod Kumar Kothari		
Anupam Kumar Mukerji	Anupam Kumar Mukerji	Anupam Kumar Mukerji		
				P.K. Chatterjee
Sonali Bhagwati Dalal	Sonali Bhagwati Dalal	Sonali Bhagwati Dalal		

Annexure – O

Restated Summary Statement of Related Party Transactions

Particulars	Year ended 31st March, 2009	Year ended 31st March, 2008	Year ended 31st March, 2007	Year ended 31st March, 2006	Year ended 31st March, 2005
A. TRANSACTIONS					
1. Sales, Services and other Recoveries					
Himalaya Granites Limited	-	15.52	15.71	15.30	0.08
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	1,339.88	633.52	176.11	172.21	-
Greenlam America, Inc. (100% subsidiary)	1,074.18	-	-	-	-
Platinum Veneers Private Limited (100% subsidiary)	-	505.61	-	-	-
2. Sale of Fixed Assets					
Platinum Veneers Private Limited (100% subsidiary)	-	27.97	-	-	-
3. Purchase of Goods					
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental PTE Limited)	44.47	86.37	-	-	-
Platinum Veneers Private Limited (100% subsidiary)	-	510.42	-	-	-
Galaxy Decor Private Limited (100% subsidiary)	-	1.75	-	-	-
4. Payments against Services					
Prime Holdings Private Limited	26.40		3.36	3.36	-
S.M. Management Private Limited	16.80		3.00	-	-
Prime Properties Private Limited	24.00				
Trade Combines	2.40		4.20	5.10	0.90
Rajesh Mittal	118.89	78.39	41.12	22.18	8.06
Saurabh Mittal	122.53	75.03	38.88	20.16	6.72
S P Mittal	122.66	85.11	10.43	0.05	0.03
Shobhan Mittal	87.65	64.95	24.04	-	-
Parul Mittal	-	12.15	4.03	4.03	4.03
K C Jain	-	-	-	1.50	2.15
P K Chatterjee	-	-	-	-	0.02
Janaki Venkatramani	-	-	-	0.03	0.03
Susil Kumar Pal	2.00	2.24	0.20	0.03	-
Vinod Kumar Kothar	2.00	2.08	0.08	-	-
Anupam Kumar Mukerji	2.00	2.14	0.04	-	-
Moyna Yometh Konyak	2.00	2.00			
Sonali Bhagwati Dalal	2.00	2.02			
5. Finance Charges Paid					
Greenply Leasing & Finance Limited	-	-	4.78	9.72	0.09
Prime Holdings Private Limited	-	-	3.79	10.12	-
S.M.Management Private Limited	-	-	3.32	10.59	-
6. Dividend Payments					
Himalaya Granites Limited	-	-	3.92	8.00	21.26
7. Loan, Advance and Deposit Taken					
Greenply Leasing & Finance Limited	-	-	-	288.65	2.40
Himalaya Granites Limited	-	-	-	-	19.90

Particulars	Year ended 31st March, 2009	Year ended 31st March, 2008	Year ended 31st March, 2007	Year ended 31st March, 2006	Year ended 31st March, 2005
Prime Holdings Private Limited	-	-	-	239.85	-
S.M.Management Private Limited	-	-	-	249.24	-
8. Loan, Advance and Deposit Given					
Platinum Veneers Private Limited (100% subsidiary)	-	605.19	-	-	-
Galaxy Decor Private Limited (100% subsidiary)	-	106.02	-	-	-
9. Repayment of Loan, Advance and Deposit taken					
Greenply Leasing & Finance Limited	-	-	288.65	-	2.40
Himalaya Granites Limited	-	-	-	-	19.90
Prime Holdings Private Limited	-	-	239.85	-	-
S.M.Management Private Limited	-	-	249.24	-	-
10. Corporate Guarantee Given					
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	2,197.80	458.80	155.49	-	-
11. Release of Corporate Guarantee Given					
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited) (* Conversion Rate 1 SG$=33.30 INR)	458.80	155.49	-	-	-
B. BALANCE AT THE END OF PERIOD					
1. Debtors					
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	795.96	371.15	106.90	84.07	-
Greenlam America, Inc. (100% subsidiary)	927.58	-	-	-	-
Platinum Veneers Private Limited (100% subsidiary)	-	-	-	-	-
Himalaya Granites Limited	-	15.77	-	-	-
2. Creditors for Goods and Expenses					
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	-	86.37	-	-	-
Platinum Veneers Private Limited (100% subsidiary)	-	298.46	-	-	-
Galaxy Decor Private Limited (100% subsidiary)	-	1.75	-	-	-
3. Loans, Deposits and Advances Taken					
Greenply Leasing & Finance Limited	-	-	-	288.65	-
Prime Holdings Private Limited	-	-	-	237.25	-
S.M.Management Private Limited	-	-	-	249.18	-
4. Loans, Deposits and Advances Given					
Platinum Veneers Private Limited (100% subsidiary)	-	605.19	-	-	-
Galaxy Decor Private Limited (100% subsidiary)	-	106.02	-	-	-

1. The related party transactions disclosed are as per the requirement of Accounting Standard '18'.
2. The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure – P

Standalone Statement of Accounting Ratios of the Company

(Rs. In lacs)

Sr. No	Particulars	For the year year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006	For the year ended March 31, 2005
1	Net Profit after Tax, preference dividend and tax on preference dividend	3,527.79	3,854.03	2,190.77	1,574.05	422.31
2	Number of equity shares outstanding at the end of the year/period	1,69,97,446	1,69,97,446	1,64,52,446	1,34,35,446	50,66,155
3	Paid up value of each Equity Share (Rs.)	5.00	5.00	5.00	5.00	10.00
4	Number of equity shares outstanding at the end of the year/period (after split up of shares from Rs. 10 to Rs. 5)	1,69,97,446	1,69,97,446	1,69,97,446	1,34,35,446	1,01,32,310
5	Weighted average Number of equity shares of Rs. 5 each outstanding during the year/period after considering split up share (Refer note 5 below) (for Basic earnings per share)	1,69,97,446	1,67,05,028	1,58,81,197	1,34,35,446	1,01,32,310
6	Weighted average Number of equity shares of Rs. 5 each outstanding during the year/period after considering split up share (Refer note 5below) (for Diluted earnings per share)	1,69,97,446	1,67,05,028	1,63,17,197	1,34,35,446	1,01,32,310
7	Total Paid up capital	849.87	849.87	884.75	671.77	506.62
8	Reserves & Surplus (excluding Revaluation Reserve)	16,690.86	13,504.56	9,646.04	5,332.87	2,649.40
9	Miscellaneous Expenses (to the extent not written off or adjusted)	10.95	-	-	0.06	0.12
10	Net Worth (7+8-9)	17,529.78	14,354.43	10,530.79	6,004.58	3,155.90
	Accounting Ratios					
a)	**Earning per share**					
	Basic - Item (1)/(5)	20.75	23.07	13.79	11.72	4.17
	Diluted - Item (1)/(6)	20.75	23.07	13.43	11.72	4.17
b)	**Return on Net Worth-%**	20.12	26.85	20.80	26.21	13.38
c)	**Net asset Value per share (10) / (4)**	103.13	84.45	64.01	44.69	31.15

Sr. No	Particulars	For the year year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006	For the year ended March 31, 2005
	(Calculated on restated value of Rs. 5 per share) (Refer note 5)					

Notes

1) The ratios have been computed as under:

Basic & Diluted earnings per shareholder	Net profits after tax, as restated, attributable to equity share (Rs.)/ Weighted average number of equity shares outstanding during the year/period
Return on Net Worth (%)	Net profits after tax, as restated (Rs.)/ Net Worth, as restated, at the end of the year/period
Net Asset Value per Share (Rs.)	Net Worth, as restated, at the end of the year/period/ Number of equity shares outstanding at the end of the year/period

2) Equity Share Capital as at March 31, 2006 was after giving effect to the Scheme Amalgamation with Worthy Plywoods Limited and allotments of shares to the members of the amalgamating Company.

3) Potential conversion of the share warrants granted during the financial year ended March 31, 2007 is dilutive and accordingly has been considered in the calculation of diluted earning per share for the year.

4) As per the requirement of AS - 20, issued by the ICAI, the corresponding figures relating to all previous reporting periods have been re-stated to give the effect of the split of equity shares from Rs.10 each to Rs. 5 each.

5) Earnings per Share is calculated as per compliance of Accounting Standard 20- "Earning per Share".

6) The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure – Q

Standalone Restated Segmental Reporting of the Company

(Rs. in lacs)

Reportable Segment	Year	Plywood & Allied Products	Laminates & Allied Products	Unallocated	Total
Revenue	2004-05	6,206.03	12,594.34	-	18,800.37
	2005-06	13,592.55	17,248.14	15.30	30,855.99
	2006-07	22,452.96	24,315.97	16.24	46,785.17
	2007-08	34,588.74	28,692.34	15.52	63,296.60
	2008-09	48,119.13	34,547.11	12.69	82,678.93
Identifiable Expenses	2004-05	5,061.02	11,568.24	-	16,629.26
	2005-06	11,535.65	15,502.44	(0.01)	27,038.08
	2006-07	19,540.65	21,808.18	(0.01)	41,348.82
	2007-08	27,827.11	23,083.38	(0.02)	50,910.47
	2008-09	40,968.06	29,139.09	0.00	70,107.15
Segmental Operating Income	2004-05	1,145.01	1,026.10	-	2,171.11
	2005-06	2,056.90	1,745.70	15.31	3,817.91
	2006-07	2,912.31	2,507.79	16.25	5,436.35
	2007-08	6,761.63	5,608.96	15.54	12,386.13
	2008-09	7,151.07	5,408.02	12.69	12,571.78
Unallocable Expenses	2004-05			1,561.03	1,561.03
	2005-06			2,142.73	2,142.73
	2006-07			3,036.76	3,036.76
	2007-08			7,408.23	7,408.23
	2008-09			8,555.99	8,555.99
Operating Income	2004-05	1,145.01	1,026.10	(1,561.03)	610.08
	2005-06	2,056.90	1,745.70	(2,127.42)	1,675.18
	2006-07	2,912.31	2,507.79	(3,020.51)	2,399.59
	2007-08	6,761.63	5,608.96	(7,392.69)	4,977.90
	2008-09	7,151.07	5,408.02	(8,543.30)	4,015.79
Other Income (Net of Expenses)	2004-05	38.60	(2.19)	64.57	100.98
	2005-06	10.64	26.77	53.92	91.33
	2006-07	12.52	63.61	4.76	80.89
	2007-08	101.04	23.54	17.58	142.16
	2008-09	49.57	165.97	0.00	215.54
Profit Before Taxes	2004-05	1,183.61	1,023.91	(1,496.46)	711.06
	2005-06	2,067.54	1,772.47	(2,073.50)	1,766.51
	2006-07	2,924.83	2,571.40	(3,015.75)	2,480.48
	2007-08	6,862.67	5,632.50	(7,375.11)	5,120.06
	2008-09	7,200.64	5,573.99	(8,543.30)	4,231.33
Income Tax	2004-05			288.11	288.11
	2005-06			170.97	170.97
	2006-07			289.71	289.71
	2007-08			1,266.03	1,266.03
	2008-09			703.54	703.54
Profit After Tax	2004-05	1,183.61	1,023.91	(1,784.57)	422.95
	2005-06	2,067.54	1,772.47	(2,244.47)	1,595.54
	2006-07	2,924.83	2,571.40	(3,305.46)	2,190.77
	2007-08	6,862.67	5,632.50	(8,641.14)	3,854.03
	2008-09	7,200.64	5,573.99	(9,246.84)	3,527.79

Reportable Segment	Year	Plywood & Allied Products	Laminates & Allied Products	Unallocated	Total
Extraordinary Items	2004-05				-
	2005-06				-
	2006-07				-
	2007-08				-
	2008-09				-
Profit After Extraordinary Items	2004-05	1,183.61	1,023.91	(1,784.57)	422.95
	2005-06	2,067.54	1,772.47	(2,244.47)	1,595.54
	2006-07	2,924.83	2,571.40	(3,305.46)	2,190.77
	2007-08	6,862.67	5,632.50	(8,641.14)	3,854.03
	2008-09	7,200.64	5,573.99	(9,246.84)	3,527.79

Notes:

a) Segment Assets and Liabilities

All segment assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, advances and operating cash and bank balances.

b) Segment Revenue and Expenses

Segment revenue and expenses are directly attributable to the segment. It does not include dividend income, profit on sale of investments, interest expense (net), other expenses which cannot be allocated on a reasonable basis and provision for income tax.

c) The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure - R

Standalone Statement of Tax Shelter of the Company

(Rs. in lacs)

Particulars	For the Financial year ended March, 31			
	2008	**2007**	**2006**	**2005**
Tax rate applicable (%)	33.99%	33.66%	33.66%	36.59%
Profit Before Tax, as restated	**5,120.06**	**2,480.48**	**1,766.51**	**711.06**
Tax at applicable rates (A)	**1,740.31**	**834.93**	**594.61**	**260.19**
Adjustments:				
Permanent Differences				
-Dividend & Other Items (not liable to tax)	1.62	14.24	1.56	0.13
-Export Benefits / Deduction U/s.80HHC	186.20	296.96	129.66	163.55
-Deduction U/s 80IC	1,725.33	1,390.93	1,332.81	-
-Deduction U/s 80G	-	3.01	0.86	-
Total (B)	**1,913.15**	**1,705.14**	**1,464.89**	**163.68**
Timing Differences				
(1) Difference in treatment as per Income Tax and as per Books of Accounts.				
-Depreciation	1,152.27	1,223.96	(0.14)	242.69
-Other Adjustments	(198.59)	(327.02)	(138.77)	(23.87)
(2) Set-off of unabsorbed depreciation				
Total (C)	**953.68**	**896.94**	**(138.91)**	**218.82**
Net Adjustments (B+C)	**2,866.83**	**2,602.08**	**1,325.98**	**382.50**
Tax Savings / (Expenses) thereon **(D)**	974.44	875.86	446.32	139.97
Differential tax impact on account of Long Term Capital Gains, Excess of MAT over normal tax, Rounding off, etc. **(E)**	195.78	(300.36)	11.54	26.66
Total Taxation (Current Tax) (A-D-E)	**570.09**	**259.43**	**136.75**	**93.56**

Note:

1) Income Tax Return for the Financial Year 2008-2009 (Assessment Year 2009-2010) is not yet due.

AUDITORS' REPORT
ON
RESTATED CONSOLIDATED FINANCIAL INFORMATION
(As required by Part II of Schedule II of the Companies Act, 1956)

The Board of Directors,
Greenply Industries Limited
Makum Road,
Tinsukia.

Dear Sirs,

In continuation of our Report, dated July 30, 2009, on the Consolidated Restated Financial Information of M/s. GREENPLY INDUSTRIES LIMITED (hereinafter referred to as the "Company" or "Parent Company") for financial years ended on March 31, 2009, 2008 and 2007 and other financial information mentioned therein (Annexures A – Q), we further report that, in view of the Securities and Exchange Board of India (SEBI) circular number SEBI/CFD/DIL/ICDRR/1/2009/03/09 dated September 3, 2009, wherein the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 have been notified and SEBI (Disclosure and Investor Protection) Guidelines, 2000 have been rescinded, the words "SEBI (Disclosure and Investor Protection) Guidelines, 2000" ("the Guidelines") be read as SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the ICDR Regulations"). Further this shall form as an integral part of above mentioned report dated July 30, 2009.

For D. DHANDARIA & COMPANY,
(Chartered Accountants)

(Dindayal Dhandaria)
Partner
Membership No. 10928

Place: Kolkata
Dated: September 7, 2009

AUDITORS' REPORT
ON
RESTATED CONSOLIDATED FINANCIAL INFORMATION
(As required by Part II of Schedule II of the Companies Act, 1956)

The Board of Directors,
Greenply Industries Limited
Makum Road,
Tinsukia.

1. We have examined the attached Consolidated Restated Financial Information of **M/s. GREENPLY INDUSTRIES LIMITED** (hereinafter referred to as the "Company" or "Parent Company") for financial years ended on March 31, 2009, 2008 and 2007 prepared by the Company and approved by the Board of Directors of the Company in its meeting held on July 30, 2009 for the proposed Rights Issue of equity shares of the Company, in accordance with the requirements of:

   a. Paragraph B(1) of part II of Schedule II to the Companies Act, 1956 (hereinafter referred to 'the Act') and

   b. The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000 ('the Guidelines') and the clarification issued by the Securities and Exchange Board of India (hereinafter referred to as 'the SEBI') on January 19, 2000 as amended from time to time, in pursuance of section 11 of the Securities and Exchange Board of India Act, 1992.

2. We have examined such Consolidated Restated Financial Information taking into consideration:

   a. The terms of reference dated March 7, 2009 received from the Company, requesting us to carry out the assignment in connection with the Offer document being issued by the Company for its proposed rights issue; and

   b. The Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

3. a. The Consolidated Restated Financial Information furnished in this Report is based on the consolidated financial statements which have been audited by us for the financial years ended on March 31, 2009, 2008 and 2007 and approved by the Board of Directors. The consolidated restated financial statements for the years ended March 31, 2009, 2008 and 2007 have been extracted by the management from the audited financial statements of the Company and its subsidiaries for the respective years and approved by the Board of Directors. This Consolidated Financial Information is the responsibility of the Company's management. Our responsibility is to express an opinion on these accounts based on our audit.

We did not audit the financial statements of:

   a. Greenlam America, Inc., for the period from April 23, 2008 (i.e. the date of its incorporation) to March 31, 2009;

   b. Greenlam Asia-Pacific Pte. Ltd. (Formerly GIL Inter-continental Pte. Ltd.), for the financial years ended March 31, 2009, 2008 and from October 17, 2006 (i.e. the date of its amalgamation) to March 31, 2007;

   c. Platinum Veneers Private Limited for the financial period from November 1, 2007 (i.e. date of amalgamation) to March 31, 2008; and

   d. Galaxy Decor Private Limited for the financial period from November 1, 2007 (i.e. date of amalgamation) to March 31, 2008.

These Companies have been audited by other Chartered Accountants whose reports have been furnished to us and in our opinion in so far as it relates to the amounts included in these Consolidated Restated Summary Statements of Assets and Liabilities, Consolidated Statement of Profit and Loss and Consolidated Restated Cash Flow Statement are based solely on the report of other auditors. Accordingly, we have placed reliance on the respective auditors' reports furnished to us.

The total assets and liabilities and revenue of these entities as considered by us in our report, are as follows:

(Rs.in Lacs)

Particulars	Audited By	Financial Year ended		
		March 31, 2009	March 31, 2008	March 31, 2007
Greenlam America, Inc (Became subsidiary w.e.f. April 23, 2008)	Santiago De Velle			
Total Assets		1161.00	N.A.	N.A.
Total Revenue		623.69	N.A.	N.A.
Total Cash Flow		5.57	N.A.	N.A.
Greenlam Asia Pacific Pte. Ltd. (Formerly: Gil Inter-continental Pte. Ltd. - Became subsidiary w.e.f. October 17, 2006)	Stamford Associates LLP for year ended March 31, 2009; and J.K. Medora & Co. for the financial years ended March 31, 2008 & 2007.			
Total Assets		1569.60	869.42	429.07
Total Revenue		6437.10	5141.97	1219.14
Total Cash flow		70.65	31.48	0.53
Platinum Veneers P. Ltd. (Became subsidiary w.e.f. November 1, 2007)	Viren L. Kothari & Co.			
Total Assets		N.A.	1028.04	N.A.
Total Revenue		N.A.	627.54	N.A.
Total Cash Flow		N.A.	64.58	N.A.
Galaxy Decor P. Ltd. (Became subsidiary w.e.f. November 1, 2007)	Viren L. Kothari & Co.			
Total Assets		N.A.	109.59	N.A.
Total Revenue		N.A.	11.51	N.A.
Total Cash Flow		N.A.	7.10	N.A.
Grand Total of Assets		2730.60	2007.05	429.07
Grand Total of Revenue		7060.79	5781.02	1219.14
Grand Total of Cash Flows		76.22	103.16	0.53

The Company had not prepared Consolidated Financial Statements for the financial years ended March 31, 2006, 2005 and 2004 as the Company had no subsidiary at that time.

4. In accordance with the requirements of Paragraph B of Part II of Schedule II of the Act, the SEBI guidelines and terms of our engagement agreed with you, we report that:

   a. The Consolidated Restated Summary Statement of Assets and Liabilities of the Company, as at March 31, 2009, 2008 and 2007 as set out in Annexure A to this Report, are after making such adjustments and regroupings, as in our opinion are appropriate and more fully described in the Summary of Significant Accounting Policies and Summary of Selected Notes on Restated Summary Statements (Consolidated) appearing in Annexure D to this Report.

b. The Consolidated Restated Summary Statement of Profit and Loss of the Company for the financial years ended March 31, 2009, 2008 and 2007 as set out in Annexure B to this Report are after making such adjustments and regroupings, as in our opinion are appropriate and more fully described in the Summary of Significant Accounting Policies and Summary of Selected Notes on Restated Summary Statements appearing in Annexure D to this Report.

c. The Consolidated Restated Summary Statement of Cash Flow for the financial years ended March 31, 2009, 2008 and 2007 as set out in Annexure C to this Report are after making such adjustments and regroupings, as in our opinion are appropriate and more fully described in the Summary of Significant Accounting Policies and Summary of Selected Notes on Restated Summary Statements (Consolidated) appearing in Annexure D to this Report.

d. The Consolidated Restated Statement of Summary of Significant Accounting Policies and Summary of Selected Notes on Restated Financial Statements, as appearing in Annexure D to this Report applies to all reporting periods in the financial information, described in para 4(a), (b) and (c) above.

e. On the basis of our examination of these 'Consolidated Restated Summary Statements', as highlighted above, we state that:

   i) There is no adjustment on account of changes in accounting policies.

   ii) As explained in Note no. 4.01 of Annexure D, qualifications in the auditors' report which require any adjustment in the "Consolidated Restated Summary Statements" have been made

   iii) Notes on adjustments for Consolidated Restated Summary Statement are given in Note 5.0 of Annexure D to this Report.

   iv) There are no exceptional and/or extraordinary items which need to be disclosed separately in the Consolidated Restated Summary Statements and

   v) Restated Consolidated Financial Information has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate. The impact of such adjustments has been stated in Para 5.02 of Annexure D to the Consolidated Restated Financial Information.

As a result of these adjustments, the amounts reported in the above stated statements/financial information as at March 31, 2009, 2008 and 2007 are not necessarily the same as those appearing in the audited financial statements for the relevant financial years/period.

5. We or any other auditor have not audited any financial statements of the Company and / or its subsidiaries of any date or for any period subsequent to March 31, 2009 and accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to March 31, 2009.

Other Financial Information:

6. At the Company's request, we have also examined the following financial information proposed to be included in the Offer Document prepared by the Management and approved by the Board of Directors of the Company and annexed to this Report relating to the Company for the years ended March 31, 2009, 2008 and 2007.

   i) Statement giving details of Fixed Assets, enclosed in Annexure E.
   ii) Statement of Investments, enclosed in Annexure F;
   iii) Statement of Sundry Debtors, enclosed in Annexure G;

iv) Statement of Loans & Advances, enclosed in Annexure H;
v) Statement of secured loans and assets charged as securities, enclosed in Annexure I.
vi) Statement of unsecured loans, enclosed in Annexure J.
vii) Statement of Sales enclosed in Annexure K;
viii) Statement of Items of Other Income, enclosed in Annexure L;
ix) Statement of Dividend paid by the Company, enclosed in Annexure M.
x) Capitalisation Statement as at March 31, 2009, enclosed in Annexure N;
xi) Statement of Related Party Transactions, enclosed in Annexure O;
xii) Statement of Accounting Ratios based on the adjusted profits relating to earnings per share, return on net worth, net asset value per share, enclosed in Annexure P;
xiii) Statement of details of Segment Reporting, enclosed in Annexure Q;
xiv) Statement of Contingent Liabilities, as appearing in Note No. 7.0 of Annexure D.

7. In our opinion, the financial information as disclosed in the annexures to this report, read with the respective Summary of Significant Accounting Policies and Summary of Notes on Restated Summary Statements (Consolidated) disclosed in Annexure D and after making adjustments and regroupings as considered appropriate has been prepared in accordance with Part II of Schedule II of the Act and the Guidelines.

8. The report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statement referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. The report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed rights issue of the Company, and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For D. DHANDARIA & COMPANY,
(Chartered Accountants)

(Dindayal Dhandaria)
Partner
Membership No. 10928

Place: Kolkata
Dated: July 30, 2009

Annexure – A

Consolidated Restated Summary Statement of Assets and Liabilities of the Company

(Rs. in lacs)

Particulars		As at		
		March 31, 2009	**March 31, 2008**	**March 31, 2007**
A	**Fixed Assets**			
	a) Tangible Assets			
	Gross block	26,749.94	23,242.95	17,849.26
	Less: Depreciation/ Amortization upto date	7,188.93	5,731.74	4,486.16
	Net Block	19,561.01	17,511.21	13,363.10
	b) Intangible Assets (Trademark and Goodwill)			
	Gross block	422.92	470.43	80.75
	Less: Depreciation/Amortization upto date	93.72	18.86	12.01
	Net Block	329.20	451.57	68.74
	c) Capital Work in Progress	5,168.96	507.71	1,288.85
	Total (A) (a+b+c)	**25,059.17**	**18,470.49**	**14,720.69**
B	**Investments**	**8.96**	**8.96**	**8.96**
C	**Current Assets , Loans and Advances :**			
	Inventories	17,404.46	15,131.49	11,428.75
	Sundry Debtors	13,117.37	9,906.99	7,379.24
	Cash and Bank Balances	1,729.23	1,027.66	1,475.51
	Loans and Advances	6,900.55	4,465.33	2,599.15
	Total (C)	**39,151.61**	**30,531.47**	**22,882.65**
D	**Liabilities and Provisions**			
	Secured Loans	19,821.41	13,747.90	12,681.11
	Unsecured Loans	6,538.66	3,753.86	2,122.68
	Current Liabilities and Provisions	19,248.07	15,800.54	11,691.59
	Deferred Tax Liability	1,262.26	1231.30	581.54
	Total (D)	**46,870.40**	**34,533.60**	**27,076.92**
E	**Networth (A+B+C- D)**	**17,349.34**	**14,477.32**	**10,535.38**
F	**Represented by**			
i	Share Capital	849.87	849.87	884.75
ii	Reserves & Surplus (Excluding Revaluation Reserve)	16,549.72	13,634.17	9,652.91
	Less: Miscellaneous Expenditure to the extent not written off or adjusted	50.25	6.72	2.28
	Reserves and Surplus (Net)	16,499.47	13,627.45	9,650.63
G	**Networth (i+ii)**	**17,349.34**	**14,477.32**	**10,535.38**

Note: The above statement should be read with the significant accounting policies and summary of selected norms to accounts as appearing in Annexure D to this report.

Annexure – B

Consolidated Restated Summary Statement of Profit and Loss of the Company

(Rs. in lacs)

Particulars		For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
Income				
Sales & Services (Refer Annexure K)		77,082.99	58,964.81	40,187.87
Other Income (Refer Annexure L)		215.94	153.22	81.59
		77,298.93	59,118.03	40,269.46
Increase (Decrease) in Inventories		1,525.60	1,820.97	1,338.05
Total		**78,824.53**	**60,939.00**	**41,607.51**
Expenditure				
Purchase		7,689.53	5,444.51	1,199.41
Operating Cost		44,607.02	34,520.27	26,863.13
Personnel Cost		6,354.90	4,185.69	2,981.21
Administrative and Other Expenses		3,574.91	2,814.71	1,795.23
Selling and Distribution Expenses		7,123.86	5,666.59	4,235.20
Loss due to fluctuation in Foreign Exchange Rates		1,686.73	-	-
Financial Charges		1,993.71	1,824.60	1,178.26
Depreciation / Amortization		1,729.10	1,329.66	867.73
Total		**74,759.76**	**55,786.03**	**39,120.17**
Profit before Tax and Exceptional Items		4,064.77	5,152.97	2,487.34
Exceptional Items / Extraordinary Items		-	-	-
Profit before Tax		4,064.77	5,152.97	2,487.34
Provision for Taxation	- Current Tax	500.97	572.88	259.43
	- Deferred Tax	30.59	649.76	92.59
	- Fringe Benefit Tax	66.12	48.28	33.00
Income Tax for Earlier Years		-	0.44	-
Mat Credit		108.98	-	(95.31)
Profit /(Loss) after tax		3,358.11	3,881.61	2,197.63
Profit acquired on amalgamation		-	-	-
Balance Brought Forward		5,606.35	2,814.30	1,595.54
Add : Balance received from Subsidiary		-	-	-
Less: Appropriations				
Interim Dividend		-	248.96	164.52
Proposed Dividend-				
	Equity Shares	254.96	254.96	248.96
	Tax on Distribution of Dividend	43.33	85.64	65.39
	Transfer to General Reserve	500.00	500.00	500.00
Total of Appropriations		**798.29**	**1,089.56**	**978.87**
Balance Carried to Balance Sheet		**8,166.17**	**5,606.35**	**2,814.30**
Net Profit / (Loss) Before adjustment as per Audited Statement (PAT)		3,560.85	3,901.13	2,259.18
Total of other Adjustments (See para 5.02 of Annexure D)		(202.74)	(19.52)	(61.55)
Net Profit / (Loss) After Adjustments		**3,358.11**	**3,881.61**	**2,197.63**

Note:The above statement should be read with the significant accounting policies and summary of selected notes to the accounts, as appearing in Annexure D to this Report.

Annexure – C

Consolidated Restated Summary Statement of Cash Flow of the Company

(Rs. in lacs)

	Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
A	Cash Flow from Operating Activities			
	Net Profit /(loss) before Tax	4,064.77	5,152.97	2,487.34
	Adjustment for :			
	Depreciation/ Amortization	1,729.10	1,329.66	867.73
	Interest Expenses	2,312.58	1,960.19	1,286.73
	Loss on Sale of Assets/ impairment	11.42	10.07	36.42
	Gratuity	140.02	34.91	106.43
	Interest Income	(318.87)	(135.59)	(108.47)
	Dividend Received	(0.12)	(1.62)	(14.24)
	Profit on sale of Investments	-	-	(0.24)
	FCT Reserves	(32.58)	(4.44)	(2.28)
	Miscellaneous Expenses Written Off	-	-	0.06
	Operating Profit before Working Capital			
	Charges	**7,906.32**	**8,346.15**	**4,659.48**
	Adjustment for :			
	Decrease /(increase) in Inventories	(2,272.97)	(3,702.74)	(2,982.30)
	Decrease/(increase) in Trade and Other	(5,583.00)	(3,977.89)	(3,113.71)
	Receivables			
	Increase /(Decrease) in Trade and Other payable	3,253.77	4,007.33	4,980.55
	Cash Generated from Operation	**3,304.12**	**4,672.85**	**3,544.02**
	Less : Direct Taxes Paid (Net of Refunds)	738.75	912.66	370.21
	Less : Gratuity Paid	53.94	34.91	13.81
	Net Cash Flow From operating Activities	**2,511.43**	**3,725.28**	**3,160.00**
B	**Cash Flow from Investing Activities**			
	Purchase of Fixed Assets (Including capital work in Progress)	(8,438.53)	(5,141.89)	(5,791.01)
	Proceeds from Sale of Fixed Assets	60.22	52.36	170.68
	Proceeds from Sale of Investments	-	-	1.84
	Increase / (Decrease) in FD's	(851.58)	628.21	(843.36)
	Interest Received	318.87	135.59	108.47
	Dividend Received	0.12	1.62	14.24
	Net Cash Flow From Investing Activities	**(8,910.90)**	**(4,324.11)**	**(6,339.14)**

	Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
C	**Cash Flow from Financing Activities**			
	Proceeds from Issue of share capital	-	559.17	3,501.50
	Preference Share Capital Redeemed			(1,001.47)
	Share Issue Expenses	(10.95)	-	-
	Less: Interest Paid	(2,299.62)	(1,895.41)	(1,338.16)
	Dividend & Distribution Tax	(298.29)	(582.54)	(396.70)
	Proceeds from Long Term Borrowing	8,858.32	2,697.97	2,423.53
	Net Cash Flow from Financing Activities	**6,249.46**	**779.19**	**3,188.70**
	Net Cash Flow during the period /year(A+B+C)	(150.01)	180.36	9.56
	Cash and Cash Equivalents received pursuant on Merger	-	-	-
	Cash and Cash Equivalents at the beginning of the period /year	701.95	521.59	512.03
	Cash and Cash Equivalents at the end of the period / year	**551.94**	**701.95**	**521.59**
	Cash and Cash Equivalents at the end of the period/ year comprises of :			
	Cash in hand	178.39	205.40	74.74
	Balance with Scheduled Banks in Current Accounts	373.55	496.55	431.28
	Cheques / drafts /credit card slip in Hand	-	-	15.57
	Total Cash and Cash Equivalents	**551.94**	**701.95**	**521.59**

Notes :

1 Assets and Liabilities received pursuant to the Scheme of Arrangement and business acquired are not considered in the above cash flow statement, being non cash transaction.

2 The above statement be read with the Significant Accounting Policies and Selected Notes on Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

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Annexure D

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND SUMMARY OF SELECTED NOTES ON RESTATED SUMMARY STATEMENTS (CONSOLIDATED):

1.00 SIGNIFICANT ACCOUNTING POLICIES:

1.01 DISCLOSURE OF ACCOUNTING POLICIES (AS-1):

1.01.01 NATURE OF OPERATION

Company is an interior infrastructure company engaged in the business of manufacturing plywood and allied products, laminates, particle boards, etc. through its factories at various locations and branches & dealers' network spread all over the country. It also has two wholly owned subsidiary companies which are located in Singapore and Florida and are engaged in the business of trading in similar products.

1.01.02 ACCOUNTING CONCEPTS & BASIS OF PRESENTATION

The financial statements of the parent Company (viz. Greenply Industries Ltd.) are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.

The financial statements of its foreign subsidiary viz. Greenlam Asia-Pacific Pte. Ltd. (Formerly: GIL Intercontinental Pte Ltd.) are prepared in accordance with the Singapore Financial Reporting Standards including related interpretations promulgamated by the Council on Corporate Disclosure and Governance, as required by the Singapore Companies Act.

The financial statements of another foreign subsidiary – Greenlam America Inc. are prepared in accordance with Statements of Standard Accounting and Audit Services issued by the American Institute of Certified Public Accountants.

In case of foreign subsidiary, viz. Greenlam Asia-Pacific Pte. Ltd. (Formerly: GIL Intercontinental Pte Ltd.), the values of all the assets and liabilities, not already covered by the accounting policy, reflect their approximate fair values. The fair values of long-term financial assets and liabilities for disclosure purposes, if any, are estimated by discounting the future contractual cash flows at the current market rates that are available to the Company for similar financial instruments.

1.01.03 USE OF ESTIMATES

The preparation of Restated Summary Statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Restated Summary Statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.01.04 COMPANIES INCLUDED IN CONSOLIDATION

Effective from October 17, 2006, the Company acquired 100% equity of GIL Intercontinental Pte. Ltd. whose name was later changed to Greenlam Asia Pacific Pte. Ltd., incorporated in Singapore. Effective from November 1, 2007, the Company acquired 100% equities of (a) Platinum Veneers Private Limited, Rajkot and (b) Galaxy Decor Private Limited, Rajkot which have been amalgamated with the company with effect from April 1, 2008 (Pursuant to orders of Hon'ble High Court of Gujarat and the Hon'ble Gauhati High Court vide their orders dated January 20, 2009 and April 30, 2009 respectively. It also promoted and incorporated Greenlam America Inc. in Florida (U.S.A.) on April 23, 2008 as its 100% subsidiary. Transactions relating to profit & loss account of these entities have been

included in the profit & loss account from the effective date of acquisition/ incorporation. The excess of purchase price over the net assets acquired has been reported as goodwill in the consolidated financial statements.

[Hereinafter, the two Companies, viz. Greenlam Asia Pacific Pte. Ltd. and Greenlam America Inc. are being referred to as "foreign subsidiaries"].

1.01.05 PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements (CFS) relates to Greenply Industries Limited and its subsidiaries mentioned in paragraph 1.01.04 above. The CFS has been prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements" (AS 21) and is prepared on the following basis:

(a) The financial statements of the parent and its subsidiaries are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intragroup balances and Intragroup transactions and resulting unrealised profits/(losses) are eliminated in full. Consolidated Financial Statements are prepared using uniform accounting policies for the like transactions and other events in similar circumstances to the extent practicable, and in case of difference, the same are disclosed. The difference between the Company's costs of investments in the subsidiaries, over its portion of equity at the time of acquisition of shares is recognised in the CFS as Goodwill or Capital Reserve as the case may be.

(b) Investments in subsidiaries are accounted for in accordance with Accounting Standard (AS) 13 – Accounting for Investments.

(c) In case of foreign subsidiaries, which are determined as non-integral operations, the items are translated by applying (a) average rates during the period for revenue items and (b) closing rates in respect of both monetary and non-monetary items in the Balance Sheet. The resulting exchange differences relating to long-term monetary items are accumulated in a separate account ("Foreign Currency Translation Reserve") rather than being recognised in the Profit and Loss Account.

(d) As all the subsidiary companies are wholly owned, there are no minority interests in the income of the group and consequently the same is not presented.

1.02 VALUATION OF INVENTORIES (AS-2):

1.02.01 Stock of Raw Materials, Stores and spare parts are valued at cost; and of those in transit, at port and at Bonded Warehouse related to these items are valued at cost to date.

Materials and supplies held for use in the production of inventories are not written down below cost of the finished products in which they will be incorporated are expected to be sold at or above cost. However, when there has been a decline in the price of materials and it is estimated that the cost of the finished products will exceed net realizable value, the materials are written down to net realizable value. In such circumstances, the replacement cost of the materials may be the best available measure of their net realizable value.

1.02.02 Goods-in-process is valued at cost.

1.02.03 Stock Finished goods and semi-finished goods are valued at cost or net realisable value whichever is lower.

1.02.04 Waste and scraps are accounted at estimated realisable value.

1.02.05 Cost of inventories is generally ascertained on the 'weighted average' basis. Goods-in-process, finished and semi-finished goods are valued on absorption cost basis.

1.03 CASH FLOW STATEMENT (AS – 3):

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated. Cash and cash equivalents in the balance sheet comprise cash at bank (excluding term deposits), cash/cheques in hand and short term investments with an original maturity of three months or less.

1.04 CONTINGENCIES AND EVENTS OCCURRING AFTER RESTATED SUMMARY STATEMENTS (AS -4):

Disclosure of contingencies and events occurring after restated summary statements as required by the accounting standard is furnished in the Notes on Restated Summary Statements.

1.05 NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES (AS – 5):

Net Profit or loss for the periods is shown separately in the Profit & Loss Account. As regards the prior period items, the Accounting Standard AS-5 requires separate disclosure thereof, whereas the SEBI guidelines require the same to be adjusted in arriving at the profits of the years to which they relate irrespective of the years in which the event had occurred. In accordance with the said guidelines, Prior period items have been restated as disclosed in Para 5.04 below.

1.06 DEPRECIATION (AS – 6):

Relating to the Parent Company:

1.06.01 Depreciation on Fixed Assets is provided for on straight-line method in accordance with and generally at the rates specified in Schedule XIV to the Companies Act, 1956. Leasehold lands at Kriparampur and Rudrapur units are amortised over the period of lease. Other leasehold lands are not amortised.

1.06.02 Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period of use of such assets. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units.

1.06.03 Depreciation on Intangible assets (Trademarks & Goodwill) is provided for on straight-line method over its estimated period of use.

Relating to Greenlam Asia-Pacific Pte Limited:

1.06.04 Depreciation of fixed assets is calculated to write off the cost of the assets on a straight-line method over its estimated period of use.

Relating to Greenlam America Inc.:

1.06.05 Depreciation of fixed assets is calculated on double declining method over the 5 to 7 years of estimated lives of the items. .

1.07 REVENUE RECOGNITION (AS -9):

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1.07.01 Sale of Goods: Sales are accounted for on despatch of products to customers. Gross sales shown in the Profit & Loss Account are inclusive of Excise Duty, Value added Tax/Sales Tax and the value of self-consumption and inter-transfers but excludes discounts. Net sales are

shown after deducting Excise duty and Value Added Tax/Sales Tax which are disclosed at appropriate places.

1.07.02 **Interest**: Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

1.07.03 **Dividend**: Dividend from investment is recognized when the Company in which they are held declares the dividend and when the right to receive the same is established.

1.08 ACCOUNTING FOR FIXED ASSETS (AS – 10):

1.08.01 Fixed assets are stated at cost less accumulated depreciation. The Accounting Standard AS-10 requires that the fixed assets, which are revalued, should be stated at revalued amounts as a result of their revaluation. However for the purpose of restated financial information, fixed assets have also been restated so as to exclude the revalued amount.

1.08.02 Cost includes borrowing costs as per Accounting Standard AS-16 issued by Institute of Chartered Accountants of India (ICAI) and all incidental expenditure net of CENVAT, Service Tax Input Credit and VAT Input Credit, wherever applicable.

1.08.03 Revenue expenses incurred in connection with project implementation insofar as such expenses relate to the period prior to the commencement of commercial production are treated as part of project cost and capitalized.

1.09 ACCOUNTING FOR THE EFFECTS IN FOREIGN EXCHANGE RATES (AS – 11):

1.09.01 Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions.

1.09.02 In conformity with revised Accounting Standard (AS – 11), issued by the Institute of Chartered Accountants of India (ICAI), monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the difference between the forward rate and exchange rate on the date of transaction, such difference having been amortised over the life of the contract.

1.09.03 Non-monetary items carried at historical cost are reported using the rate at the date of transaction.

1.10 ACCOUNTING FOR INVESTMENT (AS – 13):

Investments, being long term in nature, are valued at cost of acquisition. Adjustment for increase/decrease in the value of investments, if any, will be accounted for on realisation of the investments. However, provision for diminution shall be made to recognize a decline, other than temporary, in the value of the Investments, such reduction being determined and made for investment individually.

1.11 ACCOUNTING FOR AMALGAMATION (AS – 14):

The accounting for amalgamations is made pursuant to the provisions of the Companies Act, 1956 and other applicable statutes pursuant to a Scheme of Amalgamation sanctioned by the High Court(s). The Amalgamation has been accounted for under the "Pooling of Interest method" as prescribed by AS-14, Accounting for Amalgamations issued by the ICAI.

1.12 EMPLOYEE BENEFITS (AS – 15):

In case of parent Company:

1.12.01 Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

1.12.02 Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of past employment and other long term benefits are charged to the profit and loss account.

In case of Greenlam Asia-Pacific Pte Ltd. (Formerly: GIL Intercontinental Pte. Ltd.) :

1.12.03 The Company's policy is not to encash any utilized annual leave after the expiry of the completion of a year of services rendered by the employee.

1.12.04 The Company, apart from legally required social security schemes, contributes to defined contribution plans, including the Central Provident Fund. The Company's obligation, in regard to the defined contribution plans, is limited to the amount it contributes to the Funds.

1.13 BORROWING COSTS (AS – 16):

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.14 SEGMENT REPORTING (AS – 17):

1.14.01 Identification of Segments:

Primary Segment

Business Segment:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing & Sale of (a) Plywood & Allied products; and (b) Laminates.

Secondary Segment

Geographical Segment:

The analysis of geographical segment is based on the geographical location of the customers.

The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

1.14.02 Allocation of Common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

1.14.03 Unallocated items:

The Corporate and Other Segment include general corporate income and expense items, which are not allocated to any business segment.

1.15 RELATED PARTY DISCLOSURES (AS – 18):

Disclosure of related parties as required by the accounting standard is furnished in the Selected Notes on Restated Summary Statements.

1.16 LEASES (AS – 19):

1.16.01 The above Standard is not applicable in case of the Parent Company.

In case of Greenlam Asia-Pacific Pte. Ltd. (Formerly: GIL Intercontinental Pte. Ltd.):

1.16.02 Financial leases:

Financial leases, which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

1.16.03 Operating Lease:

Lease of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the income statement on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the financial year in which termination takes place.

1.17 EARNINGS PER SHARE (AS – 20):

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.18 ACCOUNTING FOR TAXES ON INCOME (AS – 22):

The differences that result between the profit considered for income taxes and the profit as per the Restated Summary Statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full fiscal year.

1.19 DISCONTINUING OPERATIONS (AS – 24):

This Standard is not applicable in case of the Company as the Company has not discontinued any operations during the year.

1.20 INTERIM FINANCIAL REPORTING (AS – 25):

The quarterly financial results are published in accordance with the requirements of listing agreements with stock exchanges.

1.21 INTANGIBLE ASSETS (AS – 26):

1.21.01 The values of internally generated intangible assets are not recognized in the accounts.

1.21.02 Intangible assets acquired by payment e.g., Trade marks are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

1.22 IMPAIRMENT OF ASSETS (AS – 28):

There is no indication of any impairment based on internal/external factors in relation to the assets of the Company and as such, this Standard is not applicable in case of the Company.

1.23 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (AS – 29):

1.23.01 Provisions are made for present obligations arising as a result of past events.

1.23.02 Contingent liabilities are not provided for but are disclosed by way of Selected Notes on Restated Summary Statements.

1.23.03 Contingent assets are not accounted for but are disclosed by way of Selected Notes on Restated Summary Statements.

1.24 CENTRAL EXCISE DUTY:

Excise Duty liability accruing on manufacture is accounted for as and when the liability for payment arises under the Central Excise Act, 1944. Duty on finished goods lying at stock at factory at the close of the year has not been provided for in the accounts and hence not included in the valuation of inventory of such goods. However the said liability if accounted would have no impact on the financial results for the accounting period.

1.25 CONSUMPTION OF RAW MATERIALS, STORES & SPARE PARTS ETC.:

Raw Materials, Stores and spare parts etc., consumed are exclusive of (a) Excise Duty on inputs under Cenvat Scheme, (b) Insurance Claims received (c) Entry Tax under Rajasthan Local Sales Tax Act under set-off scheme and (d) VAT Input Credit under State laws, wherever applicable.

1.26 SERVICE TAX & CESS:

Various expenses are accounted for after deducting the input tax credit available in respect of Service Tax, Education Cess and Secondary & Higher Education Cess.

1.27 TAXATION:

1.27.01 Tax expenses comprise of income tax, fringe benefit tax, corporate dividend tax, deferred tax including applicable surcharge and cess.

1.27.02 Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax

annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

1.27.03 MAT (Minimum Alternate Tax) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying out of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

1.27.04 Provision for deferred tax or credit for release thereof is accounted for as ascertained in accordance with principles stated in para 1.18 hereinabove.

1.27.05 Fringe Benefit Tax (FBT) payable under the provisions of section 115WC of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Fringe Benefits tax" issued by the ICAI regarded as an additional income tax and considered in determination of profit for the year.

1.27.06 Tax on distributed profits payable in accordance with the provisions of section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

1.27.07 The income of the Company from its units at Rudrapur and Tizit are eligible for deduction under Section 80-IC of the Income Tax Act, 1961.

2.00 COMPARABILITY:

The figures of the previous year ended March 31, 2009 are not comparable with those of other years to the extent that with effect from 1st April, 2008, two companies namely viz. Platinum Veneer Pvt. Ltd. and Galaxy Decor Pvt. Ltd. have been merged with the company and their assets and liabilities vested in the company.

3.0 SUMMARY OF SELECTED NOTES TO ACCOUNTS (CONSOLIDATED):

3.01 **Depreciation in Consolidated Financial Statements:**

The parent Company is providing depreciation on fixed assets on straight line method in accordance with and generally at the rates specified in Schedule XIV to the Companies Act, 1956, whereas the wholly owned subsidiaries have provided depreciation as follows:

Greenlam Asia Pacific Pte Ltd. (Formerly: GIL Inter-Continental Pte. Ltd.)	On straight line basis over the expected useful life of the fixed assets
Greenlam America, Inc.	On double declining balance method over the 5 to 7 years of estimated lives of the items.

3.02 **Employee Benefits:**

For the financial year ended March 31, 2007:

3.02.01 Retirement benefits to employees comprise contributions to provident fund and gratuity. Provident Fund contributions are charged to Profit and Loss Account. Provision for gratuity to those who have put in qualifying period of service under the Payment of Gratuity Act, 1972 was made on the assumption that all employees as are entitled to gratuity retire at the end of the Accounting year.

3.02.02 Leave wages were accounted for when the employees proceed on leave or at the time of encashment.

For the financial year ended March 31, 2008:

3.02.03 Pursuant to adoption of Accounting Standard (AS) 15, the present values of obligations in respect of Defined Benefit Plans have been actuarially measured at the year-end on a discounted basis by the Projected Unit Credit Method on the basis of third-party actuarial valuation. The existing provision in the books being more than the required amount, a sum of Rs. 95.16 lacs has been adjusted against the opening balance of General Reserve.

3.02.04 Defined Contribution Plan: Employee benefits in the form of Provident Fund and ESIC are considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 and Employees' State Insurance Act, 1948, respectively, are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.

3.02.05 Defined Benefit Plan: Retirement benefits in the form of gratuity are considered as defined benefit obligations and are provided for on the basis of third party actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet.

As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation. The existing liability as per books being more than the present value of obligations at the year end, the surplus amounting to Rs. 95.16 lacs has been credited to General Reserve. Defined Benefit Obligation at the year end amounted to Rs. 182.17 lacs.

Actuarial assumptions:

Mortality Table (LIC)	LICI 1994-1996
Discount Rate (per annum)	8
Expected Rate of Return on plan assets (per annum)	-
Rate of escalation in salary (per annum)	6

3.02.06 The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

3.02.07 The above information is certified by the actuary.

3.02.08 Para 132 of Accounting Standard 15 (revised 2005) does not require any specific disclosures except where expense resulting from compensated absence is of such size, nature or incidence that its disclosure is relevant under Accounting Standard 5 or Accounting Standard 18. In the opinion of the management the expense resulting from compensated absence is not significant and hence no disclosures are prepared under various paragraphs of AS 15 (revised 2005).

3.03 In case of all the financial periods covered by this report, inventories are taken, valued and certified by the management.

3.04 In case of all the financial periods covered by this report, balances under Sundry Debtors, Sundry Creditors, Loans and Advances payable or receivable are subject to confirmation to be received from some of the parties.

3.05 Borrowing costs capitalised are as follows:

	(Rs. in lacs)
For the financial year ended March 31, 2009	407.47
For the financial year ended March 31, 2008	29.52
For the financial year ended March 31, 2007	157.78

3.06 Raw Materials Consumed includes cost of raw materials sold as follows:

	(Rs. in lacs)
For the financial year ended March 31, 2009	491.86
For the financial year ended March 31, 2008	707.56
For the financial year ended March 31, 2007	17.65

3.07 Company's Tizit (Nagaland) unit is entitled to exemption from levy of Central Excise Duty with effect from 16.05.2005 as per Notification No. 32/99-CE dated 08.07.1999 of Central Excise Department. The Central Excise Duty debited to Profit & Loss Account is net of refund received under such exemption as follows:

	(Rs. in lacs)
For the financial year ended March 31, 2009	254.38
For the financial year ended March 31, 2008	479.32
For the financial year ended March 31, 2007	810.99

There have been some changes in the area based exemption scheme operating in the North-Eastern states with effect from April 1, 2008. Upto March 31, 2008 the scheme provided for refund of duty to the manufacturer for the quantum of duty paid in cash or through PLA. With effect from April 1, 2008 there have been some changes in the exemption Scheme incorporated through Notification No. 17/2008-CE; 18/2008-CE and 20/2008-CE all dated March 27, 2008. The current notification provides that the extent of exemption shall henceforth be equivalent to the duty payable on value addition carried out by the unit in those areas. The rates of value addition for goods falling under different chapters of the Central Excise Tariff have been prescribed in the Notification. The amount of refund due to the unit at the end of the month would be computed by simply multiplying the total duty payable by it with the applicable rate of value addition subject to a maximum of the actual duty paid by the Unit in cash or through PLA.

3.08 **Change in Accounting Policies:**

For the financial year ended March 31, 2008:

3.08.01 Prior to financial year ending on March 31, 2008, excise Duty on finished goods lying in stock with branches and / or in transit at the close of the year was included in the valuation of inventory at the rate of duty in force at the close of the year. From this year, such excise duty is included in the valuation of inventory at the rate of duty in force at the time of clearance of goods from the factory. However, the effect of this change on financial results is not ascertainable.

3.08.02 Prior to financial year ending on March 31, 2008, closing stock of raw materials lying in Kriparampur Unit of the Company was valued at cost on FIFO basis. From this year, the said stock is valued on Weighted Average basis. However, the effect of this change on financial results is not ascertainable

4.0 AUDITORS' QUALIFICATION AND REMARKS:

4.01 Audit qualifications / remarks, which require any corrective adjustment in the financial information, are as follows:

The auditors have qualified the reports for the financial years ended March 31, 2009, 2008, and 2007

for credit of unearned duty savings by way of export incentives in the Profit and Loss Account in the years of export on the basis of rates of duty in force as at the end of respective financial years. As the actual duty saving is dependant upon actual imports and rates of duty at the time of actual imports, this resulted into overstatement of profit for the aforesaid years. Accordingly, adjustments are made to the financial statements, as restated for each of these years as follows:

Adjustments	*(Rs. in lacs)*
For the financial year ended March 31, 2009	(273.87)
For the financial year ended March 31, 2008	110.76
For the financial year ended March 31, 2007	(167.29)

4.02 Auditors' comments under CARO 2003:

4.01.01 For the financial years ended March 31, 2009, 2008 and 2007, the auditors had reported that the Company was regular in depositing various statutory dues applicable to it except delay in few cases.

4.01.02 For the financial years ended March 31, 2009, 2008 and 2007, the auditors had reported that certain disputed amounts had not been deposited by the Company and further qualified their report that such amounts have not been provided for in books. The Statement of disputed dues as at March 31, 2009 given in para 4.02.3 herein below, summarises the up-to-date position of such disputed dues after eliminating the items which have since been paid or settled otherwise. So, the year-wise details are not given here.

4.01.03 Statement of disputed dues as at March 31, 2009

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
A) i) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	8.70 1.66 0.05	1997 – 1998	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
ii) West Bengal Sales Tax Act,1994	Sales Tax Penalty (Declaration Form 11)	0.67 0.01	2001 – 2002	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
iii) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	38.52	1993 – 1994, 1996 – 1997, 1997 – 1998 & 1998 – 1999	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
iv) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	70.61	1999 – 2000 & 2000 – 2001	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
v) West Bengal Sales Tax Act,1994	Sales Tax Surcharge & Additional Surcharge Penalty (For short submission of Declaration Form 11)	0.18	2002 – 2003	Assistant Commissioner of Commercial Taxes, Corporate Division.
vi) West Bengal	Sales Tax Surcharge &	0.02	2004 – 2005	Assistant

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Sales Tax Act,1994	Additional Surcharge Penalty (For short submission of Declaration Form 11)			Commissioner of Commercial Taxes, Corporate Division.
vii) West Bengal Sales Tax Act,1994	Disallowance of Input Vat and Addition of Extra Purchase	27.10	2005 – 2006	Assistant Commissioner of Commercial Taxes, Corporate Division.
B) Delhi Sales Tax Act, 1975	Sales Tax (For short submission of ST – 1 Form)	0.12	2003 – 2004	Deputy Commissioner (Appeal – IV), New Delhi.
C) i) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	1.72	1997 – 1998	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
ii) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	1.57	2001 – 2002	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
iii) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	130.44	1993 – 1994, 1996 – 1997, 1997 – 1998 & 1998 – 1999	West Bengal Commercial Taxes Appellate & Revision Board, Kolkata.
iv) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	32.43	1999 – 2000 & 2000 – 2001	Assistant Commissioner of Commercial Taxes, South Circle, Kolkata.
v) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	0.14	2004 – 2005	Assistant Commissioner of Commercial Taxes, Corporate Division, Kolkata.
vi) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	42.68	2005 – 2006	Assistant Commissioner of Commercial Taxes, Corporate Division, Kolkata
D) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	0.33	2005 – 2006	Deputy Commissioner of Commercial Taxes (Appeals), Jaipur.
E) Rajasthan Sales Tax Act, 1994	Sales Tax	1.16	2005 – 2006	Deputy Commissioner of Commercial Taxes (Appeals), Jaipur.
F) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	0.32	2003 – 2004	Deputy Commissioner (Appeal – IV), New Delhi.

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
G) Rajasthan Sales Tax Act, 1994	Sales Tax (For short submission of ST-17 Forms)	30.78	2006 – 2007	Deputy Commissioner of Commercial Taxes (Appeals), Alwar.
H) Central Sales Tax Act, 1956	Sales Tax (For short submission of Declaration Form C)	613.42	2006 – 2007	Deputy Commissioner of Commercial Taxes (Appeals), Alwar.
I)Tamil Nadu Government Sales Tax Act	Differential Tax Rate 16%	5.33	2002-2003	Hon'ble High Court at Madras
J) Tamil Nadu Government Sales Tax Act	Differential Tax Rate	18.40	2003-2004	Hon'ble High Court at Madras
K) Tamil Nadu Government Sales Tax Act	Differential Tax Rate	21.95	2004-2005	Hon'ble High Court at Madras
L) Central Excise Act, 1944	Central Excise (Penalty along with Interest for removal of capital goods)	1.17	2006-2007	Commissioner (Appeals), Central Excise, Jaipur-1
M) Central Excise Act, 1944	Non-payment of service tax on Business Auxiliary Service from Foreign Banks	0.96	2007-2008	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
N) Central Excise Act, 1944	Challenge against order sanctioning refund to Company	5.95	2008-2009	Commissioner (Appeals), Central Excise, Jaipur
O) Central Excise Act, 1944	Wrong claim of Cenvat Credit on Service Tax paid on Input Services	4.89	2007-2008	Deputy Commissioner, Central Excise, Jorhat
P) Central Excise Act, 1944	Wrong claim of Cenvat Credit on Service Tax paid on Input Services	0.65	2006-2007	Deputy Commissioner, Central Excise, Jorhat
Q) Central Excise Act, 1944	Non-payment of Excise Duty on Financial Charges realised	11.06	2002-2003 to 2004-2005	Commissioner of Central Excise, Dibrugarh
R) Central Excise Act, 1944	a) Disallowance of Cenvat Credit b) Penalty imposed on Company, Managing Director and an Executive	769.94 1900.58	2006-2007 to 2007-2008	Customs, Excise and Service Tax Appellate Tribunal, East Zonal Bench, Kolkata
S) Central Excise Act, 1944	a) Valuation of Goods b) Penalty	13.64 13.64	2006-2007 to 2007-2008	Commissioner (Appeals) Central Excise, Kolkata
T) Income Tax Act 1961	i) Disallowance of deduction under Section 80IC of the Act ii) Disallowance of deduction in respect of export incentives	38.27 129.66	2005-2006	Commissioner (Appeals) Central III, Kolkata

5. NOTES ON ADJUSTMENTS FOR RESTATED FINANCIAL STATEMENTS:

5.01 EMPLOYEE BENEFITS:

5.01.01 The Accounting Standard (AS) 15, "Employee Benefits (revised 2005)", issued by the Council of Institute of Chartered Accountants of India, originally comes into effect in respect of the accounting periods commencing on or after April 01, 2006 and was mandatory in nature from that date. Consequently, the above standard becomes applicable to the Company for any period on or after the effective date. However, subsequently the Council of the Institute has deferred the mandatory applicability of the standard for all periods on and after 7 December 2007. The Company adopted the Accounting Standard (AS) 15, "Employee Benefits (Revised 2005)", for the first time in preparing the financial statements for the year ended 31st March, 2008. Due to practical difficulties in retrospective application of Revised Accounting Standard (AS) 15, the impact on account of changes is not quantifiable and has not been considered as an adjustment item for the purpose of restatement for the year ended March 31, 2007.

5.01.02 Pursuant to adoption of the Accounting Standard (AS) 15 (Revised), the present value of obligations in respect of defined benefit plans was actuarially measured at the year-end on March 31, 2008, a discounted basis by the Projected Unit Credit Method, on the basis of third party actuarial valuation. The then existing Provision for Gratuity in the books being more than the required amount, a sum of Rs. 95.16 lacs was adjusted against the opening balance of General Reserve in the financial year ended March 31, 2008. This adjustment was done by debiting Provision for Gratuity and crediting General Reserve However, in accordance with the Report of another Actuary received thereafter for the same date, the present value of obligations in respect of defined benefit plans have been re-ascertained and consequently, the aforesaid adjustment is reversed by the said amount of Rs 95.16 lacs and a further amount of Rs 0.56 lacs is debited to the Restated Statement of Profit and Loss for the financial year ended March 31, 2008.

5.01 SUMMARY OF RESULTS OF RESTATEMENTS

Below mentioned is the summary of results of restatements in the audited accounts for the respective years and its impact on the profit or loss of the Company:

(Rs. in lacs)

Particulars	Reference to note	As at		
		March 31, 2009	March 31, 2008	March 31, 2007
Prior Period Expenses	5.04	29.62	(17.09)	(5.19)
Gratuity Expenses	5.01	0.56	(0.56)	-
Prior Period Income	5.04	(0.35)	0.33	(2.18)
Sales Tax/VAT demand	5.05	18.76	14.00	1.85
Export Incentives	5.06	(273.87)	110.76	(167.29)
Differential Central Excise Duty	5.07	22.10	(1.98)	(3.60)
MAT credit	5.08	-	(120.45)	95.31
Income Tax for earlier years	5.09	0.44	(0.44)	8.98
Provision for Taxation (Current)	5.10	-	(4.09)	10.57
Total		(202.74)	(19.52)	(61.55)

5.02 DEPRECIATION:

5.03.01 The Parent Company and the Subsidiaries have adopted different methods for providing depreciation on its fixed assets as stated in para 1.06. However, no adjustment has been made therefore in the Restated Financial Statements as the gross value of fixed assets held by the Subsidiaries is not significant considering the gross value of fixed assets of the Company. The amount of fixed assets so depreciated and included in CFS is as follows:

5.03.02 Relating to Greenlam Asia-Pacific Pte Limited:

For the financial year ended March 31, 2009	0.21% (i.e. Rs. 41.60 lacs) of total value of group fixed assets.
For the financial year ended March 31, 2008	0.18% (i.e. Rs. 31.08 lacs) of total value of group fixed assets.
For the financial year ended March 31, 2007	0.24% (i.e. Rs. 32.18 lacs) of total value of group fixed assets.

5.03.03 Relating to Greenlam America Inc.:

For the period from April 23, 2008 to March 31, 2009	0.07% (i.e. Rs. 13.68 lacs) of total value of group fixed assets.

5.03 PRIOR PERIOD ADJUSTMENTS:

During the financial years ended March 31, 2009, 2008, and 2007 certain items of income/expenses have been identified as prior period items. For the purpose of this Statement, such prior period items have been appropriately adjusted in the respective years. The adjustments relating to financial year ended March 31, 2007 has been adjusted in the opening balance in Profit & Loss Account.

5.04 SALES TAX/VAT DEMAND

During the financial years ended March 31, 2009, 2008, and 2007 the Company provided for Sales Tax/Vat demand raised. For the purpose of this Statement, such demands have been appropriately adjusted in the respective years. The adjustments relating to financial year ended March 31, 2007 has been adjusted in the opening balance in Profit & Loss Account.

5.05 EXPORT INCENTIVES

For the financial years ended March 31, 2009, 2008 and 2007 the auditors have qualified their reports for credit of unearned duty savings by way of export incentives in the Profit and Loss Account in the said period of export on the basis of rates of duty in force as at the end of period. As the actual duty saving is dependant upon actual imports and rates of duty at the time of actual imports, this resulted into overstatement of profit for the period. Accordingly, necessary adjustment has been made in the financial periods covered by the financial statement, as restated. The adjustments relating to financial year ended March 31, 2007 has been adjusted in the opening balance in Profit & Loss Account.

5.06 DIFFERENTIAL CENTRAL EXCISE DUTY

During the financial years ended March 31, 2009, 2008 and 2007, the Company debited Differential Central Excise Duty to its Profit & Loss account, inclusive of demands pertaining to earlier years. For the purpose of this Statement, payments relating to earlier years have been adjusted in the respective financial years. The adjustments relating to financial year ended March 31, 2007 has been adjusted in the opening balance in Profit & Loss Account.

5.07 MAT CREDIT

During the financial years ended March 31, 2008, the Company accounted for MAT credit entitlement for Rs. 120.45 lacs. For the purpose of this Statement, MAT credit entitlement is adjusted in the financial years ended March 31, 2007 and in the opening balance in Profit & Loss Account.

5.08 INCOME TAX FOR EARLIER YEARS

During the financial year ended March 31, 2007 the Company debited Income tax paid for earlier years in its Profit and Loss Account amounting to Rs. 8.98 lacs. For the purpose of this Statement, the aforesaid sum has been adjusted in the opening balance in Profit & Loss Account for the year ended March 31, 2007.

5.09 PROVISION FOR TAXATION

Provision for Taxation made for the financial years ended March 31, 2009, 2008 and 2007 have been restated on the basis of restated statement of profit & loss account.

5.10 FOREIGN CURRENCY TRANSLATION

Included in the Consolidated Financial Statements for the year ended March 31, 2009 are assets and liabilities of two foreign subsidiaries and for the financial year ended March 31, 2008 and 2007 are assets and liabilities of one foreign subsidiary, foreign currency translation for which is done by the management of the Company. This report, in so far as it relates to the above amounts included is based solely on foreign currency transaction certified by the Company management.

6. MATERIAL REGROUPING

6.01 During the financial year ended March 31, 2007, 'Sales Tax and Turnover Tax' was deducted from Sales which was earlier shown in 'Administrative, Selling, Distribution and Other Expenses' and thereafter, it has been deducted from Sales in all other financial periods covered by this Report.

6.02 During the financial year ended March 31, 2008, 'Other Repairs' was regrouped from 'Manufacturing Expenses' to 'Administrative, Selling, Distribution and Other Expenses'. The 'Administrative, Selling, Distribution and Other Expenses' have been bifurcated into 'Administrative Expenses' and 'Selling Expenses'.

7.0 CONTINGENT LIABILITIES NOT PROVIDED FOR:

Rs. in lacs

Particulars	As at		
	March 31, 2009	March 31, 2008	March 31, 2007
Estimated amount of contract remaining to be executed on capital account (net of advances)	15946.80	8275.98	543.14
Guarantees given on behalf of Subsidiaries	2269.74	458.80	155.49
Guarantees given on behalf of other Companies	-	-	-
Guarantees given by banks on our behalf	195.26	333.05	75.59
Claim against the Company not acknowledged as debts	27.71	20.00	20.00
Legal cases against the Company	-	-	-
Disputed demands of statutory dues not provided for	3938.72	750.62	757.15
Letter of Credit established but material not received	1019.32	769.55	1068.59

Annexure - E

Consolidated Statement giving details of Fixed Assets

(Rs. in lacs)

	March 31, 2009			March 31, 2008			March 31, 2007		
Particulars	**Gross Block**	**Accumulated Depreciation**	**Net Block**	**Gross Block**	**Accumulated Depreciation**	**Net Block**	**Gross Block**	**Accumulated Depreciation**	**Net Block**
Tangible Assets									
Freehold Land	1,104.85	-	1104.85	56.56	-	56.56	56.56	-	56.56
Leasehold Land	758.47	29.43	729.04	758.56	23.93	734.63	710.73	14.26	696.47
Land Development	377.93	14.23	363.70	377.93	10.43	367.50	377.93	6.64	371.29
Plantations	125.51	-	125.51	125.51	-	125.51	125.51	-	125.51
Buildings	5,352.05	662.65	4,689.40	4,828.79	567.33	4,261.46	3,688.97	391.43	3,297.54
Plant & Machinery	15,604.05	5,476.05	10,128.00	14,416.09	4,390.49	10,025.60	11,385.54	3,571.85	7,813.69
Furniture & Fixtures	766.46	158.25	608.21	585.45	104.52	480.93	316.03	73.14	242.89
Vehicles	1,104.76	252.11	852.65	833.59	181.84	651.75	485.71	150.66	335.05
Heavy Vehicles	99.18	48.19	50.99	85.79	43.12	42.67	46.83	28.93	17.90
Office Equipment	1,456.68	548.02	908.66	1,174.67	410.07	764.60	655.45	249.25	406.20
Total (A)	**26,749.94**	**7,188.93**	**19,561.01**	**23,242.94**	**5,731.73**	**17,511.21**	**17,849.26**	**4,486.16**	**13,363.10**
Capital Work in Progress									
Plant & Machinery	4,017.81	-	4,017.81	495.72	-	495.72	1,288.85	-	1,288.85
Incidental Expenditure									
pending capitalisation	1,151.15	-	1,151.15	11.99	-	11.99	-	-	-
Total (B)	**5,168.96**	**0.00**	**5,168.96**	**507.71**	**0.00**	**507.71**	**1,288.85**	**0.00**	**1,288.85**
Intangible Assets									
Goodwill	354.34	68.00	286.34	401.85	0.00	401.85	12.17	0.00	12.17
Trademarks	68.58	25.72	42.86	68.58	18.86	49.72	68.58	12.01	56.57
Total (C)	**422.92**	**93.72**	**329.20**	**470.43**	**18.86**	**451.57**	**80.75**	**12.01**	**68.74**
TOTAL (A+B+C)	**32,341.82**	**7,282.65**	**25,059.17**	**24,221.08**	**5,750.59**	**18,470.49**	**19,218.86**	**4,498.17**	**14,720.69**

Note: The above statement be read with the significant accounting policies and summary of selected notes to accounts as appearing in Annexure D to this report.

Annexure - F

Consolidated Details of Investments of the Company

(Rs. in lacs)

Particulars	As at		
	March 31, 2009	**March 31, 2008**	**March 31, 2007**
Long Term (At cost) - Quoted			
In Others - Non-Trade			
Equity Shares of Himalaya Granites Limited	8.14	8.14	8.14
Equity Shares of Indian Overseas Bank Limited	0.82	0.82	0.82
Long Term (At cost) - Unquoted	-	-	-
Total	8.96	8.96	8.96
Investments in Related Parties	8.14	8.14	8.14
Aggregate Cost - Unquoted	-	-	-
- Quoted	8.96	8.96	8.96

Note:

The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure - G

Consolidated Restated Summary Statement of Sundry Debtors of the Company

(Rs. in lacs)

Particulars	As at		
	March 31, 2009	**March31, 2008**	**March 31, 2007**
Debts for period exceeding six months (Considered good and recoverable)	342.18	153.17	101.92
Others	12,775.19	9,753.82	7,277.32
	13,117.37	9,906.99	7,379.24
Less: Provision for Doubtful Debts	-	-	-
Total Sundry Debtors	**13,117.37**	**9,906.99**	**7,379.24**
Amount due from Related Parties			
Amount due from related parties	1,723.54	386.92	106.90
includes:			
From Promoters	-	-	-
From Promoter Group	1,723.54	386.92	106.90
Total	**1,723.54**	**386.92**	**106.90**

Notes:

1. Detail of related party transactions and balances have been disclosed in 'Annexure-O'.
2. The above Statement should be read with the Significant Accounting Policies and Selected notes to accounts for Restated Summary Statements as appearing in Annexure D to this report.

Annexure - H

Consolidated Restated Summary Statement of Loans and Advances of the Company

(Rs. in lacs)

Particulars	As at		
	March 31, 2009	**March 31, 2008**	**March 31, 2007**
Loans and Advances to Subsidiary Companies	-	-	-
Loan to Employees & Others	154.82	162.52	128.88
Advance recoverable in cash or in kind or for value to be received and/or to be adjusted	6,369.79	4,019.74	2,223.26
Deposits	375.94	283.07	247.01
Total	6,900.55	4,465.33	2,599.15
Amount due from Related Parties	**-**	**711.21**	**-**

Notes:

1. Detail of related party transactions and balances have been disclosed in 'Annexure-O'.

2. The above Statement should be read with the Significant Accounting Policies and Selected notes to accounts for Restated Summary Statements as appearing in Annexure D to this report.

Annexure - I

Consolidated Details of Secured Loans of the Company

(Rs. in lacs)

Sl. No	Particulars	Rate of Interest	Repayment Schedule	Balance as at		
				March 31, 2009	March 31, 2008	March 31, 2007
A.	**Secured Loans**					
1	**Hire Purchase Finance/ Vehicle loans from HDFC Bank Limited**	**9.00%**	**36 Monthly**	**8.34**	**12.01**	**0.00**
	Secured against hypothecation of specific vehicle, charge not registered u/s. 125 of the Companies Act, 1956.		Installments commencing From May 31, 2008 and ending in April 2011			
2	**Term Loan from Industrial Development Bank of India (IDBI)(FCNR)**	**11.25%**	**2 Half Yearly**	**-**	**901.61**	**1,483.43**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of the Company and personal guarantee of three directors of the Company ranking on pari passu basis with IDBI Bank		Installments payable in June 2008 & December 2008			
3	**Term Loan from ING Vysya Bank Limited (VB)**	**10.00%**	**36 Monthly**	**833.33**	**1,000.00**	**9.29**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of the Company and personal guarantee of three directors of the Company ranking on pari passu basis with ING Vysya Bank		Installments commencing from October 31, 2008 and ending in September 30, 2011			

Sl. No	Particulars	Rate of Interest	Repayment Schedule	Balance as at		
				March 31, 2009	March 31, 2008	March 31, 2007
4	**Term Loan from State Bank of India**	**12.75%**	**48 Monthly**	**42.93**	**229.93**	**566.14**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save and except current assets, both present and future, second charge over the current assets of the Company and personal guarantee of three directors of the Company ranking on pari passu basis with State Bank of India		Installments commencing from July 2005 and ending in June 2009			
5	**Term Loan from Axis Bank Limited (Formerly: UTI Bank Limited)**			**1,301.55**	**2,109.34**	**1,371.63**
	TL-1	**8.50%**				
	TL-2	**8.75%**				
	TL-3	**9.25%**	**22 Monthly**			
			Installments commencing from April 2007 and ending in December 2008			
	TL-4	**9.25%**	**48 Monthly**			
			Installments commencing from July 2005 and ending in June 2009			
	TL-5	**10.00%**	**36 Monthly**			
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland),Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of the Company and personal guarantee of three directors of the Company ranking on pari		Installments commencing from September 2008 and ending in August 2011			

Sl. No	Particulars	Rate of Interest	Repayment Schedule	Balance as at		
				March 31, 2009	March 31, 2008	March 31, 2007
	passu basis with Axis Bank Limited					
6	**Term Loan from Export Import Bank of India**	**7.80% Payable**	**18 Quarterly**	**611.09**	**833.32**	**1,000.00**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of the Company and personal guarantee of three directors of the Company ranking on pari passu basis with EXIM Bank.	Quarterly	Installments commencing from September 2007 and ending in December 2011			
7	**Term Loan from State Bank of Hyderabad**	**Originally**	**42 Monthly**	**749.97**	**1,178.42**	**1,509.79**
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of the Company and personal guarantee of three directors of the Company ranking on pari passu basis with State Bank of Hyderabad	Sanctioned at 7.75%, subsequently revised to 12%	Installments commencing from July 2007 and ending in December 2010			
8	**Term Loan from State Bank of Indore**	**Originally**	**42 Monthly**	**1,541.13**	**1,141.70**	**1,500.00**

Sl. No	Particulars	Rate of Interest	Repayment Schedule	Balance as at		
				March 31, 2009	March 31, 2008	March 31, 2007
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second charge over the current assets of the Company and personal guarantee of three directors of the Company ranking on pari passu basis with State Bank of Indore.	Sanctioned at 7.75%, subsequently revised to 10.75%	Installments commencing from July 2007 and ending in December 2010			
9	**Term Loan from Industrial Development Bank of India Limited**	**10.75%**	**16 Quarterly**	**2,500.00**	**1,200.00**	**-**
10	**Term Loan from Industrial Development Bank of India (IDBI)**	**12.00%**	**20 Equal**	**1,350.00**	**-**	**-**
	Secured by first mortgage and charge on the immovable and movable properties, save and except current assets, both present and future, second charge over the current assets of the Company and personal guarantee of three directors of the Company ranking on pari passu basis with IDBI Bank	IDBI BPLR (14.25% on date of Sanction) less 2.25%	Quarterly Installments Commencing from October 2011, i.e. a moratorium of one and a half years from the date of Commercial Production			
11	**Term Loan from Industrial Development Bank of India (IDBI)**	**12.50%**	**54 Monthly**	**1,000.00**	**-**	**-**
	Secured by first mortgage and charge on the immovable and movable properties, save and except current assets, both present and future, second charge over the current assets of the Company and personal guarantee of three directors of the Company ranking on pari passu basis with IDBI Bank	IDBI BPLR (13.50% on date of Sanction) less 1.00%	Installments commencing after a moratorium of 12 months from the date of Commercial Production			
12	**Term Loan from Standard Chartered Bank**	**6 Months JPY**	**Repayment to**	**2,795.10**	**-**	**-**

Sl. No	Particulars	Rate of Interest	Repayment Schedule	Balance as at		
				March 31, 2009	March 31, 2008	March 31, 2007
	Secured by first mortgage and charge on the immovable and movable properties located at Tizit (Nagaland), Behror (Rajasthan), Kriparampur (West Bengal) and Rudrapur (Uttarakhand), save & except current assets, both present and future, second pari Passu charge over the current assets of the Company.	LIBOR + 2% per annum Interest Payment to be six monthly.	start from the end of 30th Month of first drawdown as per following table: 30th Month-10% 36th Month-10% 42nd Month-10% 48th Month-10% 54th Month-15% 60th Month-15% 66th Month-15% 72nd Month-15%			
13	**Working Capital from Export Import Bank of India Limited (Exim Bank) (FCNR)**	**LIBOR+ 100 BPS**		**-**	**398.90**	**433.75**
	Secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the company, on pari passu basis, and personal guarantee of three Directors of the Company.					
14	**Working Capital Rupee Loan**	**11% to 14.75%**		**1,539.79**	**3,710.95**	**4,002.24**
	Secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the company, on pari passu basis, and personal guarantee of three Directors of the Company.					
15	**Working Capital FCNR(B)/PC Loan**			**3,855.03**	**-**	**-**
	Secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the Company, on pari passu basis, and personal guarantee of three Directors of the Company.					
16	**Working Capital Loan from**					
	Export Import Bank of India			**1,144.05**	**670.00**	**670.00**

Sl. No	Particulars	Rate of Interest	Repayment Schedule	Balance as at		
				March 31, 2009	March 31, 2008	March 31, 2007
	Secured by first charge by way of hypothecation of current assets and second charge over movable and immovable properties of the company, on pari passu basis, and personal guarantee of three Directors of the Company.					
17	**Foreign Currency Loan Secured Loan in SG$ 1648949 @ 33.30**			**549.10**	**361.72**	**134.84**
	Total Secured Loans			**19,821.41**	**13,747.90**	**12,681.11**

Notes:

1 Repayment Schedule given above is applicable only for Loans outstanding as on March 31, 2009.

2 The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure - J

Consolidated Details of Unsecured Loans of the Company

(Rs. in lacs)

S No.	Particulars	March 31, 2009	March 31, 2008	March 31, 2007
B.	**Unsecured Loans**	**1,500.00**	**1,500.00**	**-**
1	From Banks -	1,500.00	1,500.00	-
	Short Term for periods ranging from 7 to 11 months and interest rates varying from 12.50% to 14.35%.			
2	**From Banks - Vehicle Finance**	**423.86**	**389.25**	**138.69**
	From Banks -	412.26	377.04	127.16
	All loans repayable in installments over the next 3 years, interest rates varying from 7.22% to 14.50%			
	Hire Purchase Loan (in SG$) 3.18% p.a (Fixed Rate of interest)	11.60	12.21	11.53
3	**From Corporate Bodies**	**4,609.00**	**1,841.09**	**1,980.00**
a)	Short term, repayable on demand and interest payable at rates varying from 9% to 11%.	4,609.00	1,825.00	1,980.00
b)	PVPL	-	16.09	-
c)	Short term, repayable on demand and interest free	-	-	-
4	Interest Accrued and due	5.80	23.52	3.99
	Total Unsecured Loans	**6,538.66**	**3,753.86**	**2,122.68**

Note:

The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure - K

Consolidated Restated Summary Statement of Sales of the Company

(Rs. in lacs)

S No.	Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the Year Ended March 31, 2007	Nature
1	**Sales (net of Returns**				
	& Excise Duty)				
	Sales (net of Returns)	87,782.71	67,927.73	48,089.42	
	Add / (Less): Adjustment for Export Incentives	(273.87)	110.76	(167.29)	
		87,508.84	68,038.49	47,922.13	
	Less: Central Excise Duty	3,940.21	3,990.34	4,033.44	
	Less: Sales Tax/VAT	6,485.64	5,083.34	3,700.82	
	Net Sales	77,082.99	58,964.81	40,187.87	Recurring
1A	Traded Normally	77,082.99	58,964.81	40,187.87	Recurring
	Total	**77,082.99**	**58,964.81**	**40,187.87**	
	From Related Parties	2,414.06	1,154.65	191.82	
	With related parties includes:				
	From Promoters	-	-	-	
	From Promoter Group	2,414.06	1,154.65	191.82	
	Total	**2,414.06**	**1,154.65**	**191.82**	

Note:

1Detail of related party transactions and balances have been disclosed in 'Annexure-O'.

2 The goods traded by the Company are same as manufactured by it. Although purchase of such goods is shown separately, the sales of purchased goods could not be ascertained separately and forms part of sale of the manufactured goods.

3The above Statement should be read with the Significant Accounting Policies and Selected notes to accounts for Restated Summary Statements as appearing in Annexure D to this report.

Annexure - L

Consolidated Restated Summary Statement of Other Income of the Company

(Rs. in lacs)

S No	Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	Nature
1	Carbon credits	126.53	-	-	Recurring
2	Dividend on long term Investments (gross)	0.12	1.62	14.24	Recurring
3	Profit on sale of Investments	-	-	0.24	Non-recurring
4	Profit on sale of Fixed Assets	-	-	-	Non-recurring
5	Insurance Claim Received	48.84	58.87	31.61	Non-recurring
6	Interest Received(Gross)				
7	Exchange Gain Realised	-	53.44	-	Non-recurring
8	Balance Written Off	10.65	0.68	0.75	Non-recurring
9	Interest Subsidy Received	-	5.51	30.61	Recurring
10	Prior Period Income	-	0.35	0.02	Non-recurring
11	Miscellaneous Income	29.80	32.75	4.12	Recurring
	Total	**215.94**	**153.22**	**81.59**	
	From Related Parties	-	1.52	3.90	
	With related parties				
	includes:				
	From Promoters	-	-	-	
	From Promoter Group	-	1.52	3.90	
	Total	**-**	**1.52**	**3.90**	

Note:

1 Detail of related party transactions and balances have been disclosed in **'**Annexure-O**'.**

2 The above Statement should be read with the Significant Accounting Policies and Selected notes to accounts for Restated Summary Statements as appearing in Annexure D to this report.

Annexure - M

DIVIDENDS

PARTICULARS	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
Equity Shares			
Rate of Dividend	30%	60%	50%
Dividend Amount (Rs in Lacs)	254.96	503.92	413.48
Tax on above Dividend (Rs in Lacs)	43.33	85.64	65.39
Face Value of Equity Share (Rs)	5	5	5
Dividend per Share (Rs)	1.50	3.00	2.50
Preference Shares			
6% Cumulative Redeemable			
Non-Convertible Preference Shares			
Rate of Dividend (% p.a.)	-	-	-
Dividend Amount (Rs in Lacs)	-	-	-
Tax on above Dividend (Rs in Lacs)	-	-	-

Annexure – N

CAPITALISATION STATEMENT

Consolidated Capitalisation statement of the Company as at March 31, 2009

(Rs. in lacs)

Particulars	Pre issue as at March 31, 2009	As at March 31, 2009 (Adjusted for Rights Issue only)*
Debts :		
Short Term	16,279.97	16,279.97
Long Term	10,080.10	10,080.10
Total	**26,360.07**	**26,360.07**
Shareholders' Funds:		
Equity Share Capital	849.87	1,206.82
Reserves & Surplus (Excluding Revaluation Reserves)	16,549.72	22,617.81
Less: Miscellaneous Expenditure(to the extent not written off)	(50.25)	(50.25)
Total	**17,349.34**	**23,774.38**
Long Term Debt/ Equity Ratio	0.58	0.42

Notes:

1. Short term debts is considered as debt having original repayment term not exceeding 12 months.
2. Short term debts include installment of long term debts repayable within one year.
3. Long term debt is considered as debt other than short term debt as defined above.
4. The figures disclosed above are based on the Restated Summary Financial Statement of the Company as at March 31, 2009.
5. The above statement should be read with the Significant Accounting Policies and Summary of Selected Notes to Accounts, as appearing in Annexure D to this report.

*The capitalisation statement has been prepared based on the management's assumption that the proposed Rights Issue of Equity Shares by our Company of 50,99,234 Equity Shares to be issued at the rate of Rs 90 per Equity Shares would be subscribed fully and includes proceeds from 20,39,694 Detachable Warrants converted at the Floor Price

Annexure - O

Consolidated Restated Summary Statement of Related Party Transactions

Name of Subsidiaries	March 31, 2009	March 31, 2008	March 31, 2007
Greenlam Asia Pacific Pte. Limited (formerly GIL Intercontinental PTE Limited)	100%	100%	100%
Greenlam America, Inc.	100%		
Platinum Veneers P. Limited		100%	
Galaxy Decor P.Limited		100%	
Other Related Parties	**Year ended March 31, 2009**	**Year ended March 31, 2008**	**Year ended March 31, 2007**
	Himalaya Granites Limited	Himalaya Granites Limited	Himalaya Granites Limited
	Dholka Plywood Ind.P.Limited	Dholka Plywood Ind.P.Limited	Dholka Plywood Ind.P.Limited
	Greenply Leasing & Finance Limited	Greenply Leasing & Finance Limited	Greenply Leasing & Finance Limited
	Trade Combines	Trade Combines	Trade Combines
	Prime Holdings P. Limited	Prime Holdings P. Limited	Prime Holdings P. Limited
	Prime Properties P. Limited	Prime Properties P. Limited	Prime Properties P. Limited
	S.M. Management P. Limited	S.M. Management P. Limited	S.M. Management P. Limited
	S.M. Palriwal Charitable Trust	S.M. Palriwal Charitable Trust	S.M. Palriwal Charitable Trust
	Shakuntala Devi Palriwal	Shakuntala Devi Palriwal	Shakuntala Devi Palriwal
	Santosh Mittal	Santosh Mittal	Santosh Mittal
	Karuna Mittal	Karuna Mittal	Karuna Mittal
	Parul Mittal	Parul Mittal	Parul Mittal
	Surbhi Mittal	Surbhi Mittal	Surbhi Mittal
	Chitwan Mittal	Chitwan Mittal	Chitwan Mittal
	Year ended March 31, 2009	**Year ended March 31, 2008**	**Year ended March 31, 2007**
	Shiv Prakash Mittal	Shiv Prakash Mittal	Shiv Prakash Mittal
	Rajesh Mittal	Rajesh Mittal	Rajesh Mittal
	Saurabh Mittal	Saurabh Mittal	Saurabh Mittal
	Shobhan Mittal	Shobhan Mittal	Shobhan Mittal
	M.Y. Konyak	M.Y. Konyak	M.Y. Konyak
	Susil Kumar Pal	Susil Kumar Pal	Susil Kumar Pal
	Vinod Kumar Kothari	Vinod Kumar Kothari	Vinod Kumar Kothari
	Anupam Kumar Mukerji	Anupam Kumar Mukerji	Anupam Kumar Mukerji

Name of Subsidiaries	March 31, 2009	March 31, 2008	March 31, 2007
	Sonali Bhagwati Dalal	Sonali Bhagwati Dalal	Sonali Bhagwati Dalal

Annexure – O

Restated Summary Statement of Related Party Transactions

(Rs. in lacs)

Particulars	Year ended March 31, 2009	Year ended 31st March, 2008	Year ended 31st March, 2007
	Total Amount	Total Amount	Total Amount
A. Transactions			
1. Sales, Services and other Recoveries			
Himalaya Granites Limited	-	15.52	15.71
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	1,339.88	633.52	176.11
Greenlam America, Inc. (100% subsidiary)	1,074.18	-	-
Platinum Veneers Private Limited (100% subsidiary)	-	505.61	-
2. Sale of Fixed Assets			
Platinum Veneers Private Limited (100% subsidiary)	-	27.97	-
3. Purchase of Goods			
Greenlam Asia Pacific Pte Limited (100% subsidiary) (formerly GIL Intercontinental Pte Limited)	44.47	86.37	-
			-
Platinum Veneers Private Limited (100% subsidiary)	-	510.42	-
Galaxy Decor Private Limited (100% subsidiary)	-	1.75	-
4. Payments against Services			
Prime Holdings Private Limited	26.40	-	3.36
S.M.Management Private Limited	16.80	-	3.00
Prime Properties Private Limited	24.00	-	
Trade Combines	2.40	-	4.20
Rajesh Mittal	118.89	78.39	41.12
Saurabh Mittal	122.53	75.03	38.88
S P Mittal	122.66	85.11	10.43
Shobhan Mittal	87.65	64.95	24.04
Parul Mittal	-	12.15	4.03
Susil Kumar Pal	2.00	2.24	0.20
Vinod Kumar Kothari	2.00	2.08	0.08
Anupam Kumar Mukerji	2.00	2.14	0.04
Moyna Yometh Konyak	2.00	2.00	-
Sonali Bhagwati Dalal	2.00	2.02	-
5. Finance Charges Paid			
Greenply Leasing & Finance Limited	-	-	4.78
Prime Holdings Private Limited	-	-	3.79
S.M.Management Private Limited	-	-	3.32
6. Dividend Payments			
Himalaya Granites Limited	-	-	3.92
7. Loan, Advance and Deposit Taken			
Greenply Leasing & Finance	232.00	-	-

Particulars	Year ended March 31, 2009	Year ended 31st March, 2008	Year ended 31st March, 2007
	Total Amount	Total Amount	Total Amount
Limited			
Prime Holdings Private Limited	515.00	-	-
S.M.Management Private Limited	370.00	-	-
Vanashree Properties Pvt. Ltd.	192.00	-	-
8. Loan, Advance and Deposit Given			
Platinum Veneers Private Limited (100% subsidiary)	-	605.19	
Galaxy Decor Private Limited (100% subsidiary)	-	106.02	
9. Repayment of Loan, Advance and Deposit taken			
Greenply Leasing & Finance Limited	-	-	288.65
Prime Holdings Private Limited	-	-	239.85
S.M.Management Private Limited	-	-	249.24
10. Corporate Guarantee Given			
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	2,197.80*	458.80	155.49
11. Release of Corporate Guarantee Given			
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	458.80	155.49	-
(* Conversion Rate 1 SG$=33.30 INR)			
B. Balance at the end of period			
1. Debtors			
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	795.96	371.15	106.90
Greenlam America, Inc. (100% subsidiary)	927.58	-	-
Himalaya Granites Limited	-	15.77	-
2. Creditors for Goods and Expenses			
Greenlam Asia Pacific Pte. Limited (100% subsidiary) (formerly GIL Intercontinental Pte. Limited)	-	86.37	-
Platinum Veneers Private Limited (100% subsidiary)	-	298.46	-
Galaxy Decor Private Limited (100% subsidiary)	-	1.75	-
3. Loans, Deposits and Advances Taken			
Greenply Leasing & Finance Limited	232.00	-	-
Prime Holdings Private Limited	515.00	-	-
S.M.Management Private Limited	370.00	-	-

Particulars	Year ended March 31, 2009	Year ended 31st March, 2008	Year ended 31st March, 2007
	Total Amount	Total Amount	Total Amount
Vanashree Properties Pvt. Ltd.	192.00	-	-
4. Loans, Deposits and Advances Given			
Platinum Veneers Private Limited (100% subsidiary)	-	605.19	-
Galaxy Decor Private Limited (100% subsidiary)	-	106.02	-

Note:

1. The related party transactions disclosed are as per the requirement of Accounting Standard '18'.
2.The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report

Annexure - P

Consolidated Statement of Accounting Ratios of the Company

(Rs. in lacs)

S No.	Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
1	Net Profit after Tax, preference dividend and tax on preference dividend	3,358.11	3,881.61	2,197.63
2	Number of equity shares outstanding at the end of the year/period	1,69,97,446	1,69,97,446	1,64,52,446
3	Paid up value of each Equity Share (Rs.)	5.00	5.00	5.00
4	Number of equity shares outstanding at the end of the year/ period (after split up of shares from Rs. 10 to Rs. 5)	1,69,97,446	1,69,97,446	1,64,52,446
5	Weighted average number of equity shares of Rs. 5 each outstanding during the year/period after considering split up share (Refer note 5 below) (for Basic earnings per share)	1,69,97,446	1,67,05,028	1,58,81,197
6	Weighted average number of equity shares of Rs. 5 each outstanding during the year/period after considering split up share (Refer note 5 below) (for Diluted earnings per share)	1,69,97,446	1,67,05,028	1,63,17,197
7	Total Paid up capital	849.87	849.87	884.75
8	Reserves & Surplus (excluding Revaluation Reserve)	16,549.72	13,634.17	9,652.91
9	Miscellaneous Expenses (to the extent not written off or adjusted)	50.25	6.72	2.28
10	Net Worth (7+8-9)	17,349.34	14,477.32	10,535.38
	Accounting Ratios			
a)	**Earning per share**			
	Basic - Item (1)/(5)	19.76	23.24	13.84
	Diluted - Item (1)/(6)	19.76	23.24	13.47
b)	**Return on Net Worth-%**	19.36	26.81	20.86
c)	**Net asset Value per share (10) / (4)**			
	(Calculated on restated value of Rs. 5 per share) (Refer note 5)	102.07	85.17	64.04

Notes

1) The ratios have been computed as under:

Basic & Diluted earnings per shareholder	Net profits after tax, as restated, attributable to equity share (Rs.)/ Weighted average number of equity shares outstanding during the year/period
Return on Net Worth (%)	Net profits after tax, as restated (Rs.)/Net Worth, as restated, at the end of the year/period
Net Asset Value per Share (Rs.)	Net Worth, as restated, at the end of the year/period/ Number of equity shares outstanding at the end of the year/period

2) Potential conversion of the share warrants granted during the financial year ended March 31, 2007 is dilutive and accordingly has been considered in the calculation of diluted earning per share for the year.

3) As per the requirement of AS - 20, issued by the ICAI, the corresponding figures relating to all previous reporting periods have been re-stated to give the effect of the split of equity shares from Rs.10 each to Rs. 5 each

4) Earnings per Share is calculated as per compliance of Accounting Standard 20- "Earning per Share"

5) The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

Annexure – Q

Consolidated Restated Segmental Reporting of the Company

Information about Business Segments – Primary

(Rs. in lacs)

Reportable Segment		Plywood & Allied Products	Laminates & Allied Products	Unallocated	Total
Revenue	2006-07	23,537.63	24,368.26	16.24	47,922.13
	2007-08	39,177.49	28,845.48	15.52	68,038.49
	2008-09	52,774.80	34,721.35	12.69	87,508.84
Identifiable Expenses	2006-07	20,555.73	21,817.44	0.01	42,373.18
	2007-08	32,133.35	23,047.46	(0.00)	55,180.81
	2008-09	45,350.24	29,012.98	-	74,363.22
Segmental Operating Income	2006-07	2,981.90	2,550.82	16.23	5,548.95
	2007-08	7,044.14	5,798.02	15.52	12,857.68
	2008-09	7,424.56	5,708.37	12.69	13,145.62
Unallocable Expenses	2006-07	-	-	3,143.20	3,143.20
	2007-08	-	-	7,857.93	7,857.93
	2008-09	-	-	9,296.79	9,296.79
Operating Income	2006-07	2,981.90	2,550.82	(3,126.97)	2,405.75
	2007-08	7,044.14	5,798.02	(7,842.41)	4,999.75
	2008-09	7,424.56	5,708.37	(9,284.10)	3,848.83
Other Income (Net of Expenses)	2006-07	12.52	63.61	5.46	81.59
	2007-08	105.21	30.43	17.58	153.22
	2008-09	49.57	166.37	-	215.94
Profit Before Taxes	2006-07	2,994.42	2,614.43	(3,121.51)	2,487.34
	2007-08	7,149.35	5,828.45	(7,824.83)	5,152.97
	2008-09	7,474.13	5,874.74	(9,284.10)	4,064.77
Income Tax	2006-07	-	-	289.71	289.71
	2007-08	-	-	1,271.36	1,271.36
	2008-09	-	-	706.66	706.66
Profit After Tax	2006-07	2,994.42	2,614.43	(3,411.22)	2,197.63
	2007-08	7,149.35	5,828.45	(9,096.19)	3,881.61
	2008-09	7,474.13	5,874.74	(9,990.76)	3,358.11
Extraordinary Items	2006-07	-	-	-	-
	2007-08	-	-	-	-
	2008-09	-	-	-	-

Reportable Segment		Plywood & Allied Products	Laminates & Allied Products	Unallocated	Total
Profit After Extraordinary Items	2006-07	2,994.42	2,614.43	(3,411.22)	2,197.63
	2007-08	7,149.35	5,828.45	(9,096.19)	3,881.61
	2008-09	7,474.13	5,874.74	(9,990.76)	3,358.11

Notes:

a) Segment Assets and Liabilities

All segment assets and liabilities are directly attributable to the segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, advances and operating cash and bank balances.

b) Segment Revenue and Expenses

Segment revenue and expenses are directly attributable to the segment. It does not include dividend income, profit on sale of investments, interest expense (net), other expenses which cannot be allocated on a reasonable basis and provision for income tax.

c) The above statement should be read with the Significant Accounting Policies and Selected Notes to Accounts for Restated Summary Statements, as appearing in Annexure D to this Report.

REVIEW REPORT

To

The Board of Directors

Greenply Industries Limited

We have reviewed the accompanying statement of unaudited financial results of M/s. GREENPLY INDUSTRIES LIMITED for the quarter ended 30th June, 2009. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to enquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed any audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the listing agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For D. DHANDARIA & COMPANY,
(Chartered Accountants)

(Dindayal Dhandaria)
Partner
M No. 010928

Place: Tinsukia
Dated: August 7, 2009

Un-audited Financial Results (Provisional) for the quarter ended June 30, 2009				
				(Rs. in lacs)
		Quarter ended		Year ended
Sr. No.	Particulars	June 30, 2009 (Unaudited)	June 30, 2008 (Unaudited)	March 31, 2009 (Audited)
1	(a) Net Sales/Income from Operations			
	Gross Sales	**19743.12**	**19745.77**	**82952.80**
	Less: Excise Duty on Sales	631.53	1061.43	3962.31
	Less: VAT / Sales Tax & Turnover Tax	1357.84	1528.27	6504.40
	Net Sales/Income from Operations	**17753.75**	**17156.07**	**72486.09**
	(b) Other Operating Income	7.48	-	215.77
2	Expenditure			
	a) (increase)/decrease in stock in trade & Work in progress	(307.81)	(759.85)	(957.18)
	b) Consumption of Raw materials	9770.71	10077.63	40855.78
	c) Purchase of Traded Goods	426.28	981.79	3162.35
	d) Employees Cost	1747.00	1261.98	5926.08
	e) Depreciation	465.15	381.84	1704.80
	f) Administrative & Selling Expenses	2820.03	2426.97	10261.28
	g) Exchange Fluctuation Loss / (Gain)	(194.01)	652.78	1600.05
	h) Other Expenditure	1113.16	826.99	3751.24
	Total Expenditure	15840.51	15850.13	66304.40
3	Profit from Operations before Other Income, Interest and Exceptional Items	1920.72	1305.94	6397.46
4	Other Income	-	5.08	0.12
5	Profit before Interest and Exceptional Items	1920.72	1311.02	6397.58
6	Interest	550.06	469.20	1963.07
7	Profit after Interest but before Exceptional Items	1370.66	841.82	4434.51
8	Exceptional Items	-	-	-
9	**Profit (+)/ Loss (-) from Ordinary Activities before tax**	**1370.66**	**841.82**	**4434.51**
10	Tax Expenses			
	for Current	(233.94)	(96.00)	(500.00)
	for Deferred	(32.80)	(40.80)	(28.44)
	for Fringe Benefits Tax	-	(9.00)	(66.12)
	for MAT Credit	(11.47)	-	(108.98)
	for Earlier Year	-	-	(0.35)
11	Net Profit(+)/Loss(-) from ordinary activities after tax	1092.45	696.02	3730.62
12	Extraordinary items(net of tax expenses)	-	-	-
13	**Net Profit (+)/Loss(-) for the period**	**1092.45**	**696.02**	**3730.62**
14	Paid Up Equity Share Capital (Face value Rs.5/- per share)	849.87	849.87	849.87
15	Reserves excluding Revaluation Reserves	-	-	17141.75
16	**a) Basic & Diluted EPS (Rs.) before Extraordinary items:**	**6.43***	**4.09***	**21.95**
	b) Basic & Diluted EPS (Rs.) after Extraordinary items:	**6.43***	**4.09***	**21.95**
17	Public Shareholding			
	Number of Shares	7662800	7662800	7662800
	Percentage of Shareholding	45.08	45.08	45.08
18	Promoters and promoter group Shareholding			
	a) Pledged/Encumbered			
	-Number of Shares	Nil	Nil	Nil
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil
	-Percentage of shares (as a% of the total share capital of the company)	Nil	Nil	Nil
	b) Non-encumbered			
	-Number of Shares	9334646	9334646	9334646
	-Percentage of shares (as a% of the total shareholding of	100.00	100.00	100.00

	promoter and promoter group)			
	-Percentage of shares (as a % of the total share capital of the company)	54.92	54.92	54.92
	* Not annualised			

Segmentwise Revenue, Results and Capital Employed

Particulars	Quarter ended		Year ended
	June 30, 2009 (Unaudited)	**June 30, 2008 (Unaudited)**	**June 30, 2009 (Unaudited)**
Segment Revenue			
a) Plywood & Allied Products	11498.37	11494.81	48169.05
b) Laminates & Allied Products	8252.23	8250.96	34986.95
c) Unallocated	-	-	12.69
Total	19750.60	19745.77	83168.69
Less: Inter Segment Revenue	346.90	317.67	1477.23
Gross Sales/income From Operation	19403.70	19428.10	81691.46
Segment Result			
a) Plywood & Allied Products	2059.59	1562.78	7186.80
b) Laminates & Allied products	1782.73	1211.89	5821.19
Total	3842.32	2774.67	13007.99
Less: Interest(Net)	550.06	469.20	1963.07
Other Unallocable expenditure net of unallocable Income	1921.60	1463.65	6610.41
Total Profit before Tax	1370.66	841.82	4434.51
Capital employed			
a) Plywood & Allied Products	29998.40	20693.95	25753.07
b) Laminates & Allied Products	18767.24	11061.28	15878.26
c) Unallocated	2996.89	3110.44	3507.02
Total	51762.53	34865.67	45138.35

(Rs. in lacs)

Particulars	Quarter ended		Year ended
	June 30, 2009 (Unaudited)	**June 30, 2008 (Unaudited)**	**June 30, 2009 (Unaudited)**
Segment Revenue			
a) Plywood & Allied Products	11498.37	11494.81	48169.05
b) Laminates & Allied Products	8252.23	8250.96	34986.95
c) Unallocated	-	-	12.69
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Less: Inter Segment Revenue	346.90	317.67	1477.23
Gross Sales/income From Operation	19403.70	19428.10	81691.46
Segment Result			
a) Plywood & Allied Products	2059.59	1562.78	7186.80
b) Laminates & Allied products	1782.73	1211.89	5821.19
Total	3842.32	2774.67	13007.99
Less: Interest(Net)	550.06	469.20	1963.07
Other Unallocable expenditure net of unallocable Income	1921.60	1463.65	6610.41

Total Profit before Tax	1370.66	841.82	4434.51
Capital employed			
a) Plywood & Allied Products	29998.40	20693.95	25753.07
b) Laminates & Allied Products	18767.24	11061.28	15878.26
c) Unallocated	2996.89	3110.44	3507.02
Total	51762.53	34865.67	45138.35

Notes:

1. The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on 30th July, 2009.
2. The previous periods figures have been regrouped and reclassified wherever necessary.
3. The Hon'ble High Court of Gujarat and the Hon'ble Gauhati High Court vide their orders dated 20.01.2009 and 30.04.2009 respectively approved the Scheme of Amalgamation of Galaxy Decor Private Ltd. and Platinum Veneers Pvt. Ltd. with the Company with effect from the appointed date i.e. 01.04.2008. Accordingly, the results for the quarter ended 30.06.2009 and the year ended 31.03.2009 include the amalgamated figures and are therefore not comparable with the results for the quarter ended 30.06.2008 which do not include the figures of the amalgamated companies.
4. The status of investor complaints for the quarter ended 30th June, 2009:Complaints pending at the beginning of the quarter - Nil; received during the quarter - Nil; disposal of complaints - N. A. and Complaints lying un-resolved at the end of the quarter – Nil
5. The Company is setting-up a MDF manufacturing line at IIE, Pantnagar, Uttarakhand and civil construction work is near completion. Consignment of machineries have started arriving at the site and are being erected.
6. The Company's new Laminate Unit situated at Village: Paterh Bhonku, P.O.: Panjera, Tehsil: Nalagarh, Dist: Solan(H.P.) has started commercial production in one Press with effect from 11.06.2009 out of a total of three Presses to be installed at the said Unit. Progress on the remaining part is on schedule.
7. The Company has filed with SEBI a Draft Letter of Offer relating to its proposed Rights Issue of Equity Shares(including convertible warrants) upto Rs. 75 Crores on 28.04.2009 and is awaiting SEBI observations on the same.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our audited restated financial statements under Indian GAAP including the schedules, annexure and notes thereto and the reports thereon, which appear elsewhere in this letter of offer on page 130 of section titled "Financial Information". You are also advised to read the section titled "Risk Factors" on page XI of this letter of offer, which discusses a number of factors and contingencies that could impact our financial condition, results of operations and cash flows. Unless otherwise stated, the financial information used in this Section is derived from our audited standalone financial statements under Indian GAAP, as restated. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the 12-month period ended March 31 of that year. In this section only, any reference to "we", "us" or"our" refers to Greenply Industries Limited.

Overview

We are an interior infrastructure company engaged in the manufacture of plywood, laminates and allied products and are one of the largest in India in the segments in which we operate. We are in the process of commissioning a sophisticated medium density fiberboard ("MDF") manufacturing unit at Uttarakhand which we believe would be one of the largest in India.

Our Promoters, Mr. Shiv Prakash Mittal and Mr. Rajesh Mittal ventured into the industry by setting up a saw-mill in 1984 and a plant at Nagaland for the manufacture of plywood in 1988. We were incorporated in 1990 and over the years we have steadily grown as an interior infrastructure solutions provider offering the entire range of products vis. plywood, laminates, particle board and decorative veneers. Our Promoters have over twenty five years of experience in this industry. We have presence across different price points to cater to all customers across high-end, mid-market, and value segments.

Our products and installed capacities are as follows:

Manufacturing Unit	Product	Installed Capacity	Our major brands
Tizit, Nagaland	Plywood	45.00 lacs square meters	Greenply, Green Club, Ecotec, Optima Red, Green Spectrumwood, Green Premiaboard and Green Lamieboard
Kriparampur, West Bengal		60.00 lacs square meters	
Bamanbore, Gujarat		30.00 lacs square meters	
Pantnagar, Uttarakhand	Plywood and decorative veneers	105.00 lacs square meters	
	Particle board	20.00 lacs square meters	
Behror, Rajasthan	Laminates	53.40 lac sheets	Greenlam, Green Touch, Green Gloss, Greenlam Supertuf, New Mika, Green Sturdo and Green Decowood
	Decorative veneers	42.00 lacs square meters	
Nalagarh, Himachal Pradesh*	Laminates	33. 00 lacs sheets	
Pantnagar, Uttarakhand *	Medium Density Fibreboard	1.80 lacs cubic meters	

* *the proposed projects*

We have been awarded with ISO 9001, ISO 14001 and OHSAS 18001 certifications for our manufacturing facility at Behror, Rajasthan. We have also received Greenguard Certification for "Low Emitting Products and Materials" for our product Greenlam Laminates.

We have a pan-India presence and export our laminate products to various countries including the

United States of America, Singapore, Israel, Dubai, Mexico, Malaysia, Taiwan, Hong Kong, Russia and the United Kingdom. As of August 31, 2009, our marketing team comprising of 606 employees, operates through 27 marketing offices across 17 states in India. Our distribution network comprises of more than 3,445 distributors and dealers through whom we have access to approximately 8,500 sub-dealers and retailers. This pan-India distribution network ensures that our products are easily available in almost any part of India.

Factors that may affect Results of Operation

Except as otherwise stated in this letter of offer , the Risk Factors given in this letter of offer and the following important factors could cause actual results to differ materially from the expectations include, among others:

1. Changes in Government Policies relating to wood panel Industry

Our manufacturing activities are subject to environmental laws and regulations promulgated by the Ministry of Environment of Government of India, the State Forest Policy, State Pollution Control Board among other laws which regulate cutting of trees, discharge of effluents, polluted emissions, hazardous substances and so on. Any changes in the policies relating to our industry could materially impact our operations.

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2. Raw Material Availability

Every year large hectares of forests are utilized as firewood. Such continuous depletion of the natural forest resources may result in reduction of raw material availability and consequently increase our raw material costs and could significantly affect our operating results.

3. Company's ability to successfully implement its strategy and its growth and expansion plans

At present, our growth involves the setting up of new manufacturing units for the manufacture of laminates and MDF. We have continuously launched new products and finishes and extended the brand to premium as well as economic products portfolio. We have also followed a strategy of inorganic growth by acquiring two plywood manufacturing companies in Gujarat in 2007 to strengthen our presence in western India. We expect to commence commercial production at our MDF facility by March 2010. Our results will be impacted by our ability to successfully implement our strategy and future growth plans.

4. Successful establishment of the new MDF business

We plan to commence the manufacture of MDF. For various reasons, including competition from the unorganized sector, the success of our new products cannot be predicted with a reasonable certainty. MDF. Whether our new products will be accepted by and be successful in the market and whether we would be able to recoup the costs of developing such new products cannot be assured.

5. **Changes in the demand for wood based products**

The demand for interior infrastructure products is primarily dependent on the demand for real estate, which influences the demand for plywood, laminates and other interior infrastructure products. Periods of slowdown in the economic growth of India have significantly affected the real estate sector in the recent past. Any further downturn in the real estate industry and/or changes in governmental policies affecting the growth of this sector may have an adverse effect on the demand for plywood, laminates and other infrastructure products and the results of our operations.

6. **Competition in wood based industry from other companies, especially the effect of such competition on our ability to penetrate such markets**

The Indian plywood industry is highly fragmented with over 70% constituted by the unorganized sector, from which the organized plywood sector faces intense competition. 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. We also face stiff competition from the organized sector. Important factors affecting competition in our industry are competitive pricing, ability to introduce innovative products, exclusive designs, product branding, logistic advantages and the extent of distribution network.

7. **Changes in the foreign exchange control regulations, interest rates and tax laws in India**

Taxes and other levies imposed by the Central or State Governments in India that affect the industry we operate in, includes customs duties, excise duties, sales tax, value added tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Any new taxes/ changes in existing tax policies by the Government of India or other State Governments may have a material adverse effect on our business, financial condition and results of operations.

8. **Macroeconomic factors**

Macroeconomic factors such as a recession or any other economic instability, political uncertainty, social upheavals or acts of God affecting India or our other geographic markets.

Our Results of Operation

The table below sets forth various items from our Company's standalone restated financial information for years ended March 31, 2006, 2007, 2008 and 2009:

(Rs. in Lacs)

Particulars	**For the year ended March 31, 2009**	**For the year ended March 31, 2008**	**For the year ended March 31, 2007**	**For the year ended March 31, 2006**
Income				
Sales & Services	72,253.08	54,302.23	39,050.91	25,829.42
Other Income	215.54	142.16	80.89	91.33
Increase (Decrease) in Inventories	957.18	1,621.86	1,338.57	102.94
Total	**73,425.80**	**56,066.25**	**40,470.37**	**26,023.69**
Expenditure				
Purchase	3,162.35	1,614.43	181.64	75.63

Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006
Operating Cost	44,607.02	33,960.24	26,863.13	17,479.52
Personnel Cost	5,925.52	3,943.57	2,912.91	1,473.01
Administrative and Other Expenses	3,297.70	2,682.82	1,765.37	1,120.03
Selling and Distribution Expenses	6,933.96	5,617.75	4,227.22	2,711.66
Loss due to fluctuation in Foreign Exchange Rates	1,600.05	-	-	-
Financial Charges	1,963.07	1,811.87	1,174.79	763.93
Depreciation / Amortization	1704.80	1,315.51	864.83	633.40
Profit before Tax	4,231.33	5,120.06	2,480.48	1,766.51
Provision for Taxation	703.54	1,266.03	289.71	170.97
Net Profit / (Loss) After Adjustments	**3,527.79**	**3,854.03**	**2,190.77**	**1,595.54**

Total Income

Our total income consists of the following

Income from Sales and Services:

We derive most of our income from the sale of manufactured wood based products; primarily plywood, particle boards, decorative veneers, and laminates. We currently own five manufacturing units and are in the process of setting up two additional units. Our Company has set up a large distribution network across India with includes a large number of authorised distributors, dealers and stockists.

For Fiscal 2006, 2007, 2008 and 2009, respectively, income from sales and services accounted for 99.65%, 99.79%, 99.74% and 99.70% of our total income, respectively.

Currently, our income is categorized into two segments, viz.:

Plywood and allied products Division: The income from this division includes income from plywood, particle boards, and decorative veneers. The plywood division accounted for 44.05%, 47.99%, 54.65% and 58.20% of our gross income from sales and services in Fiscal 2006, 2007, 2008 and 2009, respectively.

Laminates Division: The laminates division accounted for 55.90%, 51.97%, 45.33% and 41.78% of our gross income from sales and services in Fiscal 2006, 2007, 2008 and 2009, respectively.

Expenses

Operating Cost: Operating cost comprises of raw material cost and other manufacturing expenses. The raw material cost is primarily cost of timber, paper and chemicals. Manufacturing expenses include power and fuel cost, stores and spares consumed, and repairs. Manufacturing expenses, included in the operating cost were 7.32%, 7.23%, 7.43% and 8.41% thereof for Fiscal 2006, 2007, 2008 and 2009, respectively.

Personnel Cost: Our employees' costs include salaries, wages, bonus and gratuity, contribution to provident and other funds and staff welfare scheme expenses for both permanent and contract

employees. Employee cost as a percentage of total income has shown an increasing trend over the years. This is attributable to an increase in the number of our employees in line with our business growth. Employee costs were 5.70%, 7.46%, 7.26%, and 8.20%, of our income from sales and services for Fiscal 2006, 2007, 2008 and 2009, respectively. We expect our employee cost to continue to increase as we are in an expansion mode and retaining and acquiring skillful talent is one of the pre-requisite to maintain our growth.

Administrative Expenses: Administration expenses comprise costs associated with our administrative offices and our corporate office, including rent, insurance, repairs and maintenance, telephone, traveling, vehicle, legal and professional, directors' remuneration, bank charges and other miscellaneous expenses. Administration expenses were 4.34%, 4.52%, 4.94% and 4.56%, of our income from sales and services for Fiscal 2006, 2007, 2008 and 2009 respectively.

Selling & Distribution Expense: Selling expenses comprises costs associated with the sales of our manufactured goods, mainly expenses such as freight and delivery expenses, packing expenses, export expenses, advertising and sales promotion expenses, commissions and all expenses relating to sales and distribution. Selling expenses were 10.50%, 10.82%, 10.35% and 9.60% of our income from sales and services for Fiscal 2006, 2007, 2008 and 2009, respectively.

Depreciation/Amortisation: Generally, depreciation costs increase based on the capital expenditure we incur. For more information on our depreciation policies, please refer to our Significant Accounting Policies on page 239 of this Letter of Offer.

Our depreciation expenses in the coming years are expected to increase due to ongoing fixed asset additions, such as normal incremental capital expenditure required to be incurred on the ongoing expansion and the capital expenditure that we will incur as per the details mentioned in the section "Objects of the Issue" on page 31 of this Letter of Offer.

Provision for Taxation

Our Tax expenses comprise of income tax, fringe benefit tax, corporate dividend tax, deferred tax including applicable surcharge and cess. Currently we benefit from certain tax incentives resulting in a decrease in the effective tax rate compared to the tax rates that we would have applied if these incentives had not been available. The plywood facility at Nagaland enjoys 100% corporate tax exemption and certain excise benefits for 10 years starting 2005-06. The Uttarakhand unit enjoys similar facilities since 2006-07 for 10 years but the corporate tax exemption shall reduce to 30% for a further period of 5 years commencing from 2011-12.

Our provision for taxation as per restated standalone financial information for the year ending March 31, 2006, 2007 2008 and 2009 was Rs. 170.97 lacs, Rs. 289.71 lacs, Rs. 1,266.03 lacs and Rs. 703.54 lacs respectively.

SIGNIFICANT ACCOUNTING POLICIES

1.01 DISCLOSURE OF ACCOUNTING POLICIES (AS-1):

1. 01.01 NATURE OF OPERATION

Our Company is an interior infrastructure company engaged in the business of manufacturing plywood and allied products, laminates, particle boards, etc. through its factories at various locations and branches & dealers' network spread all over the country. It also has two wholly owned overseas subsidiary companies. These subsidiary companies are operating in Singapore and Florida. The overseas subsidiaries are engaged in the business of trading in similar products.

1.01.02 ACCOUNTING CONCEPTS & BASIS OF PRESENTATION

The restated summary statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards)

Rules 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.

1.01.03 USE OF ESTIMATES:

The preparation of Restated Summary Statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Restated Summary Statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.02 VALUATION OF INVENTORIES (AS-2):

1.02.01 Stock of Raw Materials, Stores and spare parts are valued at cost; and of those in transit, at port and at Bonded Warehouse related to these items are valued at cost to date.

Materials and supplies held for use in the production of inventories are not written down below cost of the finished products in which they will be incorporated are expected to be sold at or above cost. However, when there has been a decline in the price of materials and it is estimated that the cost of the finished products will exceed net realizable value, the materials are written down to net realizable value. In such circumstances, the replacement cost of the materials may be the best available measure of their net realizable value.

1.02.02 Goods-in-process is valued at cost.

1.02.03 Stock Finished goods and semi-finished goods are valued at cost or net realisable value whichever is lower.

1.02.04 Waste and scraps are accounted at estimated realisable value.

1.02.05 Cost of inventories is generally ascertained on the 'weighted average' basis. Goods-in-process, finished and semi-finished goods are valued on absorption cost basis.

1.03 CASH FLOW STATEMENT (AS – 3):

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of our Company is segregated. Cash and cash equivalents in the balance sheet comprise cash at bank (excluding term deposits), cash/cheques in hand and short term investments with an original maturity of three months or less.

1.04 CONTINGENCIES AND EVENTS OCCURRING AFTER RESTATED SUMMARY STATEMENTS (AS -4):

Disclosure of contingencies and events occurring after restated summary statements as required by the accounting standard is furnished in the Notes on Restated Summary Statements.

1.06 NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES (AS – 5):

Net Profit or loss for the periods is shown separately in the Profit & Loss Account. As regards the prior period items, the Accounting Standard AS-5 requires separate disclosure thereof, whereas the SEBI guidelines require the same to be adjusted in arriving at the profits of the years to which they relate irrespective of the years in which the event had occurred. In accordance with the said guidelines, Prior period items have been restated as disclosed in Para 5.03 below.

1.06 DEPRECIATION (AS – 6):

1.06.01 Depreciation on Fixed Assets is provided for on straight-line method in accordance with and generally at the rates specified in Schedule XIV to the Companies Act, 1956. Leasehold lands at Kriparampur and Rudrapur units are amortised over the period of lease. Other leasehold lands are not amortised.

1.06.02 Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period of use of such assets. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units.

1.06.03 Depreciation on Intangible assets (Trademarks) is provided for on straight-line method over its estimated period of use.

1.07 REVENUE RECOGNITION (AS -9):

Revenue is recognized to the extent that it is probable that the economic benefits will flow to our Company and the revenue can be reliably measured.

1.07.01 **Sale of Goods**: Sales are accounted for on despatch of products to customers. Gross sales shown in the Profit & Loss Account are inclusive of Excise Duty, Value added Tax/Sales Tax and the value of self-consumption and inter-transfers but excludes discounts. Net sales is shown after deducting Excise duty and Value Added Tax/Sales Tax which are disclosed at appropriate places.

1.07.02 **Interest**: Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

1.07.03 **Dividend**: Dividend from investment is recognized when our Company in which they are held declares the dividend and when the right to receive the same is established.

1.07.04 **Export Incentives**: Various Export Incentives being benefits arising from exports entitling our Company to import goods free of duty under the "Duty Entitlement Pass Book under Duty Exemption Scheme (DEPB)", Duty Free Replenishment Certificate (DFRC) and Duty Free Import Authorisation (DFIA) are accounted for in the year in which the benefits accrue to our Company.

1.07.05 In case of manufacturing units exempt from payment of VAT/Sales tax under State laws, VAT input credit receivable is carried forward as an asset to the extent it is eligible for set-off in subsequent years.

1.08 ACCOUNTING FOR FIXED ASSETS (AS – 10):

1.08.01 Fixed assets are stated at cost less accumulated depreciation. The Accounting Standard AS-10 requires that the fixed assets, which are revalued, should be stated at revalued amounts as a result of their revaluation. However, for the purpose of restated financial information, fixed assets have also been restated so as to exclude the revalued amounts.

1.08.02 Cost includes borrowing costs as per Accounting Standard AS-16 issued by Institute of Chartered Accountants of India (ICAI) and all incidental expenditure net of CENVAT, Service Tax Input Credit and VAT Input Credit, wherever applicable.

1.08.03 Revenue expenses incurred in connection with project implementation insofar as such expenses relate to the period prior to the commencement of commercial production are treated as part of project cost and capitalized.

1.09 ACCOUNTING FOR THE EFFECTS IN FOREIGN EXCHANGE RATES (AS – 11):

1.09.01 Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions.

1.09.02 In conformity with revised Accounting Standard (AS – 11), issued by the Institute of Chartered Accountants of India (ICAI), monetary items denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates and those covered by forward exchange contracts are translated at the rate ruling at the date of transaction as increased or decreased by the difference between the forward rate and exchange rate on the date of transaction, such difference having been amortised over the life of the contract.

1.09.03 Non-monetary items carried at historical cost are reported using the rate at the date of transaction.

1.10 ACCOUNTING FOR INVESTMENT (AS – 13):

Investments, being long term in nature, are valued at cost of acquisition. Adjustment for increase/decrease in the value of investments, if any, will be accounted for on realisation of the investments. However, provision for diminution shall be made to recognize a decline, other than temporary, in the value of the Investments, such reduction being determined and made for investment individually.

1.11 EMPLOYEE BENEFITS (AS – 15):

1.11.01 Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

1.11.02 Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of past employment and other long term benefits are charged to the profit and loss account.

1.12 BORROWING COSTS (AS – 16):

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.13 SEGMENT REPORTING (AS – 17):

1.13.01 Identification of Segments:

Primary Segment

Business Segment:

The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identified segments are Manufacturing & Sale of (a) Plywood & Allied products; and (b) Laminates.

Secondary Segment

Geographical Segment:

The analysis of geographical segment is based on the geographical location of the customers.

The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

1.13.02 Allocation of Common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

1.13.03 Unallocated items:

The Corporate and Other Segment include general corporate income and expense items, which are not allocated to any business segment.

1.14 RELATED PARTY DISCLOSURES (AS – 18):

Disclosure of related parties as required by the accounting standard is furnished in the Selected Notes on Restated Summary Statements.

1.15 EARNINGS PER SHARE (AS – 20):

Basic earnings (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.16 ACCOUNTING FOR TAXES ON INCOME (AS – 22):

The differences that result between the profit considered for income taxes and the profit as per the Restated Summary Statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full fiscal year.

1.17 DISCONTINUING OPERATIONS (AS – 24):

This Standard is not applicable in case of our Company as our Company has not discontinued any operations during the year.

1.18 INTERIM FINANCIAL REPORTING (AS – 25):

The quarterly financial results are published in accordance with the requirements of listing agreements with stock exchanges.

1.19 INTANGIBLE ASSETS (AS – 26):

1.19.01 The values of internally generated intangible assets are not recognized in the accounts.

1.19.02 Intangible assets acquired by payment e.g., Trademarks are disclosed at cost less amortization on a straight-line basis over its estimated useful life.

1.20 IMPAIRMENT OF ASSETS (AS – 28):

There is no indication of any impairment based on internal/external factors in relation to the assets of our Company and as such, this Standard is not applicable in case of our Company.

1.21 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (AS – 29):

1.21.01 Provisions are made for present obligations arising as a result of past events.

1.21.02 Contingent liabilities are not provided for but are disclosed by way of Selected Notes on Restated Summary Statements.

1.21.03 Contingent assets are not accounted for but are disclosed by way of Selected Notes on Restated Summary Statements.

1.22 CENTRAL EXCISE DUTY:

Excise Duty liability accruing on manufacture is accounted for as and when the liability for payment arises under the Central Excise Act, 1944. Duty on finished goods lying at stock at factory at the close of the year has not been provided for in the accounts and hence not included in the valuation of inventory of such goods. However the said liability if accounted would have no impact on the financial results for the accounting period.

1.23 CONSUMPTION OF RAW MATERIALS, STORES & SPARE PARTS ETC. :

Raw Materials, Stores and spare parts etc., consumed are exclusive of (a) Excise Duty on inputs under Cenvat Scheme, (b) Insurance Claims received (c) Entry Tax under Rajasthan Local Sales Tax Act under set-off scheme and (d) VAT Input Credit under State laws, wherever applicable.

1.24 SERVICE TAX & CESS:

Various expenses are accounted for after deducting the input tax credit available in respect of Service Tax, Education Cess and Secondary & Higher Education Cess.

1.25 TAXATION:

1.25.01 Tax expenses comprise of income tax, fringe benefit tax, corporate dividend tax, deferred tax including applicable surcharge and cess.

1.25.02 Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

1.25.03 MAT (Minimum Alternate Tax) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying out of MAT Credit Entitlement

to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

1.25.04 Provision for deferred tax or credit for release thereof is accounted for as ascertained in accordance with principles stated in para 1.21 hereinabove.

1.25.05 Fringe Benefit Tax (FBT) payable under the provisions of section 115WC of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Fringe Benefits tax" issued by the ICAI regarded as an additional income tax and considered in determination of profit for the year.

1.25.06 Tax on distributed profits payable in accordance with the provisions of section 115O of the Income Tax Act, 1961 is in accordance with the Guidance Note on "Accounting for Corporate Dividend Tax" regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

1.25.07 The income of our Company from its units at Rudrapur and Tizit are eligible for deduction under Section 80-IC of the Income Tax Act, 1961.

2.00 COMPARABILITY:

We had acquired Galaxy Decor Private Limited and Platinum Veneers Private Limited as wholly owned subsidiaries of our Company in November 2007 and the said companies were merged with our Company with effect from April 1, 2008. Pursuant of the amalgamation, the manufacturing unit at Bamanbore, Gujarat with a production capacity of 30 lacs sq. meters per annum was transferred to us.

Miscellaneous income for the interim period from April 1, 2009 to June 30, 2009 comprised of receipts from weighbridge of Rs. 1.22 lacs.

Fiscal year ended March 31, 2009 compared with the fiscal year ended March 31, 2008*Income*

Total income increased to Rs. 72,468.62 lacs in Fiscal 2009 from Rs. 54,444.39 lacs in Fiscal 2008.

Income from Sales and Services

Income from sales and services increased by 33.06% to Rs. 72,253.08 lacs in Fiscal 2009 from Rs. 54,302.23 lacs in Fiscal 2008.

Income from Plywood and allied products division: Income from the plywood and allied products division increased to Rs. 48,119.13 lacs in Fiscal 2009 from Rs. 34,588.74 lacs in Fiscal 2008 and accounted for 58.20% of our income from sales and services in Fiscal 2009. The plywood division revenues grew primarily due to increase in average realizations of plywood and allied products and increase in plywood production.

Income from Laminates division: Income from the Laminates division increased to Rs. 34,547.11 lacs in Fiscal 2009 from Rs. 28,692.34 lacs in Fiscal 2008 and accounted for 41.78% of our income from sales and services in Fiscal 2008. The laminates division revenues grew due to increase in average realizations of laminates and allied products and increase in laminates production.

Other income

Other income increased to Rs. 215.54 lacs in Fiscal 2009 from Rs. 142.16 lacs in Fiscal 2008. This increase was primarily on account of income from carbon credits to the tune of Rs. 126.53 lacs.

Miscellaneous income for the fiscal year ended March 31, 2009 comprised of sale of scrap and wastage of Rs. 22.99 lacs, slicing charges received of Rs. 0.55 lacs and receipts from weighbridge of Rs. 5.86 lacs.

Increase/Decrease in Inventories

Inventories reduced by 40.98 % to Rs. 957.18 lacs in Fiscal 2009 from Rs. 1,338.57 lacs in Fiscal 2008. This decrease was primarily on account of increase in demand in Fiscal 2009.

Expenses

Purchases

Purchases of finished/traded goods increased to Rs. 3,162.35 lacs in Fiscal 2009 from Rs. 1,614.43 lacs in Fiscal 2008. This increase was primarily on account of increase in trading activities in plywood.

Operating Cost

Operating cost increased by 31.35% to Rs. 44,607.02 lacs in Fiscal 2009 from Rs.33,960.24 lacs in Fiscal 2008 mainly on account of increase in the level of our sales. Raw material cost increased to Rs. 40,855.78 lacs in Fiscal 2009 from Rs. 31,437.02 lacs in Fiscal 2008 while manufacturing expenses increased to Rs. 3,751.24 lacs from Rs.2523.22 lacs on account of increase in scale of operations.

As a percentage of income from sales and services, operating cost decreased from 62.54% in Fiscal 2008 to 61.74% in Fiscal 2009. This decrease as a percentage of income from sales and services was primarily on account of an improvement in operational efficiencies and better product mix.

Personnel Cost

Personnel cost increased by 50.26% to Rs. 5,925.52 lacs in Fiscal 2009 from Rs. 3,943.57 lacs in Fiscal 2008. The increase in personnel cost was largely due to an increase in the number of employees and general increases in salary and benefits. The number of employees increased from 2,797 at the end of Fiscal 2008 to 2,905 at the end of Fiscal 2009.

Administrative and Other Expenses

Administrative and other expenses increased by 22.92 % to Rs. 3,297.70 lacs in Fiscal 2009 from Rs. 2,682.82 lacs in Fiscal 2008 mainly on account of increase in number of marketing offices and related costs.

Selling & Distribution Expenses

Selling and Distribution Expenses increased by 23.43% to Rs. 6,933.96 lacs in Fiscal 2009 from Rs. 5,617.75 lacs in Fiscal 2008 mainly on account of increase in advertisement / sales promotion expenses and increase in freight and delivery expenses.

Financial Charges

Financial charges increased by 8.34% to Rs. 1,963.07 lacs in Fiscal 2009 from Rs. 1,811.87 lacs in Fiscal 2008 mainly on account of increased requirement of working capital to finance the increase in business volumes.

Depreciation/Amortisation

Depreciation and amortization expenses increased by 29.59 % to Rs. 1,704.80 lacs in Fiscal 2009 from Rs. 1,315.51 lacs in Fiscal 2008 mainly in line with increase in assets, including assets related to Bamanbore unit which was transferred to us pursuant to the amalgamation in Fiscal 2009.

Provision for Taxes

Our taxes reduced substantially to Rs. 703.54 lacs in Fiscal 2009 from Rs. 1,266.03 lacs in Fiscal 2008. This decrease was due to reduction in deferred tax provision to Rs 28.44 lacs in Fiscal 2009 from Rs 648.09 lacs in Fiscal 2008. During Fiscal 2009 and Fiscal 2008 our effective income tax rate was 16.63% and 24.73%, respectively.

Profit after tax

Profit after Tax before Adjustment, as per Audited Statement (PAT) reduced to Rs. 3,730.62 lacs in Fiscal 2009 from Rs. 3,873.46 lacs in Fiscal 2008.

The impact of restatements on the profit or loss of the Company for Fiscal 2009 and Fiscal 2008 was Rs. 202.83 lacs and Rs.19.43 lacs respectively. The major items for restatement were export incentives and MAT credit. Export incentives had a negative impact of Rs. 273.87 lacs in 2009 as against a positive impact on profit and loss of Rs. 110.76 lacs in Fiscal 2008. MAT credit had no impact in 2009 as against a negative impact on profit and loss of Rs. 120.45 lacs in Fiscal 2008. Other items for restatement include prior period items, Gratuity expenses, sales tax/VAT, Differential Central Excise duty, and provision for taxation.

Our Profit after tax, as restated decreased to Rs. 3,527.79 lacs in Fiscal 2009 from Rs. 3,854.03 lacs in Fiscal 2008. Profit after tax, as restated, decreased as a percentage of total income from 7.09% in Fiscal 2008 to 4.87 % in Fiscal 2009.

Fiscal year ended March 31, 2008 compared with the Fiscal year ended March 31, 2007

Income

Total income increased to Rs. 54,444.39 lacs in Fiscal 2008 from Rs. 39,131.80 lacs in Fiscal 2007.

Income from Sales and Services

Income from sales and services increased by 39.05% to Rs. 54,302.23 lacs in Fiscal 2008 from Rs. 39,050.91 lacs in Fiscal 2007.

Income from Plywood and allied products division: Income from the Plywood and allied products division increased to Rs. 34,588.74 lacs in Fiscal 2008 from Rs. 22,452.96 lacs in Fiscal 2007 and accounted for 54.65% of our income from sales and services in Fiscal 2008. The Plywood division revenues grew primarily due to increase in average realizations of plywood and allied products and increase in plywood production.

Income from Laminates division: Income from the Laminates division increased to Rs. 28,692.34 lacs in Fiscal 2008 from Rs. 24,315.97 lacs in Fiscal 2007 and accounted for 45.33% of our income from sales and services in Fiscal 2008. The Laminates division revenues grew due to increase in laminates production due to capacity expansion at the unit at Behror, Rajasthan from 39.6 lacs sheets to 53.4 lacs sheets.

Other income

Other income increased to Rs. 142.16 lacs in Fiscal 2008 from Rs. 80.89 lacs in Fiscal 2007. This increase was primarily on account of the Gain due to fluctuation in foreign exchange rate to the tune of Rs. 53.44 lacs.

Miscellaneous income for the fiscal year ended March 31, 2008 comprised of sale of scrap and wastage of Rs. 6.26 lacs, slicing charges received of Rs. 9.44 lacs and receipts from weighbridge of Rs. 5.99 lacs.

For the fiscal year ended March 31, 2007, it comprised of sale of scrap and wastage of Rs. 1.10 lacs and receipts from weighbridge of Rs. 2.32 lacs.

Increase/Decrease in Inventories

Inventories increased by 21.16% to Rs. 1,621.86 lacs in Fiscal 2008 from Rs. 1,338.57 lacs in Fiscal

2007. This increase was primarily on account of increase in the level of operations in Fiscal 2008.

Expenses

Purchases

Purchases of finished/traded goods increased to Rs. 1,614.43 lacs in Fiscal 2008 from Rs. 181.64 lacs in Fiscal 2007. This increase was primarily on account of trading in products purchased from our Company's wholly owned subsidiary, M/s. Platinum Veneers Private Limited, in Gujarat.

Operating Cost

Operating cost increased by 26.42% to Rs. 33,960.24 lacs in Fiscal 2008 from Rs. 26,863.13 lacs in Fiscal 2007 mainly on account of increase in the level of our sales. Raw material cost increased to Rs. 31,437.02 lacs in Fiscal 2008 from Rs. 24,919.59 lacs in Fiscal 2007 while manufacturing expenses increased to Rs. 2523.22 lacs from Rs. 1943.54 lacs on account of increase in scale of operations.

As a percentage of income from sales and services, operating cost decreased from 68.79% in Fiscal 2007 to 62.54% in Fiscal 2008. This decrease as a percentage of income from sales and services was primarily on account of an improvement in operational efficiencies and better product mix.

Personnel Cost

Personnel cost increased by 35.38% to Rs. 3,943.57 lacs in Fiscal 2008 from Rs. 2,912.91 lacs in Fiscal 2007 The increase in personnel cost was largely due to an increase in the number of employees, and general increases in salary and benefits. The number of employees increased from 1,995 at the end of Fiscal 2007 to 2,797 at the end of Fiscal 2008.

Administrative and Other Expenses

Administrative and other expenses increased by 51.97% to Rs. 2,682.82 lacs in Fiscal 2008 from Rs. 1,765.37 lacs in Fiscal 2007 mainly on account of increase in number of marketing offices and related costs.

Selling & Distribution Expenses

Selling & Distribution Expenses increased by 32.89% to Rs. 5,617.75 lacs in Fiscal 2008 from Rs. 4,227.22 lacs in Fiscal 2007 mainly on account of increase in advertisement / sales promotion expenses and increase in freight and delivery expenses.

Financial Charges

Financial charges increased by 54.23% to Rs. 1,811.87 lacs in Fiscal 2008 from Rs. 1,174.79 lacs in Fiscal 2007 mainly on account of interest on term loans related to Rudrapur manufacturing unit set up in Fiscal 2007 and increased requirement of working capital to finance the increase in business volumes.

Depreciation/Amortisation

Depreciation and Amortization Expenses increased by 52.11% to Rs. 1,315.51 lacs in Fiscal 2008 from Rs. 864.83 lacs in Fiscal 2007 mainly in line with increase in assets, including assets related to Rudrapur unit set up in Fiscal 2007.

Provision for Taxes

Our taxes increased substantially to Rs. 1,266.03 lacs in Fiscal 2008 from Rs. 289.71 lacs in Fiscal 2007. This increase was due to our higher profits in Fiscal 2008 of Rs. 5,120.06 lacs as compared to Rs. 2,480.48 lacs in Fiscal 2007. During Fiscal 2008 and Fiscal 2007 our effective income tax rate was 24.73% and 11.68%, respectively.

Profit after tax

Profit after Tax before Adjustment, as per Audited Statement (PAT) increased to Rs. 3,873.46 lacs in Fiscal 2008 from Rs. 2,252.32 lacs in Fiscal 2007.

The impact of restatements on the profit or loss of our Company for Fiscal 2008 and Fiscal 2007 was Rs. 19.43 lacs and Rs.61.55 lacs respectively. The major items for restatement were export incentives and MAT credit. Export incentives had a positive impact of Rs. 110.76 lacs in 2008 as against a negative impact on profit and loss of Rs. 167.29 lacs in Fiscal 2007. MAT credit had a negative impact of Rs. 120.45 lacs in 2008 as against a positive impact on profit and loss of Rs. 95.31 lacs in Fiscal 2007. Other items for restatement include prior period items, Gratuity expenses, sales tax/VAT, Differential Central Excise duty, and provision for taxation.

Our Profit after tax, as restated, increased to Rs. 3,854.03 lacs in Fiscal 2008 from Rs. 2,190.77 lacs in Fiscal 2007. Profit after tax, as restated, increased as a percentage of total income from 5.60% in Fiscal 2007 to 7.08% in Fiscal 2008.

Fiscal year ended March 31, 2007 compared with the Fiscal year ended March 31, 2006

Income

Total income increased to Rs. 39,131.80 lacs in Fiscal 2007 from Rs. 25,920.75 lacs in Fiscal 2006.

Income from Sales and Services

Income from sales and services increased by 51.19% to Rs. 39,050.91 lacs in Fiscal 2007 from Rs. 25,829.42 lacs in Fiscal 2006.

Income from Plywood and allied products division: Income from the Plywood and allied products division increased to Rs. 22,452.96 lacs in Fiscal 2007 from Rs. 13,592.55 lacs in Fiscal 2006 and accounted for 47.99% of our income from sales and services in Fiscal 2007. The Plywood division revenues grew primarily due to expansion of plywood capacity from 105 lacs sq. meters to 180 lacs sq. meters, and introduction of particle boards.

Income from Laminates division Income from the Laminates division increased to Rs. 24,315.97 lacs in Fiscal 2007 from Rs. 17,248.14 lacs in Fiscal 2006 and accounted for 51.97% of our income from sales and services in Fiscal 2007. The Laminates division revenues grew due to increased capacity utilizations and increased realizations due to better product mix.

Other income

Other income decreased to Rs. 80.89 lacs as compared to Rs. 91.33 lacs in the previous year.
Miscellaneous income for the fiscal year ended March 31, 2007 comprised of sale of scrap and wastage of Rs. 6.26 lacs, slicing charges received of Rs. 9.44 lacs and receipts from weighbridge of Rs. 5.99 lacs.

For the fiscal year ended March 31, 2006, it comprised of sale of scrap and wastage of Rs. 2.21 lacs and receipts from weighbridge of Rs. 3.63 lacs.

Increase/Decrease in Inventories

Inventories increased to Rs. 1,338.57 lacs in Fiscal 2007 from Rs. 102.94 lacs in Fiscal 2006. This increase was primarily on account of increase in the level of operations in Fiscal 2007.

Expenses

Purchases

Purchases of finished/traded goods increased to Rs. 181.64 lacs in Fiscal 2007 from Rs. 75.63 lacs in Fiscal 2006.

Operating Cost

Operating cost increased by 53.68% to Rs. 26,863.13 lacs in Fiscal 2007 from Rs. 17,479.52 lacs in Fiscal 2006 mainly on account of increase in the level of our sales. Raw material consumption increased to Rs. 24,919.59 lacs in Fiscal 2007 from Rs. 16,199.60 lacs in Fiscal 2006 while manufacturing expenses increased to Rs. 1,943.54 lacs from Rs. 1,279.92 lacs.

Personnel Cost

Personnel cost increased by 97.75% to Rs. 2,912.91 lacs in Fiscal 2007 from Rs. 1.473.01 lacs in Fiscal 2006. The increase in personnel cost was largely due to an increase in the number of employees, and general increases in salary and benefits. The number of employees increased from 1502 at the end of Fiscal 2006 to 1995 at the end of Fiscal 2007.

Administrative and Other Expenses

Administrative and other expenses increased by 57.62% to Rs. 1,765.37 lacs in Fiscal 2007 from Rs. 1,120.03 lacs in Fiscal 2006 mainly on account of increase in number of marketing offices and related costs.

Selling & Distribution Expenses

Selling & Distribution Expenses increased by 55.89% to Rs. 4,227.22 lacs in Fiscal 2007 from Rs. 2,711.66 lacs in Fiscal 2006 mainly on account of increase in advertisement / sales promotion expenses and increase in freight and delivery expenses.

Financial Charges

Financial charges increased by 53.78% to Rs. 1,174.79 lacs in Fiscal 2007 from Rs. 763.93 lacs in Fiscal 2006 mainly on account of a substantial increase in the volume of business and resulting working capital requirements.

Depreciation/Amortisation

Depreciation and Amortization Expenses increased by 36.54% to Rs. 864.83 lacs in Fiscal 2007 from Rs. 633.40 lacs in Fiscal 2006 mainly on account of depreciation of fixed assets at the newly set up Rudrapur Unit.

Provision for Taxes

Our taxes increased substantially to Rs. 289.71 lacs in Fiscal 2007 from Rs. 170.97 lacs in Fiscal 2006. This increase was due to our higher profit before tax in Fiscal 2007 of Rs. 2,480.48 lacs as compared to Rs. 1,766.51 lacs in Fiscal 2006. During Fiscal 2007 and Fiscal 2006 our effective income tax rate was 11.68% and 9.68%, respectively.

Profit after tax

Profit after Tax before Adjustment, as per Audited Statement (PAT) increased to Rs. 2,252.32 lacs in Fiscal 2007 from Rs. 1,408.50 lacs in Fiscal 2006. The impact of restatements on the profit or loss of our Company for Fiscal 2007 and Fiscal 2006 was Rs. 61.55 lacs and Rs.187.04 lacs respectively. The major items for restatement were export incentives and MAT credit. Export incentives had a negative impact of Rs. 167.29 lacs in Fiscal 2007 as compared to a positive impact of Rs. 33.89 lacs in 2006.

MAT credit had a positive impact of Rs. 95.31 lacs in 2007 as against Rs. 25.14 lacs in Fiscal 2006. Other items for restatement include prior period items, sales tax/VAT, Differential Central Excise duty, income tax for earlier years, and provision for taxation.

Our profit after tax, as restated increased to Rs. 2,190.77 lacs in Fiscal 2007 from Rs. 1,595.54 lacs in Fiscal 2006. Profit after tax, as restated, decreased as a percentage of total income to 5.60% in Fiscal 2007 from 6.16% in Fiscal 2006.

Review of Assets and Liabilities

Fixed Assets

Fixed assets comprise:

- Gross block, which is mainly comprised of tangible assets including land and buildings, plant, machinery and equipment, and also includes vehicles and other fixed assets; and intangible assets such as trademarks, and

- Capital work in progress, including advances for capital expenditures, is mainly comprised of capital assets under manufacture or on order.

The following table illustrates our fixed assets for Fiscal 2009, 2008, 2007 and 2006:

(Rs. In Lacs)

Particulars	As at			
	March 31, 2009	**March 31, 2008**	**March 31, 2007**	**March 31, 2006**
Fixed Assets				
a) Tangible Assets				
Gross block	26,654.43	22,935.75	17,808.51	10,700.62
Depreciation/ Amortization	7,148.69	5,581.64	4,477.58	4,074.92
Net Block	19,505.74	17,354.11	13,330.93	6,625.70
b) Intangible Assets (Goodwill and trademark)				
Gross block	408.58	68.58	68.58	68.58
Depreciation/ Amortization	93.72	18.86	12.01	5.15
Net Block	314.86	49.72	56.57	63.43
c) Capital Work in Progress	5,168.97	256.98	1,288.85	3,315.38
Total (A) (a+b+c)	**24,989.56**	**17,660.81**	**14,676.35**	**10,004.50**

Investments

Our investments consisted primarily of investments in our wholly owned subsidiaries.

Current Assets, Loans and Advances

Current assets, loans and advances are comprised mainly of:

- Sundry debtors, which primarily relates to debts owed to us in respect of the sale of manufactured products;

- Advances to staff and workers, against purchase of raw materials, against capital goods, and to Subsidiary companies.

The following table sets forth details of our sundry debtors as at March 31, 2009, March 31, 2008, March 31, 2007, and March 31, 2006.

(Rs. In Lacs)

Particulars	As at			
	March 31, 2009	**March 31, 2008**	**March 31, 2007**	**March 31, 2006**
Debts for period exceeding six months (Considered good and recoverable)	559.17	153.17	101.92	139.56
Others	12,982.17	9404.12	7148.16	4935.86
Total	**13,541.34**	**9557.29**	**7250.08**	**5075.42**
Less: Provision for Doubtful Debts	-	-	-	-
Total Sundry Debtors	**13,541.34**	**9557.29**	**7250.08**	**5075.42**

The receivables in terms of the number of days' gross sales stood at 60 days, 55 days, 57 days and 60 days at March 31, 2009 and at March 31, 2008 and March 31, 2007 and March 31, 2006, respectively. We are required to give credit to our customers as per prevalent marketing practice. As at March 31, 2009, debts outstanding for a period exceeding six months comprised 4.13% of our total debtors. However, these debts are regarded as recoverable in the ordinary course of business.

The following table sets forth details of our loans and advances as at March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006:

(Rs. in Lacs)

Particulars	As at			
	March 31, 2009	**March 31, 2008**	**March 31, 2007**	**March 31, 2006**
Loans and Advances to Subsidiary Companies	-	711.20	-	-
Loan to Employees & Others	154.82	162.52	128.88	50.12
Advance recoverable in cash or in kind or for value to be received and/or to be adjusted	6,358.57	3,878.87	2,212.94	1,528.99
Deposits	351.78	274.86	241.85	151.93
Total	**6,865.17**	**5,027.45**	**2,583.67**	**1,731.04**
Amount due from Related Parties	**-**	**711.21**	**-**	**-**

We have to give advances to our suppliers in the ordinary course of business. Further, we are also required to maintain deposits and advances to various authorities like excise, security deposit etc. in the ordinary course of business.

Current Liabilities and Provisions

Current liabilities and provisions primarily consist of current liabilities to sundry creditors, advances from customers, statutory liabilities and provisions.

Secured Loans and Unsecured Loans

Secured loans are comprised of long-term debt relating to term loans and short-term debt for working capital loans. Unsecured loans are comprised of certain short-term debt. The amount of secured loans as at March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006 were Rs. 19,272.31lacs, Rs. 13,386.18 lacs, Rs. 12, 546.27 lacs and Rs. 10,376.80 lacs. The amount of unsecured and as at March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006 were Rs. 6,527.06 lacs, Rs. 3,725.56 lacs, Rs. 2,111.15 lacs and Rs. 2,003.48 lacs.

Liquidity and Capital Resources

We broadly define liquidity as our ability to generate sufficient funds from both internal and external

sources to meet our obligations and commitments. In addition, liquidity includes the ability to obtain appropriate equity and debt financing and loans and to convert into cash those assets that are no longer required to meet existing strategic and financial objectives. Therefore, liquidity cannot be considered as separate from capital resources that consist of current or potentially available funds for use in achieving long-range business objectives and meeting debt service and other commitments.

We have historically financed our working capital and capital expenditure primarily through funds generated from our operations and financing from banks and other financial institutions in the form of term loans and working capital facilities. Our business requires a significant amount of working capital. In many cases, significant amounts of our working capital are required to finance our inventories and debtors. We believe that we will have sufficient capital resources from our operations, net proceeds of this Issue and other loans and borrowings to meet our capital requirements.

Cash Flows

The table below summarizes our cash flows for the year ended March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006:

(Rs. In Lacs)

Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006
Net Cash Flow from Operating Activities	3,360.55	3,458.55	3,359.36	4,049.83
Net Cash Flow from Investing Activities	(8,868.65)	(3,929.62)	(6,396.12)	(5,163.49)
Net Cash Flow from Financing Activities	5,382.12	548.27	3,045.79	1,406.60
Cash and cash Equivalents at the beginning of the period / year	598.26	521.06	512.03	94.36
Cash and Cash Equivalents at the end of the period / year	543.96	598.26	521.06	512.03
Total Cash and Cash equivalents	543.96	598.26	521.06	512.03

Operating Activities

Net cash generated from operating activities was Rs. 3,360.55 lacs in Fiscal 2009 as compared to Rs. 3458.55 lacs in Fiscal 2008. Our operating profit decreased from Rs. 8,290.80 lacs in Fiscal 2008 to Rs.8,050.52 lacs in Fiscal 2009. Our working capital change was Rs.3,898.34 lacs in Fiscal 2009 compared to Rs. 3,888.25 lacs in Fiscal 2008. This working capital change was due to an increase in the level of our net current assets consequent upon an increase in the level of operations during this period.

Net cash generated from operating activities was Rs. 3,458.55 lacs in Fiscal 2008 as compared to Rs. 3,359.36 lacs in Fiscal 2007. Our operating profit increased from Rs. 4,648.53 lacs in Fiscal 2007 to Rs. 8,290.80 lacs in Fiscal 2008. Our working capital change was Rs. 3,888.25 lacs in Fiscal 2008 compared to Rs. 905.15 lacs in Fiscal 2007. This working capital change was due to an increase in the level of our net current assets consequent upon an increase in the level of operations during this period.

Net cash generated from operating activities was Rs. 3,359.36 lacs in Fiscal 2007 as compared to Rs. 4,049.83 lacs in Fiscal 2006. Our operating profit increased to Rs. 4648.53 lacs in Fiscal 2007 from Rs. 3,185.40 lacs in Fiscal 2006. Our working capital change was Rs. 905.15 lacs in Fiscal 2007 in comparison to Rs. 1,155.85 lacs in Fiscal 2006. This working capital change was due to significant increase in volume of operations.

Investing Activities

Net cash used in investing activities was Rs. 8,868.65 lacs in Fiscal 2009 as compared to Rs. 3,929.62 lacs in Fiscal 2008. This was primarily due to purchase of fixed assets.

Net cash used in investing activities was Rs. 3,929.62 lacs in Fiscal 2008 as compared to Rs. 6,396.12 lacs in Fiscal 2007. This was primarily due to purchase of fixed assets.

Net cash used in investing activities was Rs. 6,396.12 lacs in Fiscal 2007 as compared to Rs. 5,163.49 lacs in Fiscal 2006. This was primarily due to purchase of fixed assets

Financing Activities

Net cash generated from financing activities was Rs. 5,382.12 lacs in Fiscal 2009 as compared to Rs. 548.27 lacs in Fiscal 2008. Our borrowings were Rs. 7960.34 lacs in Fiscal 2009, and our cost of dividends was Rs. 298.29 lacs in Fiscal 2009.

Net cash generated from financing activities was Rs. 548.27 lacs in Fiscal 2008 as compared to Rs. 3,045.79 lacs in Fiscal 2007. Our borrowings were Rs. 2,454.32 lacs in Fiscal 2008, and our cost of dividends was Rs. 582.54 lacs in Fiscal 2008.

Net cash generated from financing activities was Rs. 3,045.79 lacs in Fiscal 2007 as compared to Rs. 1,406.60 lacs in Fiscal 2006. Our borrowings were Rs. 2,277.15 lacs in Fiscal 2007 and our cost of dividends was Rs. 396.70 lacs in Fiscal 2007.

Review of Consolidated Financials

We have two wholly owned subsidiary companies. Effective from October 17, 2006, we acquired 100% equity of GIL Intercontinental Pte. Limited whose name was later changed to Greenlam Asia Pacific Pte. Limited, incorporated in Singapore. We also promoted and incorporated Greenlam America, Inc. in Florida (U.S.A.) on April 23, 2008 as a 100% subsidiary. Our overseas subsidiaries are primarily engaged in the business of trading in laminates manufactured by the parent company.

The aforesaid companies continue to be our wholly owned subsidiaries.

The following table illustrates our brief consolidated restated financial results for the Fiscal 2009, 2008 and 2007:

(Rs. In lacs)

Particulars	**As at**		
	March 31, 2009	**March 31, 2008**	**March 31, 2007**
Income from Sales & Services	77,082.99	58,964.81	40,187.87
Other Income	215.94	153.22	81.59
Increase (Decrease) in Inventories	1,525.60	1,820.97	1,338.05
Total Income	78,824.53	60,939.00	41,607.51
Total Expenditure	74,759.76	55,786.03	39,120.17
Profit before Tax	4,064.77	5,152.97	2,487.34
Net Profit / (Loss) Before Adjustment as per Audited Statement (PAT)	3,560.85	3,901.13	2,259.18
Total of Adjustments	(202.74)	(19.52)	(61.55)
Net Profit / (Loss) After Adjustments	3,358.11	3,881.61	2,197.63
Total Fixed Assets	25,059.17	18,470.49	14,720.69
Investments	8.96	8.96	8.96
Total Current Assets , Loans and Advances	39,151.61	30,531.47	22,882.65
Total Liabilities and Provisions	46,870.40	34,533.60	27,076.92
Share Capital	849.87	849.87	884.75
Reserves & Surplus (Net)	16,499.47	13,627.45	9,650.63
Networth	17,349.34	14477.32	10535.38

Other Industry and company specific information

Information required as per clause Schedule VIII (E)(IX) (5) of the SEBI ICDR

i. Unusual or Infrequent Events or Transactions

There have been no events or material transactions to our knowledge which may be described as "unusual" or "infrequent".

ii. Significant economic changes that materially affect or are likely to affect income from continuing operations

Any major changes in the policies of the Government towards wood based industry would have a significant impact on the operations of our Company. The risk relating to the changes in the economic or regulatory environment and its impact on our business is discussed separately in the section titled 'Risk Factors' and particularly in risk factor number 4 on page XII and risk factor 9 on page XIII of this Letter of Offer.

iii. Known trends and uncertainties that have or are expected to have a material adverse impact on sales, revenues or income from operations

Other than as described in this Letter of Offer, to our knowledge, there are no known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income of our Company from continuing operations.

iv. Future relationships between costs and revenues

Other than as described in this letter of Offer, to our knowledge, there are no known factors, which will affect the future relationship between the costs and income, or which will have a material impact on the operations and finances of our Company.

v. New Products or Business Segment

We are in the process of setting up a Medium Density Fiber Board ("MDF") unit along with other balancing equipments with an aggregate project cost of Rs. 25,116.05 lacs at Pantnagar, Uttarakhand, with an installed capacity of 1.80 lacs cubic meter per year. Production is expected to commence in March 2010.

vi. Seasonality of business

To our knowledge, our business does not have any seasonal impact, though our revenues may not be evenly spread throughout the year. There is no seasonal nature to our business.

vii. Significant dependence on a few entities across our business units

Our company's operation is not dependant on few entities, hence our results of operation is not affected. For more information, please refer to the Section titled "Risk Factors" on page XI of this Letter of Offer.

viii. Competitive conditions

Our company may face competition from other established players in the wood and wood panel industry. For further details, please refer to the discussions of competition in the sections titled "Risk Factors" and "Business" on page XI and 60 respectively of this Letter of Offer.

Significant Developments after March 31, 2009

We had acquired Galaxy Decor Private Limited and Platinum Veneers Private Limited as wholly owned subsidiaries of our Company in November 2007. We had filed an application before the Hon'ble

High Court at Gauhati and Hon'ble High Court at Gujarat for the sanction of a scheme of amalgamation under sections 391(1) and 393 of the Companies Act for the amalgamation of these subsidiaries with our Company. Our Company has received the sanction dated January 20, 2008 and April 30, 2009 for the scheme of amalgamation from the Hon'ble High Court at Gujarat and Hon'ble Gauhati High Court respectively.

Information as required by Government of India, Ministry of Finance, Circular No. F2/5/SE/76 dated February 5, 1977 as amended vide their circular of even number dated March 8, 1977 is given below:

1. Working Results of the Company

Unaudited financial information for the four months ended July 31, 2009

Particulars	**Rs. in lacs**
Net sales/ turnover	23,745.29
Other Income	234.69
Total Income	23,979.98
PBDIT	3,157.32
Interest	719.86
Provision for Depreciation	647.53
Profit/(Loss) Before Tax	1,789.93
Provision for Tax	394.67
Estimated / (Loss) Net Profit	1,395.26

2. Save as stated elsewhere in the Letter of Offer, there are no material changes and commitments, which are likely to affect the financial position of the Company since July 31, 2009

3. Week end prices of Equity Shares for the four weeks prior to the date of this Letter of Offer on the BSE and NSE are:

Week Ended on	**Closing Rate BSE (Rs.)**	**Closing Rate NSE (Rs.)**
August 21, 2009	124.50	125.15
August 28, 2009	131.35	131.30
September 4, 2009	127.90	127.75
September 11, 2009	118.30	118.80

The closing Price of the Equity Shares of the Company on the BSE and NSE on September 7, 2009 was Rs. 120.60 per equity share and Rs. 121.20 per equity shares (ex-rights Price) respectively.

DESCRIPTION OF CERTAIN INDEBTEDNESS

The aggregate borrowings of our Company upto August 31, 2009 are as follows;

(Rs. in lacs)

Sr. No.	Nature of Borrowing	Amount
1.	Secured Borrowings	25,189.57
2.	Unsecured Borrowings	6,428.00

A. The details of secured borrowings of our Company are as follows:

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
State Bank of Indore	Term Loan of Rs. 1,500 lacs pursuant to sanction letter dated September 9, 2005	1,500.00	534.16	10.00%	42 equal monthly installments. Repayment with effect from July 1, 2007 with the quantum of the first installment to be Rs. 36.30 lacs and the quantum of the second to the forty second installment to be Rs. 35.70 lacs each.	First charge on the entire fixed assets both, present and future, movable and immovable assets of our Company ranking pari passu with other term lenders. Personal guarantees of Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal and Mr. Saurabh Mittal. Equitable mortgage of immovable property of our Company at Pantnagar Industrial Area, Uttarakhand.
State Bank of Indore	Term Loan of Rs. 3,000 lacs pursuant to a sanction letter dated December 1, 2008 and a supplemental agreement for increase in the overall limit dated February 7, 2009	2,497.15	2,506.80	12.25%	54 monthly installments with the first 53 installments of Rs. 55.55 lacs each and the last installment of Rs. 55.85 lacs after a moratorium period of 12 months from commencement of commercial production.	First pari passu charge on the fixed assets of our Company, both present & future

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
State Bank of Hyderabad	Term Loan of Rs. 1,500 lacs pursuant to sanction letter dated September 28, 2005 and loan agreement dated November 7, 2005	1,500.00	571.37	12.00%	42 equal monthly installments commencing from September 30, 2007	First pari-passu charge on entire fixed assets of our Company, both present and future, movable and immovable. Personal Guarantee of Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal and Mr. Saurabh Mittal. Equitable mortgage of immovable properties of our Company at Pantnagar Uttarakhand.
IDBI Bank Limited	Project Finance Scheme (PFS) of Rs. 3,000 lacs and Capex Letter of Credit of Rs. 1,500 lacs as a sub-limit of the PFS pursuant to sanction letter dated November 26, 2008 and a loan agreement dated December 16, 2008	1,350.00	1,350.00	11.75%	54 monthly installments after a moratorium of 12 months from the date of commercial production.	First mortgage and charge on all the movable and immovable properties, both present and future, ranking pari-passu amongst institutions/banks. The charge operates as first pari passu charge on whole of the hypothecated movable fixed assets of our Company including its movable plant and machinery, machinery spares, tools and accessories, both present and future (save and except book debts) and first mortgage charge on all

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
						immovable properties of our Company ranking pari passu with other lenders as stated in the loan agreement.
IDBI Bank Limited	Term Loan of Rs. 2,500 pursuant to sanction letter dated February 23, 2008 and loan agreement dated March 10, 2008	2,500.00	2,187.50	10.25%	16 quarterly installments commencing from April 2009 with one year moratorium from the date of disbursement.	First charge on the fixed assets of our Company, both present and future, pari passu with other charge holders, with a minimum security margin of 25%. The charge operates as first pari passu charge on whole of the hypothecated movable properties of our Company including its movable plant and machinery, machinery spares, tools and accessories and movables, both present and future (save and except book debts) and first mortgage charge on all immovable properties of our Company ranking pari passu with other lenders as stated in the loan agreement.
IDBI Bank Limited	Term Loan of Rs. 5,000 lacs pursuant to sanction letter dated August 28, 2008 and loan agreement dated September 3, 2008	1,000.00	1,000.00	12.25%	20 equal quarterly installments commencing from October 2011, i.e. moratorium of one and a half years from the date of commercial	First pari passu charge on the entire fixed assets of our Company, both present and future. The charge operates as first pari-passu charge on whole of the hypothecated movable fixed

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
					production.	assets of our Company including its movable plant and machinery, machinery spares, tools and accessories, both present and future (save and except book debts) and first mortgage charge on all immovable properties of our Company ranking pari-passu with other lenders as stated in the loan agreement.
IDBI Bank Limited	Cash Credit for Rs. 500 lacs pursuant to sanction letter dated November 26, 2008	500.00	501.27	10.75%	12 months line repayable on demand	First pari passu charge on current assets of our Company and second pari passu charge on Fixed Assets of our Company.
	Letter of credit (LC)/ Bank Guarantee of Rs. 500 lacs pursuant to sanction letter dated November 26, 2008.	Nil	Not Applicable	Not Applicable	Tenure of individual LC not to exceed 365 days/12 months line.	First pari passu charge on current assets of our Company and second pari passu charge on Fixed Assets of our Company.
Axis Bank Limited	Term Loan Facility of Rs. 1,600 lacs pursuant to sanction letter dated February 6, 2007	1,581.41	1,048.08	11.50%	36 equal monthly installments (after moratorium of 18 months).	First pari passu charge on fixed assets of our Company. Minimum securities cover of 1.25 to be maintained during the tenure of the loan. Second pari-passu charge over current assets of our Company.
Axis Bank	Letter of	7,500.00	Not	Not	Maximum	First pari passu

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
Limited	Credit (Import) of Rs. 7,500 lacs pursuant to sanction letter dated February 9, 2009		Applicable	Applicable	usance upto 360 days	charge on all the movable and immovable assets of our Company along with other lenders. Second pari-passu charge on the entire current assets of our Company and counter guarantee of our Company.
Axis Bank Limited	Cash Credit of Rs. 1,500 lacs pursuant to sanction letter dated February 9, 2009	1,500.00	212.63	11.00%	On Demand	Hypothecation of current assets of our Company on pari-passu basis with other working capital bankers. Second charge on the fixed assets of our Company on pari passu basis with other working capital bankers (first charge being in favour of term lenders) except assets charged exclusively to FIs/Banks for DPG and other specific purposes (if any).
	Letter of Credit of Rs. 3,750 lacs	2,535.00	Not Applicable	Not Applicable	Inland LC – maximum usance 90 days. Import LC - maximum usance 180 days.	1. Indemnity 2. Documents on title to goods under LC's until acceptance/accepted Bills of Exchange till retirement of LC's and extension of security applicable to cash credit facility.

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
	Loan equivalent Risk on forward contracts of Rs. 267 lacs.	267.00	Not Applicable	Not Applicable	One year	Nil
Export-Import Bank of India	Term Loan of Rs. 1,500 lacs pursuant to sanction letter dated November 18, 2005	1,000.00	555.53	12.00%	Quarterly repayments in 18 installments commencing September 20, 2007 and ending on December 20, 2011	First pari passu charge by way of hypothecation of the entire movable fixed assets and mortgage of the entire immovable properties of our Company, both present and future. Second pari passu charge on the entire current assets of our Company. Personal guarantee of promoter directors viz. Mr. Shiv Prakash Mittal, Mr. Rajesh Mittal and Mr. Saurabh Mittal. A mortgage by deposit of title deeds was created by our Company by deposit of title deeds with IDBI, IDBI acting as agent of Export-Import Bank of India (EXIM Bank) in respect of our Company's immovable properties at Uttarakhand.

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
Export-Import Bank of India	Working Capital Term Loan of Rs. 670 lacs pursuant to sanction letter dated April 4, 2008	670.00	670.00	11.50%	Bullet repayment at the end of one year from the date of first disbursement. Renewal is subject to review after a period of one year from the date of first disbursement.	First pari passu charge on all the current assets of our Company, both present and future Second pari passu charge on all movable and immovable fixed assets, both present and future and demand promissory note. A mortgage by deposit of title deeds was created by our Company by deposit of title deeds with IDBI, IDBI acting as agent of Export-Import Bank of India (EXIM Bank) in respect of our Company's immovable properties at Uttarakhand.
Export-Import Bank of India	Pre-Cum-Post Shipment Credit Limit of USD 10 lacs equivalent to INR 474.05 lacs pursuant to sanction letter dated December 18, 2008	474.05	474.05	8.50%	Repayment within 180 days (i.e. June 16, 2009) from the date of disbursement or on realisation of proceeds of export orders, whichever is earlier.	First pari passu charge on all the current assets of our Company, both present and future Second pari passu charge on all movable and immovable fixed assets, both present and future and demand promissory note. A mortgage by deposit of title deeds was created by our Company by deposit of title deeds with IDBI, IDBI acting as agent of Export-Import Bank of India (EXIM Bank) in respect of our Company's

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
						immovable properties at Uttarakhand.
Standard Chartered Bank	Pre-Shipment credit of Rs. 1,000 lacs pursuant to sanction letter dated April 21, 2009	1,000.00	899.34	11.50%	Negotiation / Purchase / Collection of Export Bills	First Pari passu charge on all current assets of our Company, present and future. Pari-passu second charge on the entire fixed assets of our Company, present and future, subject to exclusive first charge on certain specified plant and machinery or other fixed assets purchased/to be purchased out of the loan from the term lenders.
Standard Chartered Bank	Purchase invoice Discounting (Insurance Backed) of Rs. 1200 lacs pursuant to sanction letter dated April 21, 2009	Nil	Not Applicable	Not Applicable	Maximum up to 120 days	Insurance Policy on immovable properties for working capital facilities.

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
	Letter of credit of Rs. 1,000 lacs pursuant to sanction letter dated April 21, 2009	1,000.00	Not Applicable	Not Applicable	Unless otherwise agreed in writing by lender, the facility and all outstandings thereunder, together with all charges payable in respect thereof, will be repaid by our Company to the lender on the respective due dates of the facility.	First Pari passu charge on all current assets of our Company, present and future. Pari-passu second charge on the entire fixed assets of our Company, present and future, except equitable mortgage at Tizit (Nagaland) and any specific charges held by other lenders on any asset, if any. Second charge on immovable properties for working capital facilities.
Standard Chartered Bank	Term Loan in the form of external commercial borrowing of USD 120 lacs, pursuant to which charge was created for Rs. 5,880 lacs at the conversion rate of 1USD equivalent to INR 49, for setting up of MDF project in Pantnagar pursuant to sanction letter dated July 16, 2008	5,000.00	4,984.60	6 month JPY LIBOR plus 2%	10% every 6 months from the 30th month for first 4 installments and then 15% every six months for next 4 installments.	Pari-passu first charge on the present and future, movable and immovable fixed assets of our Company's units at Kriparampur (West Bengal), Pantnagar (Uttarakhand), Behror (Rajasthan) and Tizit (Nagaland) except equitable mortgage at Tizit (Nagaland) and any specific charges held by other lenders on any asset, if any. Second pari-passu charge on all current assets of our Company. FACR to be maintained at 1.33X
ING Vysya Bank Limited	Term Loan of Rs. 1,000 lacs for expansion	1,000.00	694.44	11.50%	36 equal installments from October	Pari passu first charge on the entire fixed assets of our

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
	of laminates unit at Behror pursuant to sanction letter dated February 12, 2007				31, 2008 to September 30, 2011	Company along with other members of the consortium. Further secured by pari-passu second charge on the entire current assets of our Company along with other term lenders. Equitable Mortgage created on immovable properties situated in the State of Uttarakhand, Assam, Rajasthan and West Bengal .
	Term Loan of Rs. 2,000 lacs for the Nalagarh project pursuant to sanction letter dated February 21, 2009	NIL	NIL	12.50%	53 monthly installments of INR 37.10 lacs and 54th installment of INR 33.70 lacs from October 31, 2010	First pari passu charge on the entire fixed assets excluding assets hypothecated to others of our Company along with other term lenders. Second pari passu charge on the entire current assets of our Company along with other term lenders.

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
	Cash Credit/ Working Capital Demand Loan of Rs. 1,080 lacs pursuant to sanction letter dated February 21, 2009	1,080.00	953.00	14.25% & WCDL on negotiable rates	The facility expires on September 30, 2009	First Charge on raw materials, stocks-in-process, finished goods, book debts/receivables and other current assets of our Company, present and future, ranking pari-passu with other members of the working capital consortium. Second charge on the fixed assets of our Company, present and future, ranking pari-passu with other members of the working capital consortium.
	Letter of Credit/Buyer's Credit/Bill Discounting of Rs. 2,555 lacs	2,555.00	Not Applicable	Not Applicable	As per the terms of Letter of Credit/Bill of exchange, maximum 180 days.	Same as above
State Bank of India	Term Loan of Rs. 2,500 lacs as per Sanction Letter dated 7 April 2009	2,500.00	2,500.00	2.50% above SBAR (presently 14.75% p.a. with monthly rests)	In 30 monthly installments commencing from July 2009 and the last installment will fall due on December 2011.	First charge on the Fixed Assets of the Company on pari passu with other term lenders. Second charge on current assets on pari passu basis with other term lenders.

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
	Cash Credit of Rs. 4,000 lacs pursuant to letter regarding the grant of individual limit within the overall limit dated January 24, 2009 and sanction letter dated January 20, 2009	4,000.00	3,546.80	11.75%	12 months	First Charge on raw materials, stocks-in-process, finished goods, book debts/receivables and other current assets of our Company, present and future, ranking pari-passu with other members of the Working Capital consortium. Second charge on the fixed assets of our Company, present and future, ranking pari-passu with other members of the working capital consortium.
	Letter of Credit of Rs. 5,860 lacs pursuant to Letter regarding the grant of individual limit within the overall limit dated January 24, 2009	5,860.00	Not Applicable	Not Applicable	Demand / usance up to 180 days.	First Charge on raw materials, stocks-in-process, finished goods, book debts/receivables and other current assets of our Company, present and future, ranking pari-passu with other members of the Working Capital consortium.
	Bank Guarantee Limit of Rs. 140 Lacs pursuant to Letter regarding the grant of individual limit within the overall limit dated January 24, 2009 and sanction letter dated January 20, 2009	140.00	Not Applicable	Not Applicable	12 months	Second charge on the fixed assets of our Company, present and future, ranking pari-passu with other members of the Working Capital consortium.

Name of Lender	Facility sanctioned	Amount Borrowed (Rs. in lacs)	Amount Outstanding (Rs. in lacs)	Rate of Interest	Terms of repayment	Security
Landesbank Baden – Wurttemberg Am Hauptbahnhof	Loan of Euro 147.75 lacs pursuant to loan agreement dated July 10, 2009	Nil	Nil	The term of the loans is divided into successive interest period of six months each. The rate of interest applicable to the loan during each interest period shall be the aggregate of the EURIBOR plus a margin of 1.00% per annum plus additional cost of funding of 0.78% per annum.	The loan shall be repaid in 15 equal, consecutive, semi – annual installments starting on the earlier of six months after the starting point, as defined in the agreement or December 30, 2010	2. Loan amount insured by EULER MERMES Export Credit Cover 3. Irrevocable and unconditional corporate guarantee 4. Hypothecation charge on the machinery to be delivered/ financed 5. Any additional security deemed necessary by the lender

B. The details of unsecured borrowings of our Company is as follows:

S. No.	Name of the Lender	Sanctioned Amount (Rs. in lacs)	Date of Sanction	Rate of Interest	Repayment Details	Amount Outstanding as on August 31, 2009 (Rs. in lacs)
From Banks						
1.	IDBI Bank Limited (Fund Based)	900	December 7, 2007	8.55%	2 months	700
2.	IDBI Bank Limited (Non-Fund Based)	1,100	December 7, 2007	Not Applicable	Tenure of individual Bills not to exceed 180 days. Repayable on due date	Not Applicable
Promoter Group						
1.	Greenply Leasing &	750	January 22,	Nil	On Demand	726

S. No.	Name of the Lender	Sanctioned Amount (Rs. in lacs)	Date of Sanction	Rate of Interest	Repayment Details	Amount Outstanding as on August 31, 2009 (Rs. in lacs)
	Finance Limited		2009			
2.	Prime Holdings Private Limited	1,000	January 22, 2009	Nil	On Demand	1,000
3.	S.M. Management Private Limited	1,000	January 22, 2009	Nil	On Demand	500
4.	Vanashree Properties Private Limited	500	January 22, 2009	Nil	On Demand	202
Other Body Corporates						
	Various body corporates	3,300	-	9%	24-36 months	3,300

The total amount of unsecured loans (other than above) also comprises of vehicles finance from various financiers and the total amount outstanding as on August 31, 2009 is Rs. 366.47 lacs.

Negative Covenants:

Certain corporate actions for which our Company is required to take Lenders consent are as follows:

- to undertake or permit any merger, de merger, pledge, lien, consolidation, reorganization, dissolution, scheme or arrangement or compromise or other security interest with the creditors or share holders or effect any scheme of amalgamation or reconstruction or merger;
- to amend or modify the constitutional documents;
- to pass a resolution of voluntary winding up;
- to mortgage, sale, assign, lease, hypothecate, exchange or create any charge, lien or encumbrance of any kind on those properties or assets secured with the lenders;
- approach capital market for mobilizing additional resources either in the form of debts or equity;
- change or any way alter the capital structure of our Company;
- to make any drastic change(s) in its management set up;
- declare dividend or distribute profits except where the installments of principal and interest payable to the Bank in respect of the facilities are being paid regularly and there are no irregularities whatsoever in respect of the Facilities;
- withdraw or allow to be withdrawn any monies brought in by the Promoters and directors or relatives of the Promoters or directors of our Company;
- invest by way of share capital in or lend or advance funds to or place deposits with any other concerns except in normal course of business or as advances to employees;
- create any subsidiary or permit any company to become its subsidiary;
- Undertake guarantee obligations on behalf of any other borrower or any third party;
- Enter into any contractual obligations of a long term nature, affecting our Company financially to a significant extent;
- Undertake any new expansion/modernisation/diversification scheme;
- The lender has the right to convert the debt into equity in case of default in payment by our Company

The repayment schedules of the above loans undergo changes from the schedules stipulated in the respective loan agreements due to change in interest rate since the interest rates are floating rates.

Further, several of the loan agreements executed provide for the rescheduling of loans by the lenders,

contain pre-payment penalties and delayed payment penalties, and permit the lender to disclose the name of our Company as a defaulter to the RBI and debar our Company from borrowing monies for certain periods of time.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Except as described below, there are no outstanding litigations, suits or civil proceedings, or criminal proceedings, or prosecutions or tax liabilities, irrespective of whether specified in Schedule XIII of the Act, against our Company or the Directors, or the Subsidiaries or the Promoters or group companies, and there are no defaults, non-payment or overdues of statutory dues, overdues to banks / financial institutions, defaults against banks / financial institutions, defaults in dues payable to holders of any debentures, bonds, or fixed deposits, and arrears on preference shares issued by our Company, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/ civil/ and other offences (including past cases where penalty may or may not have been awarded) that would result in a material adverse effect on the business. None of the aforesaid persons/ companies is on RBI's list of wilful defaulters. No disciplinary action has been taken by the SEBI/ Stock exchanges against our Company, Directors of our Company and Promoters.

I. Litigation involving our Company

A. Cases filed against our Company

1. Labour and industrial matters:

i. Five (5) cases relating to reinstatement of service have been instituted against our Company before the Labour Court and Industrial Tribunal. The cases have been instituted by Ratan Singh (LCR No. 610 of 2006), Nand Lal (LCR No. 769 of 2006), Bhagmal (LCR No. 1025 of 2008), C. S Sharma (LCR No. 33 of 2008) and Dal Chand (LCR No. 183 of 2006). The claim amount involved in the proceedings cannot be ascertained. All the cases are currently pending.

ii. Mr. Shyam Sunder has filed an application under Rule 22(A) of the Rules framed under the Rajasthan Industrial Disputes Act before the Labour Court and the Industrial Tribunal, Bharatpur, Alwar, being case no Misc No. 41 of 2006, for setting aside the exparte award dated May 29, 2001 passed in Case No. 77 of 2000 relating to termination of services of Mr. Shyam Sunder from our Company. Our Company has filed its reply to the application. The claim amount involved in the proceeding cannot be ascertained. The matter is currently pending.

2. Matters under Consumer Laws

i. M/s Abhishek, through its proprietor Mrs Bela Moda (Petitioner) has instituted case no 100 of 2004 against our Company and M/s. Behera Plywoods, before the State Consumer Dispute and Redressal Commission, Cuttack, alleging that the plywoods and the block boards purchased by the Petitioner from our Company have been destroyed by termites. The Petitioner has claimed Rs. 21.00 lacs including costs. The matter is pending.

ii. Ms. N. Valarmathi (Appellant/ Complainant) has instituted an appeal, F.A. No 343 of 2008, against the order of the District Consumer Disputes Redressal Forum, Salem dated January 31, 2008 in COP No. 157/2000 ("the Order"), against our Company and one S.D. Hardware and Plywoods, where in the Appellant has prayed for setting aside the Order as the reasons given by the District Consumer Disputes Redressal Forum, Salem for dismissal of the Appellants complaint in relation to termite attack on the plywoods of our Company as illogical, illegal, perverse and against the settled principles of law. The claim amount is Rs. 4.25 lacs alongwith costs. The matter is pending.

3. Civil Matters

i. Mr. Rajkumar Agrawal, proprietor, Yuvaraj Distributors ("Petitioner") has instituted a writ petition before the Hon'ble High Court at Jabalpur, No. 4188 of 2008, against the order dated January 2, 2008 passed by XIth Civil Judge, Class II, Jabalpur in case no. MJC No. 5/2005, wherein the Hon'ble Court had declined to restore C.S. No. 110-A/2002 which was allegedly

dismissed for non-appearance of both the parties. Our Company had appointed the Petitioner as its distributor in Jabalpur, Balaghat, Chhindwara, Katni, Narsinghpur, Sagar and Seoni districts. Disputes arose between the Petitioner and our Company which led the Petitioner to file the C.S. No. 110-A/2002 for rendition of accounts. The claim amount involved in the matter is not ascertainable. The Hon'ble High Court vide an order dated May 13, 2009 has remanded the original suit to the trial court to decide the matter. The matter is currently pending before the trial court.

ii. SAIF Timber Broker and Commission Agent (Plaintiff) has instituted a civil suit, Civil Case No. 906 of 2008, against our Company, before the Civil Judge Senior Division – Hardoi, alleging that our Company has not paid the consideration due for the supply of timber to our Company by the Plaintiff. The amount claimed by the Plaintiff is Rs. 2.21 lacs from our Company. The matter is currently pending.

iii. A Public Interest Litigation was filed by Dinesh Chandra Dutta Choudhury against our Company before the forest bench of the Hon'ble Supreme Court through Interim Application no.2287-88 of 2008 along with application for impleadment in the existing Writ Petition No.202 of 1995 on the basis of the orders passed by the Hon'ble Supreme Court dated December 12, 1996, January 1, 1998 and October 29, 2002 which states that opening of new wood based industries in Nagaland is prohibited and the grant of new licences has to be approved by the Central Empowered Committee ('CEC') and also by referring to the report of Central Empowered Committee dated July 9 2007 wherein it has observed that expansion in the capacity of the existing units of wood based industries will be treated at par with the establishment of new units. The grounds for the said application interalia amongst other reliefs sought are (a) it is alleged that our Company has expanded capacity at their factory by more than 25% of their existing unit at Tizit, Nagaland by way of installation of additional hot press machine and commenced commercial production from May 16, 2005 thus violating the order/direction of the Supreme Court/CEC (b) our Company has wrongfully availed the benefit of exemption pursuant to the Excise Notification dated July 8, 1999 by installing additional machine without approval of Supreme Court or CEC. The applicant has prayed for prohibiting our Company from operating its plant at Tizit, withdrawal of the benefits of the Central Excise exemption scheme, recover the amount already refunded to our Company as per Central Excise exemption scheme and direct the Central and State Government to withdraw all pecuniary benefits availed and/or to be availed by our Company. The above application was referred to the CEC by the Hon'ble Supreme Court for their perusal and accordingly directed to submit a report to the Court. The CEC has observed that our Company has not violated any of the orders of the Hon'ble Court in respect of the wood based industries in the North Eastern States as there is no increase in installed capacity and addition of hot press, our Company's licenced capacity has not increased and, therefore, the committee does not find any merit in the application and recommended that this Interim Application may be dismissed. The matter is currently pending before the Hon'ble Supreme Court for its consideration of the above mentioned recommendation passed by the Central Empowered Committee dated March 30, 2009.

iv. Mr. Rajinder Kumar Mangla, proprietor, M/s Mangla Ply World (Plaintiff) has instituted a civil suit against our Company before the Civil Judge, Senior Division, Patiala seeking a declaration that for non-cancellation of the distributorship /agency relationship between our Company and the Plaintiff with regard to dealing with Greenply products and also for non-entitlement to claim the amount of Rs.9.74 lacs issued by a cheque bearing no.717003 dated January 24,2008 drawn on State Bank of Patiala as the said cheque is alleged to be false and forged and does not bear the signature of the Plaintiff. The matter came up for hearing on August 20, 2009 and our Company has been asked by the Hon'ble Court to file written statement by September 19, 2009. The matter is currently pending.

4. Tax Matters

Litigation relating to Central Excise

i. The Assistant Commissioner, Central Excise Division, Alwar had passed an order being Order

in Original no. 58/R/08 dated October 6, 2008 (the "Order") and Corrigendum dated October 7, 2008 ("Corrigendum") whereby he had sanctioned the refund claim of our Company of Rs. 5.95 lacs. The Commissioner, Central Excise Commissionerate, Jaipur-I in exercise of the power conferred under Section 35E(2) of the Central Excise Act, 1944, vide Order in Review no. 52/2008-C.E. dated January 7, 2009 directed the Assistant Commissioner to file an appeal before the Commissioner (Appeals –I), Customs and Central Excise, Jaipur for determination of the correctness or otherwise of the Order and the Corrigendum as he had erred in sanctioning the refund to our Company without examining the issue of unjust enrichment and accordingly an appeal has been filed by the Assistant Commissioner. The matter is currently pending.

ii. The Additional Commissioner, Central Excise, Kolkata VII Commissionerate issued a show cause cum demand notice dated July 31, 2006 being no. C. No. V (15)21/CE/Adjn/Kol-VII/06/9968 ("Notice") to our Company *inter alia* alleging that our Company had short paid an amount of Rs. 31.82 lacs by way of deliberate under valuation of the goods leaving from our Company's depots during the period 2000-2006 contravening provisions of the Central Excise Act read with the Rules and demanding an amount of Rs. 43.71 lacs in form of excise duty and interest. Our Company had submitted the entire amount of differential duty alongwith interest. However, it was alleged that we had resorted to willful suppression of material facts and or mis-declaration with the intent to evade payment of central excise duty for the above period. The Additional Commissioner of Central Excise, Kolkata VII Commissionerate, passed an Order-in-Original dated December 29, 2006 being Order No. 12. Additional Commissioner/CE./KOL-VII/ADJN/2006-07 ("Order") whereby he ordered the appropriation of the amount paid by our Company, i.e. Rs. 31.82 lacs and interest of Rs. 11.89 lacs. He however refrained from imposing any penalty on our Company. The Commissioner of Central Excise, Kolkata VII, Commissionerate directed the Assistant Commissioner, under the terms of Section 35E (2), to file an appeal before the Commissioner (Appeal – I), Central Excise, Kolkata as he was not satisfied with the legality and propriety of the Order. This Appeal has been filed alleging that the order of the Additional Commissioner confirming and appropriating said duty paid by our Company is not acceptable in terms of legality and propriety as our Company allegedly did not pay the duty arising out of differential sale value from its depots during the period from July 1, 2000 to March 31, 2006 and it was paid only after the same was detected by the department and since *mens rea* is established, an equal amount of penalty should be imposed. Our Company has filed its cross objection. The Hon'ble Office of the Commissioner of Central Excise (Appeals-I), Kolkata has passed an order dated July 29, 2009 in our favour by not imposing any penalty under Section 11AC of the Central Excise Act, 1944 and disallowed the appeal of the department. The matter has disposed off.

Notices relating to Central Excise

i. The Office of the Deputy Commissioner, Central Excise Division (Jorhat) ("Department") has issued a notice dated June 10, 2008, Ref No: C No. V(30)7/ST/DCJ/OFF/08-09/2753 ("Notice"), alleging that our Company has wrongly availed cenvat credit on Service Tax paid on input services amounting to Rs. 4.79 lacs and education cess amounting to Rs. 0.10 lacs. Our Company sells its products at the factory gate as well as through a number of depots located at various places in the country. The Department has alleged that, on examination of records of our Company, they believe that some of the consignment of finished product which were sold through different depots were transported from the factory gate and delivered directly at the buyers premises and service tax paid on such freight has been taken as credit by our Company under the Cenvat Credit Rules, 2004. Our Company has responded to the Notice by stating that service tax credit is admissible on outward freight up to a buyer's premises is view of the definition of "outward transportation from place of removal" i.e. factory or depot to premises of buyer.

ii. The Anti- Evasion Unit of Jorhat Central Excise Division had issued our Company a notice dated February 14, 2007 alleging that some consignments of finished goods which were sold through different depots were transported from the factory gate and were delivered directly at the buyer's premises and the service tax and education cess of Rs. 0.63 lacs and of Rs 0.01 lacs respectively paid on such freight had been claimed as credit by our Company in violation

of Rule 3(1)(ix)(ii) of the under Cenvat Credit Rules, 2004 during the period from March 2006 to October 2006. The said notice had also alleged that our Company used to sell their final products at factory gate as well as through a number of depots located at various places across the country. Our Company has replied to the notice by stating that a manufacturer or producer of a final product or a provider of taxable services is be allowed to take credit of the service tax leviable under section 66 of the Finance Act, 1994. Our Company has claimed that it had been paying service tax on Goods, Transport, Agency (GTA) services either as a consignee or as a consignor and the same is available as a credit. Our Company has also claimed that the definition of input service under Rule 2(B)(1) of Cenvat Credit Rules covers the services of G.T.A provided by our Company for transportation of goods by road from factory to buyer's place and accordingly has contended that the service tax is paid through challan on clearance of goods from the place of removal whether it is factory gate or depot is correctly admissible.

iii. The Office of the Commissioner of Central Excise, Dibrugarh has issued a notice dated September 19, 2007, Ref No: C. No. V (15)15/Adj/Commr/Dib/07/8207, to our Company alleging that our Company had realised an extra charge of Rs. 68.94 lacs in the form of financial charge from individual customers on the total amount payable on sale of their products at factory gate but did not include the same in the assessable value and did not pay duty amounting to Rs. 11.06 lacs. The Department has also alleged that our Company had failed to provide any records/ documents or evidence to show that in cases where the amount raised in the invoice had been paid by the due date, the financial charges levied in the invoices had been refunded on the ground that records of such transactions were available in their head-office at Kolkata and under such circumstances, the amount so collected under the guise of financial charges needed to be included in the assessable value of the excisable goods and discharge duty liability accordingly. Our Company has also received a letter dated May 8, 2009 from the office of the Commissioner whereby the Additional Commissioner has re-fixed a date for personal hearing. Our company has filed a reply dated May 28, 2009 whereby we have urged the Commissioner to re-examine the case on the basis of documents enclosed with the reply and further requested the Commissioner to withdraw the show cause notice. The Hon'ble Additional Commissioner, vide Order-in –Original bearing no.04/Addl Commr/CE/ADJ/DIB/09 dated August 17, 2009, has passed an order in our favour by disposing off the proceedings initiated vide show cause notice no.V(15)15/ADJ/COMMR/DIB/07 dated September 19, 2007 and thereby withdrawn the demand amounting to Rs.11.06 lacs.

iv. The Office of the Assistant Commissioner, Central Excise Division (Bishnupur) ("Department") has issued a show cause cum demand notice dated March 2, 2009, Ref No: C. No. V (15)7/CE/BPD/Kol-VII/09/489, alleging that our Company being fully aware of the statutory requirements had short paid an amount of Rs. 3.50 lacs towards Cenvat, Rs.0.07 lacs towards Education Cess and Rs. 0.04 lacs towards S & H Education Cess on the veneer manufactured in their factory and sent to their sister units thus resorting to under valuation of the veneers produced in contravention of section 4(1)(b) of the Central Excise Act, 1944 read with rule 8 of Central Excise Valuation (Determination of Price of Excisable Goods) Rules, 2000 and rules 4, 6, 8 of Central Excise Rules, 2002 for wilful suppression of facts and mis-statement with an intent to evade payment of Central Excise duty and thereby our Company has been asked to show cause within thirty days of receipt of this notice as to why,

- the above mentioned amount should not be recovered from them under the proviso to Section 11A (1) of the Central Excise Act,1944
- an interest at the appropriate rate should not be levied and recovered from them under section 11AB of the Central Excise Act,1944
- a penalty should not be imposed on them under section 11AC of the Central Excise Act, 1944 read with rule 25(1)(d) of the Central Excise Rules, 2002.

Our Company is yet to respond to this notice. Our Company has written to the Assistant Commissioner, requesting him to allow our Company time to file the reply as our Company is awaiting resolution of a similar matter involving a similar issue. Our Company has not received any reply from the Assistant Commissioner.

v. The Office of the Assistant Commissioner, Central Excise, Bishnupur Division has issued a show cause cum demand notice bearing No. C.No.V(15)28/BPD/Kol-VII/2009/1019 dated May 1, 2009, , alleging that our company has contravened the provision of Rule 2(a),3 ,2(a) of Rule 4 and Rule 9 of the Cenvat Credit Rules,2004 as we have taken credit of ineligible capital goods and utilized the same in payment of Central Excise duty amounting to Rs.1.51 lacs for the year 2003-2004 and Rs.1.05 lacs (Central Excise duty Rs.1.04 lacs and education cess Rs.0.02 lacs) for the year 2004-2005 aggregating to Rs.2.56 lacs by misrepresentation and suppression of the fact to the department with intent to evade payment of duty and thereby our Company has been asked to show cause within thirty days of receipt of this notice as to why :

- the above mentioned amount should not be recovered from them under the proviso to Section 11A(1) of the Central Excise Act,1944 read with Rule 14 of Cenvat Credit Rules, 2004.
- interest should not be levied under Section 11AB of the Central Excise Act, 1944 read with Rule 14 of Cenvat Credit Rules, 2004
- a penalty should not be imposed on them under section 11AC of the said Act read with Rule 15(2) of Cenvat Credit Rules,2004.

Our Company has replied to the above mentioned notice denying all the allegations and has prayed for a personal hearing and accordingly the matter was heard by the Assistant Commissioner on August 20, 2009. Our Company is awaiting the order from the Hon'ble Asst. Commissioner in respect of the abovementioned hearing. The matter is currently pending.

Litigations relating to Sales Tax:

i. Our company has filed three Writ Petitions numbered (W.P. Nos. 20762 of 2005, 20763 of 2005 and 7084 of 2009) against the notice Nos. T/0500821/2002-2003 and T/0500821/2003-2004 issued by the Office of the Commercial Tax Officer (CTO), Choolai. Asst. Circle, Chennai 112 and T/0523511/2004-2005 issued by the Office of the Commercial Tax Officer (CTO), Vepery Asst. Circle, Chennai 7. The said notices were sent pursuant to an observation made by the Hon'ble Supreme Court in another matter that the sales tax on the sales turnover of paper based laminates sheet has to be assessed at 16% of turnover. The Company was issued the notices for recovery of tax at 16% instead of 10% on the turnover as had been the case earlier. Our Company has obtained a stay of 4 weeks with respect to the WP nos. 20762 of 2005 and 20763 of 2005 on August 25, 2008 and a stay was granted on April 20, 2009 with respect to the WP no. 7084 of 2009 till disposal of WP No. 7089 of 2009. The stay is still continuing.

ii. There are five (5) litigations pending before the West Bengal Commercial Taxes Appellate & Revision Board, Kolkata for short submission of declaration Form, WBST Forms etc. under the West Bengal Sales Tax Act, 1994. The cumulative contingent liability is Rs. 98.84 lacs.

iii. There are five (5) litigations pending before the West Bengal Commercial Taxes Appellate & Revision Board, Kolkata for short submission of declaration Form, Forms C and F etc. under the Central Sales Tax Act. The cumulative contingent liability is Rs. 94.74 lacs.

iv. There is one (1) litigation pending before the Commercial Tax Officer (South Circle) for short submission of WBST Form under the West Bengal Sales Tax Act, 1994. The contingent liability is Rs. 10.28 lacs.

v. There is one (1) litigation pending before the Commercial Tax Officer (South Circle) for short submission of Declaration Form, Forms C and F etc. under the Central Sales Tax Act. The contingent liability is Rs. 68.12 lacs.

vi. There is one (1) litigation pending before the Deputy Commissioner Commercial Taxes, Corporate Division relating to disallowance of input VAT and addition of extra purchase etc. under the West Bengal Vat Act. The contingent liability is Rs. 27.10 lacs.

vii. There is one (1) litigation pending before the Deputy Commissioner Commercial Taxes, Corporate Division relating to short submission of Declaration Form, Forms C and F etc. under the Central Sales Tax Act. The contingent liability is Rs. 42.68 lacs.

viii. There is one (1) litigation pending the Deputy Commissioner (Appeal - IV), New Delhi for short submission of Declaration Form C and payment of sales tax by our Company under the Central Sales Tax Act, 1956. The contingent liability is Rs. 0.32 lacs.

ix. There was one (1) litigation pending the Deputy Commissioner of Taxes (Appeals), Jaipur for short submission of Declaration Form C and payment of sales tax by our Company under the Central Sales Tax Act, 1956. The contingent liability was Rs. 149.29 lacs. After submission of the relevant declaration forms and deposit of cash challan by our Company, the demand which remains outstanding is Rs. 0.33 lacs.

x. There is a case pending before the Deputy Commissioner (Appeal - IV), New Delhi for short submission of Form ST – 1 and payment of sales tax by our Company under the Delhi Sales Tax Act, 1975. The contingent liability is Rs. 0.12 lacs.

xi. There is a case pending before the Deputy Commissioner of Commercial Taxes (Appeals), Jaipur for payment of sales tax by our Company under the Rajasthan Sales Tax Act, 1994. The contingent liability is Rs. 1.16 lacs.

xii. There is one (1) litigation pending before the West Bengal Commercial Taxes, Appellate and Revision Board, Kolkata for short submission of Declaration Form 11 under the West Bengal Sales Tax Act, 1994. The contingent liability is Rs. 10.41 lacs.

xiii. There is one (1) litigation pending before the West Bengal Commercial Taxes, Appellate & Revision Board, Kolkata for short submission of Declaration Form C under the Central Sales Tax Act, 1956. The contingent liability is Rs. 1.72 lacs.

xiv. There is one (1) litigation pending before the Assistant Commissioner of Commercial Taxes, South Circle, Kolkata for short submission of Declaration Form C under the Central Sales Tax Act, 1956. The contingent liability is Rs. 1.57 lacs.

xv. An order has been passed by the Hon'ble Joint Commissioner Commercial/Sales Tax, Corporate Division dated June 29, 2009 whereby we have been asked to pay Rs.16.06 lacs under the West Bengal Value Added Tax Act in respect of disallowance of input VAT and imposition of interest for the assessment year ended March 31, 2007. Our Company has not yet paid the said amount and is yet to file an appeal against the said order.

xvi. An order has been passed by the Hon'ble Joint Commissioner Commercial/Sales Tax, Corporate Division dated June 29, 2009 whereby we have been asked to pay Rs.11.22 lacs under Section 8(1)(b) of the Central Sales Tax Act, 1956 in respect of short submission of "C" form for the assessment year ended March 31, 2007. Our Company has not yet paid the said amount and is yet to file an appeal against the said order.

xvii. Our Company has filed an appeal dated June 27, 2009 before the office of the Deputy Commissioner of Commercial Taxes (Appeals), Alwar against the notice of demand amounting to Rs.30.78 lacs under Rajasthan Vat Act in respect of Input Tax Credit not allowed for the financial year 2006-2007, although our Company has paid interest and penalty amounting to Rs.0.39 lacs and Rs.0.02 lacs respectively dated June 29, 2009. The matter is currently pending.

xviii. Our Company has filed an appeal dated June 27, 2009 before the office of the Deputy Commissioner of Commercial Taxes (Appeals), Alwar against the notice for payment of

demand amounting to Rs.613.42 lacs under CST Act in respect of non submission of forms along with interest and penalty. Our Company has paid interest and penalty amounting to Rs.0.52 lacs on June 29, 2009. The matter is currently pending.

Notices under Sales Tax

i. Our Company was served a notice dated March 14, 2008, Ref no. T/0523511/2005-2006, by the Office of the Commercial Tax Officer (CTO), Vepery Asst. Circle, Chennai 7 for the year 2005-2006 wherein it has been mentioned that the sales turnover of Rs. 640.72 lacs was assessed at 10% and in view of a Supreme Court ruling it should have been 16%. Hence, the sales turnover of the paper based laminated sheets for shall be assessed at 16% of the turnover.

ii. A notice has been issued by the ETO Cum Assessing Authority, Rohtak under the Haryana Value Added Tax Act, 2003 in relation to the quarterly return filed by our Company stating that our Company has not filed F Forms in support of claim submitted. No proof of payment of tax paid has been submitted and description of goods sold has not been mentioned. Our Company has been asked to show cause and explain the above non compliances. The reply to the notice has not been filed.

iii. The Assistant Commissioner, Commercial Taxes, Audit Wing 02, Indore, has issued two notices for assessment under Section 19(1) of the Madhya Pradesh Vat Act, 2002 that have been received by our Company on December 27, 2008, for assessment years 2006-2007 and 2007-2008. The matter is currently pending for assessment with the Assistant Commissioner, Commercial Taxes, Audit Wing 02, Indore.

Litigations relating to Income Tax

The Company is involved in 1 Income Tax dispute for the Assessment Year 2006-2007. The disputed income amount involved as on March 31, 2009 is Rs. 167.93 lacs. Details of the said disputes are as follows:

Assessment Year	Stage pending/ Court/ Forum	Grounds	Disputed Income Amount (Rs. in lacs)
2006-2007	CIT (Appeals)-C-III, Kolkata	i) Disallowance of deduction under Section 80IC of the I.T. Act	38.27
		ii) Disallowance of deduction for export incentives under Section 115JB of the I.T. Act	129.66
Total			**167.93**

5. Intellectual Property matters:

M/s. Radha Krishna Ply & Board Industries has filed an opposition before the Office of the Trade Marks Registry in the application no. 1552407 dated April 24, 2007 for registration of the trademark "GREEN SPECTRUM WOOD" (label) in Class 19 filed by our Company alleging that the opponents are the adopters, prior users and lawful proprietors of the trademark "SPECTRUM" in respect of goods included in class 19 since 2000. Our Company has filed its counter statement to the opposition. The matter is pending.

B. Cases filed by our Company:

1. Criminal matters

i. The Company has filed a complaint no PCR No. 17752 of 2008 in CC No 26940 of 2008

under section 138 and 142 of the Negotiable Instruments Act, 1881 against Mr. K. Gajanan proprietor of M/s. Gajanan Glass and Plywood before the Court of the 12th Addl. Chief Metropolitan Magistrate at Bangalore. The Company has alleged dishonour of cheques and has claimed an amount of Rs. 3.88 lacs. Matter is pending. The Court has ordered issue of summons.

ii. Our Company has filed five cases under section 138 of the Negotiable Instruments Act, 1881 complaining against the dishonoring of cheques issued by the accused in these cases. Three of the cases have been instituted against Ajay Timbers and one case each against Mangla Plywood and Shree Durga Glass and Ply. The total amount involved in the complaints is Rs. 12.74 lacs. All the cases are currently pending.

iii. Our Company has filed a complaint, bearing CC No. 241 of 2007, before the Chief Metropolitan Magistrate's Court at Hyderabad against (i) Umesh Kumar Nimani, Proprietor of Pashupati Everest Plywood and (ii) Shyam Sundar Agarwal, Proprietor of Balaji Enterprises Goshamal, Hyderabad under Section 420 of the Indian Penal Code and Section 107 of the Trade Marks Act alleging that one M/s. Poddar Ply was selling plywood with the mark 'Assam Green' which is a trade mark of our Company who obtained the plywoods from the Accused who was thus cheating the general public and selling the same for its monetary benefits by affixing the trade mark 'Assam Green' which is a trade mark of our Company thus causing loss of reputation to our Company as well. Charge Sheet has been filed in this matter. The matter is currently pending.

iv. Our Company has filed one case, bearing number C.C. No. 10329 of 2008, before the XVII Metropolitan Magistrate Court at Saidapet, Chennai against M/s. S.F.Z. Enterprises and Mr. Zubeer under Section 138 of the Negotiable Instruments Act, 1881 against dishonouring of cheques issued by accused. The total amount involved in the complaint is Rs. 2.21 lacs. The matter is currently pending.

v. Our Company has filed a criminal petition before the Additional Chief Metropolitan Magistrate, Patiala House Court, New Delhi against Sarvesh Massey alleging cheating, forgery and other criminal offences under Sections 406, 408, 420, 467, 468 and 476 of the Indian Penal Code. The matter is currently pending.

vi. Our Company has filed a complaint before the Additional Chief Judicial Magistrate, Alipore (South 24 Parganas) against Krishna Sudan alleging cheating, forgery and other criminal offences under Sections 411, 406, 408, 480, 481, 211 and 420 of the Indian Penal Code, 1860. The matter is currently pending.

vii. Our Company has filed a complaint before the Hon'ble Magistrate, City Civil Court, Behror, Alwar against M/s New Shakti Timber Store, Delhi and Mr. Ramesh Kumar under Section 420 of the Indian Penal Code, 1860 and Section 138 of the Negotiable Instrument Act, 1881 against dishonouring of cheques issued by the accused. The total amount involved in the complaint is Rs.2.03lacs. The matter is currently pending.

viii. Our Company has filed a complaint against M/s Aggarwal Timber Corporation under Section 138 read with Section 142 of the Negotiable Instrument Act, 1881 before the Court of Addl. Chief Metropolitan Magistrate, New Delhi vide C.C.No. 6326 of 2009 against the dishonouring of cheque issued by the accused. The total amount involved in the complaint is Rs.2.42 lacs. The matter is currently pending.

ix. Our Company has filed a complaint against M/s Kunj Bihari Construction Co. Pvt. Ltd. under Section 138 read with Section 142 of the Negotiable Instrument Act, 1881 before the Court of Addl. Chief Metropolitan Magistrate, Delhi vide C.C. No.6059 of 2009 against the dishonouring of the cheque issued by the accused. The total amount involved in the complaint is Rs. 4.10 lacs. The matter is currently pending.

x. Our Company has filed a complaint bearing P.C.R. No.11915 before the court of 12th Addl. Chief Metropolitan Magistrate, Bangalore against K.V.Patil under Section 200 of Criminal

Procedure Code, 1973 and Section 138 of Negotiable Instrument Act, 1881 against dishonouring of post dated cheques issued by the accused. The total amount involved in the complaint is Rs.0.77 lacs.The matter is currently pending.

2. Matters under Consumer Laws

i. Our Company has filed this appeal, Appeal No. 497 of 2007, against the order dated June 7, 2007 passed by the District Consumer Redressal Forum granting compensation of Rs. 0.20 lacs for damages, Rs. 0.03 lacs towards mental and physical pain and sufferings and Rs. 0.01 lacs towards cost of proceedings to Mrs. Sunita Bhongade. Mrs. Bhongade had alleged that the plywood purchased by her from our Company was damaged due to termites. The matter is currently pending.

3. Civil Matters

i. Our Company has filed recovery proceedings against (i) EKL Appliances Limited and (ii) M/s. Videocon International Limited before the Additional District Judge (Fast Track), Behror Case No. 35 of 2008 for execution of decree dated October 1, 2008 whereby it was decreed that our Company shall realize the sum of Rs. 1.62 lacs alongwith interest at the rate of 10% per annum from April 15, 2004 from EKL Appliances Limited and alleged short payment thereof. The amount involved is Rs. 1.62 lacs. The matter is currently pending.

ii. Worthy Plywoods Limited (prior to amalgamation with our Company) had initiated proceedings against Mr. Sitaramchandra (Defendant) before the City Civil Court, Bangalore for execution of a decree dated August 23, 2008 in Suit no. 15331 of 2004 for payment of Rs. 0.75 lacs to our Company. Since this penalty was not being paid by the Defendant, the Hon'ble Court ordered the attachment of the specified properties of the Defendant. The Court Bailiff was obstructed from executing the warrant. Hence, a warrant for attachment dated October 13, 2008 was issued for breaking open the lock with police help.

iii. Our Company has instituted a suit before the Court of the Principal City Civil Judge at Bangalore O.S. No. 26490 of 2008, C.C.H. No. 20, against Mr. K. Gajanan, proprietor of M/s. Gajanan Glass and Plywood ("Defendant") praying for attachment of scheduled movables of the Defendant worth Rs. 10.05 lacs. Our Company has alleged that the Defendant had made credit purchase of various plywood materials from our Company and his cheque payments have been repeatedly dishonoured. Thus, the Defendant had failed to make payment of the bill amount within the stipulated time of 30 days as agreed. Our Company has filed the instant suit claiming a sum of Rs. 10.05 lacs together with court costs and current interests at the rate of 24% per annum on the principal amount of Rs. 7.43 lacs from the date of the suit till realization. The matter is currently pending.

iv. Our Company has instituted a suit before the City Civil Court, Nagpur, title suit no. 159 of 2008 against Shri Manish Saraf, proprietor, M/s. Sharda Glass and Plywood for recovering Rs. 7.28 lacs and interest @ 18% per annum from the date of the suit till recovery of the decreetal amount. Our Company has alleged that the defendant had placed on various occasions orders for our Company's products which our Company had accordingly supplied to the defendant but the defendant failed to pay the price of the materials supplied to the defendant by our Company during the stipulated period of time thus giving rise to the cause of action of this suit. The matter is currently pending.

v. Our Company has instituted a suit before the Calcutta High Court, C.S. No. 157 of 1999, against Sevoke Plywood Industries Private Limited (Defendant) praying for injunction restraining the Defendant from using the word 'GREEN' and 'DÉCOR GREEN' on the products produced by the Defendants and from infringing the registered Trade Mark No. 529203 owned by our Company. The value of the suit is Rs. 100.00 lacs. The matter is currently pending.

vi. Our Company has filed a recovery suit before the District Judge (New Delhi District), Patiala House Court, New Delhi against Sarvesh Massey alleging embezzlement of funds of our

Company and cheating by the defendant. The amount involved in this matter is Rs. 5.74 lacs. Matter is currently pending.

vii. Our company has filed a Writ Petition, bearing WP (C) No.3377 of 2009, before the Hon'ble High Court, Gauhati challenging the legality and validity of the impugned Notification No.17/2008 dated March 27, 2008 as well as notification no.31/2008 dated June 10, 2008 issued by the Central Excise Authorities, whereby the original Notification No.32/1999 dated July 8, 1999 has been modified significantly reducing the benefit of the excise exemption which had been conferred by the said Notification No.32/1999 to the new Industrial Units which were set up pursuant to and on the basis of the exemption granted under the said Notification No.32/1999 and also to the existing units which substantially increased their installed capacity by more than 25% on the assurance made in the Industrial Policy Resolution and the said Notification No.32 /1999. The matter is currently pending.

viii. Our Company has filed a civil suit before the Hon'ble High Court, Calcutta against Mr. Krishna Sudan who has failed to provide expertise service in respect of developing the products of the Company as a result whereof the Company has incurred financial losses. The Company has sought compensation from Mr. Krishna Sudan amounting to Rs.500 lacs. The matter is currently pending.

ix. Our Company has filed a recovery proceeding, bearing C.C.No.15369 of 2009 against K.V.Patil before the Court of 26th Addl. City Civil Judge, Bangalore under Section 26 read with O.7 Rule 1 of Civil Procedure Code, whereby our Company has prayed to pass a decree directing the defendant to pay the amount due to us along with interest. The amount involved is Rs.0.77 lacs in addition to current interest at the rate 24% p.a. and cost of the proceedings. The matter is currently pending.

4. Tax Matters

i. Our Company has filed an Appeal before the Commissioner of Central Excise (Appeals) against Order in Original No. 18/R/2009 dated February 2, 2009 issued by the Assistant Commissioner, Central Excise Division, Alwar whereby the Assistant Commissioner, Central Excise Division, Alwar rejected the refund claim of Rs. 1.10 lacs of our Company on the ground that our Company has not submitted the documents evidencing export of goods and payment of service tax on the specified services. Our Company has challenged the order as unjust, arbitrary and that it has been passed without considering the factual position of payment of service tax to the service provider and that rejection of the refund claim has defeated the very purpose of the issuance of the notification No. 41/2007 dated October 6, 2007 and has prayed for setting aside the order. The matter is currently pending.

ii. The Additional Commissioner, Central Excise Commissionerate, Jaipur-I, Jaipur has issued an order dated June 30, 2008 ("Order") against our Company for removal of capital goods, namely short cycle press machine from our Company's unit at Behror, Rajasthan after eight years of usage. The Order had also levied a penalty of Rs. 11.07 lacs alongwith interest. Our Company has filed an appeal against the Order before the Commissioner (Appeals), Central Excise, Jaipur-I, Jaipur, appeal no. 287 of 2008, for setting aside the Order by stating that it had removed the capital goods after usage and upon payment of appropriate duty on the depreciated value (book value) at the time of removal and as such the demand for payment of duty is not sustainable. The Hon'ble Commissioner (Appeals), vide an Order-in-Appeal No.118(DK)CE/JPR-I/2009 dated June 15, 2009 has declined to interfere with the impugned order passed by the Addl. Commissioner and thereby rejected the appeal. Our Company is yet to file an appeal before the tribunal.

iii. Our Company has filed a stay application no 1494 of 2008 and a memorandum of appeal no 476 of 2009 before the Customs, Excise and Service Tax Appellate Tribunal, New Delhi against the order dated April 17, 2008 ("Order") passed by the Commissioner (Appeals-I), Central Excise & Customs, Jaipur. The dispute is in relation to whether our Company is receiving business auxiliary service from foreign banks not having offices in India and paying for the same. It has been alleged by the Assistant Commissioner of Central Excise, Alwar that

our Company should have taken service tax registration for 'Business Auxiliary Service' and our Company has not submitted any returns declaring any payments to foreign banks. Thus, the appeal of our Company was rejected and our Company has filed the stay application and memo of appeal against the Order. The claim amount in the matter is Rs. 0.96 lacs. The matter is currently pending.

iv. Our Company has filed a memorandum of appeal no. 329 of 2008 before the Commissioner (Appeals), Central Excise, Jaipur-I, Jaipur against the order dated October 6, 2008 ("Order") passed by the Assistant Commissioner of Central Excise Division, Alwar ("Department"). The Department had rejected a claim for refund by our Company of service tax paid on services used for exports for the period January 2008 to March 2008. By the said Order, the Department has rejected the claim of refund Rs. 1.64 lacs by our Company under Notification No. 40/2007 – Service Tax dated September 17, 2007 and 41/2007 dated October 6, 2007. Our Company has filed the memorandum of appeal against this Order. The Hon'ble Commissioner (Appeals) vide an Order-in-Appeal No.155(DK)C.E./JPR-I/2009 dated July 20,2009, has set aside the impugned order and allowed the appeal by way of remand to the adjudicating authority and directed him to pass speaking order keeping in view the requirement of Notification No.41/2007-ST dated October 6, 2007. The matter is currently pending before the Adjudicating Authority.

v. Our Company has filed a memorandum of appeal no. 330 of 2008 before the Commissioner (Appeals), Central Excise, Jaipur-I, Jaipur against order dated October 6, 2008 ("Order") passed by the Assistant Commissioner of Central Excise Division, Alwar ("Department") relating to the rejection for the claim of refund of service tax paid on services used for exports for the period October 2007 to December 2007. By the Order, the Department has rejected the claim of refund Rs. 1.98 lacs by our Company under Notification No. 40/2007 – Service Tax dated September 17, 2007 and 41/2007 dated October 6, 2007. The matter is currently pending.

vi. Our Company has filed a memorandum of appeal no. 332 of 2008 before the Commissioner (Appeals), Central Excise, Jaipur-I, Jaipur against the order dated October 15, 2008 ("Order") passed by the Assistant Commissioner of Central Excise Division, Alwar ("Department") relating to the rejection of the claim for refund of service tax paid on services used for the exports for the period April 2008 to June 2008. By the Order, the Department has rejected the claim of refund of Rs. 1.37 lacs made by our Company under Notification No. 40/2007 – Service Tax dated September 17, 2007 and 41/2007 dated October 6, 2007. The Hon'ble Commissioner (Appeals) vide an Order-in-Appeal No.150(DK)C.E./JPR-I/2009 dated July 17, 2009 has declined to interfere with the impugned order passed by the Asst. Commissioner and thereby rejected the appeal. Our Company is yet to file an Appeal before the tribunal.

vii. Our Company has filed a memorandum of appeal before the Commissioner of Central Excise, Kolkata (Appeal-I), against the impugned order dated December 31, 2008 passed by the Learned Adjudicating Additional Commissioner, Central Excise imposing a penalty of Rs. 13.64 lacs under section 11AC of the Central Excise Act, 1944, in addition to the interest as applicable under section 11AB of the same Act which was initiated by issuance of the show cause cum demand notice no. V (15) 33/CE/ADJN/KOL-VII/07/17069 dated November 19, 2007 for payment of Central Excise duty of Rs. 11.22 lacs and education cess of Rs. 0.23 lacs and No. V (15) 10 /CE/BPD/KOL-VII/08/759 dated April 17, 2008 for payment of Central Excise duty of Rs.2.13 lacs and education cess of Rs. 0.04 lacs and S and H E. cess of Rs. 0.02 lacs. The grounds for appeal are (a) complete waiver of pre-deposit of duty as well as penalty (b) for the purpose of inter unit stock transfer the provisions laid down under Rule 8 of the Central Excise Valuation (Determination of Price of Excisable Goods) Rules, is not required to be applied, whereby assessable value is calculated by adding 10% to the cost of production (c) the show cause notice dated November 19, 2007, whereby the demand for differential duty was raised by considering transaction price mentioned in the invoice for inter unit transfer as the cost of production of veneer, without providing basis for adopting inter unit transaction price for evasion. In an attempt to comply with the requirement of Rule 8 of the Central Excise Valuation (Determination of Price of Excisable Goods) Rules, the department has added 10% of notional profit to the said transaction price that was comparable with the ex-

factory sale in the show cause notice and (d) for not considering the CAS-4 Certificates (e) the show cause notice dated November 19, 2007 being barred by limitation. The Hon'ble Commissioner of Central Excise (Appeals-I),Kolkata vide order no.90/KOL-VII/09 dated July 29,2009 has directed us to pre-deposit an amount of Rs.2.18 lacs under section 35F of the Central Excise Act, 1944 within two weeks from the receipt of the said order. Upon payment of the said amount, the remaining amount of duty demanded and penalty imposed in the Order in Original dated December 31, 2008 shall remain stayed during pendency of the appeal. Our Company has complied with the said order by debiting the said amount in RG23A Part II under Sr.No.77/285 dated August 5, 2009.The matter is currently pending.

viii. Our Company, Mr Rajesh Mittal, Managing Director and Mr Arabinda Kumar Saha, General Manager have filed three appeals and stay petitions (Stay Petition No. 28/09 (Ex. App. 27/09, Stay Petition No. 29/09 (Ex. App.28/09) and Stay Petition No. 30/09 (Ex. App. 29/09), respectively before the Customs, Excise and Service Tax Appellate Tribunal ("CESTAT") praying for setting aside of the order passed by the Office of the Commissioner of Central Excise, Kolkata VII dated October 22, 2008 being no. 4/Commissioner/CE/Kol-VII/ADJN/2008-09 whereby the Office of the Commissioner of Central Excise, Kolkata VII has raised the following demands (i) Cenvat Credit disallowed is Rs. 172.88 lacs (ii) Duty of Rs. 587.86 lacs and Education Cess of Rs. 9.19 lacs and (iii) penalties of Rs. 172.88 lacs, Rs. 15.95 lacs, Rs. 1635.95 lacs and Rs. 0.79 lacs (iv) personal penalty of Rs. 50.00 lacs upon Mr Rajesh Mittal and (v) personal penalty of Rs. 25.00 lacs upon Mr Arabinda Kumar Saha. The dispute relates to alleged irregular availment and utilisation of Cenvat Credit by our Company in relation to their imported logs and timber. The stay petitions were heard by CESTAT and an order no. S-24-26/Kol/09 dated March 9, 2009 was passed whereby our Company, Mr Rajesh Mittal and Mr Arabinda Kumar Saha, were directed to pre-deposit an amount of Rs. 0.80 lacs. The amount has since been deposited. The matter is currently pending.

5. Intellectual Property Matters

i. There are currently 2 cases filed by our Company against Plylam Center before City Civil Court, Hyderabad (O.S. 217 of 2005) and Shakti Ply Woods before City Civil Court, Tiz Hazri, New Delhi (O.S. 214 of 2006) for infringement of trademarks. The facts pertaining to both of these cases are similar in nature, in as much as, both the claims stem from the fact that the defendants were selling material under the brand name 'GREEN STAR' which is deceptively similar to our Company's trademark 'GREEN'.

ii. There are currently 4 cases filed by our Company against Poddar Ply Agencies before City Civil Court, Hyderabad (O.S. 178 of 2005), Arora Enterprises before Court of the Additional Dist. Judge, Chandigarh (C.S. No.3 / 2006), Ajmera Plywood before the Court of the Additional Dist. Judge, Nagpur (C.S. No. 3of 2006) and Shabnam Plywood before the Court of the Additional Dist. Judge, Nagpur (C.S. No. 2 of 2006) for infringement of trademarks. The facts pertaining to all these cases are similar in nature, in as much as, all the claims stem from the fact that the defendants were selling material under the brand name 'GREEN ASSAM' which is deceptively similar to our Company's trademark 'GREEN'.

iii. There are currently 5 cases filed by our Company against Mahalaxmi Plywood Traders before City Civil Court, Hyderabad (O.S. 118 of 2005), Jha Ply Center before City Civil Court, Hyderabad (O.S. 119 of 2008), Uma Hardware Store before City Civil Court, Hyderabad (O.S. 119 of 2008), J. Rani Sathi Plywood before City Civil Court, Delhi (O.S. 229 of 2007) and J. Rani Sathi Plywood before City Civil Court, Calcutta (Title Suit No. 1828 of 2003) for infringement of trademarks. The facts pertaining to all these cases are similar in nature, in as much as, all the claims stem from the fact that the defendants were selling material under the brand name 'GREEN GOLD' which is deceptively similar to our Company's trademark 'GREEN'.

iv. There are currently 2 cases filed by our Company against Charotar Ply Industries and Swastik Plywood & Veneers before City Civil Court, Tiz Hazri, New Delhi (C.S. 42 of 2007) for infringement of trademarks. The facts pertaining to both of these cases are similar in nature, in as much as, both the claims stem from the fact that the defendant was selling material under

the brand name 'EURO GREEN' which is deceptively similar to our Company's trademark 'GREEN'.

v. There are currently 6 cases filed by our Company against Bharat Plywood, Shekhu Shop and S.S. Timber before City Civil Court, Tiz Hazri, New Delhi (Case No. 110 of 2007), Global Impex before City Civil Court, District Judge, Hyderabad (O.S. 55 of 2008), M/s. Gauri Shanker Timber & Plywood before the Court of the II Additional Chief Judge, City Civil Court, Hyderabad (O.S. 145 of 2009) and M/S Shri Tirupati Balaji Plywood before the Court of Addl. District & Sessions Judge, New Delhi for infringement of trademarks. The facts pertaining to all these cases are similar in nature, in as much as, all the claims stem from the fact that the defendants were selling material under the brand name 'ASSAM GREEN' which is deceptively similar to our Company's trademark 'GREEN'.

vi. There is currently one case filed by our Company against New Gupta Timber before City Civil Court, Tiz Hazri, New Delhi (O.S. 192 of 2007) for infringement of trademarks. The defendant was selling material under the brand name 'GOLD GREEN' which is deceptively similar to our Company's trademark 'GREEN'.

vii. There are currently 3 cases filed by our Company against Bholanath Hardware and New Ply Emporium before City Civil Court, Hyderabad (O.S. No. 73 of 2007) and Goyal Plywood and Hardware before City Civil Court, Delhi (O.S. No. 1085 of 2008) for infringement of trademarks. The facts pertaining to all these cases are similar in nature, in as much as, all the claims stem from the fact that the defendants were selling material under the brand name 'SUPER GREEN' which is deceptively similar to our Company's trademark 'GREEN'.

viii. There are currently 3 cases filed by our Company against Garg Plywood Corporation before City Civil Court, Hyderabad (O.S. No. 411 of 2008), Rajdhani Plywood before City Civil Court, Hyderabad (O.S. No. 549 of 2007) and Utkal Ply before the City Civil Court, Hyderabad (O.S. 548 of 2007) for infringement of trademarks. The facts pertaining to all these cases are similar in nature, in as much as, all the claims stem from the fact that the defendants were selling material under the brand name 'KRISHNA GREEN & OXFORD GREEN' which is deceptively similar to our Company's trademark 'GREEN'.

ix. There is currently one case filed by our Company against Western Ply before City Civil Court, Hyderabad (O.S. 54 of 2006) for infringement of trademarks. The defendant was selling material under the brand name 'GREENWOOD GOLD' which is deceptively similar to our Company's trademark 'GREEN'.

x. There is currently one case filed by our Company against Daya Timber before City Civil Court, Tiz Hazri, New Delhi (O.S. 327 of 2008) for infringement of trademarks. The defendant was selling material under the brand name 'ASSAM GREEN TUFF' which is deceptively similar to our Company's trademark 'GREEN'.

xi. There is currently one case filed by our Company against India Plywood before City Civil Court, New Delhi (O.S. 1085 of 2008) for infringement of trademarks. The defendant was selling material under the brand name 'INDIA GREEN' which is deceptively similar to our Company's trademark 'GREEN'.

xii. There are currently 2 cases filed by our Company against Ghosh Plywood Center before City Civil Court, Hyderabad (O.S. 120 of 2008) and Mahalaxmi Plywood before City Civil Court, Hyderabad (O.S. 118 of 2008) for infringement of trademarks. The facts pertaining to both of these cases are similar in nature, in as much as, both the claims stem from the fact that the defendant was selling material under the brand name 'GREEN MAGIC' which is deceptively similar to our Company's trademark 'GREEN'.

xiii. There are currently 2 cases filed by our Company against Shiv Shakti Plywood before City Civil Court, Hyderabad (O.S. No. 410 of 2008) and Shriram Glass & Plywood Point before City Civil Court, Hyderabad (O.S. No. 409 of 2008) for infringement of trademarks. The facts pertaining to both of these cases are similar in nature, in as much as, both the claims stem

from the fact that the defendant was selling material under the brand name 'GREEN LINE' which is deceptively similar to our Company's trademark 'GREEN'.

xiv. There are currently 2 cases filed by our Company against Gupta Hardware &Plywood (Suit No.716 / 09) and Bharath Glass & Plywood (Suit No. 718 / 09) before the court of Addl. District Judge, New Delhi, Patiala House Courts, New Delhi for infringement of trademark. The facts pertaining to both of these cases are similar in nature, in as much as both the claims stem from the fact that the defendants were selling material under the brand name 'GREENLAND' which is deceptively similar to our Company's trademark ''GREEN".

Further, our Company has filed 17 Objections and 68 Oppositions with the Trade Marks Registry Offices and 1 Rectification application.

The Company has also filed a criminal complaint CC No. 241 of 2007 against Mr. Umesh Kumar Nimani, proprietor of Pashupati Everest Plywood and Shyam Sundar Agarwal, proprietor of Balaji Enterprises Goshamal, Hyderabad under Section 420 of the Indian Penal Code and Section 107 of the Trade Marks Act for impersonation of the Trade Mark "Assam Green", which is deceptively similar to our Company's trademark 'GREEN'. For further details on the above matter, reference may be made to "Cases filed by our Company- Criminal matters" in this section of the Letter of Offer.

II. Litigation involving the Directors

Mr. Rajesh Mittal:

Mr Rajesh Mittal as Managing Director of our Company has filed an appeal and stay petition (Stay Petition No. 29/09 (Ex. App.28/09) before the Customs, Excise and Service Tax Appellate Tribunal ("CESTAT") praying for setting aside of the order passed by the Office of the Commissioner of Central Excise, Kolkata VII dated October 22, 2008 being no. 4/Commissioner/CE/Kol-VII/ADJN/2008-09 whereby the Office of the Commissioner of Central Excise, Kolkata VII has, inter alia, raised a personal penalty of Rs. 50.00 lacs upon Mr. Rajesh Mittal. The dispute relates to alleged irregular availment and utilisation of Cenvat Credit by our Company in relation to their imported logs and timber. The stay petition was heard by CESTAT and an order no. S-24-26/Kol/09 dated March 13, 2009 was passed whereby our Company, Mr Rajesh Mittal and Mr Arabinda Kumar Saha, General Manager were directed to pre-deposit an amount of Rs. 0.80 lacs. The amount has since been deposited. The matter is currently pending.

For further details on the above matter, reference may be made to "Cases filed by our Company- Criminal matters" in this section of the Letter of Offer.

Save and except, the above no other Director of our Company is not involved in any legal proceedings.

No Director of our Company is involved in any legal proceedings and/or has been declared as a 'Wilful Defaulter' by RBI.

III. Details of past penalties imposed on our Company or any of the Directors

Save as otherwise disclosed herein there have been no instances in the past of any penalties that has been imposed on our Company or the Directors by any statutory authorities.

IV. Statement of Contingent Liability as on March 31, 2009:

For detailed information please refer to section titled "Financial Information – Restated Standalone Statements – Annexure D-Note 7.0" on page 152 of this Letter of Offer.

V. Litigation involving our subsidiaries

The subsidiaries of our Company are not involved in any legal proceedings.

VI. Litigation involving our Promoters

Save as otherwise disclosed herein our Promoters are not involved in any legal proceedings.

VII. Litigation involving Promoter Group

i. Prime Holdings Private Limited, one of our promoter group companies, has filed an appeal pending before the Commissioner of Income Tax (Appeals), C-III, Kolkata for disallowance under Section 14A of the Income Tax Act 1961 of deduction on account of interest paid in the assessment year 2006-2007 and on account of administrative expenses incurred for the assessment year 2006-2007 for an amount of Rs. 22.71 lacs and Rs. 3.13 lacs respectively. The facts pertaining to both these cases are similar in nature, in as much as, both claims stem from the fact that the Assessing officer under section 14A of the Income Tax Act, 1961 disallowed deduction from computation of income the amounts claimed by Prime Holdings Private Limited. The matter is pending.

ii. Prime Holdings Private Limited has filed an appeal before the Appellate Tribunal, Kolkata against the order under Section 263 passed by the Commissioner of Income Tax, Central –III, Kolkata directing to disallow interest under Section 14A of the Income Tax Act 1961 for the assessment year 2004 -05. The amount has not been quantified yet. The matter is pending.

iii. Himalaya Granites Limited has filed one appeal pending before the Commissioner of Income Tax (Appeals), C-III, Kolkata for the assessment years 2002-2003 for disallowance of deduction under section 80 HHC of Income Tax Act, 1961, disallowance under Section 14A of the Income Tax Act on account of administrative expenses incurred and disallowance of development expenses on quarry land for an amount of Rs. 14.14 lacs, Rs. 0.98 lacs and Rs. 15.13 lacs, respectively.

iv. Himalaya Granites Limited has filed one appeal pending before the Commissioner of Income Tax (Appeals), C-III, Kolkata for the assessment year 2003-2004 for disallowance of deduction under Section 80HHC of the Income Tax Act, 1961, disallowance under Section 14 A of the Income Tax Act, 1961 of deduction on account of administrative expenses incurred and disallowance of development expenses on quarry land for an amount of Rs. 10.92 lacs, Rs. 0.91 lacs and Rs. 29.43 lacs respectively

v. Himalaya Granites Limited has filed one appeal for the assessment year 2004-2005 pending before the Appellate Tribunal, Kolkata against the order under Section 263 passed by the Commissioner of Income Tax, Central –III, Kolkata for directing disallowance of deduction under Section 80HHC of the Income Tax Act, 1961. The amount has not been ascertained as yet.

vi. Himalaya Granites Limited has filed one appeal pending before the Commissioner of Income Tax (Appeals), C-III, Kolkata for the assessment year 2005-2006 for disallowance of depreciation of quarry land and development, disallowance of quarry development expenses written off and disallowance under Section 14 A of the Income Tax Act, 1961 of deduction on account of administrative expenses incurred for an amount of Rs. 29.43 lacs, Rs. 17.21 lacs and Rs. 0.71 lacs, respectively.

vii. Himalaya Granites Limited has filed one appeal pending before the Commissioner of Income Tax (Appeals), C-III, Kolkata for the assessment year 2006-2007 for disallowance of depreciation of quarry land and development and disallowance under Section 14 A of the Income Tax Act, 1961 of deduction on account of administrative expenses incurred for an amount of Rs. 75.92 lacs and Rs. 0.97 lacs, respectively.

viii. Dibang Valley Timber Trade Private Limited which has been amalgamated with our promoter group company Prime Holdings Private Limited on April 1, 2005 (Transfer date), had filed a writ petition (W.P. No. 136 of 1995) before the Hon'ble High Court at Calcutta against the

Union of India, Secretary, Ministry of Law, Justice and Company Affairs, Secretary, Ministry of Agriculture, the Director of Plant Protection Quarantine and Storage and the Assistant Director (Entomology), Ministry of Agriculture, Government of India, Directorate of Plant Protection Quarantine & Storage, Plant Quarantine and Fumigation Station inter alia, on the grounds that Section 3(1) of the Destructive Insects and Pests Act, 1914, the impugned notification dated October 27, 1989 and the Destructive Insects and Pests (Amendment and Validation) Act, 1992 as ultra vires the Constitution of India and the notice dated August 30, 1994 issued by the Assistant Director (Entomology) under the Directorate of Plant, Protection, Quarantine and Storage calling upon the petitioner to deposit a sum of Rs. 0.91 lacs under an order of 1989 after coming into force of the Destructive Insects and Pests (Amendment and Validation) Act, 1992 on account of demand for Inspection Fees is arbitrary and inter alia, praying for declaration of the said legislations as ultra vires the Constitution and restraining the respondents from giving any effect and or from taking any steps pursuant to the said legislations and the notice dated August 30, 1994. The Hon'ble High Court directed the petitioner to provide bank guarantee to the tune of the amount demanded in the notice dated August 30, 1994. The claim amount involved in the proceedings cannot be ascertained. The matter has been dismissed by the Hon'ble High Court vide order dated April 21, 2009.

VIII. As on March 31 2009, there are no small scale creditors to whom our Company owes a sum exceeding Rs. 1.00 lac which is outstanding for more than thirty days.

IX. MATERIAL DEVELOPMENTS

There have been no material developments, since the date of the last balance sheet otherwise than as disclosed in the section 'Management's Discussion and Analysis of Financial Condition And Results Of Operations' on page 235.

GOVERNMENT APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government of India, relevant state governments and various governmental agencies required for our present business and except as mentioned below in the Letter of Offer, no further approvals are required for carrying on our present business.

It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility of our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf.

In view of the approvals listed below, we can undertake this Issue and our current business activities and that no further major approvals from any governmental or regulatory authority or any other entities are required to undertake the Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Letter of Offer.

For further details in connection with the regulatory and legal framework within which we operate, please refer to the section titled "Regulations and Policies" on page 78 of this Letter of Offer.

I. Approvals for the Issue

a). In-principle approval from the National Stock Exchange of India Limited dated May 15, 2009.

b). In-principle approval from the Bombay Stock Exchange Limited dated May 18, 2009.

c). The Company has, pursuant to its letter dated April 20, 2009, sought permission from the FIPB to issue warrants to the existing equity shareholders, resident outside India, such as foreign institutional investors and non-resident Indians, with a right to renounce. The FIPB, pursuant to its letter dated June 12, 2009, has approved the issuance of warrants to the existing equity shareholders, resident outside India, such as foreign institutional investors and non-resident Indians.

II. Incorporation Details

1. Certificate of Incorporation No. 02-03484 of 1990-91 dated November 28, 1990 issued by Registrar of Companies, Shillong.

2. The Company Identification Number (CIN) is L20211AS1990PLC003484

3. The name of our Company has been changed from time to time as detailed below:

Sr. No.	Change in Name	Details
1.	Mittal Laminates Private Limited to Mittal Laminates Limited	Fresh Certificate of Incorporation consequent on change of name dated November 1, 1994.
2.	Mittal Laminates Limited to Greenply Industries Limited	Fresh Certificate of Incorporation consequent on change of name dated January 17, 1996.

III. Registrations required for our Company's business

The Company requires various registrations to be made for it to carry on its business in India and overseas. The registrations that our Company has acquired include the following.

1. Permanent Account Number: AAACG7284R.

2. Tax Deduction Account Number: CALG01667B

3. Certificate of Importer Exporter Code (IEC): 1492000205

IV. Approvals in relation to our plants

We are required to obtain certain approvals from the concerned Central/ State government departments and other authorities for operating our business activities at our plants. The failure to obtain these approvals or any delay in renewal of expired approvals can result in the interruption of the operation of our existing plants or impede execution of our proposed projects. Please see section titled "Risk Factors" on page XI of this Letter of Offer.

a. Approvals/Licences obtained for our Factory Unit at Kriparampur, P.S- Bishnupur, Dist: South 24 Parganas, West Bengal

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Licence No. 12461 under the Factories Act, 1948	February 23, 2005	December 31, 2009
2.	Consent No. C037292 under the Water (Prevention & Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) Act, 1981.	May 15, 2009	March 31, 2010
3.	Approval No. 79/FOREST/SOUTH 24 PARGANAS 89 under the Indian Forest Act, 1927	January 6, 1989	March 31, 2010
4.	License No. 16020 under the West Bengal Fire Services Act, 1950	November 17, 2008	November 30, 2009
5.	Acknowledgement No. 156/SIA/IMO/2000 from the Secretariat for Industrial Assistance, Ministry of Commerce & Industry	January 19, 2000	NA
6.	Trade Registration Certificate No. 6 and Trade Registration No. 135 under the West Bengal Panchayat Act, 1947	December 17, 2003	March 31, 2010
7.	Provident Fund Registration Code No. WB/CA/29224 under the Employees Provident Fund & Miscellaneous Provisions Act,1952	June 10, 1994	NA
8.	ESI Registration Code No. 41-15429-90 under the Employees State Insurance Act, 1948	April 19, 1991	NA
9.	Registration No. ALI/3/17/2006 under the Contract Labour (Abolition & Regulation) Act, 1970	May 23, 2006	NA
10.	Central Excise Registration No AAACG7284RXM004 under the Central Excise Act, 1944	February 14, 2006	NA
11.	Service Tax Registration No. AAACG7284RST004 under Finance Act, 1994 and Service Tax Rules, 1994	March 31, 2006	NA
12.	VAT Registration No. 19200895085 under West Bengal Value Added Tax Act, 2005	March 11, 2005	NA
13.	CST Registration No. 19200895279 under Central Sales Tax, 1956	March 11, 2005	NA

Licences / Approvals which our Company has newly applied for and is pending:

1. Our Company has applied for obtaining the Authorisation under Hazardous Waste (Management & Handling) Rules, 1989 vide letter dated June 24, 2008 which is pending.

2. Application for conversion under West Bengal Land Reforms Act, 1955 has been made on August 31, 2009. If we are unable to obtain permission for industrial use, we may suffer a disruption in our operations at Kriparampur unit.

b. Approvals/Licenses obtained for our Factory Unit at Tizit, Dist: Mon, Nagaland

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Licence No. LBR/CIF(MON)/19/87 under the Factories Act, 1948	March 27, 1987	December 31, 2009
2.	Consent No. 6 Water (Prevention & Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) Act, 1981 and Hazardous Waste (Management & Handling) Rules, 1989	April 27, 2009	April 17, 2010
3.	Approval No. 57 under the Indian Forest Act, 1927	1984	March 31, 2010
4.	License No. 221222.F/S Mon under the Nagaland Fire Services Act, 1950	December, 31 2008	December 31, 2009
5.	Boiler Registration No. MR/7685 under Indian Boilers Act, 1923 for Boiler No. 294C.	October 24, 2008	October 23, 2009
6.	Boiler Registration No. MR/81 under Indian Boilers Act, 1923 for Boiler No. MXA- 30/28.	October 24, 2008	October 23, 2009
7.	Boiler Registration No. ML/21 under Indian Boilers Act, 1923 for Boiler No. MXP- 40/06.	October 24, 2008	October 23, 2009
8.	Boiler Registration No. NL/24 under Indian Boilers Act, 1923 for Boiler No. MXA-20/35.	October 24, 2008	October 23, 2009
9.	License No. CM/L- 5073052 under the BIS (Certification) Regulations, 1988 and BIS Act, 1986 to use BIS certification mark for plywood used for concrete shuttering work.	January 20, 2009	January 15, 2010
10.	License No. CM/L- 5097066 under the BIS (Certification) Regulations, 1988 and BIS Act, 1986 to use BIS certification mark for wooden flush door shutters (solid core type) part 1 plywood face panels.	November 10, 2008	November 15, 2009
11.	License No. CM/L- 5163962 under the BIS (Certification) Regulations, 1988 and BIS Act, 1986 to use BIS certification mark for the product being Marine plywood.	February 12, 2008	February 15, 2010
12.	License No. CM/L- 2110017 under the BIS (Certification) Regulations, 1988 and BIS Act,	May 9, 2008	April 30, 2010

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
	1986 to use BIS certification mark for the product being plywood of general purposes		
13.	Provident Fund Registration Code No. A8/1819 under the Employees Provident Fund & Miscellaneous Provisions Act,1952	September 14, 1988	NA
14.	Central Excise Registration No. AAACG7284RXM002 under the Central Excise Act, 1944	August 27, 2003	NA
15.	Service Tax Registration No.AAACG7284RST008 under Finance Act, 1994 and Service Tax Rules, 1994	December 18, 2006	NA
16.	VAT Registration No. 13110019034 under Nagaland VAT Act, 2005	February 27, 2006	NA
17.	CST No. 13110003169 under Central Sales Tax, 1956	February 27, 2006	NA

Licences / Approvals which have expired and have been applied for renewal:

License granted to Greenply Industries Limited located at Tizit, Nagaland for the product being Block Boards under BIS (Certification) Regulations, 1988 and BIS Act, 1986, issued by Director, Bureau of Indian Standards, Gauhati bearing No. CM/L- 5028350 dated July 17, 2008 which was valid till July 15, 2009 has been applied for renewal on June 24, 2009.

c. Approvals/Licences obtained for our Factory Unit at Behror, Rajasthan

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Licence No. RJ/19651 under the Factories Act, 1948	July 17, 2006	March 31, 2011
2.	Consent No. 5368 under the Water (Prevention & Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) Act, 1981and	December 24, 2008	December 31, 2012
3.	Approval No. 141/115 and 140/114 under the Indian Forest Act, 1927 for installation of Bend Saw & Trolly Saw machines respectively	February 23, 2005	NA
4.	Approval No. P/HQ/RJ/15/554(P5307) under the Indian Explosives Act, 1884 for storage of petroleum and other explosive material.	October 01, 1999	December 31, 2010
5.	Provident Fund Registration Code No. RJ/8295 under Employees Provident Fund & Miscellaneous Provisions Act, 1952	July 17, 1996	NA
6.	ESI Registration Code No. 15/12547/91 under Employees State Insurance Act, 1948	October 08, 1993	NA
7.	Registration No. ALW/21/92 under the	July 04, 1992	December 31, 2009

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
	Contract Labour (Abolition & Regulation) Act, 1970		
8.	Central Excise Registration No. AAACG7284RXM001under the Central Excise Act, 1944	November 29, 2001	NA
9.	Service Tax Registration No. AAACG7284RST001 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	February 11, 2005	NA
10.	VAT Registration No. TIN 08110700347 under the Rajasthan VAT Act, 2003.	April 10, 1992	NA
11.	CST Registration No. CST/0206/05348 under Central Sales Tax Act, 1956.	September 15, 1995	NA
12.	Registration Certificate No. 0206/03087 under the Rajasthan Tax on Entry of Goods into Local Areas Act, 1999 for Entry of Goods into Local Area.	March 22, 2002	NA
13.	Licence No. 01/CUS/ALW/2001 for private Bonded Warehouse under Section 58 of the Customs Act, 1962 wherein imported dutiable goods may be deposited without payment of duties at the premises.	June 20, 2001	December 31, 2011

Licences / Approvals which have expired and have been applied for renewal:

1. Consent No. F16(101)RPCB/SWMR/GRL/ 625 granted to our Company to operate factory at Behror, Rajasthan by Member Secretary, Rajasthan Pollution Control Board, Jaipur, under the Environment Protection Act, 1986 and Hazardous Wastes (Management & Handling) Rules, 1989 on June 11, 2004 has expired on November 11, 2007 and has been applied for renewal on April 8, 2009.

2. Boiler Registration No. 253/31 under Indian Boilers Act, 1923 for Boiler No. RJ/1078 which was issued on June 04, 2008 has expired on May 2, 2009 and has been applied for renewal on April 25, 2009.

d. Approvals/Licences obtained for our Factory Unit at Pantnagar, Uttarakhand

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Licence No. USM-933 under the Factories Act, 1948	December 18, 2006	December 31, 2009
2.	CEC Approval to establish Wood Based Industry in Uttaranchal for manufacture of plywood and block board	June 21, 2005	NA
3.	Consent No. UEPPCB/HO/Con/G-13/167 Air (Prevention & Control of Pollution) Act, 1961 and Water (Prevention & Control of Pollution) Act, 1974	June 16, 2009	March 31, 2010

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
4.	Approval No. 73/TK/2005 under the Indian Forest Act, 1927	December 05, 2005	December 31, 2009
5.	License No. 1/08 from the Uttarakhand Fire Department	December 13, 2008	December 12, 2009
6.	Boiler Registration No. UR/41 under Indian Boilers Act, 1923 for Boiler No. UR/41	August 04, 2006	March 16, 2010
7.	Boiler Registration No. UR/42 under Indian Boilers Act, 1923 for Boiler No. UR/42	August 04, 2006	March 25, 2010
8.	Boiler Registration No. UR/50 under Indian Boilers Act, 1923 for Boiler No. UR/50	January 04, 2007	May 28, 2010
9.	Boiler Registration No. UR/68 under Indian Boilers Act, 1923 for Boiler No. UR/68	January 04, 2007	May 28, 2010
10.	Boiler Registration No. UR/101 under Indian Boilers Act, 1923 for Boiler No. UR/101	May 24, 2008	December 15, 2009
11.	Provident Fund Registration Code No. UA/33636/526 under Employees Provident Fund & Miscellaneous Provisions Act, 1952	May 17, 2006	NA
12.	ESI Registration Code No. 61-4525-91/RU Employees State Insurance Act, 1948	February 7, 2007	NA
13.	Registration No. 137/006 under the Contract Labour (Abolition & Regulation) Act, 1970	March 9, 2006	NA
14.	Licence No. 1-CUSTOMS/RMP/ 2006 under the Customs Act, 1962 wherein imported dutiable goods may be deposited without payment of duties at the premises.	May 23, 2006	May 22, 2011
15.	Central Excise Registration No. AAACG7284RXM005 under the Central Excise Act, 1944	February 15, 2006	NA
16.	Service Tax Registration No. AAACR0755JST002 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	March 16, 2006	NA
17.	VAT Registration No. 0500444237 under the Uttarakhand VAT Act, 2005	August 01, 2005	NA
18.	CST Registration No. RU/5038491 under the Central Sales Tax Act, 1956.	August 08, 2005	NA
19.	Acknowledgement No. 3493/SIA/IMO/2005 from the Secretariat for Industrial Assistance, Ministry of Commerce & Industry	July 21, 2005	NA

Licences/Approvals which our Company has applied for and is pending registration:

1. Our Company has applied for grant of authorization under Hazardous Wastes (Management & Handling) Rules, 1989 on February 25, 2008 to the Member Secretary, Uttarakhand, Uttarakhand Pollution Control Board which is still pending approval.

e. Approvals/Licences obtained for setting up of the proposed MDF Unit at the existing Unit at Pantnagar, Uttarakhand

1. Letter bearing no. 14086/AGM/SIDCUL/08 dated October 25, 2008 issued by State Infrastructure and Industrial Development Corporation of Uttarakhand Limited ("SIDCUL") to our Company whereby the SIDCUL has accepted the proposal to establish unit no. 2 for the manufacturing of Medium Density Fibre Board (MDF) as per the permission given by CEC on May 20, 2008 in the previously allotted plot no. 2 in sector 9 at IIE- Pantnagar.

2. Central Empowered Committee ("CEC") through its Member Secretary issued a letter No. 2-7/CEC/SC/2007-Pt. VI dated May 20, 2008 for follow up action regarding establishment of MDF/Particle Board Units in the State of Uttarakhand to the Principal Chief Conservator of Forest, Uttarakhand Forest Department, Dehradun. Based on the report of the Principal Chief Conservator of Forest, the CEC made recommendations to the Hon'ble Supreme Court regarding establishment of MDF/Particle Board Plant in the State of Uttarakhand, Karnataka and Punjab. The Hon'ble Supreme Court by an order dated February 29, 2008 accepted the report of the CEC. In the said letter all the units who have deposited one time fee for the establishment of MDF/Particle Board Plant and who have agreed to comply with the conditions stipulated by the CEC stand permitted to establish MDF/Particle Board Plant. The Company has been provided with a copy of such follow up.

3. No objection Certificate issued by Divisional Forest Officer, Tarai Central Division, Haldwani vide letter No. 2261/22/30 dated January 21, 2009 for establishing the MDF plant.

4. Forest License, issued by Divisional Forest Officer, Tarai Central Division, Haldwani to our Company for establishing the MDF Plant at Plot No. 2, Sector 9, Pantnagar vide letter no. 81/TK/2009 dated February 19, 2009. This license is valid upto December 31, 2009.

5. Acknowledgement bearing No. 2842/SIA/IMO/2008 dated September 2 2008 issued by Secretariat for Industrial Assistance, Ministry of Commerce & Industry, Government of India for the proposed manufacture of Medium Density Fiber Board to our Company located at Unit II, Plot No. 2, Sector- 9, Integrated Industrial Estate, Udhamsingh Nagar.

6. Sanction letter dated January 6, 2009 bearing No. 63/Director(Operation) issued by Uttarakhand Power Corporation Limited to our Company for grant of sanction load of 9800 KVA for the MDF Plant on 33 KV line.

7. Approval for the use of Neuclonic Devices issued by Atomic Energy Regulatory Board, Mumbai bearing Consent No. AERB/RSB/NG/NR408/2009 on March 6, 2009 and is valid upto March 15, 2010.

Licences/Approvals which our Company has applied for and is pending registration:

1. The Company has applied for no objection certificate to establish MDF Plant at Unit II, Plot No. 2, Sector- 9, Integrated Industrial Estate, Udhamsingh Nagar on December 8 2008 to Member Secretary, Uttaranchal Environment Protection and Pollution Control Board, Deheradun under UEPPCB Act, 1974 and amendment no. 27(2) of the Act, 1978 which is pending approval.

2. The Company has applied for no objection certificate to establish MDF Plant at Unit II, Plot No. 2, Sector- 9, Integrated Industrial Estate, Udhamsingh Nagar on December 5, 2008 to Member Secretary, State Environment and Appraisal Committee, Deheradun under Section 5

(F) of the Notification published in the Gazette of India Extraordinary Part II, Section 3 sub section II dated September 14, 2006 issued by the Ministry of Environment and Forest, New Delhi which is pending approval.

f. ***Approvals/Licences obtained for our Proposed Factory Unit at Nalagarh, Himachal Pradesh***

S No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Approval No. BBNDA/NLG/TCP/Case No. 707(NLG)-348 under the Town & Country Planning Act, 1977	May 19, 2009	May 18, 2012
2.	Consent No. PCB (1115) Greenply Industries Limited/09-4803 under the Water (Prevention & Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) Act, 1981.	June 12, 2009	March 31, 2010
3.	Provident Fund Registration Code No. RO/SML/COMP/HP-6158/12630 under the Employee Provident Fund & Miscellaneous Provisions Act, 1952.	October 23, 2008	NA
4.	Registration No. L.O (Baddi) CLA-P.E-92/2008 under the Contract Labour (Abolition & Regulation) Act, 1970	October 8, 2008	NA
5.	Central Excise Registration No. AAACG7284RXM007 under the Central Excise Act, 1944	December 15, 2008	NA
6.	Service Tax Registration No. AAACG7284RST010 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	August 27, 2008	NA
7.	VAT Registration No. SOL-III-12519under the Himachal Pradesh Value Added Tax Act, 2005	August 19, 2008	December 31, 2009
8.	CST Registration No. SOL-CST-12315(Central) under the Central Sales Tax Act, 1956.	August 28, 2008	NA
9.	License to work a factory granted under the Factories Act, 1948, issued by the Labour Department, Government of Himachal Pradesh	August 26, 2009	December 31, 2009

g. ***Approvals/Licences obtained for our Factory Unit at Bamanbore, Gujarat***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Licence No. 019917 under the Factories Act, 1948	July 31, 2009	December 31, 2010

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
2.	Consent No. 9141 and 9149 under the Water (Prevention & Control of Pollution) Act, 1974 & Air (Prevention & Control of Pollution) Act, 1981 and Hazardous Waste (Management and Handling) Rules, 1989	June 29, 2009	February 2011
3.	Registration No. CLR/19/2890/89 under the Contract Labour (Abolition & Regulation) Act, 1970	August 17, 1989	NA
4.	Central Excise Registration No. AAACG7284RXM008 under the Central Excise Rules, 2002	May 25, 2009	NA
5.	VAT Registration No. TIN 24073902696 under the Gujarat Value Added Tax Act, 2003.	September 19, 2005	NA
6.	CST Registration No. 24573902696 under Central Sales Tax Act, 1956.	September 19, 2005	NA
7.	Service Tax Registration No. AAACG7284RST012 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	May 29, 2005	NA
8.	TAN number AHMG04135F issued to our Company under Income Tax Act	July 7, 2009	NA
9.	License to establish/operate a unit for conversion of timber issued to Galaxy Decor Private Limited and Platinum Veneers Private Limited bearing no. 48/2009 and 47/2009 under Indian Forest Act, 1927 Our Company vide its letter dated June 30, 2009 had applied to the State Committee for Wood Based Industries for endorsement of forest licenses of Galaxy Decor Private Limited and Platinum Veneers Private Limited in favour of our Company.	December 8, 2008	December 31, 2009

Licences / Approvals which have expired and have been applied for renewal:

Our Company has intimated to the Assistant Provident Fund Commissioner, Rajkot, Gujarat under Employees Provident Fund & Miscellaneous Provisions Act, 1952 vide letter dated May 5, 2009 for the change of name of the pursuant to Scheme of Amalgamation between our Company and Platinum Veneers (P) Ltd and Galaxy Decor (P) Ltd. The original provident fund code issued to the said Platinum and Galaxy are GJ/14369 and GJ/5711.

V. APPROVALS/LICENCES OBTAINED FOR OUR BRANCH OFFICES/ CORPORATE OFFICES AND THE REGISTERED OFFICE

1. Chandigarh

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. CH-IV/IA-II/2006-07/39 under Punjab Shops & Commercial Establishments Act, 1958	March 26, 2009	March 31, 2010
2.	ESI Registration Code No. 17-11-40-81104-101-345 under Employees State Insurance Act 1948	March 17, 2006	NA
3.	Service Tax Registration No. AAACG7284RST009 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	October 10, 2006	NA
4.	VAT Registration No. 04050017954 under the Punjab VAT Act, 2005	March 25, 2009	NA
5.	CST Registration No. CHA-17954, CST-17750 under the Central Sales Tax Act 1956	June 09, 1998	NA
6.	TAN Registration No. PTLG11856F under Income Tax Act 1961	February 16, 2006	NA

2. Haryana

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. HSR/01/06/9539 under Punjab Shops & Commercial Establishments Act, 1958	December 12, 2006	December 19, 2009
2.	VAT Registration No. 06671535436 under the Haryana Value Added Tax Act 2003	September 9, 2006	NA
3.	CST Registration No. 06671535436 under the Central Sales Tax Act 1956	January 3, 2007	NA
4.	TAN Registration No. RTKG07278F under Income Tax Act 1961	Not traceable	NA

3. ***Ghaziabad***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. 1/2606K under Uttar Pradesh Shops & Commercial Establishments Act, 1962	March 16, 2009	March 13, 2013
2.	ESI Registration Code No. 11/40/81104/101/UP/2675/GZB under Employees State Insurance Act, 1948	June 29 2007	NA
3.	TAN Registration No. MRTG02555A under Income Tax Act, 1961	May 26, 2007	NA

4. ***Jaipur***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. SH488R11AP65106 under Rajasthan	February 27, 2006	NA

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
	Shops & Commercial Establishments Act, 1958		
2.	ESI Registration Code No. 11-40-81104-101(RAJ) under the Employee State Insurance Act, 1948	February 24, 2006	NA
3.	TAN Registration No. JPRG01885C under Income Tax Act, 1961	June 26, 2002	NA

5. ***Lucknow***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. 1/4312/Lucknow under Uttar Pradesh Shops & Commercial Establishments Act, 1962	March 13, 2007	March 31, 2011
2.	Service Tax Registration No. 3378/STR/GTA/LKO-I/2006-2007 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	June 20, 2006	NA
3.	ESI Registration Code No. 11-40-81104-UP-3708-LKO under Employees State Insurance Act, 1948	Not traceable	NA
4.	VAT Registration No. TIN-09441701405 under the UP Sales Tax Act, 1948	May 2, 2007	NA
5.	TAN Registration No. KNPG01352B under Income Tax Act,1961	July 6, 2005	NA

6. ***Patna***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. PT-38782/2512-2 under Bihar Shops & Commercial Establishments Act, 1953	June 30, 1994	NA
2.	ESI Registration Code No. 11-40-81104-101 under the Employee State Insurance Act, 1948	September 7, 2005	NA
3.	Service Tax Registration No. ST/ISD/BKP-1/09/GIL/06 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	December 18, 2006	NA
4.	VAT Registration No. 10100742018 under the Bihar Finance Act, 1981	June 24, 1993	NA
5.	CST Registration No. 10100742115 under the Central Sales Tax Act, 1956	July 03, 1993	NA
6.	TAN Registration No. PTNG04480A under Income Tax Act, 1961	December 06, 2005	NA
7.	Entry Tax Registration No. 10100742212 under the Bihar Tax on Entry of Goods into Local Areas for consumption, use or sale therein	April 26, 2001	NA

7. ***Gauhati***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto

1.	Trading License No. 145/77/A under Gauhati Municipal Corporation Act, 1969	July 20, 2007	NA
2.	VAT Registration No. 18600083623 under the Assam VAT Act, 2003	June 28, 2007	NA
3.	CST Registration No. 18109925019 under the Central Sales Tax Act, 1956	June 30, 2007	NA
4.	TAN Registration No. SHLG00547B under Income Tax Act, 1961	March 07, 2007	NA
5.	Professional Tax Registration Code No. GAU(C) /APTC/15 Assam Professional Trades, Callings and Employments Act ,1947	September 18, 2006	NA

8. ***Ahmedabad***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. P II E.L. 7395 under the Bombay Shops and Establishment Act ,1951	May 24, 1996	NA
2.	Provident Fund Registration Code No. GJ/24045 under the Employee's Provident Funds & Miscellaneous Provisions Act, 1952	April 01, 1993	NA
3.	ESI Registration Code No. 11-40-81104-101(Ahmedabad) under the Employees State Insurance Act, 1948	August 23, 2005	NA
4.	Service Tax Registration No. AAACG7284RST011 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	March 02, 2009	NA
5.	VAT Registration No. 24073902696 under the Gujarat Sales Tax Act, 1969	September 19, 2005	NA
6.	TAN Registration No. AHMG00724D under Income Tax Act, 1961	June 04, 2002	NA
7.	Professional Tax Registration Code No. E-112338006 Gujarat Professional Trades, Callings and Employments Act , 1976	May 31, 1993	NA

9. ***Indore***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. 2101626 under the Madhya Pradesh Shops and Establishment Act , 1958	February 17, 2009	December 31, 2009
2.	Trade License No. 31807/042009/102 under Indore Municipal Corporation Act, 1956	April 16, 2009	March 31, 2010
3.	Provident Fund Registration Code No. 19326/C-42/231 under the Employee's Provident Funds & Miscellaneous Provisions Act, 1952	September 03, 2007	NA
4.	ESI Registration Code No. 18-11-40-81104-101 (Indore) under the Employees State Insurance Act, 1948	December 03, 2007	NA
5.	VAT Registration No. 23151204041 under the Madhya	July 01, 2002	NA

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
	Pradesh VAT Act, 2002		
6.	TAN Registration No. BPLG00997D under Income Tax Act, 1961	Not traceable	NA
7.	Professional Tax Registration Code No. 78550900031 Madhya Pradesh Professional Trades, Callings and Employments Act , 1976	Not traceable	NA

10. ***Nagpur***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. X-91-266 under the Bombay Shops and Establishment Act , 1948	November 11, 1998	December 31, 2009
2.	Provident Fund Registration Code No. MH62534 under the Employee's Provident Funds & Miscellaneous Provisions Act, 1952	Not traceable	NA
3.	ESI Registration Code No. 11-40-81104-101 (Ngp) under the Employees State Insurance Act 1948	July 10, 2008	NA
4.	TAN Registration No. NGPG00626D under Income Tax Act, 1961	Not traceable	NA
5.	Professional Tax Registration Code No. PT/R/4/27/1360 under Maharashtra State Tax on Professions, Trades, Callings and Employment Rule, 1975	Not traceable	NA

11. ***Raipur***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. 8787RPRCE2007 under the Chhattisgarh Shops and Establishment Act , 1958	February 28, 2007	December 31, 2011
2.	Trade License No. 9617 under Raipur Municipal Corporation Business & Factories Act, 1992	March 23 2009	March 31 2010
3.	ESI Registration Code No. 59(11)-40-81104-101 (OR) under the Employees State Insurance Act, 1948	July 12, 2006	NA
4.	VAT Registration No. 22161403872 under the Chhattisgarh Sales Act, 2002	June 10, 2005	NA
5.	CST Registration No. 10072275-C under the Central Sales Tax Act, 1956	June 28, 2005	NA
6.	TAN Registration No. JBPG01736A under the Income Tax Act, 1961	August 29 2006	NA

12. ***Ranchi***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. 024576 under the Jharkhand Shops and Establishment Act , 1958	April 13, 2009	March 31, 2010
2.	VAT Registration No. 20590305334 under the Jharkhand Value Added Tax Act, 2005	June 12, 2007	NA
3.	TAN Registration No. RCHG02070F under Income Tax Act, 1961	November 28, 2006	NA

13. ***Bhubaneshwar***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. II-3159 under the Orissa Shops & Commercial Establishments Shops Act , 1956	April 2, 2009	December 31, 2009
2.	VAT Registration No. 21221102428 under the Orissa Value Added Tax Act, 2004	March 23, 2004	NA
3.	CST Registration No. BHC-I-2998 under the Central Sales Tax Act, 1956	March 23, 2004	NA
4.	TAN Registration No. BBNG00436C under Income Tax Act, 1961	November 8 2006	NA
5.	Professional Tax Registration Code No. PR-BH-I-229 under Orissa State Tax on Professions, Trades, Callings and Employments Act, 2000	November 13 2006	NA

14. ***Mumbai***

Sl. No.	Description of Licence/ conset/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. KE/II/10020 under the Bombay Shops and Establishment Act , 1948	November 25, 1998	December 31, 2011
2.	Provident Fund Registration Code No. MH/39612 under the Employee's Provident Funds & Miscellaneous Provisions Act, 1952	November 22, 1993	NA
3.	ESI Registration Code No. 11-40-81104-101(Marol) under the Employees State Insurance Act, 1948	March 29, 2006	NA
4.	Service Tax Registration No. STMUMDIVIIICENVAT 21606 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	January 27, 2006	NA
5.	VAT Registration No. 27570322596 V under	April 1, 2006	NA

Sl. No.	Description of Licence/ conset/ Approval/ Regn.	Date of Issue	Valid Upto
	the Maharashtra Value Added Tax Act, 2002		
6.	CST Registration No. 27570322596 C under the Central Sales Tax Act, 1956	April 1, 2006	NA
7.	Professional Tax Registration Code No. PT/E/1/1/29/18/7267 under Maharashtra State Tax on Professions, Trades, Callings and Employment Rule, 1975	March 12, 2009	NA
8.	TAN Registration No. MUMM24127F under Income Tax Act, 1961	January 23, 2008	NA

15. ***Pune***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. STATION/II/5895 under the Maharashtra Shops and Establishment Act , 1958	January 23, 2008	December 31, 2010
2.	Provident Fund Registration Code No. MH/32796 under the Employee's Provident Funds & Miscellaneous Provisions Act, 1952	April 6, 1999	NA
3.	ESI Registration Code No. 33-11-40-81104-101 (Ngr Rd) under the Employees State Insurance Act, 1948	April 12, 2006	NA
4.	Professional Tax Registration Code No. 2/2/6/21/4439 under Maharashtra State Tax on Professions, Trades, Callings and Employment Rule, 1975	March 7, 2006	NA
5.	TAN Registration No. PNEM01529D under Income Tax Act, 1961	Not traceable	NA

16. ***Hyderabad***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	ESI Registration Code No. 11-40-81104-101 (HYDERABAD) under the Employees State Insurance Act, 1948	Not traceable	NA
2.	VAT Registration No. 28020162119 under the Andhra Pradesh Value Added Tax Act, 2005	April 01, 2005	NA
3.	TAN Registration No. HYDG00910A under Income Tax Act, 1961	Not traceable	NA
4.	Trade License No: 022 Hyderabad Municipal Corporation Act, 1955	April 01, 2009	March 31, 2010

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
5.	Registration No. ALO24/HYD/422/2009 under the Andhra Pradesh Shops & Establishment Act, 1988	April 30, 2009	December 31, 2009

17. ***Vijayawada***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. 7581 under the Andhra Pradesh Shops & Establishment Act, 1988	December 17 2007	NA

18. ***Mangalore***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Trade License No: 2007COM-19370 Karnataka Municipal Corporation Act, 1976	April 23, 2009	March 31, 2010

19. ***Bangalore***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. 48/2488/05 under the Karnataka Shops and Establishment Act, 1961	July 23, 2005	December 31, 2013
2.	ESI Registration Code No. 114081104101 (BNG) under the Employees State Insurance Act, 1948	April 04, 2006	NA
3.	Service Tax Registration No. (ISD)/AAACG7284RST005 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	April 21, 2006	NA
4.	VAT Registration No. 29380134730 under the Karnataka Value Added Tax Act, 2003	April 01, 2005	NA
5.	TAN Registration No. BLRG00571E under Income Tax Act, 1961	August 13, 2005	NA
6.	Professional Tax Registration Code No. P -03 – P3093 under Karnataka Tax, Profession, Trades, Callings & Employments Act, 1976	April 01, 2004	NA

20. ***Hubli***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. 32\60\1244 under the Karnataka Shops and Establishments Act,	December 07, 2006	December 31, 2010

	1961		

21. ***Coimbatore***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration under Tamil Nadu Shops & Establishment Act, 1947	NA	Applied for

22. ***Chennai***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. R.DIS.62/2009 under the Tamil Nadu Industrial Establishments Act, 1958	March 31, 2009	NA
2.	Provident Fund Registration Code No. TN/30868 under the Employee's Provident Funds & Miscellaneous Provisions Act, 1952	Not traceable	NA
3.	ESI Registration Code No. TN114081104101/BO/Sembium under the Employees State Insurance Act, 1948	March 29, 2006	NA
4.	Service Tax Registration No. ISD/CH/IV/144/STC under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	November 29, 2005	NA
5.	VAT Registration No. 33780523511 under the Tamil Nadu Value Added Tax, 2006	January 12, 2007	NA
6.	CST Registration No. 816694 under the Central Sales Tax Act, 1956	January 6, 2005	NA
7.	TAN Registration No. CHEG02057G under Income Tax Act, 1961	Not traceable	NA
8.	Professional Tax Registration Code No. 03-046-PE-0046 under Tamil Nadu Tax on Profession, trade, calling and employment Act, 1992	November 27, 2007	NA

23. ***Kochi***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	ESI Registration Code No. 114081104101-EKM under the Employees State Insurance Act, 1948	May 25, 2006	NA
2.	Service Tax Registration No. AAACW1840RST001 under Finance Act, 1994 and Service Tax Rules, 1994 for taxable services for transport of goods by road.	May 28 2007	NA

3.	VAT Registration No. 32070486172C under the Kerala Value Added Tax Act, 2003	May 16, 2005	NA
4.	TAN Registration No. CHNW00107C under Income Tax Act, 1961	July 12 2007	NA
5.	Professional Tax Registration Code No. 44/2471 under Kerala Municipality Act, 1994	February 26, 2005	NA

24. ***New Delhi***

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Provident Fund Registration Code No. DL-22831 under the Employee's Provident Funds & Miscellaneous Provisions Act, 1952	December 01, 1999	NA
2.	ESI Registration Code No. 11-40-81104-101 under the Employees State Insurance Act, 1948	November 11, 2005	NA
3.	VAT Registration No. 07590137451 under the Delhi Value Added Tax, 2004	April 01, 2005	NA
4.	TAN Registration No. DELG06958A under Income Tax Act, 1961	March 9, 2006	NA

25. ***Kolkata***

(i) Branch Office at Shantiniketan Building

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Trade Registration Certificate No. 158246 under the Kolkata Municipality Corporation Act, 1980	August 18, 2008	March 31, 2009. The last date for payment for renewal is October 31, 2009 for the financial year 2009 - 2010

(ii) Corporate Office at 16A, Shakespeare Sarani

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. C/PARK/P-II/28732 under the West Bengal Shops and Establishment Act , 1963	March 28, 2003	May 17, 2012
2.	Trade Registration Certificate No. 001491046833 under the Kolkata Municipality Corporation Act, 1980	September 7, 2009	March 31, 2010
3.	ESI Registration Code No. 11-40-81104-101 (KOL) under the Employees State Insurance Act, 1948	April 13, 2006	NA

4.	VAT Registration No. 19200895085 under the West Bengal Value Added Tax Act , 2005	April 13, 2006	NA
5.	CST Registration No. 19200895279 under the Central Sales Tax Act, 1956	March 10, 2005	NA

(iii) Branch Office at Howrah

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Trade Registration Certificate under the Howrah Municipal Act, 1980	Applied for	

26. Registered Office

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration No. SEA/TS/CE/102 under the Assam Shop and Establishment Act, 1971	March 17, 2009	December 31, 2009
2.	Trade Licence No. 951 under the Assam Municipal Act, 1956	March 18, 2009	March 31, 2010

27. Branch office at Nasik, Maharashtra

Sl. No.	Description of Licence/ consent/ Approval/ Regn.	Date of Issue	Valid Upto
1.	Registration under the Maharashtra Shops and Establishment Act , 1958		Applied for

Licenses / Approvals which have been applied for registration:

1. Our Company has applied for registration under the Kerala Shops & Commercial Establishments Act, 1960 for our branch office located at Kochi on April 6, 2009, which is pending.

2. Our Company has applied for registration under the West Bengal Shops & Establishments Act, 1963 for our branch office located at Shantiniketan Building at Kolkata on September 09, 2008, which is pending.

3. Our Company has applied for registration under the West Bengal Shops & Establishments Act, 1963 for our branch office located at IISCO House at Kolkata on March 26, 2009, which is pending.

4. Our Company has applied for registration under Tamil Nadu Shops & Establishment Act, 1947 for our branch office at Coimbatore on April 2, 2009, which is pending.

5. Our Company has applied for registration for trade licence under Municipal Corporation of Delhi for our branch office located at Delhi on April 16, 2009, which is pending

6. Our Company has applied for registration under the Bombay Shops and Establishment Act , 1948 for our branch office located at Nasik on August 18, 2009, which is pending.

7. Our Company has applied for trade licence under Howrah Municipal Act, 1980 for our branch office located at Howrah on August 20, 2009, which is pending.

Licenses / Approvals which has expired and will be applied for renewal:

1. Our Company will apply for renewal of Trade licence No. 158246 for Kolkata Branch Office under Kolkata Municipal Corporation Act, 1980 which was valid till March 31, 2009.

2. Our Company will apply for renewal of Trade licence No. 0442153 for its 16A, Shantiniketan Building Branch Office under Kolkata Municipal Corporation Act, 1980 which was valid till March 31, 2009.

IV. Intellectual Property Registrations

a. Trade Marks

The Company has eighty four trademarks registered in India and six trademarks registered outside India.

- ***Trademarks Registered in India***

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
Green (Label) Class 19	529203	Plywood and Block Boards	May 7, 1990	May 6, 2014
Greenlam (Label) Class 17	577509	Decorative Laminates, Industrial laminates and allied products	July 22, 1992	July 21, 2016
Greengloss (Label) Class 17	577508 B	Decorative Laminates, Industrial Laminates and Allied Products	July 22, 1992	July 21, 2016
Greenmaica (Label) Class 17	576481	Decorative Laminates, Industrial Laminates and Allied Products	July 06, 1992	July 05, 2016
Green Wood (Label) Class 20	612220	Wood, Wood Articles, Articles of wood substitutes Furnitures made of wood, all included in class 20	November 22, 1993	November 21, 2017
Duets(Word) Class 19	1072428	High Pressure Veneer,Plywoods, Block Boards, Laminates and Particle Boards	January 08, 2002	January 07, 2012
Duets (Label) Class 19	1151748	High Pressure Veneer Plywoods, Block Boards, Laminates and Particle Board	November 20, 2002	November 19, 2012
Greenply Woodwise (Word) Class 19	1252293	Plywood, Block board Particle board, Partition Board, Door, Fibre boards	November 28, 2003	November 27, 2013
Green Decowood (Word) Class 19	1256311	Plywood, Veneers, Decorative Plywood, Decorative Veneers and Board, Laminates included in class 19	December 19, 2003	December 18, 2013
MIT Technology(Label) Class 19	1256309	Plywood, Veneers, Decorative Plywood, Decorative Veneers and Board and Laminates	December 19, 2003	December 18, 2013
GREENPLY (Word) Class 19	1268991	Plywoods, Block Boards, Laminates, Veneer, High	February 26, 2004	February 25, 2014

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
		Pressure Veneer, Particle Boards and allied products, Partition Board/Doors, Particle boards, Decorative Plywood, Decorative Veneer		
ONDA (Word) Class17	1300473	Laminates, Laminated Sheet	August 04, 2004	August 03, 2014
ASH (Word) Class 19	1311815	Laminates, Laminated Sheet, Decorative Veneers & Boards	September 22, 2004	September 21,.2014
GLITTERZ (Word) Class 19	1311816	Laminates,Laminated Sheet Decorative Veneers and Boards	September 22, 2004	September 21, 2014
Green Club Premium Ply (Label) Class 19	1065190	Plywoods, Block Board, Veneer and Particle Board Included in Class 19	December 06, 2001	December 05, 2011
Green (Label) Class 19	628953	Granites, Lime stone, Natural & Artificial stone, cement pipes Asbestos pipes, roofing materials	May 26, 1994	May 25, 2014
ONDA (Word) Class 19	1300472	Plywood, Block Board, Veneer Particle Board, Laminated Plywood, Laminates	August 04, 2004	August 03, 2014
GREEN (Word) Class17	1332423	Decorative Laminates, Industrial Laminated Sheets, Plastics in form of sheets, Blocks and rods and Medium Density Fibre	January 17, 2005	January 16, 2015
GREENLAM (Word) Class 37	1332421	Repairing of furnitures, cabinet making (Repair),Building Construction, Furniture maintenance, Furniture Restoration, Safe maintenance and Repair	January 17, 2005	January 16, 2015
FREEDOM FROM BORER & POWDER (Label) Class 20	822595	Plywood , block board, decorative ply, flush door, shuttering ply, made of wood, wood materials and furniture	October 12, 1998	October 11 , 2018
FREEDOM FROM BORER & POWDER (Label) Class 19	822596	Plywood , Block Board, Decorative Ply, Flush Door, Shuttering Ply included in Class 19	October 12, 1998	October 11, 2018
GREENPLY 108 HOURS BOILING WATERPROOF(Label) Class 20	822598	Plywood , block Board, Decorative ply, Flush door, Shuttering ply, all being goods made of wood, wood materials and furniture	October 12, 1998	October 11, 2018

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
GREENPLY 108 HOURS BOILING WATERPROOF (Label) Class 19	822597	Plywood , Block Board, Decorative ply, Flush door, Shuttering ply, all being goods included in Class 19	October 12, 1998	October 11, 2018
GREEN WITHIN DEVICE OF LEAF(Label) Class 27	815901	Carpets, rugs, mats and matting, linoleums and other materials for covering floors, included in class 27	August 24, 1998	August 23, 2018
GREEN WITHIN DEVICE OF LEAF (Label) Class 20	815902	Wood, wood boards, goods of wood, furnitures, wood fibre and other materials made of wood, wood pulp or board and ply.	August 24, 1998	August 23, 2018
Green Your Furniture's Best Friend (Label) Class 19	1081146	High Pressure Veneer, Plywoods, Block Board Laminates and Particle Boards	February 15, 2002	February 14, 2012
GREEN (Word) Class 19	1332424	Plywood, Block Boards, Veneer, Particle Board, Partition Boards, Laminated Plywood, Laminates, Decorative Veneer, Flush Door, Decorative Plywood, Boards	January 17, 2005	January 16, 2015
GREEN (Word) Class 20	1332418	Wood, Wood Boards, All material made of wood, furniture of all types, Wood Fibre, Woodply, Woodpulp, included in Class 20	January 17, 2005	January 16, 2015
Green LamiBoard (Label) Class 19	984866	Laminates, Decorative Industrial Laminates, Prelaminated Boards, Plywood, Block Board Flush Door, included in Class 19	January 19, 2001	January 18, 2011
GREEN (Word) Class 37	1332419	Repairing of furniture, Cabinet Making (Repair), Building Construction, Furniture maintenance, Furniture Restoration, Safe maintenance and Repair included in Class 37	January 17, 2005	January 16, 2015
GREEN WITH IN LEAF Class 19	815903	Building materials & roofing sheets, portable building & other building materials non-metallic stabile shed soil blocks, boards of fibre for building	August 24, 1998	August 23, 2018
GREENPLY (Word) Class 17	1268990	Decorative Laminates, Industrial Laminates,	February 26, 2004	February 25, 2014

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
		Laminated Sheet, Plastics in the form of sheets Blocks and rods and allied products		
Green Decowood (Label) Class 19	1256308	Plywood, Veneers, Decorative Plywood, Decorative Veneers and Board Laminates, included in Class 19	December 19, 2003	December 18, 2013
GREENPLY (Word) Class 20	1378027	Wood, Wood Articles Articles of wood substitutes Furnitures made of wood all included in Class 20 for sale in State of Eastern Zone	August 17, 2005	August 16, 2015
GREENPLY (Word) Class 37	1332420	Repairing of furnitures, cabinet making (Repair), Building Construction, Furniture Maintenance, Furniture Restoration, Safe maintenance and Repair included in Class 37	January 17, 2005	January 16, 2015
GREEN WITHIN DEVICE OF LEAF (Label) Class 2	815904	Paints, Varnishes, Colouring Matters, Distempers Acrylic Emulsion Dyes, Dyestuffs, Enamels in the nature of paints, and primers, Preservatives against rust and against deterioration of wood and raw materials, resins included in Class 2	August 24, 1998	August 23, 2018
ZEROGAP TECHNOLOGY(Label) Class 19	1367157	Block Board, Plywood, Particle Board, Flush Door, Decorative Plywood	June 27, 2005	June 26, 2015
GREENLAM (Label) Class 17	1408492	Laminate, High Pressure Laminate, Decorative Laminate, Pre-laminated Particle Board included in Class 17	December 23, 2005	December 22, 2015
RAW SILK (Word) Class 17	1408493	Laminate, High Pressure Laminate, Decorative Laminate, Prelaminated Particle Board included in class 17	December 23, 2005	December 22, 2015
TECHNO STEEL (Word) Class 17	1408494	Laminate, High Pressure Laminate, Decorative Laminate, Pre-laminated Particle Board all included in Class 17	December 23, 2005	December 22, 2015
3D (Word) Class 17	1408495	Laminate, High Pressure Laminate, Decorative Laminate, Pre-laminated Particle Board included in	December 23, 2005	December 22, 2015

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
		Class 17		
GREEN OPTIMA(Word) Class 19	1424332	Plywood, Block Boards, Veneer, Particle Board, Pre- Laminated Particle Board, Partition Boards Laminated Plywood, Decorative Veneer, Flush Door Decorative Plywood, Board included in Class 19	February 24, 2006	February 24, 2016
GREEN OPTIMA(Word) Class 20	1424333	Wood, Wood Boards, All material made of wood, Furniture of all types Wood fibre, Woodply, Woodpulp.	February 24, 2006	February 23, 2016
ECOTEC(Word) Class 20	1425887	Wood, Wood Boards, all material made of wood, furniture of all types Wood fibre, Woodply, Woodpulp included in Class 20	March 02, 2006	March 01, 2016
GREEN TOUCH (Label) Class 17	1446786	Decorative Laminates, Industrial Laminated sheet High Pressure Laminates, Plastics in the form of Sheets, Medium density Fibre and all its allied products included in Class 17	April 19, 2006	April 18,2016
GREEN TOUCH (Label) Class 19	1446785	Plywood, Block boards, Veneer, Particle Board, Pre- Laminated particle board, Partition Boards, Laminated plywood, Decorative Veneer, flush Door, Decorative Plywood, Board included in Class 19	April 19, 2006	April 18, 2016
ECOTEC(Word) Class 19	1425888	Plywood, Block Boards, Veneer, Particle Board, Partition Boards Laminated Plywood, Laminates Decorative Veneer, Flush Door Decorative Plywood, Board of all kinds, included in class 19	March 02, 2006	March 01, 2016
GREENLAM(Label) Class 19	1484055	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, , Industrial Laminates, Laminated Sheets, Pre-laminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door	September 04, 2006	September 03, 2016

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
		included in Class 19		
ECOTEC(Label) Class 19	1441747	Plywood, Block Boards, Veneer, Particle Board, Pre- Laminated Particle Board Partition Boards Laminated Plywood, Laminates Decorative Veneer, Flush Door Decorative Plywood, Board of all kinds, included in Class 19	March 31, 2006	March 30, 2016
GREEN OPTIMA(Label) Class 19	1441748	Plywood, Block Boards, Veneer, Particle Board, Partition Boards, Laminated Plywood, Decorative Veneer, Flush Door Decorative Plywood, Board of all kinds, Pre laminated particle board included in C lass 19	March 31, 2006	March 30, 2016
GREEN GOLD WITH DEVICE OF LEAF (Label) Class 19	1449523	Plywood, Veneer, Decorative Plywood Decorative veneer, Block Board Flush Door, Prelaminated plywood included in Class 19	May 04, 2006	May 03, 2016
Greenply Your Furniture's Best Friend (Label) Class 19	1081147	High Pressure Veneer, Plywoods, Block Board Laminates, Particle Boards included in Class 19	February 15, 2002	February 14, 2012
GREEN OPTIMA (Word) Class 17	1424231	Decorative Laminates, Industrial Laminated Sheet, Plastics in the form of sheets, Medium Density Fibre, High Pressure laminate and all its allied products included in Class 17	February 24, 2006	February 23, 2016
Green Touch (Label) Class 19	984865	Laminates, Decorative Industrial Laminates, Prelaminated Board, Plywood, Block Board, Flush door included in class 19	January 19, 2001	January 18, 2011
Greenlam Supertuf (Label) Class 19	984867	Laminates, Decorative Industrial Laminates, Prelaminated Board, Plywood, Block Board Flush Door included in Class 19	January 19, 2001	January 18, 2011
GREEN LAMIBOARD (LABEL) Class 17	1482134	Laminates, High Pressure Laminates, Decorative Laminate included in Class 17	August 28, 2006	August 27, 2016
OPEN GRAIN	1508232	Laminates, High Pressure	November 28,	November 27,

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
(WORD) Class 19		Laminates, Decorative Laminates, Particle Board, Prelaminated Particle Board, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door included in Class 19	2006	2016
WICKER (WORD) Class 19	1515853	Laminates of all kinds, High Pressure Laminates, Decorative, Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in Class 19.	December 22, 2006	December 21, 2016
PATTERNED WEAVE (WORD) Class 19	1515862	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door included in Class 19.	December 22, 2006	December 21, 2016
GREEN LAMIBOARD (LABEL) Class 19	1482135	Particle Board, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door included in Class 19.	August 28, 2006	August 27, 2016
GREEN LAMIEBOARD (LABEL) Class 19	1542667	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door	March 22, 2007	March 21, 2017
CLEAVED STONE (WORD) Class 19	1515851	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated	December 22, 2006	December 21, 2016

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
		Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in Class 19.		
CARAVAN LEATHER (WORD) Class 19	1515854	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in Class 19.	December 22, 2006	December 21, 2016
WENGE (WORD) Class 19	1515855	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door, included in Class 19.	December 22, 2006	December 21, 2016
HORIZONTAL LINES (WORD) Class 19	1515856	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in Class 19.	December 22, 2006	December 21, 2016
QUATER CUT OAK(WORD) Class 19	1515860	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer,Block Board, Flush Door included in Class 19.	December 22, 2006	December 21, 2016

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
ARTWOOD (WORD) Class 19	1515852	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer,Block Board, Flush Door included in Class 19.	December 22, 2006	December 21, 2016
ALLIGATOR (WORD) Class 19	1515859	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in Class 19.	December 22, 2006	December 21, 2016
NEWMIKA GOLD(LABEL) Class 17	1365395	Laminate, High Pressure Laminate, Decorative Laminate, Particle Board, Prelaminated Particle Board, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in Class 17 for sale in state of Eastern Zone.	June 20, 2005	June 19, 2015
NEWMIKA GOLD(LABEL) Class 19	1365404	Laminate, High Pressure Laminate, Decorative Laminate, Particle Board, Prelaminated Particle Board, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door all being goods included in Class 19	June 20 , 2005	June 19, 2015
NEWDECOWOOD (WORD) Class 19	1365396	Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in Class 19.	June 20, 2005	June 19, 2015
NEWMICA (WORD) Class 17	1365405	Laminate, High Pressure Laminate, Decorative Laminate, Particle Board Prelaminated Particle Board, Plywood, Veneer, Decorative Plywood,	June 20, 2005	June 19, 2015

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
		Decorative Veneer, Block Board, Flush Door included in Class 17.		
NEWMICA (Word) Class 19	1365403	Laminate, High Pressure Laminate, Decorative Laminate, Particle Board Prelaminated Particle Board, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in Class 19.	June 20, 2005	June 19, 2015
NEWTOUCH (Word) Class 17	1365400	Laminate, High Pressure Laminate, Decorative Laminate, Particle Board Prelaminated Particle Board, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in Class 17.	June 20, 2005	June 19, 2015
NEWTOUCH (Word) Class 19	1365399	Laminate, High Pressure Laminate, Decorative Laminate, Particle Board Prelaminated Particle Board, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in class 19	June 20, 2005	June 19, 2015
NEWLAM (Word) Class 17	1365402	Laminate, High Pressure Laminate, Decorative Laminate, Particle Board Prelaminated Particle Board, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in class 17	June 20, 2005	June 19, 2015
NEWLAM (Word) Class 19	1365401	Laminate, High Pressure Laminate, Decorative Laminate, Particle Board Prelaminated Particle Board, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in class 19	June 20, 2005	June 19, 2015
NEWSTAR(WORD) Class 17	1365398	Laminate, High Pressure Laminate, Decorative Laminate, Particle Board Prelaminated Particle Board, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door	June 20, 2005	June 19, 2015

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
		included in class 17		
NEWSTAR(WORD) Class 19	1365397	Laminate, High Pressure Laminate, Decorative Laminate, Particle Board Prelaminated Particle Board, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door included in class 19	June 20, 2005	June 19, 2015
Ecotec (Word) Class 17	1425889	Decorative Laminates, Industrial Laminated Sheets, High Pressure Laminates, Plastic in the form of Sheets, Medium density Fibre and all its allied Products included in class 17 for sale in Eastern Zone.	March 02, 2006	March 01, 2016
Green Artwood (Label) Class 19	1525694	Laminates of all kind, high pressure Laminate, decorative Laminate, industrial laminate, Laminated sheet, Particle Board, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Veneer, Block Board, Flush Door	January 29, 2007	January 28, 2017
Green Artwood (Word) Class 19	1525696	Laminates of all kind, high pressure Laminate, decorative Laminate, industrial laminate, Laminated sheet, Particle Board, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Veneer, Block Board, Flush Door	January 29, 2007	January 28, 2017
Green within device of leaf Greenply (label) Class 37	1525698	Repairing of furniture, Cabinet making (Repair), building Construction, Furniture Maintenance, furniture Restoration, Safe maintenance and repair included in Class 37	January 29, 2007	January 28, 2017
GREEN PREMIABOARD (Word) Class 19	1552410	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer,	April 24, 2007	April 23, 2017

Trademark and Class	Trademark Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
		Decorative Plywood, Decorative Veneer, Block Board Flush Door , Veneered Board, all included in Class 19		

Trademarks Registered Outside India

Sl. No	Country of registration	Trademark and Class	Trademark Registration No.	Date of Issue	Valid/ Renewed Upto
1.	Hong Kong	GREENLAM (Label) Class 19	300717363	September 08, 2006	September 07, 2016
2.	Taiwan	GREENLAM (Label) Class 19	01333029	October 16, 2008	October 15, 2018
3.	UAE	GREENLAM (Label) Class 19	84381	November 12, 2007	October 29, 2016
4.	Israel	GREENLAM (Label) Class 19	195146	November 9, 2006	November 8, 2016
5.	Russia	GREENLAM Class 19	339376	December 14, 2007	September 07, 2016
6.	Syria	GREENLAM Class 19	113200	October 22, 2006	October 22, 2016

Trademarks which our Company has applied for and are pending registration

The Company has further made forty applications for registration of trademarks in India and thirteen applications abroad which are currently pending registration.

Sl. No	Trademark and Class	Trademark Application No.	Goods
In India			
1.	Green Lam with Metashield (Label) Class 17	613140	Laminated Sheets, Decorative Plastics Laminates, Plastics in the form of sheets, Blocks & Rods.
2.	Greenply Woodwise (Label) Class 19	1252294	Plywood, Block board Particle board, Partition Board/Door, Fibre boards
3.	MIT Technology (Word) Class 19	1256310	Plywood, Veneers, Decorative Plywood, Decorative Veneers and Board of all Kinds, Laminates
4.	OAK (Word) Class 19	1515857	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door
5.	KHADI (Word) Class 19	1515861	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial

Sl. No	Trademark and Class	Trademark Application No.	Goods
			Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door
6.	AMERICAN WALL PAPER (Word) Class 19	1515858	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door
7.	GREENPLY WITH LEAF (Label) Class 19	1525695	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door
8.	GREENPLY WITH LEAF (Label) Class 20	1525697	Wood, Wood Boards, All material made of wood, furniture of all types wood fibre, woodply, woodpulp, picture frames
9.	LTD. COLLECTION (Word) Class 19	1529523	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door
10.	GREEN LAMIEBOARD (Word) Class 19	1542666	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door, all included in Class 19
11.	GREEN SPECTRUM WOOD (Word) Class 19	1543592	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door, Veneered Board, all included in Class 19
12.	GREEN ART BOARD (Word) Class 19	1543593	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door , Veneered Board.
13.	GREEN SPECTRUM WOOD (Label) Class 19	1552407	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door , Veneered Board all included in class 19
14.	GREEN PREMIABOARD (Label) Class 19	1552406	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block

Sl. No	Trademark and Class	Trademark Application No.	Goods
			Board Flush Door , Veneered Board, all included in Class 19
15.	DECOCREST (Word) Class 19	1552408	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door , Veneered Board, all included in Class 19
16.	MITT (Word) Class 19	1552409	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door , Veneered Board, all included in Class 19
17.	MITT (Label) Class 19	1552405	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Laminated Sheets, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door , Veneered Board, all included in Class 19
18.	GREEN STURDO (Word) Class 11	1591326	Toilet cubicle for sanitary purpose, Shower cubicle, sauna bath installations
19.	GREEN STURDO (Word) Class 19	1591325	Doors, windows, partition wall, shutters restroom cubicle
20.	GREEN STURDO (Word) Class 20	1591324	Restroom cubicle made of plywood and similar materials, toilet cubicle made of wood plywood, plastics and substitutes of these materials, furnitures, mirrors, picture frames
21.	GREEN BLENDS (Word) Class 17	1592168	Edge bends made of plastics and polymer products, laminated products, rubber materials, packing, stopping and insulating materials
22.	GREEN BLENDS (Word) Class 19	1592167	Edge bends made of plywood, semi worked wood, veneers, non metallic building materials
23.	GREEN BLENDS (Word) Class 20	1592169	Edge of all kinds of furniture, picture frames, edge made of wood, cork, cane, reed, wicker, horn, bone ivory, whalebone, shell, amber, mother of pearl and substitutes of these substances, edge made of plastics, plywood for furniture and woodwork Interior Decoration Furniture
24.	GREEN FLEXILAM (Word) Class 17	1604754	Post Forming Laminates, Laminates of all kinds , High Pressure Laminates, Decorative Laminates Industrial Laminates, Laminated Sheets.
25.	GREEN FLEXILAM (Word) Class 19	1604753	Post Forming Laminates Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Particle Board, Industrial Laminates, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board Flush Door , Veneered Board
26.	GREEN DECOLINER (Word) Class 17	1607086	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Post Forming Laminates Industrial Laminates, Laminated Sheets,
27.	GREEN DECOLINER (Word) Class 19	1607087	Veneered Board, particle board, Prelaminated particle Board, MDF, Plywood, Veneer, Decorative Plywood, decorative Veneer, Block

Sl. No	Trademark and Class	Trademark Application No.	Goods
			Board, flush Door, Laminates of all kinds, Post forming laminates, high Pressure Laminate, decorative Laminate, Industrial Laminate
28.	GREEN PANELMAX (Word) Class 20	1627103	Wood and wood based products
29.	GREEN PANELMAX (Word) Class 19	1627104	Veneered Board, Particle Board, Prelaminated Particle Board, Medium Density Fibre Board (MDF), MDF products, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door, laminates of all kinds
30.	GREEN PANELMAX (Label) Class 19	1658655	Veneered Board, Particle Board, Prelaminated Particle Board, Medium Density Fibre Board(MDF), MDF products, Plywood, veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door, all included in Class 19
31.	PERFECT 10 (Label) Class 19	1684431	Laminates of all kind, high pressure Laminate, Decorative Laminate, Industrial Laminates, Laminated Sheet, Particle Board, Particle Board, Prelaminated Particle Board, MDF , Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door, all included in class 19
32.	OPTIMA RED (Label) Class 19	1697468	Particle Board, Prelaminated Particle Board,MDF , Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door, all included in Class 19
33.	NEW POINT EIGHT (Label) DECORATIVE LAMINATES Class 19	1705217	Laminates of all kinds , High Pressure Laminates, Decorative Laminates, Industrial Laminates, Laminated Sheets, all included in Class 19
34.	OPTIMA MAX (Label) Class 19	1711169	Laminated sheet, Particle Board, Prelaminated Particle Board, MDF ,Plywood , Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door, all included in Class 19
35.	OPTIMA RED (Label) Class 19	1697468	Particle Board, Prelaminated Particle Board, MDF, Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door, all included in Class 19
36.	NEW POINT EIGHT (Label) DECORATIVE LAMINATES Class 19	1705217	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Industrial Laminates, Laminated Sheets, all included in Class 19.
37.	OPTIMA CLUB (Label) Class 19	1779072	Particle Board Prelaminated Particle Board, Medium Density Fibre Board(MDF), MDF products, Plywood, veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door
38.	OPTIMA GOLD (Label) Class 19	1779071	Particle Board, Prelaminated Particle Board, MDF , Plywood, Veneer, Decorative Plywood, Decorative Veneer, Block Board, Flush Door, all included in Class 19
39.	GREEN GLOSS (Label) Class 19	1793761	Laminates of all kinds, High Pressure Laminates, Decorative Laminates, Industrial Laminates, Laminated Sheets, all included in Class 19.
40.	NEW MIKA (LABEL) Class 19	1673913	Plywoods, Veneers, Wood Veneer and Laminates

Outside India			
Sl. No.	**Overseas Trademark**	**Trademark Application No.**	**Trademark and Class**
1.	Malaysia	06016578	NEW MIKA GOLD Class 19
2.	Thailand	648652	GREENLAM Class 19
3.	People's Republic of China	5605683	GREENLAM Class 19
4.	Indonesia	D 00.2007.023488	GREENLAM Class 19
5.	Malaysia	06016579	GREENLAM Class 19
6.	Bangladesh	C-15441	GREENLAM Class 19
7.	Srilanka	151041	GREENLAM Class 19
8.	Bangladesh	C-15465	NEW MIKA Class 19
9.	Srilanka	151124	NEW MIKA Class 19
10.	UAE	130379	Green within device of leaf Greenply Class 19
11.	Bangladesh	C-15442	Green within device of leaf Greenply Class 19
12.	Srilanka	151042	Green within device of leaf Greenply Class 19
13.	European Union	008487084	GREENLAM Class 19

Further, we have entered into a Memorandum of Understanding dated April 14, 2005 and a Deed of Assignment of Trademark with one Newmika Laminates Private Limited pursuant to which three trademarks have been assigned to our Company by Newmika Laminates Private Limited. The Company has filed application for recording such assignment of the said three trademarks with the Trade Marks Registry which is pending intimation of such record from the Trade Marks Registry.

b. Patent

We have one patent registration in India.

Sl. No.	Description of Patent	Patent Registration No.	Date of Issue	Issued Upto
1.	A Decorative Sheet & Process For Manufacturing The Same	201376	February 05, 2004	Patent usable for a period of 20 years from February 05 2004. To be renewed on or before February 05 every year. Renewed upto

				February 05 2010

c. Copyrights

The Company has six copyrights registered in India.

Sl. No	Title of the work	Registration No.	Goods	Date of Issue	Valid/ Renewed Upto
1.	Greenlam with Metashield	A53292/1996	Laminates	May 30, 1996	May 29, 2056
2.	Green within the device of Leaf	A-52302/1993	Plywood and Block Boards	July 29, 1993	July 28, 2053
3.	Greenply Your Furniture's Best Friend	A-68286/2005	Plywood ,Laminates and all its allied products	January 28, 2005	January 27, 2065
4.	GREEN OPTIMA	A-77303/2006	Plywood, Block Boards, Veneer, Particle Board, Partition Boards, Laminated Plywood, Decorative Veneer, Flush Door, Decorative Plywood, Board of all kinds, Pre laminated particle board.	September 08, 2006	September 07, 2066
5.	ECOTEC	A-77305/2006	Plywood, Block Boards, Veneer, Particle Board, Partition Boards, Laminated Plywood, Decorative Veneer, Flush Door, Decorative Plywood, Board of all kinds	September 08, 2006	September 07, 2066
6.	GREEN TOUCH Laminates	A-77304/2006	Laminates, High Pressure Laminates, Decorative Laminates	September 08, 2006	September 07, 2066

We have also applied for four copyrights registrations which are pending registration.

Sl. No.	Copyright	Application No.	Goods
1.	Green Your Furniture's Best Friend	Not yet allotted	High Pressure Veneer, Plywoods, Block Board Laminates and Particle Boards
2.	Duets	Not yet allotted	High Pressure Veneer, Plywoods, Block Board Laminates and Particle Boards

3.	GREENLAM	Not yet allotted	Laminate, High Pressure Laminate and Decorative Laminate
4.	New Mika Gold	Not yet allotted	Laminate, High Pressure Laminate and Decorative Laminate

We have obtained the above approvals and the same are valid as on the date of this Letter of Offer. Some of these have expired in the ordinary course of business and applications for their renewal have been submitted. We undertake to obtain all approvals, licenses, registrations and permissions required to operate our business."

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

This Issue of Equity Shares with Detachable Warrants to the Equity Shareholders of our Company as on the Record Date is being made in accordance the resolution passed by our Board of Directors under Section 81(1) of the Companies Act, at its meeting held on March 7, 2009.

Pursuant to letter dated April 20, 2009 filed with the FIPB, our Company has requested the FIPB to confirm that the issue and allotment of the Equity Shares with Detachable Warrants to resident and Non Resident Equity Shareholders and other eligible applicants in the Issue is under the automatic route and does not require the prior approval of the FIPB. Pursuant to the letter dated June 12, 2009 the FIPB has granted an approval for issuance and allotment of Detachable Warrants to non-resident equity shareholders and other eligible non-resident applicants subject to compliance with applicable SEBI and RBI regulations and other conditions specified therein and subject to conversion of the Detachable Warrants within 18 months of issuance.

Prohibition by SEBI

None of our Company, the Subsidiaries, the Associates, the Promoters, the Directors, the Promoter Group companies, or the companies with which the Directors are associated as directors or promoters, have been prohibited from accessing or operating in the capital market under any order or direction passed by SEBI. Further, except as disclosed, none of our Company, the Subsidiaries, the Associates, the Promoters or the members of the Promoter Group have been declared willful defaulters by the RBI or any Government authority and no violations of securities laws have been committed by them in the past and no proceedings in relation to such violations are currently pending against them.

As of date of this Letter of Offer, our Directors are not associated with the securities market in manner.

Eligibility for the Issue

Our company is an existing listed company registered under the Companies Act whose Equity Shares are listed on BSE and NSE. It is eligible to offer this issue in terms of Chapter IV of the SEBI ICDR.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE DRAFT LETTER OF OFFER TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED / CONSTRUED 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 THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT LETTER OF OFFER. THE LEAD MANAGER, ENAM SECURITIES PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH 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 INVESTMENT IN THE PROPOSED ISSUE. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE THE LEAD MANAGER, ENAM SECURITIES PRIVATE LIMITED WILL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE WHICH WILL READ AS FOLLOWS:

I. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS MORE PARTICULARLY REFERRED TO IN THE ANNEXURE HERETO IN CONNECTION WITH THE FINALISATION OF THE DRAFT LETTER OF OFFER PERTAINING TO THE SAID ISSUE.

II. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

(A) THE DRAFT LETTER OF OFFER FORWARDED TO THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;

(B) ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID ISSUE AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY THE BOARD, THE GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

(C) THE DISCLOSURES MADE IN THE DRAFT LETTER OF OFFER 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 OF THE COMPANIES ACT, 1956, THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

III. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT LETTER OF OFFER ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.

IV. WE HAVE SATISFIED OURSELVES ABOUT THE WORTH OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.

V. WE CERTIFY THAT WRITTEN CONSENT FROM SHAREHOLDERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, WILL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT LETTER OF OFFER WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT LETTER OF OFFER. – NOT APPLICABLE

VI. WE CERTIFY THAT CLAUSE 4.6 OF THE (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE CLAUSE HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER. – NOT APPLICABLE

VII. WE UNDERTAKE THAT CLAUSES 4.9.1, 4.9.2, 4.9.3 AND 4.9.4 OF THE (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION AND SUBSCRIPTION FROM ALL FIRM ALLOTTEES WOULD 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 COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE.

VIII. WHERE THE REQUIREMENTS OF PROMOTERS' CONTRIBUTION IS NOT APPLICABLE TO THE ISSUER, WE CERTIFY THE REQUIREMENTS OF PROMOTERS' CONTRIBUTION UNDER CLAUSE 4.10 {SUB-CLAUSE (A), (B) OR (C), AS MAY BE APPLICABLE} ARE NOT APPLICABLE TO THE ISSUER.

IX. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER 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 MEMORANDUM OF ASSOCIATION.

X. 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 SECTION 73(3) OF THE COMPANIES ACT, 1956 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 LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.

XI. WE CERTIFY THAT NO PAYMENT IN THE NATURE OF DISCOUNT, COMMISSION, ALLOWANCE OR OTHERWISE SHALL BE MADE BY THE ISSUER OR THE PROMOTERS, DIRECTLY OR INDIRECTLY, TO ANY PERSON WHO RECEIVES SECURITIES BY WAY OF FIRM ALLOTMENT IN THE ISSUE – NOT APPLICABLE.

XII. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT LETTER OF OFFER THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.

XIII. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT LETTER OF OFFER:

(A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE SHARES OF THE COMPANY 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.

XIV. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE LETTER OF OFFER HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCE 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 LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT LETTER OF OFFER.

Caution

The Company and the Lead Manager accept no responsibility for statements made otherwise than in this Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

The Lead Manager and our Company shall make all information available to the Equity Shareholders and no selective or additional information would be available for a section of the Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Letter of Offer with SEBI.

Investors who invest in the Issue will be deemed to have represented to our Company and Lead Manager 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 with Detachable Warrants of our Company, and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

Disclaimer with respect to jurisdiction

This Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Kolkata, India only.

Selling Restrictions

The distribution of this Letter of Offer and the issue of Equity Shares with Detachable Warrants on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer may come are required to inform themselves about and observe such restrictions. The Company is making this Issue of Shares on a rights basis to the shareholders of our Company and will dispatch the Letter of Offer/Abridged Letter of Offer and CAFs to shareholders who have provided an Indian address.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer has been filed with SEBI. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, those circumstances, this Letter of Offer must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer should not, in connection with the issue of the Equity Shares with Detachable Warrants, distribute or send the same in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. If this Letter of Offer is received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Equity Shares with Detachable Warrants.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

United States Restrictions

NEITHER THE RIGHTS ENTITLEMENTS NOR THE SECURITIES THAT MAY BE PURCHASED PURSUANT HERETO HAVE BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY US STATE SECURITIES

LAWS, AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OF AMERICA OR THE TERRITORIES OR POSSESSIONS THEREOF (THE "UNITED STATES" OR THE "US") OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS), EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS REFERRED TO IN THIS LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY SHARES OR RIGHTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SHARES OR RIGHTS. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME. NEITHER THE COMPANY NOR ANY PERSON ACTING ON BEHALF OF THE COMPANY WILL ACCEPT SUBSCRIPTIONS OR RENUNCIATIONS FROM ANY PERSON, OR THE AGENT OF ANY PERSON, WHO APPEARS TO BE, OR WHO THE COMPANY OR ANY PERSON ACTING ON BEHALF OF THE COMPANY HAS REASON TO BELIEVE IS, EITHER A US PERSON OR OTHERWISE IN THE UNITED STATES. ANY PERSON SUBSCRIBING TO THE ORDINARY SHARES OFFERED HEREBY WILL BE DEEMED TO REPRESENT THAT SUCH PERSON IS NOT A US PERSON OR OTHERWISE IN THE UNITED STATES AND HAS NOT VIOLATED ANY US SECURITIES LAWS IN CONNECTION WITH THE EXERCISE.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue will be the NSE.

Disclaimer Clause of the BSE

The BSE has given vide its letter no. DCS//PREF/JA/IP-RT/185/09-10 dated May 18, 2009 permission to our Company to use BSE's name in this Letter of Offer as one of the Stock Exchanges on which the Equity Shares are proposed to be listed. The BSE has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to our Company. BSE does not in any manner: (i) warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or (ii) warrant that this Company's securities will be listed or will continue to be listed on BSE; or (iii) take any responsibility for the financial or other soundness of our Company, its Promoters, its management or any scheme or project of this Company; and it should not for any reason be deemed or construed that this Letter of Offer has been cleared or approved by the BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE 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 for any other reason whatsoever.

Disclaimer Clause of the NSE

As required, a copy of this Letter of Offer has been filed with the NSE. The NSE has given vide its letter no. NSE/LIST/107850-4 dated May 15, 2009 permission to our Company to use NSE's name in this Letter of Offer as one of the Stock Exchanges on which the Equity Shares are proposed to be listed. The NSE has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to our Company. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Letter of Offer 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 Letter of Offer; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of our Company, the Promoters, its management or any scheme or project of our Company.

Every person who desires to apply for or otherwise acquire any securities of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE 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.

Impersonation

As a matter of abundant caution, attention of the applicants is specifically drawn to the provisions of sub-section (1) of section 68A of the Companies Act which is reproduced below:

"*Any person who makes in a fictitious name an application to a Company for acquiring, or subscribing for, any shares therein, or otherwise induces a Company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years*"

Filing

This Letter of Offer has been filed with the Corporation Finance Department of the SEBI, located at SEBI Bhavan, C-4-A, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, India for its observations. After SEBI gives its observations, the final Letter of Offer will be filed with the Designated Stock Exchange as per the provisions of the Companies Act.

Dematerialised dealing

The Company has agreements with National Securities Depository Limited (NSDL) and Central

Depository Services (India) Limited (CDSL) and its Equity Shares bear the ISIN No. INE461C01020

Listing

The existing Equity Shares are listed on the BSE and NSE. The Company has made applications to the BSE, and NSE for permission to deal in and for an official quotation in respect of the Equity Shares being offered in terms of this Letter of Offer. The Company has received in-principle approvals from BSE by letter dated May 18, 2009 and NSE by letter dated May 15, 2009. The Company will apply to the BSE and NSE for listing of the Equity Shares to be issued pursuant to this Issue.

If the permission to deal in and for an official quotation of the securities is not granted by any of the Stock Exchanges mentioned above, we shall forthwith repay, without interest, all monies received from applicants in pursuance of this Letter of Offer. If such money is not paid within 8 days after we becomes liable to repay it, then our Company and every Director of our Company who is an officer in default shall, on and from expiry of 8 days, be jointly and severally liable to repay the money with interest as prescribed under the Section 73 of the Act.

Consents

Consents in writing of the Auditors to our Company, the Directors, the Lead Manager, the Legal Advisor, Registrar to the Issue and Bankers to our Company to act in their respective capacities have been obtained and filed with Stock Exchanges, along with a copy of the Draft Letter of Offer and such consents have not been withdrawn up to the time of delivery of this Letter of Offer for registration with the stock exchanges.

The Auditors of our Company have given their written consent for the inclusion of their Report in the form and content as appearing in the Draft Letter of Offer and such consents and reports have not been withdrawn up to the time of delivery of this Letter of Offer for registration for registration with the stock exchanges.

To the best of our knowledge there are no other consents required for making this Issue. However, should the need arise, necessary consents shall be obtained by us.

Expert Opinion, if any

Except the "Auditors Report" on page 130 of this Letter of Offer, no expert opinion has been obtained by our Company in relation to this Letter of Offer.

Expenses of the Issue

The Issue related expenses include, among others, lead manager, printing and distribution expenses, advertisement and marketing expenses and registrar, legal and depository fees and other expenses and are estimated at Rs. 161.00 lacs (approximately 2.51 per cent of the total Issue size) and will be met out of the proceeds of the Issue.

(Rs. in lacs)

Activity	Estimated Amount	% of total Expenses	% of total Issue Size *
Lead Manager, Registrar, Legal advisors and other professional fees	119.00	73.91	1.85
Advertisement and Marketing expenses	30.00	18.63	0.47
Printing and Stationery and Postage	5.00	3.11	0.08
Others (listing fees and miscellaneous expenses, etc)	7.00	4.35	0.11
Total estimated Issue expenses	161.00	100.00	2.51

* Includes the proceeds from the exercise of the Detachable Warrants assuming conversion at the Floor Price

Fees Payable to the Lead Manager to the Issue

The fees payable to the Lead Manager to the Issue are set out in the engagement letter issued by our Company to the Lead Manager entered into by our Company with the Lead Manager, copies of which are available for inspection at the registered office of our Company.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue are set out in the engagement letter issued by our Company to the Registrar.

Previous Issue by our Company

The Company has not undertaken any public or rights issue during the last five years.

Promise V/s. Performance

Our Company was listed pursuant to an offer for sale of 10 lacs equity shares by our Promoters made in 1995.

The actual performance against the projections made in the said offer for sale document is as under:

(Rs. in lacs)

	1994-1995		1995-1996		1996-1997	
	Projected	Actual	Projected	Actual	Projected	Actual
Installed Capacity (sheets in nos.)	10,00,000	12,00,000	20,00,000	26,40,000	20,00,000	26,40,000
Installed Capacity (in Mtrs.)	3,250	4,000	6,500	8,000	6,500	8,000

	1994-1995		1995-1996		1996-1997	
	Projected	**Actual**	**Projected**	**Actual**	**Projected**	**Actual**
Production (sheets in nos.)	7,80,000	8,25,087	14,20,000	8,68,148	15,60,000	11,12,693
Capacity Utilisation (%)	78.00	69.00	71.00	33.00	78.00	42.00
Sales						
Domestic	1,550.00	1,987.23	2,604.00	2,311.64	2,666.00	2,795.92
Export	500.00	156.09	1,000.00	345.91	1,400.00	340.82
Profit before Interest, Depreciation & Tax	361.47	783.91	661.00	948.20	688.00	1,112.28
Interest	240.39	325.90	375.84	455.27	352.12	675.16
Depreciation	65.84	98.30	119.65	134.66	122.24	188.11
Profit before Tax	55.24	359.71	165.51	358.27	213.13	249.01
Profit after Tax	55.24	347.42	165.51	357.07	213.13	216.71
Share Capital	371.20	371.20	371.20	506.62	371.20	506.62
Earnings per share	1.49	9.36	4.46	7.05	5.74	5.84
Cash earning per share	3.26	12.01	7.68	9.71	9.05	10.91
Book Value per Share (Rs)	10.45	21.17	15.05	17.25	20.94	19.11
Net Worth	387.76	785.93	558.75	873.99	777.36	968.07
Reserves	52.68	343.78	218.19	609.65	431.32	770.64

The letter of offer mentioned that brokerage will be paid by the Company at the rate of 1.5% on the nominal value of the shares offered to the public on the basis of allocation/transfer made against applications procured by member of stock exchange or banker to the issue provided application forms bear their respective stamps in broker's column.

Date of listing on the Stock Exchange

The Equity Shares were first listed on the BSE on April 19, 1995 and on NSE on March 6, 1996.

Issues for consideration other than cash

The Company has not issued Equity Shares for consideration other than cash or out of revaluation reserves, other than issuances mentioned in section titled "Capital Structure" on page 16 of this Letter of Offer.

Outstanding Debentures or Bonds and Preference Shares

The Company has not issued any debentures, bonds or preference shares other than those mentioned in section titled "Capital Structure" on page 16 of this Letter of Offer.

Option to Subscribe

Other than the Issue and except as provided in the section titled "Capital Structure" on page 16 of this Letter of Offer, our Company has not given any person any option to subscribe to the Equity Shares of our Company.

Credit rating

This being an issue of Equity Shares, no credit rating is required.

Outstanding Instruments

There are no outstanding instruments.

Stock Market Data for the Equity Shares

Our Equity Shares are currently listed on the BSE and the NSE. Our Equity Shares are actively traded on the BSE and the NSE, and the stock market data has been given separately for each of these Stock Exchanges.

The high and low and average prices recorded on the BSE and the NSE for the preceding three years and the number of Shares traded on the days the high and low prices were recorded are stated as under:

BSE

Year	High (Rs.)	Date of High	Volume on date of high (No. of Equity Shares)	Low (Rs.)	Date of Low	Volume on date of low (No. of Equity Shares)	Average price for the fiscal year* (Rs.)
2006	141.90	May 10, 2006	71,661	77.05	June 15, 2006	9,095	102.68
2007	405.00	December 31, 2007	22,735	99.00	January 02, 2007	13,259	184.23
2008	419.80	January 01, 2008	8,922	39.80	December 15, 2008	2,060	194.22

(Source: BSE website)
* The average price has been computed based on the average of the daily closing prices of the Equity Shares.

NSE

Year	High (Rs.)	Date of High	Volume on date of high (No. of Equity Shares)	Low (Rs.)	Date of Low	Volume on date of low (No. of Equity Shares)	Average price for the fiscal year* (Rs.)
2006	139.9	May 10, 2006	65,029	78	June 15, 2006	7,981	102.79
2007	410	December 31, 2007	39,067	98	February 28, 2007	38,608	184.17
2008	420	January 01, 2008	23,204	37.5	December 15, 2008	512,870	192.88

(Source: NSE website)
* The average price has been computed based on the average of the daily closing prices of the Equity Shares.

The high and low prices and volume of Shares traded on the respective dates during the last 6 months are stated as under:

BSE

Month	High (Rs.)	Date of High	Volume on date of high (No. of Equity Shares)	Low (Rs.)	Date of Low	Volume on date of low (No. of Equity Shares)	Average price for the month* (Rs.)
March 2009	48.50	March 26, 2009	2731	39.75	March 19, 2009	861	43.42
April – 09	66.00	April 20,	4151	44.50	April 1,	13,118	58.55

Month	High (Rs.)	Date of High	Volume on date of high (No. of Equity Shares)	Low (Rs.)	Date of Low	Volume on date of low (No. of Equity Shares)	Average price for the month* (Rs.)
		2008			2009		
May – 09	115.7	May 29, 2009	10,220	60.00	May 4, 2009	1,900	81.12
June - 09	122.45	June 2, 2009	7,980	91.00	June 19, 2009	1,164	102.16
July – 09	129.75	July 31, 2009	10,427	94.10	July 13, 2009	7,105	106.34
August 2009	145.20	August 4, 2009	9451	115.00	August 17, 2009	1485	127.41

(Source: BSE website)
* The average price has been computed based on the average of the daily closing prices of the Equity Shares.

NSE

Month	High (Rs.)	Date of High	Volume on date of high (No. of Equity Shares)	Low (Rs.)	Date of Low	Volume on date of low (No. of Equity Shares)	Average price for the month* (Rs.)
March 2009	48.00	March 02, 2009	1,139	38.00	March 12, 2009	5,289	43.69
April – 09	66.95	April 20, 2009	11,375	44.50	April 1, 2009	200	58.68
May - 09	114.15	May 29, 2009	1,172	60.65	May 4, 2009	798	80.78
June - 09	123.00	June 2, 2009	3,353	90.05	June 19, 2009	2,423	102.25
July - 09	129.25	July 31, 2009	5,017	94.30	July 12, 2009	1,385	106.59
August 2009	145.70	August 4, 2009	16634	115.35	August 17, 2009	2493	127.43

(Source: NSE website)
The average price has been computed based on the average of the daily closing prices of the Equity Shares.

The market price of Shares was Rs. 40.7 on the BSE on March 9, 2009 the trading day immediately following the day the meeting of the Board of Directors for approving the issue was held.

The market price of Shares was Rs. 39.85 on the NSE on March 9, 2009 the trading day immediately following the day meeting of the Board of Directors for approving the issue was held.

There have not been any transactions in Shares by the Promoter, the Promoter Group and directors of the Promoter during the last six months from the date of this Letter of Offer other than those mentioned in section titled "Capital Structure" on page 16 of this Letter of Offer.

Important

- This Issue is pursuant to the resolution passed by the Board of Directors at its meetings held on March 07, 2009.

- This Issue is applicable to those Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the depositories in respect of the shares held in the electronic form and on the Register of Members of our Company at the close of business hours on the Record Date i.e. September 8, 2009, after giving effect to the valid share transfers lodged with our Company upto the Record Date i.e. September 8, 2009.

- Your attention is drawn to "Risk Factors" on page XI of this Letter of Offer.

- Please ensure that you have received the Composite Application Forms ("**CAF**") with this Letter of Offer/Abridged Letter of Offer.

- Please read the Letter of Offer and the instructions contained therein and in the CAF carefully before filling in the CAF. The instructions contained in the CAF are each an integral part of this Letter of Offer and must be carefully followed. An application is liable to be rejected for any non-compliance of the provisions contained in the Letter of Offer or the CAF.

- All enquiries in connection with the Letter of Offer or CAF should be addressed to the Registrar to the Issue, quoting the Registered Folio number/ DP and Client ID number and the CAF numbers as mentioned in the CAF.

- All information shall be made available to the Investors by the Lead Manager and the Issuer, and no selective or additional information would be available by them for any section of the Investors in any manner whatsoever including at road shows, presentations, in research or sales reports, etc.

- The Lead Manager and our Company shall update the Letter of Offer and keep the public informed of any material changes till the listing and trading commences.

Issue Schedule

Issue Opening Date: September 23, 2009

Last Date for receiving requests for split forms: September 30, 2009

Issue Closing Date: October 7, 2009

The Board may however decide to extend the Issue period as it may determine from time to time but not exceeding 30 days including the Issue Opening Date.

Allotment Letters / Refund Orders

The Company will issue and dispatch allotment advice/ share certificates / demat credit and/or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 15 days from the date of closure of the Issue. If such money is not repaid within eight days from the day our Company becomes liable to pay it, our Company shall pay that money with interest as stipulated under section 73 of the Companies Act.

Applicants residing at centers where clearing houses are managed by the Reserve Bank of India (RBI) will get refunds through ECS only (Electronic Clearing Service) except where Applicants are otherwise disclosed as applicable/eligible to get refunds through direct credit and RTGS provided that the MICR details are recorded with the depositories or our Company.

In case of those Applicants who have opted to receive their Equity Shares in dematerialized form using electronic credit under the depository system, and advice regarding their credit of the Equity Shares shall be given separately. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within fifteen (15) working days of closure of the Issue.

In case of those Applicants who have opted to receive their Equity Shares in physical form and our Company issues an allotment advice, the corresponding share certificates will be dispatched within one month from the date of allotment. For more information please refer to section titled "Allotment and Refund" on page 361 of this Letter of Offer.

In case of ASBA Investors, the Registrar to the Issue shall instruct the SCSBs to unblock the funds in the relevant ASBA Account to the extent of the refund to be made within 15 days of the Issue Closing Date.

The refund order exceeding Rs.1,500 would be sent by registered post/speed post to the sole/first Applicant's registered address. Refund orders up to the value of Rs.1,500 would be sent under certificate of posting. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in

favour of the sole/first Applicant. Adequate funds would be made available to the Registrar to the Issue for this purpose.

Status of Complaints

(a) Total number of complaints received during last three financial years

Year	Number of Complaints
2006 – 2007	Nil
2007 – 2008	Nil
2008 – 2009	One

(b) No. of shareholders complaints pending as of September 14, 2009: Nil
(c) Total number of complaints received during current financial year (2009-2010): Nil
(d) Status of the complaints:
Replied – Nil
Pending – Nil
(e) Time normally taken by it for disposal of various types of Investor grievances: 7-10 days

Investor Grievances arising out of this Issue

The Company's investor grievances arising out of the Issue will be handled by Link Intime India Private Limited, who is the Registrar to the Issue. The Registrar will have a separate team of personnel handling only post-Issue correspondence.

The agreement between our Company and the Registrar will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice/ share certificate / refund order to enable the Registrar to redress grievances of Investors.

All grievances relating to the Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact telephone / cell numbers, email id of the first applicant, number and type of shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be 7-10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. The Company undertakes to resolve the Investor grievances in a time bound manner.

Investors may contact the Compliance Officer in case of any pre-Issue/ post -Issue related problems such as non-receipt of allotment advice/share certificates/ demat credit/refund orders etc. His address is as follows:

Mr. Kaushal Kumar Agarwal
Company Secretary
16-A Shakespeare Sarani
Kolkata – 700 071
Tel: +91 33 3051 5000
Fax: + 9133 3051 5010
E-mail: investors@greenply.com

Changes in Auditors during the last three years

There have been no changes in our Statutory Auditors over the last three years.

Capitalisation of Reserves or Profits

The Company has not capitalized any of its reserves or profits for the last five years.

Revaluation of Fixed Assets

There has been no revaluation of our Company's fixed assets for the last five years.

SECTION VII – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares with Detachable Warrants being issued in the Issue and the Equity Shares to be allotted pursuant to the exercise of the Detachable Warrants are subject to the terms and conditions contained in the Letter of Offer, the CAF (enclosed with the Letter of Offer), the Memorandum of Association, the Articles of Association, approvals from the Government of India and the RBI, if applicable, the provisions of the Companies Act, guidelines issued by SEBI, FEMA, notifications and regulations for issue of capital and for listing of securities issued by the Government of India and/or other statutory authorities and bodies from time to time, the Listing Agreements entered into by our Company with the Stock Exchanges, the terms and conditions as stipulated in the allotment advice or letters of allotment or Consolidated Certificates and any other law, rules or regulations as applicable and introduced from time to time.

Authority for the Issue

The Issue is being made pursuant to a resolution passed at a meeting of the Board of Directors under Section 81(1) of the Companies Act held on March 7, 2009.

Basis for the Issue

The Equity Shares with Detachable Warrants are being offered for subscription to those existing Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in the electronic form and on the register of members of our Company in respect of the Equity Shares held in the physical form at the close of business hours on the Record Date, i.e., September 8, 2009, fixed in consultation with the Designated Stock Exchange.

Rights Entitlement

As your name appears as a beneficial owner in respect of the Equity Shares held in the electronic form or appears in the register of members as an Equity Shareholder as on the Record Date, you are entitled to the number of Equity Shares with Detachable Warrants specified in Block I of Part A of the enclosed CAF.

The eligible Equity Shareholders are entitled to 3 (three) Equity Share(s) for every 10 (ten) fully paid-up Equity Share(s) held on the Record Date.

In addition to the Rights Entitlement, for every 10 (ten) Equity Share(s) allotted in the Issue, 4 (four) Detachable Warrant(s) will be issued and allotted.

I General Terms of the Issue

1. ***Market Lot***

The market lot for the Equity Shares and the Detachable Warrants in dematerialized mode is one. In case of holding of Equity Shares in physical form, our Company will issue to the allottees (a) one certificate for the Equity Shares allotted to each folio with a split performance (a "Share Certificate") and (b) one certificate for the Detachable Warrants (a "Warrant Certificate") (The Share Certificate and Warrant Certificate, together the "Consolidated Certificates"). In respect of the Consolidated Certificates, our Company will, upon receipt of a request from an Equity Shareholder or Warrant Holder, split such Consolidated Certificate into smaller denominations within 10 working days from the receipt of the request from such Equity Shareholder or Warrant Holder. The Company shall not charge a fee for splitting any of the Consolidated Certificates.

Investors may please note that the Equity Shares and the Detachable Warrants can be traded on the Stock Exchanges in dematerialized form only.

2. ***Nomination Facility***

In terms of Section 109A of the Companies Act, a nomination facility is available in case of Equity Shares. The applicant can nominate any person by completing the relevant details in the CAF in the space provided for this purpose.

A sole Equity Shareholder or the first Equity Shareholder, along with other joint Equity Shareholders, being individuals, may nominate any person(s) who, in the event of the death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the Equity Shares and the Detachable Warrants. A person, being a nominee, who becomes entitled to the Equity Shares and the Detachable Warrants by reason of the death of the original Equity Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he were the registered holder of the Equity Shares and the Detachable Warrants. A nomination shall stand rescinded upon the sale of the Equity Shares and the Detachable Warrants by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. When the Equity Shares and the Detachable Warrants are held jointly by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all the joint-holders. Fresh nominations can be made only in the prescribed form available on request at the Registered Office or with such other person at such addresses as may be notified by our Company.

Only one nomination will be applicable for one folio. Hence, if an Equity Shareholder has already registered a nomination with our Company, no further nomination needs to be made for the Equity Shares and the Detachable Warrants to be allotted in the Issue under the same folio. However, new nominations, if any, by an Equity Shareholder shall operate in supersession of any previous nomination.

In case the allotment of Equity Shares and the Detachable Warrants is in dematerialized form, there is no need to make a separate nomination for such Equity Shares and the Detachable Warrants to be allotted in the Issue. Nominations registered with the respective Depository Participant of the applicant will prevail. If the applicants wish to change the nomination, they are requested to inform their respective Depository Participants.

3. ***Joint-Holders***

Where two or more persons are registered as the holders of any Equity Shares and/or the Detachable Warrants, they shall be deemed to hold such Equity Shares and/or the Detachable Warrants as joint-holders with benefits of survivorship, subject to the provisions contained in the Articles of Association.

4. ***Minimum Subscription***

If our Company does not receive the minimum subscription of 90% of the Issue, or the subscription level falls below 90%, excluding the amount to be received upon exercise of the Detachable Warrants, after the Issue Closing Date on account of cheques being returned unpaid or withdrawal of applications, our Company shall refund the entire subscription amount received within 15 days from the Issue Closing Date. If there is delay in the refund of the subscription amount by more than eight days after our Company becomes liable to pay the subscription amount (i.e. 15 days after the Issue Closing Date), our Company will pay interest for the delayed period, as prescribed under sub-sections (2) and (2A) of Section 73 of the Companies Act.

The Promoters and the members of the Promoter Group holding Equity Shares in our Company, have undertaken to fully subscribe for their Rights Entitlement. They reserve the right to subscribe for their Rights Entitlement either by themselves and/or through one or more entities controlled by them, including by subscribing for Equity Shares with Detachable Warrants pursuant to any renunciation made by any member of the Promoter Group to another member of the Promoter Group. They have also undertaken to apply for Equity Shares with Detachable Warrants in addition to their Rights Entitlement to the extent of any undersubscribed portion of the Issue, subject to obtaining any

approvals required under applicable law, to ensure that at least 90% of the Issue is subscribed. Such subscription for Equity Shares with Detachable Warrants over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. Further, such acquisition by them of additional Equity Shares with Detachable Warrants shall (i) not result in a change of control of the management of our Company; and (ii) be exempt from the applicability of Regulations 11 and 12 of the Takeover Code in terms of the proviso to Regulation 3(1)(b)(ii) of the Takeover Code. In connection with Detachable Warrants issued and allotted by our Company in the Issue, the Promoters and members of the Promoter Group shall only apply for the issue of such Equity Shares as may arise from the exercise of the Detachable Warrants issued and allotted to them in the Issue and such exercise shall (i) not result in a change of control of the management of our Company; and (ii) be exempt from the applicability of Regulations 11 and 12 of the Takeover Code in terms of the proviso to Regulation 3(1)(b)(ii) of the Takeover Code.

As such, other than meeting the requirements indicated in the section titled "Objects of the Issue" on page 31 of this Letter of Offer, there is no other intention or purpose for the Issue, including any intention to delist our Company, even if, as a result of any allotment in the Issue to the Promoters and/or members of the Promoter Group, the shareholding of the Promoters and/or Promoter Group in our Company exceeds the current shareholding. The Promoters and/or members of the Promoter Group intend to subscribe for any undersubscribed portion as per the provisions of applicable law. Allotment to the Promoters and/or members of the Promoter Group of any undersubscribed portion, over and above their Rights Entitlement, shall be completed in compliance with the Listing Agreements and other applicable laws prevailing at that time relating to continuous listing requirements. For further details of undersubscription and allotment to the Promoters and Promoter Group, please refer to "Basis of Allotment" below under this section titled "Terms of the Issue" on page 360 of this Letter of Offer.

5. ***Notices***

All notices to the Equity Shareholders and Warrant Holders required to be given by our Company shall be published in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the Registered Office is situated and/or will be sent by registered post or speed post to the registered holders of the Equity Shares and the Detachable Warrants at their address in India registered with the Registrar to the Issue from time to time.

6. ***Listing and trading of the Equity Shares and the Detachable Warrants***

The Company's existing Equity Shares are currently traded on the BSE and the NSE under the ISIN INE461C01020. The fully paid-up Equity Shares proposed to be issued pursuant to the Issue shall be listed and admitted for trading on the BSE and the NSE under the existing ISIN. The Detachable Warrants proposed to be issued pursuant to the Issue shall be listed and admitted for trading on the BSE and the NSE under a separate ISIN. All steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares and the Detachable Warrants allotted pursuant to the Issue shall be taken within seven working days of the finalization of the basis of allotment. The Company has made applications to the BSE and the NSE seeking "in-principle" approval for the listing of the Equity Shares and the Detachable Warrants issued pursuant to the Issue in accordance with Clause 24(a) of the Listing Agreements pursuant to letters dated April 28, 2009 and has received such approval from the BSE pursuant to letter no. DCS//PREF/JA/IP-RT/185/09-10 dated May 18, 2009 and from the NSE pursuant to letter no. NSE/LIST/107850-4 dated May 15, 2009. The Company will apply to the Stock Exchanges for final approval for the listing and trading of the Equity Shares and the Detachable Warrants.

The Equity Shares which will arise upon the exercise of the Detachable Warrants shall be listed for trading on the BSE and the NSE under the existing ISIN for the fully paid-up Equity Shares of the Company. The Equity Shares allotted pursuant to the exercise of the Detachable Warrants will be listed as soon as practicable but in no case later than seven working days from the date of allotment of such Equity Shares.

No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under the Issue will trade either after the listing or at the time of

exercise of the Detachable Warrants. Similarly, no assurance can be given regarding the active or sustained trading in the Detachable Warrants or the price at which the Detachable Warrants being allotted under the Issue will trade after their listing.

7. ***Offer to Non Resident Applicants***

General permission has been granted to any person resident outside India to purchase equity shares offered on a rights basis, including additional equity shares, by an Indian company in terms of FEMA and Regulation 6 of Notification No. FEMA 20/2000-RB dated May 3, 2000, as amended. However, the general permission referred to above is subject to the restrictions described in "No Offer in the United States" and restrictions on investments by OCBs described below.

Pursuant to a letter filed with the FIPB on April 20, 2009, the Company has requested the FIPB to confirm that the issue and allotment of the Equity Shares with Detachable Warrants to resident and Non Resident Equity Shareholders and other eligible applicants in the Issue is under the automatic route and does not require the prior approval of the FIPBPursuant to its letter dated June 12, 2009, the FIPB The FIPB, pursuant to its letter dated June 12, 2009, has approved the issuance of warrants to the existing equity shareholders, resident outside India, such as foreign institutional investors and non-resident Indians subject to subject to compliance with applicable SEBI and RBI regulations and other conditions specified therein and subject to conversion of the Detachable Warrants within 18 months of issuance

Applications received from Non Resident Applicants for the allotment of Equity Shares with Detachable Warrants shall, *inter alia*, be also subject to the conditions imposed from time to time by the RBI under FEMA in relation to the receipt and refund of Application Money (defined below), allotment of Equity Shares with Detachable Warrants, issue of allotment advice/letters of allotment/Consolidated Certificates and payment of dividends.

The Board of Directors may, in its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI or any other regulatory authority while approving the allotment of Equity Shares with Detachable Warrants, payment of dividend, etc., to Non Resident applicants. The Equity Shares with Detachable Warrants purchased on a rights basis by Non Residents shall be subject to the same conditions, including restrictions in relation to repatriation, as are applicable to the original Equity Shares against which the Equity Shares with Detachable Warrants are issued on a rights basis.

No single FII can hold more that 10% of the Company's post-Issue paid-up share capital. In respect of an FII investing in the Equity Shares with Detachable Warrants on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total paid-up share capital of the Company or 5% of the total paid-up share capital of the Company, in case such sub-account is a foreign corporate or an individual. Currently, the aggregate FII investment in the Company cannot exceed 24% of the Company's total paid-up share capital. With the approval of the Board and the Equity Shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on the date of this Letter of Offer, the Company has not obtained any approval from the Board or the Equity Shareholders to increase the FII limit to more than 24%.

Pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, OCBs have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003, as amended. Accordingly, OCBs shall not be eligible to subscribe for the Equity Shares with Detachable Warrants. The RBI has however clarified in A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and are not under any adverse notice of the RBI will be considered for undertaking fresh investments as incorporated Non Resident entities. Thus, OCBs desiring to participate in the Issue must obtain prior approval from the RBI. On providing such approval to the Company at its Registered Office, the OCB shall receive the Letter of Offer and the CAF.

In case of a change of the status of Equity Shareholders from resident to Non Resident, a new demat account shall be opened by such Equity Shareholders. **DETAILS OF SEPARATE COLLECTION CENTERS FOR THE APPLICATIONS OF NON RESIDENT APPLICANTS IN THE ISSUE**

SHALL BE PRINTED ON THE CAF.

The distribution of the Letter of Offer and the issue of Equity Shares with Detachable Warrants on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. The Company is making the issue of Equity Shares with Detachable Warrants on a rights basis to the Equity Shareholders and the Letter of Offer and the CAFs will be dispatched to the Equity Shareholders at their registered address in India only.

8. ***No Offer in the United States***

Neither the Rights Entitlements nor the Equity Shares with Detachable Warrants that may be purchased pursuant thereto have been, and will be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or any U.S. state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof or to, or for the account or benefit of, "U.S. Persons" (as defined in Regulation S under the Securities Act), except in a transaction exempt from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares with Detachable Warrants referred to in this Letter of Offer are being offered in India but not in the United States of America. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any shares or warrants or rights for sale in the United States of America, the territories or possessions thereof, or as a solicitation therein of an offer to buy any of the said shares or warrants or rights. Accordingly, this Letter of Offer and the CAF should not be forwarded to or transmitted in or to, and the Letter of Offer and the CAF shall not be dispatched to, the United States of America at any time, except in a transaction exempt from, or in a transaction not subject to, the registration requirements of the Securities Act. None of the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company has reason to believe is, a resident of the United States of America and to whom an offer, if made, would result in requiring registration of this Letter of Offer with the United States Securities and Exchange Commission. Rights Entitlements or entitlements to apply for the issue of Equity Shares pursuant to an exercise of the Detachable Warrants may not be transferred or sold to any U.S. Persons.

9. ***Utilization of Issue Proceeds***

The Board of Directors declares that:

(a) The funds received in the Issue will be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act.

(b) Details of all moneys utilized out of the Issue shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such moneys have been utilized.

(c) Details of all unutilized moneys out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilized moneys have been invested.

The funds received in the Issue (except to the extent utilized by the Company from any advance share application money brought in by the Promoters, if any, prior to the Issue Opening Date) will be kept in a separate bank account and the Company will not have any access to such funds unless only after the basis of allotment is finalized.

10. ***Undertakings by the Company***

(a) The complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily.

(b) All steps for completion of the necessary formalities for listing and commencement of trading on all the Stock Exchanges where the Equity Shares and the Detachable Warrants are to be listed will be taken within seven working days of finalization of the basis of allotment.

(c) The funds required for dispatch of refund orders/allotment advice/letters of allotment/Consolidated Certificates by registered post shall be made available to the Registrar to the Issue.

(d) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Equity Shareholders within 15 days of the Issue Closing Date specifying details of the Refund Bank, along with the amount and the expected date of the electronic credit of refund.

(e) The refund orders/allotment advice/letters of allotment/Consolidated Certificates to Non Residents shall be dispatched within the specified time.

(f) Except as specified in the section titled "Capital Structure" on page 16 of this Letter of Offer, no further issue of securities affecting the Equity Share capital of the Company shall be made until the Equity Shares and the Detachable Warrants issued/offered through the Issue are listed or until the Application Money is refunded on account of non-listing, undersubscription, etc.

(g) In the event that the public shareholding falls below the minimum prescribed in the Listing Agreements, the Company will take such steps as may be necessary to restore the minimum public shareholding in accordance with the SEBI regulations and undertakes to comply with such directions as may be issued by the Stock Exchanges.

(h) The Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

(i) All information shall be made available by the Lead Manager and the Company to the investors at large and no selective or additional information will be available for a section of the investors in any manner whatsoever including at road shows, presentations, in research or sales reports, etc.

(j) In accordance with Clause 43A of the Listing Agreements, a statement shall be furnished to the Stock Exchanges on a quarterly basis indicating material deviations, if any, in the utilization of the proceeds of the Issue. This information shall also be published in the newspapers simultaneously with the interim or annual financial results, after such information has been placed before the Audit Committee in terms of Clause 49 of the Listing Agreements.

(k) In accordance with Clause 49 of the Listing Agreements, the Company shall disclose to the Audit Committee, the uses/application of the proceeds of the Issue by major category, on a quarterly basis as a part of its quarterly declaration of financial results. Further, on an annual basis and until the full utilization of the proceeds of the Issue, the Company shall prepare a statement, which shall be certified by the statutory auditors of the Company, of the proceeds of the Issue utilized for purposes other than those specified in this Letter of Offer and place such statement before the Audit Committee.

(l) Adequate arrangements shall be made to collect all ASBA applications and to consider them similar to non-ASBA applications while finalizing the basis of allotment.

II Principal Terms and Conditions of the Issue of Equity Shares

1. *Face Value*

Each Equity Share shall have the face value of Rs. 5.

2. *Entitlement*

An eligible Equity Shareholder is entitled to 3 (three) Equity Share(s) for every 10 (ten) fully paid-up Equity Share(s) held on the Record Date.

3. *Fractional Entitlements*

For Equity Shares with Detachable Warrants being offered on a rights basis under the Issue, if the shareholding of any of the Equity Shareholders is less than 4 (Four) Equity Shares or is not in multiples of 10, the fractional entitlement of such Equity Shareholders shall be ignored. Equity Shareholders whose fractional entitlements are being ignored will be given preference in the allotment of one additional Equity Share each, if such Equity Shareholders have applied for additional Equity Shares with Detachable Warrants.

Those Equity Shareholders holding less than 4 (Four) Equity Shares and therefore entitled to zero Equity Shares with Detachable Warrants under the Issue shall be dispatched a CAF with zero entitlement. Such Equity Shareholders cannot renounce their entitlement to apply for additional Equity Shares with Detachable Warrants in favour of any other person. A CAF with zero entitlement will be non-negotiable/non-renunciable.

4. *Additional Equity Shares with Detachable Warrants*

The Equity Shareholders are eligible to apply for additional Equity Shares with Detachable Warrants over and above their Rights Entitlement provided such Equity Shareholders have applied for all the Equity Shares with Detachable Warrants offered to them, without renouncing some or all of them.

The application for the additional Equity Shares with Detachable Warrants shall be considered and allotment shall be made at the sole discretion of the Board of Directors, in consultation, if necessary, with the Designated Stock Exchange. Where the number of additional Equity Shares with Detachable Warrants applied for exceeds the number of Equity Shares with Detachable Warrants available for allotment, the allotment of additional Equity Shares with Detachable Warrants shall be made on a fair and equitable basis, in consultation with the Designated Stock Exchange. Please refer to "—Basis of Allotment" under this section titled "Terms of the Issue" on page 360 of this Letter of Offer.

Renouncees who have subscribed for all the Equity Shares with Detachable Warrants renounced in their favour may also apply for additional Equity Shares with Detachable Warrants.

5. *Issue Price*

Each Equity Share with Detachable Warrants is being offered at a price of Rs. 90 (including a premium of Rs. 85 per Equity Share).

6. *Terms of Payment*

On application, the aggregate amount in respect of the Equity Shares with Detachable Warrants applied for in the Issue at the rate of Rs. 90 per Equity Share with Detachable Warrants, which constitutes the full amount of the Issue Price, shall be payable ("Application Money").

The Application Money will be applied as under:

	Towards the Equity Share Capital	**Towards the Share Premium Account**
On application	Rs. 5 per Equity Share	Rs.85 per Equity Share

A separate cheque/demand draft/pay order in respect of the Application Money must accompany each CAF.

Payment should be made in cash (not more than Rs.20,000) or by cheque/demand draft/pay order

drawn on any bank (including a co-operative bank) which is situated at and is a member or a sub-member of the bankers clearing house located at the center where the CAF is accepted. Outstation cheques/demand drafts/pay orders will not be accepted and CAFs accompanied by such outstation cheques/demand drafts/pay orders are liable to be rejected. Payments in cash in excess of the amount specified above will not be accepted.

Pursuant to the RBI Circular DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the Stockinvest scheme has been withdrawn and accordingly, payment through Stockinvest will not be accepted in the Issue.

Where an applicant has applied for additional Equity Shares with Detachable Warrants and is allotted a lesser number of Equity Shares with Detachable Warrants than applied for, the excess Application Money paid shall be refunded. The excess Application Money will be refunded within 15 days from the Issue Closing Date, and if there is a delay beyond eight days from the stipulated period, the Company and every Director of the Company who is an officer in default shall be jointly and severally liable to repay the money with interest for the delayed period, at the rates stipulated under sub-sections (2) and (2A) of Section 73 of the Companies Act.

7. *Ranking of the Equity Shares*

The Equity Shares allotted pursuant to the Issue and the Equity Shares allotted upon exercise of the Detachable Warrants shall be subject to the Memorandum of Association and the Articles of Association and the Companies Act and shall rank *pari passu* in all respects with the existing Equity Shares, including in relation to dividend payment. For further details, please refer to the section titled "Main Provisions of the Articles of Association of the Company" on page 377 of this Letter of Offer.

8. *Rights of the Equity Shareholders*

Subject to applicable laws, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers;
- Right to vote on a poll, either in person or by proxy;
- Right to receive offers for shares on a rights basis and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability of shares; and
- Such other rights, as may be available to an equity shareholder of a listed public company under the Companies Act and its memorandum and articles of association and the terms of the Listing Agreements with the Stock Exchanges.

For a detailed description of the main provisions of the Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, please refer to the section titled "Main Provisions of the Articles of Association of the Company" on page 377 of this Letter of Offer.

9. *Issue of Duplicate Share Certificates*

If any Share Certificate is mutilated or defaced or the pages for recording transfers of the Equity Shares are fully utilized, the Company against the surrender of such Share Certificate may replace the Share Certificate, provided that it shall be replaced as aforesaid only if the Share Certificate number and the distinctive numbers are legible.

If any Share Certificate is destroyed, stolen, lost or misplaced, then upon production of proof thereof to

the satisfaction of the Company and upon furnishing such indemnity/surety and/or such other documents as the Company may deem adequate, a duplicate Share Certificate shall be issued.

III Principal Terms and Conditions of the Issue of the Detachable Warrants

1. *Entitlement*

An eligible Equity Shareholder is entitled to receive 4 Detachable Warrant(s) for every 10 Equity Share(s) allotted in the Issue. The Detachable Warrants so issued can be freely and separately traded until they are tendered for exercise. At any time prior to the expiry of the Notice Period, the holders of Detachable Warrants will be entitled to exercise their right to apply for one Equity Share(s) at the Warrant Exercise Price for each Detachable Warrant held.

The Equity Share entitlement in respect of each Detachable Warrant shall be proportionately adjusted for any bonus issue made by the Company prior to the Warrant Exercise Period so as to ensure that the benefit to the Warrant Holder is not prejudiced and remains the same as if the bonus issue had not been declared. For example, if the Company declares a bonus issue prior to the Warrant Exercise Period in the ratio of 1:1, then the number of Equity Shares to be issued pursuant to the exercise of every Detachable Warrant would double.

The face value of each Equity Share is Rs. 5. In the event of any sub-division or consolidation of the face value of the Equity Shares, the Equity Share entitlement on each Detachable Warrant shall be proportionately increased or decreased such that the aggregate nominal value of the entitlement remains the same as the nominal value of the Equity Shares immediately prior to such sub-division or consolidation, e.g., in case the Company decides to reduce the face value of the Equity Shares to Rs.1 each, then upon exercise of each Detachable Warrant by paying the Warrant Exercise Price, the holders of such Detachable Warrants will get five Equity Shares of Rs.1 each instead of one Equity Share of Rs.5.

However, in case the Company announces a rights issue prior to the exercise of the Detachable Warrants, neither would any adjustment be made to the Equity Share entitlement in respect of each Detachable Warrant nor would there be any reservations for the holders of such Detachable Warrants.

2. *Fractional Entitlements*

Subject to the provisions of this Letter of Offer, the Articles of Association and the approval of the Designated Stock Exchange, the Board of Directors will proceed to allot the Detachable Warrants in the following manner:

- For every 10 Equity Share(s) allotted in the Issue, 4 Detachable Warrant(s) will be issued.
- If the Equity Shares allotted in the Issue is less than 3 (Three), then the fractional entitlement of such holders will be ignored.
- If the Equity Shares allotted in the Issue is not a multiple of 10, then the fractional entitlement of such holders will be rounded off to the nearest integer.
- If there is any shortfall in or surplus of the Detachable Warrants required on account of rounding off as mentioned above, then such shortfall or surplus will be adjusted against the entitlement of the Promoters or members of the Promoter Group at the time of allotment of the Detachable Warrants.

3. *Additional Equity Shares*

The Warrant Holders cannot renounce their entitlement to apply for the Equity Shares. However, the Warrant Holders may apply for any additional Equity Shares over and above their entitlement to apply for Equity Shares arising upon the exercise of the Detachable Warrants issued and allotted to them in the Issue, provided that such Warrant Holders have applied for the issue and allotment of Equity Shares pursuant to the exercise of <u>all</u> the Detachable Warrants issued and allotted to them in the Issue.

However, the Promoters and the members of the Promoter Group holding Equity Shares in the Company have undertaken that they shall only apply for the issue of such Equity Shares as may arise from the exercise of the Detachable Warrants issued and allotted to them in the Issue and such exercise shall (i) not result in a change of control of the management of the Company; and (ii) be exempt from the applicability of Regulations 11 and 12 of the Takeover Code in terms of the proviso to Regulation 3(1)(b)(ii) of the Takeover Code.

4. *Warrant Exercise Price*

The Warrant Exercise Price for the Detachable Warrants shall be determined as follows:

Warrant Exercise Price shall be the higher of (a) and (b) below:

a) Floor Price being 90; and

b) 75 % of "x", value "x" being the average of the daily closing price of the Equity Shares of our Company on the Relevant Stock Exchange for a period of 90 days before the Relevant Date. Relevant date being the date fixed for the determination of the Warrant Exercise Price of the Detachable Warrants.

Floor Price would mean minimum price at which our Company proposes to convert the Warrants into Equity Shares.

If trading in the Equity Shares of the Company has been suspended for any period of time in the aforesaid 90 days period, the formula for the Warrant Exercise Price specified above shall be subject to such adjustments as the Board may, in its sole and absolute discretion, deem equitable.

The Warrant Exercise Price will be notified in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the Registered Office is situated. The Warrant Exercise Price will also be specified, along with the Notice Period and other details, on the Warrant Exercise Application Form to be dispatched by registered post to each of the Warrant Holders at their address in India registered with the Registrar to the Issue from time to time.

5. *Warrant Exercise Period*

The Warrant Exercise Period for the Detachable Warrant(s) is 18 months from the date of allotment of the Detachable Warrants in the Issue. The Detachable Warrants may be exercised at any time prior to the expiry of a notice period as may be fixed by the Company in its sole discretion (the "Notice Period") within the Warrant Exercise Period.

For purposes of determining the Warrant Holders and their respective entitlements, the Company shall fix the record date(s) during the Warrant Exercise Period for the Detachable Warrants (the "Warrant Record Date"), subject to the approval of the Stock Exchanges of such Warrant Record Date.

Any Detachable Warrants that are not exercised prior to the expiry of the Notice Period shall lapse.

The exercise of the Detachable Warrants during the Notice Period(s) will be carried out without the need for the Company to take any further approvals. However, the Warrant Holders should independently check if they require any approvals.

The Notice Period(s) will be notified in one English national daily newspaper with wide circulation, one Hindi national daily newspaper with wide circulation and one regional language newspaper with wide circulation at the place where the Registered Office is situated. The Notice Period will also be specified, along with the Warrant Exercise Price and other details, on the Warrant Exercise Application Forms to be dispatched by registered post to each of the Warrant Holders at their address in India registered with the Registrar to the Issue from time to time.

6. *Procedure for the Exercise of the Detachable Warrants*

Activity	Indicative time period*
Relevant Date for determination of the Warrant Exercise Price	X-1
Board meeting to determine the Warrant Exercise Price	X-1
Company to inform the Stock Exchanges of the Warrant Exercise Price	X
Company to apply to the Stock Exchanges to approve the Warrant Record Date	X
Company to give public notice of the Warrant Exercise Price, the Notice Period and the application to the Stock Exchanges for approval of the Warrant Record Date	X
Suspension of trading in the Detachable Warrants (subject to approval of the Warrant Record Date by the Stock Exchanges)	X+10
Warrant Record Date	X+15
Company/Registrar to the Issue to dispatch the Warrant Exercise Application Forms to the Warrant Holders	X+17
Company to give public notice confirming dispatch of the Warrant Exercise Application Forms	X+17
Commencement of the Notice Period	X+17
End of the Notice Period	X+46
The Detachable Warrants not exercised will lapse	X+47
Allotment of the Equity Shares arising upon the exercise of the Detachable Warrants	X+51
Company to apply to the Stock Exchanges for listing and trading approval for the Equity Shares arising upon the exercise of the Detachable Warrants	X+58
Listing of the Equity Shares arising upon the exercise of the Detachable Warrants	X+60

* Investors may note that the aforesaid time periods are indicative and subject to changes on account of several factors, many of them which may be unforeseen and not within the Company's control, and that these timelines are subject to receipt of certain regulatory approvals. The assumptions on the basis of which the aforesaid timelines have been drawn may not fructify. These timelines have been described for the benefit and understanding of the investors and no responsibility shall lie on the Company or the Lead Manager for any of the aforesaid timelines not being met for any reasons whatsoever. Further, the aforesaid is an indicative timeline containing the major steps involved, and other steps may be involved in the exercise of the Detachable Warrants and consequential matters not detailed hereinabove.

The application for exercise of any Detachable Warrants should be made on the prescribed warrant exercise application form ("Warrant Exercise Application Form"). The Warrant Exercise Application Forms will be sent by registered post to all the Warrant Holders, as identified on the Warrant Record

Date, at their address in India registered with the Registrar to the Issue from time to time. The Warrant Exercise Application Forms will also be available on request by the Warrant Holders with the Registrar to the Issue during the Notice Period and can be downloaded from the Company's website. The exercise of the Detachable Warrants will be subject to the terms and conditions set out in the Warrant Exercise Application Form. The Company shall disregard applications which are liable for rejection, due to factors such as dishonor of the payment instrument or short payment.

In case of the Detachable Warrants held in Physical Mode

During the Notice Period, the Warrant Holders should send their applications for the issue of Equity Shares to the Registrar to the Issue, by completing the requisite particulars on the Warrant Exercise Application Form. For resident Equity Shareholders/applicants and Non Resident Equity Shareholders/applicants applying on a non-repatriation basis, the Warrant Exercise Application Form should be accompanied by a cheque/demand draft/pay order favouring "GIL-Warrant Issue" payable at Kolkata for the requisite amount. For Non Resident Equity Shareholders/applicants applying on a repatriation basis, the application should be accompanied by a cheque/demand draft/pay order favouring "GIL-Warrant Issue-NR" payable at Kolkata for the requisite amount. For making the payment, Non Resident Equity Shareholders/applicants are required to follow the similar procedures as specified under "Submission of Application and Modes of Payment for the Issue" under this section titled "Terms of the Issue" on page 358 of this Letter of Offer.

In case of the Detachable Warrants held in Demat Mode

The Company will, through the Registrar to the Issue, at least two days prior to the commencement of the Warrant Exercise Period for the Detachable Warrants, open a special depository account with the NSDL "GIL - Warrant Conversion Escrow Account" with a Depository Participant (the "Special Depository Account"). Equity Shareholders/applicants that have depository accounts with the CDSL must use inter depository delivery instruction slips for the purpose of crediting their Detachable Warrants in favour of the Special Depository Account with the NSDL. Beneficial owners (Warrant Holders in dematerialized form) who wish to exercise their Detachable Warrants, will be required to send their Warrant Exercise Application Forms, accompanied by a cheque/demand draft/pay order payable at Kolkata along with a photocopy of the delivery instruction in "off market" mode or counterfoil of the delivery instruction in "off market" mode, duly acknowledged by the Depository Participant in favour of the Special Depository Account, to the Registrar to the Issue **prior to the expiry of the Notice Period**.

For Resident Equity Shareholders/applicants and Non Resident Equity Shareholders/applicants applying on a non-repatriation basis, the Warrant Exercise Application Forms should be accompanied by a cheque/demand draft/pay order favoring "GIL-Warrant Issue" payable at Kolkata for the requisite amount. For Non Resident Equity Shareholders/applicants applying on a repatriation basis, the application should be accompanied by a cheque/demand draft/pay order favoring "GIL-Warrant Issue-NR" payable at Kolkata for the requisite amount. For making the payment, Non Resident Equity Shareholders/applicants are required to follow the similar procedures as specified under "Submission of Application and Modes of Payment for the Issue" under this section titled "Terms of the Issue" on page 358 of this Letter of Offer.

In case the Warrant Exercise Application Forms along with the cheques/demand drafts/pay orders towards full payment of the Warrant Exercise Price do not reach the Registrar prior to the expiry of the Notice Period, the Detachable Warrants shall lapse. Cheques/demand drafts/pay orders for lesser amounts shall be rejected and returned. Any amounts in excess of the Warrant Exercise Price shall be refunded by the Company within 15 days from the expiry of the Notice Period. If the amount to be refunded is not paid within eight days from the day the Company becomes liable to pay it, the Company and every Director of the Company who is an officer in default shall be jointly and severally liable to repay the money with interest for the delayed period, at the rates stipulated under sub-sections (2) and (2A) of Section 73 of the Companies Act.

7. *Variance in the Terms of the Detachable Warrants*

The rights, privileges and conditions attached to the Detachable Warrants may be modified or varied or abrogated with the consent of the Warrant Holders by a resolution passed with simple majority at a special meeting of the Warrant Holders present and voting, provided that nothing in such resolution shall be operative against the Company when such resolution modifies or varies the terms and conditions governing the Detachable Warrants if the modification or variation is not acceptable to the Company. At a meeting of the Warrant Holders, each Warrant Holder, and in the case of joint holders, the first Warrant Holder shall be entitled to vote, either in person or by proxy, in respect of such Detachable Warrants. The Warrant Holder will be entitled to one vote on a show of hands and the Warrant Holder's voting rights on a poll shall be in proportion to the number of the Detachable Warrants outstanding held by such Warrant Holder from among all the Warrant Holders present and voting. The quorum for such meetings shall be at least five Warrant Holders present in person. The proceedings of the meeting of the Warrant Holders shall be governed by the provisions contained in the Articles of Association regarding meetings of the Equity Shareholders and such other rules in force for the time being to the extent applicable and in relation to matters not otherwise specifically provided for in this Letter of Offer.

8. *Allotment of Equity Shares upon Exercise of the Detachable Warrants*

The Board of Directors of the Company shall allot Equity Shares upon exercise of the Detachable Warrants within 15 days from the expiry of the Notice Period.

Pursuant to the exercise of any Detachable Warrants allotted to the Promoters and/or members of the Promoter Group in the Issue, the percentage shareholding of the Promoters and members of the Promoter Group may increase. Any such increase in the percentage shareholding of the Promoters and members of the Promoter Group will be pursuant to the exercise of the Detachable Warrants allotted in the Issue and will be exempt from the applicability of Regulations 11 and 12 of the Takeover Code in terms of the proviso to Regulation 3(1) (b) (ii) of the Takeover Code. Further, any such increase in their shareholding will not result in a change of control of the management of the Company. In the event that the public shareholding falls below the minimum prescribed in the Listing Agreements, the Company will take such steps as may be necessary to restore the minimum public shareholding in accordance with the SEBI regulations and undertakes to comply with such directions as may be issued by the Stock Exchanges. As such, other than meeting the requirements indicated in the section titled "Objects of the Issue" on page 31 of this Letter of Offer, there is no other intention or purpose for the Issue, including any intention to delist the Company, even if, as a result of any allotment in the Issue to the Promoters and/or members of the Promoter Group, the shareholding of the Promoters and/or Promoter Group in the Company exceeds the current shareholding.

9. *Issue of Duplicate Warrant Certificates*

If any Warrant Certificate is mutilated or defaced or the pages for recording transfers of the Detachable Warrants, as the case may be, are fully utilized, the Company against the surrender of such certificates may replace the certificates, provided that it shall be replaced as aforesaid only if the certificate number and the distinctive numbers are legible.

If any Warrant Certificate is destroyed, stolen, lost or misplaced, then upon production or proof thereof to the satisfaction of the Company and upon furnishing such indemnity/surety and/or such other documents as the Company may deem adequate, a duplicate certificate shall be issued.

10. *Rights available to Warrant Holders*

The Detachable Warrants shall be transferable and transmittable in the same manner and to the same extent and shall be subject to the same restrictions and limitations and other related matters applicable to the Equity Shares. The Detachable Warrants shall not be transferable (by sale or gift) in favor of OCBs. The Detachable Warrants shall not confer upon the holders thereof any right to receive any notice of general meetings of the Shareholders of the Company or the annual report of the Company or to attend or vote at any general meetings of the Shareholders of the Company. Save and except the right of subscription for the Equity Shares as per the terms of the issue of the Detachable Warrants, the

holders of the Detachable Warrants in their capacity as Warrant Holders shall have no other rights or privileges.

11. *Caution*

- Each Warrant Exercise Application Form shall be accompanied by a single instrument of payment.
- Clubbing of folios/securities for the purpose of making a consolidated payment is not permitted.
- Cheques/demand drafts/pay orders should be payable at Kolkata for the full amount and outstation payment instructions or payments for less than the full amount will be rejected.
- Investors are advised not to close or transfer their demat accounts between the period of application for the exercise of the Detachable Warrants until the time of allotment or receipt of credit in their account so as to avoid rejection of credit from the Depositories and resultant delay in receiving the intimation of allotment.
- The Detachable Warrants may not be exercised from within the United States by or on behalf of U.S. Persons. Each person exercising the Detachable Warrants must provide a written certification that he/she is not a U.S. Person or that the Detachable Warrants are not being exercised on behalf of a U.S. Person. No exercise will be accepted from any person whose address is within the United States.
- If the Detachable Warrants are not exercised prior to the expiry of the Notice Period, the Detachable Warrants shall lapse and shall be dealt with by the Board of Directors in such a manner as it deems fit, in consultation with the Designated Stock Exchange, and in accordance with applicable law.

IV. How to Apply?

1. *Procedure for Application*

The CAF will be printed in black ink for all Equity Shareholders, with separate advice for Non Resident Equity Shareholders.

The CAF consists of four parts**:**

Part A: Form for accepting the Equity Shares with Detachable Warrants offered and for applying for additional Equity Shares with Detachable Warrants;

Part B: Form for renunciation of Equity Shares with Detachable Warrants;

Part C: Form for application for Equity Shares with Detachable Warrants by renouncees; and

Part D: Form for request for split application forms.

The Warrant Exercise Application Forms will be sent separately to the holders of the Detachable Warrants, as identified on the Warrant Record Date.

2. *Options Available to the Equity Shareholders*

The CAF clearly indicates the number of Equity Shares with Detachable Warrants that an Equity Shareholder is entitled to.

An Equity Shareholder will have the following five options:

A. Apply for his Rights Entitlement in full;

B. Apply for his Rights Entitlement in part (without renouncing the other part);
C. Apply for his Rights Entitlement in full and apply for additional Equity Shares with Detachable Warrants;
D. Renounce his entire Rights Entitlement; or
E. Apply for his Rights Entitlement in part and renounce the other part.

Options A and B: Acceptance of the Rights Entitlement

The Equity Shareholders may accept their Rights Entitlement and apply for the Equity Shares with Detachable Warrants offered, either (i) in full or (ii) in part, without renouncing the other part, by completing Part A of the CAF. For details in relation to submission of the CAF and mode of payment, please refer to the sub-section titled "—Submission of Application and Modes of Payment for the Issue" under this section titled "Terms of the Issue" on page 358 of this Letter of Offer.

Option C: Acceptance of the Rights Entitlement and Application for Additional Equity Shares with Detachable Warrants

The Equity Shareholders are eligible to apply for additional Equity Shares with Detachable Warrants, over and above their Rights Entitlements, provided that such Equity Shareholders have applied for all the Equity Shares with Detachable Warrants offered to them without renouncing some or all of them in favor of any other person(s).

The application for the additional Equity Shares with Detachable Warrants shall be considered and allotment shall be made at the sole discretion of the Board of Directors, in consultation, if necessary, with the Designated Stock Exchange. Where the number of Equity Shares with Detachable Warrants applied for exceeds the number of Equity Shares with Detachable Warrants available for allotment, the allotment of additional Equity Shares with Detachable Warrants shall be made on a fair and equitable basis with reference to the number of Equity Shares held by the applicant on the Record Date. For details of the manner in which applications for additional Equity Shares with Detachable Warrants shall be considered and allotment completed, please refer to the sub-section titled "Basis of Allotment" under this section titled "Terms of the Issue" on page 360 of this Letter of Offer.

If you desire to apply for additional Equity Shares with Detachable Warrants, please indicate your requirement in the place provided for additional Equity Shares with Detachable Warrants in Part A of the CAF.

Options D and E: Renunciation of the Rights Entitlement

As an Equity Shareholder, you have the right to renounce your entitlement to the Equity Shares with Detachable Warrants, in full or in part, in favor of one or more persons. Your attention is drawn to the fact that our Company shall not allot and/or register any Equity Shares with Detachable Warrants, in favor of:

- More than three persons, including joint holders;
- Partnership firms or their nominees;
- Minors;
- Hindu Undivided Families (HUFs); or
- Trusts or societies (unless registered under the Societies Registration Act, 1860 or the Indian Trusts Act, 1882 or any other law applicable to trusts and societies and is authorised under its constitution or bye-laws to hold equity shares and detachable warrants of a company).

The person(s) in whose favor any Equity Shares with Detachable Warrants are renounced should complete and sign Part C of the CAF and submit the CAF to the Bankers to the Issue on or prior to the Issue Closing Date along with the Application Money. Renouncees need not be existing Equity

Shareholders of our Company. Renouncees who have subscribed for all the Equity Shares with Detachable Warrants renounced in their favor may also apply for additional Equity Shares with Detachable Warrants.

However, the right of renunciation is subject to the express condition that the Board of Directors shall be entitled, in its absolute discretion, to reject the request from the renouncees for the allotment of Equity Shares with Detachable Warrants without assigning any reason therefore.

Renunciation by and/or in favor of Non Residents

Any renunciation (i) from a resident Indian Equity Shareholder to a Non Resident, or (ii) from a Non Resident Equity Shareholder to a resident Indian, or (iii) from a Non Resident Equity Shareholder to a Non Resident is subject to the renouncer/renouncee obtaining the necessary approvals, including from the RBI under FEMA, and such approvals should be attached to the CAF. **Applications not accompanied by the aforesaid approvals are liable to be rejected.**

No single FII can hold more that 10% of our Company's post-Issue paid-up share capital. In respect of an FII investing in the Equity Shares with Detachable Warrants on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total paid-up share capital of our Company or 5% of the total paid-up share capital of our Company, in case such sub-account is a foreign corporate or an individual. Currently, the aggregate FII investment in our Company cannot exceed 24% of our Company's total paid-up capital. With the approval of the Board and the Equity Shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on the date of this Letter of Offer, our Company has not obtained any approval from the Board or the Equity Shareholders to increase the FII limit to more than 24%.

Pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, OCBs have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, the existing Equity Shareholders of our Company who do not wish to subscribe for the Equity Shares with Detachable Warrants being offered but wish to renounce the same in favor of one or more persons shall not renounce the same (whether for consideration or otherwise) in favor of any OCB.

Procedure for Renunciation

(a) *To renounce the entire Rights Entitlement in favor of one renouncee*

If you wish to renounce the Rights Entitlement indicated in Part A, in whole, please complete Part B of the CAF and send it to the renouncee. In case of joint holding, all joint holders must sign Part B of the CAF. The renouncee should complete and sign Part C of the CAF. In case of joint renouncees, all joint renouncees must sign Part C of the CAF.

Renouncees shall not be entitled to further renounce their entitlement in favor of any other person.

(b) *To renounce a part of the Rights Entitlement or the entire Rights Entitlement to more than one person*

If you wish to either (i) accept the Rights Entitlement in part and renounce the balance or (ii) renounce the entire Rights Entitlement in favor of two or more renouncees, the CAF must be first split into the requisite number of forms. For this purpose, you shall have to apply to the Registrar to the Issue. Please indicate your requirement of split application forms in the space provided for this purpose in Part D of the CAF and return the CAF to the Registrar to the Issue so as to reach them at the latest by the close of business hours on the last date for receiving requests for split application forms.

On receipt of the required number of split application forms from the Registrar to the Issue, the procedure as set out in paragraph (a) above will have to be followed.

In case the signature of the Equity Shareholder, who has renounced the Equity Shares with Detachable Warrants, does not tally with the specimen registered with our Company, the application is liable to be rejected.

A summary of the options available to the Equity Shareholders is set out below. You may exercise any of the following options with regard to the Equity Shares with Detachable Warrants offered, using the CAF:

Option	Description	Action required
A.	Accept your Rights Entitlement in full	Complete and sign Part A. (All joint holders must sign)
B.	Accept your Rights Entitlement in part without renouncing the balance	Complete and sign Part A. (All joint holders must sign)
C.	Accept your Rights Entitlement in full and apply for additional Equity Shares with Detachable Warrants	Complete and sign Part A including Block III relating to the acceptance of the Rights Entitlement and Block IV relating to additional Equity Shares with Detachable Warrants. (All joint holders must sign)
D.	Renounce your Rights Entitlement in full to: 1. One person (Joint renouncees are considered as one) 2. More than one person	 Complete and sign Part B (all joint holders must sign) indicating the number of Equity Shares with Detachable Warrants renounced and hand it over to the renouncee. The renouncee must complete and sign Part C. (All joint renounces must sign) Complete and sign Part D (all joint holders must sign) requesting for split application forms. Send the CAF to the Registrar to the Issue, so as to reach the Registrar on or prior to the last date for receiving requests for split application forms. Splitting will be permitted only once. Upon receipt of the split application form, take action as indicated below: 1. Complete and sign Part B indicating the number of Equity Shares with Detachable Warrants renounced and hand it over to the renouncees. 2. Each of the renouncees should complete and sign Part C for the Equity Shares with Detachable Warrants accepted by them.
E.	Accept a part of your Rights Entitlement and renounce the balance to one or more person(s)	Complete and sign Part D (all joint holders must sign) requesting for split application forms. Send the CAF to the Registrar to the Issue, so as to reach the Registrar on or prior to the last date for receiving requests for split application forms. Splitting will be permitted only once. Upon receipt of the split application form, take action as indicated below:

Option	Description	Action required
		1. For the Equity Shares with Detachable Warrants you wish to accept, complete and sign Part A. (All joint holders must sign) 2. For the Equity Shares with Detachable Warrants you wish to renounce, complete and sign Part B indicating the number of Equity Shares with Detachable Warrants renounced and hand it over to the renouncees. 3. Each of the renouncees should complete and sign Part C for the Equity Shares with Detachable Warrants accepted by them.

3. *Change and/or Introduction of Additional Holders*

If you wish to apply for the Equity Shares with Detachable Warrants jointly with any other person(s), not more than three, who is/are not already a joint holder(s) with you, it shall amount to a renunciation and the procedure for renunciation, as applicable, set out above will have to be followed. Even a change in the sequence of the names of joint holders shall amount to a renunciation and the procedure for renunciation, as applicable, set out above will have to be followed.

4. *Please note that:*

- Part A of the CAF must not be used by any persons other than those in whose favor the Issue has been made. If used, this will render the application invalid.
- While applying for or renouncing their Rights Entitlement, joint holders must sign in the same order and as per the specimen signatures registered with our Company.
- A request by an Equity Shareholder for a split application form should be made for a minimum of one Equity Share with Detachable Warrants or in multiples thereof.
- A request by an Equity Shareholder for a split application form should reach our Company on or prior to Septmebr 30, 2009.
- Only the person to whom the Letter of Offer and/or Abridged Letter of Offer has been addressed, and not the renouncee(s), shall be entitled to renounce and apply for split application forms. Forms once split cannot be split further.
- Split forms will be sent to the applicants by post at the applicant's risk.
- In the case of a renunciation, the submission of the CAF to the Bankers to the Issue at the collecting branches specified on the reverse of the CAF together with Part B of the CAF duly completed shall be conclusive evidence of the right of the person applying for the Equity Shares with Detachable Warrants to receive allotment of such Equity Shares with Detachable Warrants.

For details on completing the CAF and other general instructions, please follow the instructions indicated on the reverse of the CAF. In addition, please refer to the sub-section titled "General Instructions for Applicants" under this section titled "Terms of the Issue" on page 364 of this Letter of Offer.

5. *Availability of Duplicate CAFs*

In case the original CAF is not received, or is misplaced by the Equity Shareholder/applicant, the Registrar to the Issue will issue a duplicate CAF on the request of the Equity Shareholder/applicant who should furnish the registered folio number/DP ID number and client ID number and his/her full name and address to the Registrar to the Issue. Please note that the request for a duplicate CAF should reach the Registrar to the Issue, within eight days from the Issue Opening Date. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose, including renunciation, even if it is received or found subsequently. If the Equity Shareholder/applicant violates any of these requirements, he/she shall face the risk of rejection of both the applications. The Company or the Registrar to the Issue will not be responsible for postal delays or loss, if any, of a duplicate CAF in transit.

6. *Application on Plain Paper*

An Equity Shareholder who has not received the original CAF nor is in a position to obtain a duplicate CAF may make an application to subscribe for the Issue on plain paper, along with a cheque drawn on a local bank or a demand draft/pay order payable at Mumbai in favor of the Bankers to the Issue, crossed account payee only and marked "Greenply Industries Limited-Rights Issue" (in the case of a resident Equity Shareholder or a Non Resident Equity Shareholder applying on a non-repatriation basis) or "Greenply Industries Limited-Rights Issue NR" (in the case of a Non Resident Equity Shareholder applying on a repatriation basis) and send the same by registered post directly to the Registrar to the Issue, to reach the Registrar on or prior to the Issue Closing Date.

An application on plain paper, duly signed by the Equity Shareholders, including any joint holders, in the same order as per the specimen recorded with our Company, should contain the following particulars:

- Name of the issuer, being Greenply Industries Limited;
- Name and address of the Equity Shareholder, including any joint holders;
- Registered folio number/DP ID number and client ID number;
- Number of Equity Shares held as on the Record Date;
- Rights Entitlement;
- Number of Equity Shares with Detachable Warrants applied for;
- Number of additional Equity Shares with Detachable Warrants applied for, if any;
- Total number of Equity Shares with Detachable Warrants applied for;
- Total Application Money paid at the rate of Rs.90 per Equity Share with Detachable Warrants;
- Particulars of the cheque/demand draft/pay order;
- Savings/Current Account Number and the name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of Equity Shares with Detachable Warrants allotted in demat mode, the bank account details will be obtained from the information available with the Depositories;
- The permanent account number (PAN) of the Equity Shareholder and where relevant, for each joint holder, except in respect of Central and State Government officials and officials appointed by the court (e.g., official liquidators and court receivers) who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, subject to submitting sufficient documentary evidence in support of their claim for exemption, provided that such transactions are undertaken on behalf of the Central and State Government and not in their personal capacity;

- A representation that the Equity Shareholder is not a "U.S. Person" (as defined in Regulation S under the Securities Act);

- Signature of the Equity Shareholders to appear in the same sequence and order as they appear in the records of our Company; and

- Additionally, Non Resident applicants shall include the following:

  "I/We understand that neither the Rights Entitlement nor the Equity Shares with Detachable Warrants have been, and will be, registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof or to, or for the account or benefit of, "U.S. Persons" (as defined in Regulation S under the US Securities Act), except in a transaction exempt from, or in a transaction not subject to, the registration requirements of the US Securities Act. The Equity Shares with Detachable Warrants referred to in this application are being offered in India but not in the United States of America. The offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any shares or warrants or rights for sale in the United States, or the territories or possessions thereof, or as a solicitation therein of an offer to buy any of the said shares or warrants or rights. Accordingly, this application should not be forwarded to or transmitted in or to the United States at any time, except in a transaction exempt from, or in a transaction not subject to, the registration requirements of the US Securities Act. None of our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company has reason to believe is, a resident of the United States and to whom an offer, if made, would result in requiring registration of this application with the United States Securities and Exchange Commission.

  I/We am/are both an institutional investor and an "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the US Securities Act and we have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Equity Shares with Detachable Warrants, and we are, and any accounts for which we are acting are each, able to bear the economic risk of our or its investment.

  I/We will not offer, sell or otherwise transfer any of the Equity Shares with Detachable Warrants which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

  I/We understand and agree that the Equity Shares with Detachable Warrants may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act."

Please note that Equity Shareholders who are making an application otherwise than on a CAF (i.e., on plain paper as stated above) shall not be entitled to renounce their rights and should not utilize the CAF for any purpose, including renunciation, even if it is received subsequently. If the Equity Shareholder does not comply with any of these requirements, he/she shall face the risk of rejection of both the applications and the Application Money received shall be refunded. However, our Company and/or any Director of our Company will not be liable to pay any interest whatsoever on the Application Money so refunded.

The Equity Shareholders are requested to strictly adhere to these instructions. Failure to do so could result in the application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to such Equity Shareholders.

V. Submission of Application and Modes of Payment for the Issue

1. *For Resident Equity Shareholders or Applicants*

- Equity Shareholders or applicants who are applying through the CAF and residing at places where the bank collection centers have been opened by our Company for collecting applications, are requested to submit, on or prior to the Issue Closing Date, the completed CAFs at the corresponding collection center, together with a cheque/demand draft/pay order for the Application Money net of bank charges in favor of the Bankers to the Issue, crossed account payee only and marked "Greenply Industries Limited-Rights Issue".

- Equity Shareholders or applicants residing at places other than places where the bank collection centers have been opened by our Company for collecting applications, and Equity Shareholders who are applying on plain paper, are requested to send the completed CAF or plain paper application, as case may be, together with a cheque/demand draft/pay order payable at Mumbai for the Application Money net of bank charges in favor of the Bankers to the Issue, crossed account payee only and marked "Greenply Industries Limited-Rights Issue", directly to the Registrar to the Issue, by registered post so as to reach the Registrar on or prior to the Issue Closing Date. The Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

2. *For Non Resident Equity Shareholders or Applicants*

Application with repatriation benefits

Non Resident Equity Shareholders or applicants applying on a repatriation basis are required to submit the completed CAF or the application on plain paper, as the case may be, along with payment in the following manner:

- By Indian Rupee drafts purchased from abroad and payable at Kolkata or Mumbai or funds remitted from abroad (submitted along with a Foreign Inward Remittance Certificate); or

- By cheques/demand drafts/pay orders remitted through normal banking channels or out of funds held in Non Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts maintained in Kolkata or Mumbai with banks authorised to deal in foreign currency, along with documentary evidence in support of the remittance; or

- By Indian Rupee drafts purchased by debit to an NRE/FCNR Account maintained elsewhere in India and payable in Kolkata or Mumbai.

- FIIs registered with SEBI must remit funds from special non resident rupee deposit accounts.

- For Equity Shareholders applying through a CAF, the CAF is to be sent to the bank collection center specified in the CAF, along with cheques/demand drafts/pay orders for the Application Money payable at Kolkata or Mumbai in favor of the Bankers to the Issue and marked "Greenply Industries Limited-Rights Issue NR" and must be crossed account payee only.

A separate cheque/demand draft/pay order must accompany each CAF. Non Resident Equity Shareholders or applicants may note that where payment is made by demand drafts purchased from NRE/FCNR Accounts as the case may be, an account debit certificate from the bank issuing the demand draft confirming that the demand draft has been issued by debiting the NRE/FCNR Account should be enclosed with the CAF. In the absence of the above, the CAF shall be considered incomplete and is liable to be rejected.

In the case of NRIs who remit their Application Money from funds held in NRE/FCNR Accounts, refunds and other disbursements, if any, shall be credited to such accounts, details of which should be furnished in the appropriate columns in the CAF. In the case of NRIs who remit their Application Money through Indian Rupee demand drafts from abroad, refunds and other disbursements, if any, will be made in any convertible foreign currency at the rate of exchange prevailing at such time subject to the permission of the RBI and will be made net of bank charges or commission in US Dollars, at the rate of exchange prevailing at such time. The Company will not be liable for any loss on account of exchange rate fluctuation for converting the Indian Rupee amount into any convertible foreign currency or for any collection charges charged by the applicant's bankers.

Payments through Non Resident Ordinary (NRO) Accounts will not be permitted.

Neither our Company nor the Registrar to the Issue will be responsible for postal delays or loss, if any, of the application in transit.

Application without repatriation benefits

In the case of Non Resident Equity Shareholders or applicants applying on a non-repatriation basis, in addition to the modes specified above, payment may also be made by way of cheques drawn on NRO Accounts maintained in Kolkata or Mumbai or Indian Rupee demand drafts purchased out of an NRO Account maintained elsewhere in India but payable at Kolkata or Mumbai. In such cases, the allotment of Equity Shares with Detachable Warrants will be on a non-repatriation basis.

For Non Resident Equity Shareholders or applicants applying through a CAF, the CAF is to be sent to the bank collection center specified in the CAF along with cheques/demand drafts/pay orders for the Application Money drawn in favor of the Bankers to the Issue and marked "Greenply Industries Limited-Rights Issue" and must be crossed account payee only.

Non Resident Equity Shareholders or applicants may note that where payment is made by demand drafts purchased from NRE/FCNR/NRO Accounts, as the case may be, an account debit certificate from the bank issuing the demand draft confirming that the demand draft has been issued by debiting such NRE/FCNR/NRO Account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.

New demat accounts shall be opened for holders who have had a change in status from resident Indian to NRI.

Note:

- In case repatriation benefits are available, interest, dividend and sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable, according to the IT Act.

- In case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.

- The CAF duly completed together with the Application Money must be deposited with the Bankers to the Issue or any branches thereof indicated on the reverse of the CAF before the close of banking hours on or prior to the Issue Closing Date. A separate cheque/demand draft/pay order must accompany each CAF.

- In case of a CAF received from a Non Resident, allotment, refunds and other distributions, if any, will be made in accordance with the guidelines/rules prescribed by the RBI, as applicable at the time of making such allotment or remittance and subject to necessary approvals.

Last Date of Application

The last date for submission of the duly completed CAF is October 7, 2009, i.e., the Issue Closing Date. The Board of Directors will have the right to extend the Issue Closing Date for such period as it

may determine from time to time but not exceeding 30 days from the Issue Opening Date.

If the CAF together with the Application Money is not received by the Bankers to the Issue or the Registrar to the Issue, as the case may be, on or prior to the close of banking hours on the Issue Closing Date or such extended date as may be fixed by the Board, the offer contained in the Letter of Offer shall be deemed to have been declined and the Board of Directors shall be at liberty to dispose of the Equity Shares with Detachable Warrants offered thereby, as provided under "Basis of Allotment" under this section "Terms of the Issue" on page 360 of this Letter of Offer.

VI. Basis of Allotment

Subject to the provisions contained in the Letter of Offer, the Articles of Association and the approval of the Designated Stock Exchange, the Board of Directors will proceed to allot the Equity Shares with Detachable Warrants in the following order of priority:

(a) Full allotment to those Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the renouncees who have applied for the Equity Shares with Detachable Warrants renounced in their favor, in full or in part.

(b) If the shareholding of any Equity Shareholders is less than 4 or not in multiples of 10, then the fractional entitlements of such Equity Shareholders will be ignored, and such Equity Shareholders will be given preference in allotment of one additional Equity Share each if they have applied for additional Equity Shares with Detachable Warrants. Allotment under this head shall be considered if there are any unsubscribed Equity Shares with Detachable Warrants after allotment under (a) above or if any Equity Shares with Detachable Warrants are available after consolidation of fractional entitlements. If the number of Equity Shares with Detachable Warrants required for allotment under this head are more than the number of Equity Shares with Detachable Warrants available after allotment under (a) above, the allotment will be made on a fair and equitable basis, in consultation with the Designated Stock Exchange. For details in relation to fractional entitlements, see "Principal Terms and Conditions of the Issue of Equity Shares—Fractional Entitlements" above under this section titled "Terms of the Issue" on page 344 of this Letter of Offer.

(c) In case of Equity Shareholders who have applied for all the Equity Shares with Detachable Warrants offered to them as part of the Issue and have also applied for additional Equity Shares with Detachable Warrants, the allotment of such additional Equity Shares with Detachable Warrants will be made as far as possible on a proportionate basis having due regard to the number of Equity Shares held by them on the Record Date, provided there is an unsubscribed portion after making full allotment under (a) and (b) above. The allotment of such Equity Shares with Detachable Warrants will be at the sole discretion of the Board of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and not as a preferential allotment.

(d) In case of renouncees who have applied for the Equity Shares with Detachable Warrants renounced in their favor and have also applied for additional Equity Shares with Detachable Warrants, provided there is an unsubscribed portion after making full allotment under (a), (b) and (c) above, the allotment of such additional Equity Shares with Detachable Warrants will be made as far as possible on a proportionate basis at the sole discretion of the Board of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and not as a preferential allotment.

(e) Allotment to any other person as the Board of Directors may, in its absolute discretion, deem fit provided there is surplus available after making full allotment under (a), (b), (c) and (d) above.

After taking into account allotment to be made under (a) and (b) above, if there is any unsubscribed portion, the same shall be deemed to be "undersubscribed" for the purposes of the proviso to Regulation 3(1)(b)(ii) of the Takeover Code which will be available for allocation under (c), (d) and (e) above.

The Promoters and the members of the Promoter Group holding Equity Shares in our Company have undertaken to fully subscribe for their Rights Entitlement. They reserve the right to subscribe for their Rights Entitlement either by themselves and/or through one or more entities controlled by them, including by subscribing for Equity Shares with Detachable Warrants pursuant to any renunciation made by any member of the Promoter Group to another member of the Promoter Group. They have also undertaken to apply for Equity Shares with Detachable Warrants in addition to their Rights Entitlement to the extent of any undersubscribed portion of the Issue, subject to obtaining any approvals required under applicable law, to ensure that at least 90% of the Issue is subscribed. Such subscription for Equity Shares with Detachable Warrants over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding above their current percentage shareholding. Further, such acquisition by them of additional Equity Shares with Detachable Warrants shall (i) not result in a change of control of the management of our Company; and (ii) be exempt from the applicability of Regulations 11 and 12 of the Takeover Code in terms of the proviso to Regulation 3(1)(b)(ii) of the Takeover Code. This disclosure is made in terms of the requirement of Regulation 3(1) (b) (ii) of the Takeover Code.

The Company expects to complete the allotment of Equity Shares within a period of 15 days from the Issue Closing Date in accordance with the Listing Agreements with the BSE and the NSE. In the event of oversubscription, allotment will be made within the overall size of the Issue. The Company shall retain no oversubscription.

Underwriting

The Company has not currently entered into any standby underwriting arrangement.

VII. Allotment and Refund

The Company will issue and dispatch allotment advice/letters of allotment/Share Certificates/demat credit and/or letters of regret along with refund orders or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date. If the amount to be refunded is not paid within eight days from the day our Company becomes liable to pay it, our Company and every Director of our Company who is an officer in default shall be jointly and severally liable to repay the money with interest for the delayed period, at the rates stipulated under sub-sections (2) and (2A) of Section 73 of the Companies Act.

In case of those Equity Shareholders or applicants who have opted to receive the Equity Shares in dematerialized form using electronic credit under the depository system, advice regarding their credit of the Equity Shares shall be given separately.

In case of those Equity Shareholders or applicants who have opted to receive the Equity Shares in physical form and in respect of which our Company issues letters of allotment, the corresponding Share Certificates will be delivered within three months from the date of allotment thereof or such extended time as may be approved by the Central Government under Section 113 of the Companies Act or other applicable provisions, if any. Allottees are requested to preserve such letters of allotment, which will subsequently be exchanged for the Share Certificates.

The allotment advice/letters of allotment and refund orders exceeding Rs.1, 500 will be sent by registered post to the sole/first applicant's registered address in India. Refund orders up to the value of Rs.1, 500 will be sent under certificate of posting. Such refund orders will be payable at par at all places where the applications were originally accepted. The same will be marked "account payee only" and will be drawn in favor of the sole/first applicant. Adequate funds will be made available to the Registrar to the Issue for this purpose.

The Company shall ensure at par facility is provided for encashment of refund orders or pay orders at the places where applications are accepted.

In the case of Non Resident Equity Shareholders or applicants who remit their Application Money from funds held in NRE/FCNR Accounts, refunds and/or payment of interest or dividend and other

disbursements, if any, shall be credited to such accounts, the details of which should be furnished in the CAF. Subject to the approval of the RBI, in case of Non Resident Equity Shareholders or applicants who remit their Application Money through Indian Rupee demand drafts purchased from abroad, refund and/or payment of dividend or interest and any other disbursement, shall be credited to such accounts and will be made net of bank charges or commission in US Dollars, at the rate of exchange prevailing at such time. The Company will not be responsible for any loss on account of exchange rate fluctuations for conversion of the Indian Rupee amount into US Dollars. The Share Certificate(s) will be sent by registered post to the address in India of the Non Resident Equity Shareholders or applicants.

Printing of Bank Particulars on Refund Orders

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the applicant's bank account are mandatorily required to be given for printing on refund orders. Bank account particulars will be printed on the refund orders/refund warrants, which can then be deposited only in the account specified. The Company will in no way be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

Mode of making Refunds

The payment of refund, if any, will be through various modes in the following order of preference:

(a) ECS

Payment of refund shall be undertaken through ECS for applicants having an account at any of the following 68 centers notified by SEBI: Ahmedabad, Bengaluru, Bhubaneshwar, Kolkata, Chandigarh, Chennai, Gauhati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by the RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, Jodhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Puducherry, Hubli, Shimla (Non-MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (Non-MICR) (managed by United Bank of India); Vijaywada (managed by State Bank of Hyderabad); and Bhilwara (managed by State Bank of Bikaner and Jaipur). This mode of payment of refunds will be subject to availability of complete bank account details including the Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf, from the Depositories. The payment of refunds through ECS is mandatory for applicants that have bank accounts at any of the 68 centers notified by SEBI, except where the applicant, being eligible, elects to receive refund through NEFT, direct credit or RTGS.

(b) NEFT

Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR code, if any, available to that particular bank branch. The IFSC will be obtained from the website of the RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR codes. **Wherever the applicants have registered their nine-digit MICR code and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC of that particular bank branch and the payment of refund will be made to the applicants through this method.**

(c) Direct Credit

Applicants that have bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Bankers to the Issue for the same will be borne by our Company.

(d) RTGS

Applicants that have bank accounts at any of the 68 centers notified by SEBI and whose refund amount exceeds Rs.1 lac, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC, the type of account, the account number and the branch where the account is maintained, in the CAF. In the event the IFSC is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank for the same will be borne by our Company. Charges, if any, levied by the applicant's bank receiving the credit will be borne by the applicant.

(e) Please note that only applicants that have bank accounts at any of the 68 centers notified by SEBI where clearing houses for ECS are managed by the RBI are eligible to receive refunds through the modes detailed in (a), (b), (c) and (d) hereinabove. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders of value up to Rs.1,500 will be dispatched "Under Certificate of Posting" and through registered post for refund orders of Rs.1,500 and above. Such refunds will be made by cheques, demand drafts or pay orders and will be payable at par.

For applicants opting for allotment in physical mode, bank account details as mentioned in the CAF shall be considered for electronic credit or printing of refund orders, as the case may be. Refund orders will be made by cheques, demand drafts or pay orders drawn on the Refund Bank and will be payable at par at places where the applications were received and will be marked account payee only and will be drawn in the name of the sole/first applicant. The bank charges, if any, for encashing such cheques, demand drafts or pay orders at other centers will be payable by the applicants.

Option to receive Equity Shares in Dematerialized Form

The Equity Shares in the Issue shall be allotted to the Equity Shareholders or applicants in dematerialized (electronic) form at the option of the relevant Equity Shareholder or applicant. The Company has entered into a tripartite agreement with the NSDL on November 13, 2000 and with the CDSL on October 31, 2000, which enables the investors to hold and trade in securities in dematerialized form, instead of holding the securities in the form of physical certificates.

In the Issue, the Equity Shareholders or applicants who have opted for Equity Shares in dematerialized form will receive their Equity Shares in the form of an electronic credit to their beneficiary account with a Depository Participant. Investors will have to give the relevant particulars for this purpose in the appropriate place in the CAF. CAFs that do not accurately contain this information will be issued the Equity Shares in physical form. No separate applications for Equity Shares in physical and dematerialized form should be made. If such applications are made, the application for Equity Shares in physical form will be treated as multiple applications and is liable to be rejected. In case of partial allotment, allotment will be made in dematerialized form for the shares sought in dematerialized form and the balance, if any, may be allotted in physical form.

The Equity Shares in the Issue will be listed on the BSE and the NSE and can be traded on the Stock Exchanges in dematerialized form only.

The procedure for availing of the facility for allotment of Equity Shares in the Issue in dematerialized form is as set out below:

(a) Open a beneficiary account with any Depository Participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is exhibited in

the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as recorded with our Company). In case of investors having various folios in our Company with different joint holders, the investors will have to open separate accounts for such holdings. *Those Equity Shareholders who have already opened such beneficiary accounts need not adhere to this step.*

(b) For Equity Shareholders already holding Equity Shares of our Company in dematerialized form as on the Record Date, the beneficial account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive the Equity Shares by way of credit to such account, the necessary details of their beneficiary account should be completed in the space provided in the CAF. It may be noted that the allotment of the Equity Shares arising out of the Issue may be made in dematerialized form even if the original Equity Shares of our Company are not dematerialized. Nonetheless, it should be ensured that the depository account is in the name of the Equity Shareholder, or the joint holders, as the case may be, with the names appearing in the same order as in the records of our Company.

(c) Responsibility for correctness of information (including the applicant's age and other details) completed in the CAF vis-à-vis such information with the applicant's Depository Participant, will rest with the applicant. Applicants should ensure that the names of the applicants and the order in which they appear in the CAF should be the same as registered with the applicant's Depository Participant.

(d) Applicants must necessarily complete the details (including the beneficiary account number or client ID number) appearing in the CAF under the heading "Request for Shares in Electronic Form".

(e) The Equity Shares allotted to an applicant in dematerialized form will be credited directly to the applicant's beneficiary account with the Depository Participant as provided in the CAF, and the Depository Participant will provide the applicant confirmation of such credit.

(f) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar to the Issue.

(g) If incomplete/incorrect details are provided under the heading "Request for Shares in Electronic Form" in the CAF, the applicant will be issued the Equity Shares in physical form.

(h) Renouncees can also exercise the option to receive Equity Shares in dematerialized form by indicating in the relevant block and providing the necessary details about their beneficiary account.

(i) It may be noted that Equity Shares in dematerialized form can be traded only on the Stock Exchanges that have electronic connectivity with the NSDL or the CDSL.

(j) Dividend or other benefits with respect to the Equity Shares held in dematerialized form will be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the Record Date.

VIII. General Instructions for Applicants

(a) Please read the instructions printed on the CAF carefully.

(b) Except as provided under "Application on Plain Paper" under this section titled "Terms of the Issue" on page 356 of this Letter of Offer, the application should be made on the printed CAF provided by our Company and should be completed in all respects. A CAF found incomplete with regard to any of the particulars required to be given therein, and/or which is not completed in conformity with the terms of the Letter of Offer, is liable to be rejected and the Application Money paid, if any, in respect thereof will be refunded without interest and after deduction of any bank commission and other charges. The CAF must be completed in English

and the names of all the applicants, details of occupation, address, father's/husband's name must be completed in block letters.

(c) The CAF together with a cheque/demand draft/pay order should be sent to the Bankers to the Issue/bank collection centers or to the Registrar to the Issue, as the case may be, and **not to our Company or the Lead Manager**. Applicants residing at places other than cities where the branches of the Bankers to the Issue have been authorised by our Company for collecting applications, will have to make payment by account payee cheques drawn on a local bank or a demand draft/pay order payable at Mumbai in favor of the Bankers to the Issue, crossed account payee only and marked "Greenply Industries Limited - Rights Issue" and send their application forms directly to the Registrar to the Issue, by **registered post** to reach them on or prior to the Issue Closing Date. If any portion of the CAF is detached or separated, such application is liable to be rejected.

(d) The applicant or in the case of an application in joint names, each of the applicants, should mention his/her PAN allotted under the IT Act. **CAFs without the PAN will be considered incomplete and are liable to be rejected.** In terms of a SEBI circular dated June 30, 2008, Central and State Government officials and officials appointed by the court (e.g., official liquidators and court receivers) may be exempt from specifying their PAN for transacting in the securities market, subject to submitting sufficient documentary evidence in support of their claim for exemption, provided that such transactions are undertaken on behalf of the Central and State Government and not in their personal capacity.

(e) **APPLICANTS MAY PLEASE NOTE THAT FOR EQUITY SHARES HELD IN DEMATERIALIZED MODE, THE BANK ACCOUNT DETAILS WILL BE OBTAINED FROM THE DEPOSITORY PARTICIPANT. ACCORDINGLY, APPLICANTS SHOULD ENSURE THAT THEIR BANK ACCOUNT DETAILS ARE UPDATED WITH THE DEPOSITORIES.**

(f) Applicants are advised to provide information as to their savings/current account number, nine-digit MICR code and the name of the bank and the branch with whom such account is held, in the CAF to enable the Registrar to the Issue to print the said details in the refund orders, if any, after the names of the payees.

(g) The payment against the application should not be effected in cash if the amount to be paid is in excess of Rs.20, 000. In case payment is effected in contravention of this, the application may be deemed invalid and the Application Money will be refunded, without payment of any interest thereon. Payment against the application if made in cash, subject to the conditions mentioned above, should be made only to the Bankers to the Issue.

(h) Signatures should be either in English, Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi, and thumb impressions must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with our Company.

(i) In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under the Issue and to sign the application and a copy of the memorandum and articles of association and/or bye laws of such body corporate or society must be lodged with the Registrar to the Issue, giving reference of the serial number of the CAF. In case these papers are sent to any other entity besides the Registrar to the Issue, or are sent after the Issue Closing Date, then the application is liable to be rejected.

(j) In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company. Further, in case of joint applicants who are renouncees, the number of applicants should not exceed three. In case of joint applicants, reference, if any, will be made in the first applicant's name and all communication will be addressed to the first applicant.

(k) Applications received from Non Residents, including from persons of Indian origin residing outside India, for the allotment of Equity Shares and the Detachable Warrants shall, *inter alia*, be subject to such conditions, as may be imposed from time to time by the RBI or any regulatory authority under FEMA and any other applicable law, rule or regulation in the matter of refund of Application Money, allotment of Equity Shares and the Detachable Warrants, subsequent issue and allotment of Equity Shares, export of the Consolidated Certificates, etc. In case a Non Resident Equity Shareholder has specific approval from the RBI in connection with his shareholding, he should enclose a copy of such approval with the CAF.

(l) All communication in connection with application for the Equity Shares with Detachable Warrants, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue, prior to the date of allotment in the Issue quoting the name of the first/sole applicant, folio numbers and serial number of the CAF. Please note that any intimation for change of address of Equity Shareholders, after the date of allotment, should be sent to the Registrar to the Issue in the case of Equity Shares held in physical form and to the respective Depository Participant, in case of Equity Shares held in dematerialized form.

(m) Split application forms cannot be re-split.

(n) Only the person or persons to whom Equity Shares with Detachable Warrants have been offered, and not renouncees, shall be entitled to obtain split application forms.

(o) Applicants must write the serial number of their CAF on the reverse of the cheque/demand draft/pay order.

(p) Only one mode of payment per application should be used. The payment must be either in cash (subject to the limits specified above) or by cheque/demand draft/pay order drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub-member of the bankers clearing house located at the center indicated on the reverse of the CAF where the application is to be submitted.

(q) A separate cheque/demand draft/pay order must accompany each CAF. Outstation cheques/demand drafts/pay order or post-dated cheques and postal/money orders will not be accepted and applications accompanied by such cheques/demand drafts/money orders or postal orders will be rejected. For details of the restriction on payment in cash, please refer to paragraph (g) above.

(r) No receipt will be issued for the Application Money received. The Bankers to the Issue/Collecting Bank/Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.

Grounds for Technical Rejections

Applicants are advised to note that applications are liable to be rejected on technical grounds, including the following:

- The Application Money paid does not tally with the amount payable in respect of the Equity Shares with Detachable Warrants;
- In case of Equity Shares held in physical form, bank account details (for refund) are not given;
- The age of the first applicant is not given;
- The PAN is not given;
- In case of applications under powers of attorney or by limited companies, bodies corporate, trusts, etc., relevant documents are not submitted;

- If the signature of the existing Equity Shareholder does not match with the one given on the CAF, and for renouncees, if the signature does not match with the records available with their Depositories;

- If the applicant wishes to receive Equity Shares in dematerialized form, but the CAF does not have the applicant's depository account details;

- CAFs are not submitted by the applicants within the time prescribed as per the CAF and the Letter of Offer;

- Applications are not duly signed by the sole/joint applicants;

- Applications by OCBs unless accompanied by specific approval from the RBI permitting the OCBs to invest in the Issue;

- Applications accompanied by Stockinvest;

- In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity;

- Applications that do not include the certification set out in the CAF to the effect that the subscriber is not a U.S. Person and is purchasing the Equity Shares with Detachable Warrants in an "offshore transaction" (as defined in Regulation S), and is authorised to acquire the Equity Shares with Detachable Warrants in compliance with all applicable laws and regulations;

- Applications by ineligible Non Residents (including on account of restrictions or prohibition under applicable local laws) and where a registered address in India has not been provided;

- Applications where our Company believes that the CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements; or

- Multiple applications, including where an applicant submits a CAF and a plain paper application.

Procedure for application through the Applications Supported by Blocked Amount ("ASBA") Process

SEBI, by its circular dated August 20, 2009, introduced in rights issue -application supported by blocked amount wherein the application money remains in the ASBA Account until allotment. Mode of payment through ASBA in Rights Issue became effective on August 20, 2009. Since this is a new mode of payment in Rights Issues, set forth below is the procedure for applying under the ASBA procedure, for the benefit of the shareholders.

This section is only to facilitate better understanding of aspects of the procedure which is specific to ASBA Investors. ASBA Investors should nonetheless read this document in entirety.

The Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Equity Shareholders who are eligible to apply under the ASBA Process are advised to make their independent investigations and ensure that the number of Equity Shares applied for by such Equity Shareholders do not exceed the applicable limits under laws or regulations.

ASBA Process

An ASBA Investor can submit his application through CAF/plain paper, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Investor or bank account utilised by the

ASBA Investor is maintained. The SCSB shall block an amount equal to the application amount in the ASBA Account specified in the CAF, physical or electronic, on the basis of an authorisation to this effect given by the account holder at the time of submitting the CAF. The application data shall thereafter be uploaded by the SCSB in the web enabled interface of the Stock Exchanges as prescribed under circular issued by SEBI -SEBI/CFD/DIL/DIP/38/2009/08/20 dated August 20, 2009 or in such manner as may be decided in consultation with the Stock Exchanges. The amount payable on application shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the amount against the allocated Equity Shares to the separate account opened by the Company for Rights Issue or until failure of the Issue or until rejection of the ASBA application, as the case may be. Once the basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful ASBA Investors to the separate account opened by the Company for Rights Issue. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue

The Lead Manager, our Company, its directors, affiliates, associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to applications accepted by SCSBs, Applications uploaded by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.

Equity Shareholders who are eligible to apply under the ASBA Process

The option of applying for Equity Shares in this Issue through the ASBA Process is only available to the following Equity Shareholders of the Company on the Record Date. Equity Shareholders who:

- holds the shares of the Company in dematerialized form as on the record date and has applied for entitlements and / or additional shares in dematerialized form;
- has not renounced his/her entitlements in full or in part;
- is not a renouncee;
- is applying through a bank account maintained with SCSBs.

CAF

The Registrar will despatch the CAF to all Equity Shareholders as per their entitlement on the Record Date for the Issue. Those Equity Shareholders who wish to apply through the ASBA payment mechanism, will have to select for this mechanism in Part A of the CAF and provide necessary details or in plain paper application and indicate that they wish to apply through ASBA payment mechanism. Application in electronic mode will only be available with such SCSB who provides such facility. The Equity Shareholder shall submit the CAF/plain paper application to the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB.

Equity Shareholders applying under the ASBA Process are also advised to ensure that the CAF is correctly filled up, stating therein the bank account number maintained with the SCSB in which an amount equivalent to the amount payable on application as stated in the CAF will be blocked by the SCSB.

Application on Plain Paper

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain a duplicate CAF and wanting to apply under ASBA process may make an application to subscribe for the Issue on plain paper,

The application on plain paper, duly signed by the applicants including joint holders, in the same order as per specimen recorded with the Company, must be submitted at a designated branch of a SCSB on

or before the Issue Closing Date and should contain the following particulars;

- Name of the issuer, being Greenply Industries Limited;
- Name and address of the Equity Shareholder, including any joint holders;
- Registered folio number/DP ID number and client ID number;
- Number of Equity Shares held as on the Record Date;
- Rights Entitlement;
- Number of Equity Shares with Detachable Warrants applied for;
- Number of additional Equity Shares with Detachable Warrants applied for, if any;
- Total number of Equity Shares with Detachable Warrants applied for;
- Savings/Current Account Number alongwith name and address of the SCSB and Branch from which the money will be blocked ;
- The permanent account number (PAN) of the Equity Shareholder and where relevant, for each joint holder, except in respect of Central and State Government officials and officials appointed by the court (e.g., official liquidators and court receivers) who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, subject to submitting sufficient documentary evidence in support of their claim for exemption, provided that such transactions are undertaken on behalf of the Central and State Government and not in their personal capacity;
- A representation that the Equity Shareholder is not a "U.S. Person" (as defined in Regulation S under the Securities Act);
- Signature of the Equity Shareholders to appear in the same sequence and order as they appear in the records of our Company;;
- Incase of Non Resident Shareholders, NRE/FCNR/NRO A/c no., Name and address of the SCSB and Branch
- In the application, the ASBA Investor shall, *inter alia,* give the following confirmations/declarations:

    a. That he/she is an ASBA Investor as per the SEBI ICDR and

    b. That he/she has authorized the SCSBs to do all acts as are necessary to make an application in the Issue, upload his/her application data, block or unblock the funds in the ASBA Account and transfer the funds from the ASBA Account to the separate account maintained by the Company for Rights Issue after finalization of the basis of Allotment entitling the ASBA Investor to receive Equity Shares in the Issue etc

The Equity Shareholder shall submit the plain paper application to the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB

If an applicant makes an application in more than one mode i.e both in the Composite Application Form and on plain paper, then both the applications may be liable for rejection.

The list of banks who have been notified by SEBI to act as SCSB for the ASBA Process are provided

on http://www.sebi.gov.in/pmd/scsb.html. For details on designated branches of SCSB collecting the CAF, please refer the above mentioned SEBI link

Acceptance of the Issue

The Equity Shareholder may accept the Issue and apply for the Equity Shares offered, either in full or in part, by filling Part A of the CAF sent by the Registrar, selecting the ASBA process option in Part A of the CAF and submit the same to the SCSB before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors of the Company in this regard.

Mode of payment

The Equity Shareholder applying under the ASBA Process agrees to block the entire amount payable on application (including for additional Equity Shares, if any) with the submission of the CAF, by authorizing the SCSB to block an amount, equivalent to the amount payable on application, in a bank account maintained with the SCSB.

After verifying that sufficient funds are available in the bank account provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrars. Upon receipt of intimation from the Registrar, the SCSBs shall transfer such amount as per Registrar's instruction allocable to the Equity Shareholders applying under the ASBA Process from bank account with the SCSB mentioned by the Equity Shareholder in the CAF. This amount will be transferred in terms of the SEBI ICDR, into the separate bank account maintained by our Company as per the provisions of section 73(3) of the Companies Act. The balance amount remaining after the finalisation of the basis of allotment shall be either unblocked by the SCSBs or refunded to the investors by the Registrar on the basis of the instructions issued in this regard by the Registrar to the Issue and the Lead Manager to the respective SCSB. The Equity Shareholders applying under the ASBA Process would be required to block the entire amount payable on their application at the time of the submission of the CAF.

The SCSB may reject the application at the time of acceptance of CAF if the bank account with the SCSB, details of which have been provided by the Equity Shareholder in the CAF, does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, the Company would have a right to reject the application only on technical grounds.

Options available to the Equity Shareholders applying under the ASBA Process

The summary of options available to the Equity Shareholders is presented below. The Equity Shareholder may exercise any of the following options with regard to the Equity Shares offered, using the respective CAFs received from Registrar:

No.	Options available	Requirement
1.	Accept whole or part of your entitlement without renouncing the balance.	Fill in and sign Part A of the CAF (*All joint holders must sign*).
2.	Accept your entitlement in full and apply for additional Equity Shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares *(All joint holders must sign)*

The Equity Shareholder(s) applying under the ASBA Process will need to select the ASBA option process in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the SCSB with the relevant details required under the ASBA process option and SCSB blocks the requisite amount, then that CAF would be treated as if the Equity Shareholder has selected to apply through the ASBA process option.

Additional Equity Shares

The Equity Shareholder is eligible to apply for additional Equity Shares over and above the number of Equity Shares that he is entitled to, provided that he has applied for all the Equity Shares offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, in consultation with the Designated Stock Exchange and in the manner prescribed under "Basis of Allotment" on page 360 of this Letter of Offer.

The allotment of additional equity shares will be made on an equitable basis with reference to number of shares held by you on the Record date. If a Shareholder desires to apply for additional Equity Shares, he should indicate his requirement in the place provided for additional securities in Part A of the CAF.

Renunciation under the ASBA Process

Renouncees cannot participate in the ASBA Process.

Last date of Application

The last date for submission of the duly filled in CAF/plain paper application is October 7, 2009. The Issue will be kept open for a minimum of 15 days and the Board or any committee thereof will have the right to extend the said date for such period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date. If the CAF/plain paper application is not received by the SCSB on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board/Committee of Directors, the offer contained in this Letter of Offer shall be deemed to have been declined and the Board/Committee of Directors shall be at liberty to dispose off the Equity Shares hereby offered, as provided under "Basis of Allotment".

Option to receive securities in Dematerialized Form

EQUITY SHAREHOLDERS UNDER THE ASBA PROCESS MAY PLEASE NOTE THAT THE EQUITY SHARES OF THE COMPANY UNDER THE ASBA PROCESS CAN ONLY BE ALLOTTED IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE BEING HELD ON RECORD DATE.

Issuance of Intimation Letters

Upon approval of the basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send the Controlling Branches, a list of the ASBA Investors who have been allocated Equity Shares in the Issue, along with:

- The number of Equity Shares to be allotted against each successful ASBA;
- The amount to be transferred from the ASBA Account to the separate account opened by the Company for Rights Issue, for each successful ASBA;
- The date by which the funds referred to in para above, shall be transferred to separate account opened by the Company for Rights Issue; and
- The details of rejected ASBAs, if any, along with reasons for rejection to enable SCSBs to unblock the respective ASBA Accounts.

General instructions for Equity Shareholders applying under the ASBA Process

(a) Please read the instructions printed on the CAF carefully.

(b) Application should be made CAF only should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Letter of Offer is liable to be rejected. The CAF/plain paper application must be filled in English.

(c) The CAF/plain paper application in the ASBA Process should be submitted at a Designated Branch

of the SCSB and whose bank account details are provided in the CAF and not to the Bankers to the Issue/ Collecting Banks (assuming that such Collecting Bank is not a SCSB), to the Company or Registrar or Lead Manager to the Issue.

(d) All applicants, and in the case of application in joint names, each of the joint applicants, should mention his/her PAN number allotted under the Income-Tax Act, 1961, irrespective of the amount of the application. CAFs/plain paper applications without PAN will be considered incomplete and are liable to be rejected.

(e) All payments will be made by blocking the amount in the bank account maintained with the SCSB. Cash payment is not acceptable. In case payment is affected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.

(f) Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Equity Shareholders must sign the CAF/plain paper application as per the specimen signature recorded with the Company/or Depositories.

(g) In case of joint holders, all joint holders must sign the relevant part of the CAF/plain paper application in the same order and as per the specimen signature(s) recorded with the Company. In case of joint applicants, reference, if any, will be made in the first applicant's name and all communication will be addressed to the first applicant.

(h) All communication in connection with application for the securities, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of allotment in this Issue quoting the name of the first/sole applicant Equity Shareholder, folio numbers and CAF number.

(i) Only the person or persons to whom securities have been offered and not Renouncee(s) shall be eligible to participate under the ASBA process.

Do's:

a. Ensure that the ASBA Process option is selected in part A of the CAF and necessary details are filled in. In case of non-receipt of the CAF, the Application can be made on a Plain Paper with all the necessary details as required under para 'Application on Plain Paper' appearing under procedure for application under ASBA.

b. Ensure that you submit your application in physical mode only. Electronic mode is only available with certain SCSBs and not all SCSBs and you should ensure that your SCSB offers such facility to you.

c. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialized form only.

d. Ensure that the CAFs/plain paper applications are submitted at the SCSBs whose details of bank account have been provided in the CAF.

e. Ensure that you have mentioned the correct bank account number in the CAF plain paper application.

f. Ensure that there are sufficient funds (equal to {number of Equity Shares applied for} x {Issue Price of Equity Shares) available in the bank account maintained with the SCSB mentioned in the CAF/plain paper application before submitting the CAF/ plain paper application to the respective Designated Branch of the SCSB.

g. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF/ plain paper application, in the bank account maintained with the respective SCSB, of which details are provided in the CAF/ plain paper application and have signed the

same.

h. Ensure that you receive an acknowledgement from the SCSB for your submission of the CAF/ plain paper application in physical form.

i. Each applicant should mention their Permanent Account Number ("PAN") allotted under the Income Tax Act, 1961.

j. Ensure that the name(s) given in the CAF/plain paper application is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF/plain paper application is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF/plain paper application.

k. Ensure that the Demographic Details are updated, true and correct, in all respects.

Don'ts:

a. Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.

b. Do not pay the amount payable on application in cash, by money order or by postal order.

c. Do not send your physical CAFs/ plain paper applications to the Lead Manager to Issue / Registrar / Collecting Banks (assuming that such Collecting Bank is not a SCSB) / to a branch of the SCSB which is not a Designated Branch of the SCSB / Company; instead submit the same to a Designated Branch of the SCSB only.

d. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

e. Do not instruct your respective banks to release the funds blocked under the ASBA Process.

Grounds for Technical Rejection under the ASBA Process

In addition to the grounds listed under "Grounds for Technical Rejection" on page 366 of this Letter of Offer, applications under the ASBA Process are liable to be rejected on the following grounds:

a) Application for entitlements or additional shares in physical form

b) DP ID and Client ID mentioned in CAF/plain paper application not matching with the DP ID and Client ID records available with the Registrar.

c) Sending CAF/plain paper application to a Lead Manager / Registrar / Collecting Bank (assuming that such Collecting Bank is not a SCSB) / to a branch of a SCSB which is not a Designated Branch of the SCSB / Company.

d) Renouncee applying under the ASBA Process.

e) Insufficient funds are available with the SCSB for blocking the amount.

f) Funds in the bank account with the SCSB whose details are mentioned in the CAF/ plain paper application having been frozen pursuant to regulatory orders.

g). Account holder not signing the CAF/plain paper application or declaration mentioned therein.

h PAN not stated, GIR no. stated instead

i Signature of sole/joint shareholder missing in the CAF

j CAF not submitted within the prescribed time

k) Application on split form.

COMMUNICATIONS

All future communication in connection with ASBA applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First ASBA Investor, CAF number, details of Depository Participant, number of Equity Shares applied for, date of CAF, name and address of the Designated Branch where the application was submitted and bank account number of the ASBA Account, with a copy to the relevant SCSB. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or willful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held.

ASBA Investors can contact the Compliance Officer, the Designated Branch where the application was submitted, or the Registrar to the Issue in case of any pre or post-Issue related problems such as non-receipt of credit of Allotted Equity Shares in the respective beneficiary accounts, blocking of excess Amount, etc.

Disposal of Investor Grievances

All grievances relating to the ASBA may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked on application, bank account number of the ASBA Account number and the Designated Branch or the collection centre of the SCSB where the CAF was submitted by the ASBA Investors.

Depository account and bank details for Equity Shareholders applying under the ASBA Process.

IT IS MANDATORY FOR ALL THE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL THE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF/PLAIN PAPER APPLICATION. EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF/PLAIN PAPER APPLICATION IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF/PLAIN PAPER APPLICATION.

Equity Shareholders applying under the ASBA Process should note that on the basis of name of these Equity Shareholders, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF/plain paper application, the Registrar to the Issue will obtain from the Depository demographic details of these Equity Shareholders such as address, bank account details for printing on refund orders and occupation. Hence, Equity Shareholders applying under the ASBA Process should carefully fill in their Depository Account details in the CAF/Plain paper application.

These Demographic Details would be used for all correspondence with such Equity Shareholders including mailing of the letters intimating unblock of bank account of the respective Equity Shareholder. The Demographic Details given by Equity Shareholders in the CAF/plain paper application would not be used for any other purposes by the Registrar. Hence, Equity Shareholders are advised to update their Demographic Details as provided to their Depository Participants. By signing the CAFs/plain paper application, the Equity Shareholders applying under the ASBA Process would be

deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating allotment and unblocking or refund (if any) would be mailed at the address of the Equity Shareholder applying under the ASBA Process as per the Demographic Details received from the Depositories. Refunds, if any, will be made directly to the bank account in the SCSB and which details are provided in the CAF/plain paper application and not the bank account linked to the DP ID. Equity Shareholders applying under the ASBA Process may note that delivery of letters intimating unblocking of bank account may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Equity Shareholder in the CAF/plain paper application would be used only to ensure dispatch of letters intimating unblocking of bank account. Note that any such delay shall be at the sole risk of the Equity Shareholders applying under the ASBA Process and none of the Company, the SCSBs, the Lead Manager or the Registrar to the Issue shall be liable to compensate the Equity Shareholder applying under the ASBA Process for any losses caused to such Equity Shareholder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Equity Shareholders (including the order of names of joint holders), the DP ID and the beneficiary account number, then such applications are liable to be rejected.

Disposal of CAFs and Application Money

The Board of Directors reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in each case without assigning any reason therefor.

In case an application is rejected in full, the whole of the Application Money received will be refunded. Wherever an application is rejected in part, the balance of the Application Money, if any, after adjusting any money due on the Equity Shares with Detachable Warrants allotted, will be refunded to the applicant within 15 days from the Issue Closing Date.

For further instructions, please read the CAF carefully.

Important

- Please read the Letter of Offer and the CAF carefully before taking any action. The instructions contained in the CAF accompanying the Letter of Offer are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.

- All enquiries in connection with the Letter of Offer or the CAF and requests for split application forms must be addressed (quoting the registered folio number/DP ID, the client ID number, the serial number of the CAF and the name of the first Equity Shareholder as mentioned on the CAF and superscribed "Greenply Industries Limited-Rights Issue" in case of resident Equity Shareholders and Non Resident Equity Shareholders applying on a non-repatriation basis or "Greenply Industries Limited – Rights Issue NR" in case of Non Resident Equity Shareholders applying on a repatriation basis on the envelope) to the Registrar to the Issue, at the following address:

  Link Intime India Private Limited
  Unit : Greenply Industries Ltd- Rights Issue
  C-13 Pannalal Silk Mills Compound
  L.B.S. Marg, Bhandup (West)
  Mumbai 400 078, India
  Contact Person: Mr. Praveen Kasare
  Email_: greenply-rights@linkintime.co.in

The Issue will be kept open for a minimum period of 15 days, but will not be kept open in excess of 30

days from the Issue Opening Date.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association. Pursuant to Schedule II of the Companies Act, 1956 and SEBI ICDR, the main provisions of the Articles of Association of our Company are set forth below:

TABLE "A" EXCLUDED

Article 1 provides that, "Save as provided herein the regulations contained in Table 'A' in the Schedule I to the Companies Act, 1956 shall not apply to the Company."

CAPITAL

Article 3 provides that, "The Authorised Share Capital of the Company shall be the capital as specified in Clause V of the Memorandum of Association, with power to increase and reduce the Share Capital of the Company and to divide the shares in the Capital for the time being into several classes as permissible in law and to attach thereto respectively such preferential, differed, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for time being be provided in the Articles of Association."

REDEEMABLE PREFERENCE SHARES

Article 4 provides that, "Subject to the provisions of Section 80 of the Act, the company shall have power to issue Redeemable Preference Shares which are, or at the option of the Company are liable to the redeemed not later than 10 years from the date of issue. The Directors may, subject to the provisions of the Act and of these presents, exercise such power in any manner deemed proper by them."

ALLOTMENT OF SHARES

Article 5 provides that, "Subject to provisions of these articles, shares in the capital of the company for the time being shall be under the control of the Board of Directors who may allot or otherwise, dispose of the same or any of them to such persons on such terms and conditions and at such times and either at a premium or at par or, subject to the provisions of Section 79 of the Act, at a discount as the Board may think fit and with power to issue any shares as fully paid up in consideration of services rendered to the company in its formation or otherwise provided that, were the Directors decide to increase the issued capital of the company by the issue of further shares, the provisions of section 81 of the Act will be compiled with. Provided that option or right to call of shares shall not be given to any person without the sanction of the Board."

TRUST NOT RECOGNIZED

Article 8 provides that, "Subject to the provisions of Section 76 of the Act, may at any time pay a commission to any person for subscribing or agreeing to subscribe (Whether absolutely or conditionally) for any shares, debentures in the Company, or procuring or agreeing to procure subscriptions (Whether absolute or conditional) for any shares, debentures in the Company, but so that, if the commission in respect of shares shall be paid or payable out of Capital, the statutory conditions and requirements shall be observed and compiled with and the amount or rate of commission shall not exceed five percent of the price of the shares at which the shares are issued and two and a half percent of the price at which the debentures or debenture stock are issued. The commission may be paid or satisfied in cash or in shares, debentures, or debenture-stock of company or partly by one way and partly by the other."

RESTRICTION ON PURCHASE BY COMPANY OR LOANS BY COMPANY FOR PURCHASE OF ITS OWN SHARES

Article 12 provides that, "Except as provided in these Articles, none of the funds of the Company shall be employed in the purchase of or on the security of the shares of the Company and the Company shall not except as permitted by section 77 of the Act, give directly or indirectly any financial assistance for the purpose of or in accordance with any purchase or subscription of shares in this company or its holding company, if any."

TRUST NOT RECOGNISED

Article 13 provides that, "Save as herein otherwise provided, the company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or as by stature required, be bound to recognize any trust, benami, equitable or other claim to or interest in such share on the part of any other person or any interest in any fractional part of a share whether or not it shall have express or other notice thereof. No notice of any trust, express, implied or constructive shall be entered on the register of member or of debenture holders or be receivable by the Registrar."

SHARES AT THE DISPOSAL OF THE DIRECTORS

Article 14 provides that, "Subject to the provisions of the section 81 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 or (subject to the compliance with the provision of Section 79 of the Act) at a discount 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 at 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 it's 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. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting."

ACCEPTANCE OF SHARES

Article 17 provides that, "Any application signed by 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 purpose of these Articles, be a member."

DEPOSITS AND CALLS, ETC. TO BE A DEBT PAYABLE IMMEDIATELY

Article 18 provides that, "The Company (if any) which the Board of Directors, 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 immediately, on the inscription of the name of the allottee in the Register of Members as the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be payable by such allottee accordingly."

LIABILITY OF MEMBERS

Article 19 provides that, "Every member, or his heirs, executors or administrators shall pay to the company the proportion of the Capital represented by his share for 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 of Directors shall from time to time in accordance with the Company's regulations require or fix for the payment thereof."

DEMATERIALISATION OF SECURITIES

Article 19 A (i) provides that, "Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its Share, Debenture and other Securities pursuant to the Depositories Act, 1996 and to offer its Shares, Debentures and other securities for subscription in a dematerialised form. The Company shall further be entitled to maintain a Register of Members with the details of Members holding shares both in material and dematerialised form in any media as permitted by law including any form of electronic media."

OPTIONS FOR INVESTORS

Article 19 A (ii) provides that, "Every person subscribing to/or acquiring securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the formation, the depository shall enter in its record the name of the allottee as the beneficial owner of the security."

COMPANY NOT BOUND TO RECOGNISE ANY INTEREST OTHER THAN THAT OF REGISTERED HOLDER

Article 24 provides that,
"a) Except as ordered by Count of competent jurisdiction or as by law required the company shall not be bound to recognize 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 the Articles, in the person from time to time registered as the holder thereof.
b) Shares/Debentures shall be issued in marketable lot and where share/ Debenture Certificates are issued for either more or less than marketable lots, subdivision or consolidation into marketable lots shall be done free of charges."

JOINT HOLDERS

Article 25 provides that, "Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint tenants with benefit or survivorship subject to the provisions following and to the other provisions of Articles, relating to joint holders."

NOMINATION

Article 25A provides that,
"1) Every holder/joint holder of shares in or debentures of the Company may at any time, nominate, in accordance with the provisions of and in the manner provided by Section 109A of the Act, and any amendments thereof from time to time, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of holder/joint holder.

2) Subject to the provisions of Section 109A of the Act and Article 25A(1), any person who becomes a nominee by virtue of the provisions of the Act, upon the production of such evidence as may be required by the Board or any committee thereof, elect either to be registered himself as holder of the shares or debentures as the case may be, or make such transfer of the share or debentures as the case may be, as the deceased shareholder or debenture holder as the case may be, could have made, in accordance with the provisions of and in the manner prescribed by Section 109B of the Companies Act, 1956 and any amendments thereto from time to time.

Provided 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 within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share or debenture, until the requirement of the notice have been complied with.

3) A person, being a nominee, becoming entitled to a share or debenture by reason of the death of the holder shall be entitled to same dividends and other advantages to which he or she would be entitled if he or she was the registered holder of the share or debenture except that he or she shall not, before being registered as a member in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company."

EVIDENCE OF ACTIONS BY COMPANY AGAINST SHAREHOLDERS

Article 31 provides that, "On the trial or hearing of any action or suit brought by the Company against any shareholder or his representatives to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the register of members of the company as a holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book, and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who made nor that the meeting at which any call was made was duly convened or constituted, no other matter what so ever, but the proof of the matters as aforesaid shall be conclusive evidence of the debt."

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

Article 32 provides that, "The Directors may, if they think fit subject to provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would for such payment, become presently payable. The provisions of these Articles shall mutandis apply to the calls on debentures of the Company."

IF CALL OR INSTALLMENT NOT PAID, NOTICE MAY BE GIVEN

Article 33 provides that, "If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the Directors may at any time there after during such time as the call or installment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may accrued and all expenses that may have incurred by the Company by reasons of such non-payment."

FORM OF NOTICE

Article 34 provides that, "The notice shall name a day (not being less than fourteen days from the date of the notice) and a place on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited."

IF NOTICE NOT COMPLIED WITH, SHARES MAY BE FORFEITED

Article 35 provides that, "If the requirements of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given, may, at any time thereafter before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. Neither 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 a forfeiture of such shares as herein provided."

FORFEITED SHARE TO BECOME PROPERTY OF THE COMPANY

Article 37 provides that, "Any share so forfeited shall be deemed to be the property of the Company and the Directors may sell, re-allot or otherwise dispose of the same in such manner as they think fit."

POWER TO ANNUL FORFEITURE

Article 38 provides that, "The Directors may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise dispose of, annul the forfeiture thereof upon such conditions as they think fit."

EFFECT OF FORFEITURE

Article 40 provides that, "The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against at the company in respect of the share, and all other rights, incidental, to the share except only such of those rights as by these Article are expressly saved."

COMPANY'S LIEN ON SHARES AND DEBENTURES

Article 42 provides that, "The Company shall have a first and paramount lien upon all the shares and 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 the 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 provisions of this clause."

EXECUTION OF TRANSFER ETC.

Article 47 provides that, "Subject to the provisions of Section 10 of the Act and of the Foreign Exchange Regulations Act, 1947, or as in force, the Company shall not register a transfer of shares in or debentures of the Company, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferee and specifying the name, address, descriptions by way of father's or husband's name and occupation, if any, of the transferee, has been delivered to the company along with the certificate relating to the shares or debentures or if no such certificate is in existence, along with the letter of allotment of shares or debentures, provided that where on an application in writing made to the Company by the transferee and bearing stamp required for an instrument or transfer, it is proved to the satisfaction of the board of Directors that the instrument or transfer signed by or on behalf of the transfer 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. The transferor shall be deemed to remain the holder of such shares until the name of transferee is entered in the register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness who shall add his address and occupation."

FORM OF TRANSFER

Article 49 provides that,
"a) The instrument of transfer shall be in writing and all the provisions of section 10 of the Companies Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

b) In the case of any share registered in any register maintained outside India, the instrument of transfer shall be in a form recognised by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed."

DIRECTORS MAY REFUSE TO REGISTER TRANSFER

Article 52 provides that, "Subject to the provisions of the Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of refusal to register such transfer provided that the registration of transfer shall 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 except when the company has a lien on shares. Transfer of shares/debentures in whatever lot shall not be refused."

POWER TO CLOSE TRANSFER BOOKS AND REGISTER

Article 56 provides that, "On giving seven days notice by advertisement in a Newspaper circulating in Assam where the Registered Office of the company is situated the transfer book and register of member may be closed during such time as the Directors think fit not exceeding in the whole forty five days in each year, but not exceeding thirty days at time."

POWER TO INCREASE, CONSOLIDATE SUBDIVIDE AND CANCEL SHARES

Article 62 provides that, "The company may by ordinary resolution from time to time alter the conditions of the Memorandum of Association as follows:

a) Increase the Share Capital by such amount, to be divided into shares of such amount or as may be specified in the resolution.

b) Consolidate and divide all or any of its share capital into share capital into shares of large amount than its existing shares.

c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, and/or Articles of Association so however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived, and

d) Cancel any shares which, at the date of the passing of the resolution 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."

ON WHAT CONDITIONS NEW SHARES MAY BE ISSUED

Article 63 provides that, "Subject to the provisions of any special rights or privileges for the time being attached to any issued shares, the new shares shall be issued upon such terms and conditions and with such rights and privileges attached thereto, as the General Meeting resolving upon the creation thereof shall direct, and if no direction be given, as the Directors shall determine and in particular such shares may be issued with a preferential or qualified right to dividends and subject to the provisions of section 85 of the Act in the distribution of the assets of the company and subject to the provisions of section 87 of the Act with a special or without any right of voting."

FURTHER ISSUE OF SHARES

Article 64 provides that,

“1. Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares whether out of the unissued capital or out of the increased share capital then:

a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.

b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time as per the applicable provisions of the Companies Act, 1956 and subject to the rules, regulations and guidelines prescribed by the Securities and Exchange Board of India and/ or other statutory bodies from time to time and the offer if not accepted within that time limit, will be deemed to have been declined.

c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right.

PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.

d) After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person(s) as they may think, in their sole discretion, fit.

2. Notwithstanding anything contained in sub-clause (1) thereof, the shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) here of in any manner whatsoever.

a) If a special resolution to that effect is passed by the Company in General Meeting, or

b) Where no special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company.

3) Noting in sub-clause (c) of (1) hereof shall be deemed;

a) To extend the time within which the offer should be accepted; or

b) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

4) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debenture issued or loans raised by the company:

i) To convert such debentures or loans into shares in the Company; or

ii) To subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of such debentures or the terms of such loans include a term providing for such option and such term:

a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that Government in this behalf; and

b) In the case of debentures or loans or any other debentures issued to or loans obtained from the Government or any other institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in the General Meeting before the issue of the debentures or raising of the loans."

WHEN TO BE OFFERED TO EXISTING MEMBERS

Article 65 provides that, "In addition to and without derogating from the powers for that purpose concerned conferred on the Directors under these presents, the company in General Meeting may determine that any shares (whether forming part of the original capital or of any increased Capital of the Company) shall be offered in the first instance to existing members in such proportion to the amount of the Capital held by them and on such terms and conditions and either at a premium or at par or (Subject to compliance with the provisions of the Act) at a discount as such General Meeting, shall determine, or make any other provisions as to the issue and allotment of the new shares and with full power to give to any person (whether a member or holder of debentures of the company or not) the option to call for or be allotted shares of any class of the company either at a premium or at par or (Subject to compliance with the provision of the act) at a discount and such option being exercisable at such times and for such consideration as may be directed by such General Meeting subject to section 81 of the Act."

HOW FAR NEW SHARES TO RANK WITH SHARES IN ORIGINAL CAPITAL

Article 66 provides that, "Except so far as otherwise provided by the condition of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien and otherwise."

POWER TO MODIFY RIGHT

Article 69 provides that, "Whenever the Capital (by reason of the issue of preference shares or otherwise) is divided into different classes of shares all or any of the rights and privileges attached to any class may subject to the provisions of sections 106 and 107 of the Act be modified, commuted, affected, abrogated, varied 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 meeting of the holders of issued shares of that class and all the provisions hereinafter contained as to General Meeting shall mutatis mutandis apply to every such meeting but so that the quorum thereof shall be two persons at least being Members holding shares of that class. This Article is not to derogate from any power the company would have had if this Article were omitted.

Provided that the rights upon the holders of the shares of any class issued with referred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied under these articles by the creation or issue of further shares under Article No. 634 and such new shares may be issued with such preferential right as may be decided at the time of issue thereof."

POWER TO BORROW

Article 70 provides that, "Subject to the provisions of Sections 292 and 293 of the Act, the Board of Directors may from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from Members either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the company not exceeding the aggregate of the paid up Capital of the Company and its free reserves (not being reserves set apart for any specific purposes) provided, however, where the moneys, already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aforesaid aggregate, the Board of Directors shall not borrow such money without the consent of the Company in General Meeting."

INDEMNITY MAY BE GIVEN

Article 75 provides that, "Subject to the provisions of Act the Directors or any of them may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of the company or any interest payable hereon and shall be entitled to receive such payment as consideration for the giving of any such guarantee as may be determined by the Directors with power to them to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or charge on the undertaking of the company or upon any of its property or assets or otherwise. If the Directors or any of them or any other persons, shall become personally liable for the payment of any sum primarily due from the company, the Directors may execute or cause to be executed and 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 persons so becoming liable as aforesaid from any loss in respect of such liability."

GENERAL MEETING

Article 78 provides that, "The Company shall in addition to any other Meetings, hold in each year a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notice calling it. The Annual General Meeting shall be held by the Company within 6 months after the expiry of each financial year unless the Registrar of Companies shall have extended the time within which any Annual General Meeting shall be held under the provisions of Section 166 (1) of the Act, subject as aforesaid not more than 15 months shall elapse between the date of one Annual General Meeting of the Company and that of the next."

ACCIDENTAL OMISSION TO GIVE NOTICE

Article 86 provides that, "The accidental omission to give notice of any meeting to or the non-receipt of such notice by any of the members shall not invalidate these proceedings at any such meeting."

NUMBER OF DIRECTORS

Article 120 provides that, "Subject to the provisions of section 255 and 156 of the Act until otherwise determined by the company in General Meeting and subject to section 252 of the Act the number of Directors shall not be less than three or more than twelve including ex-officio Directors but excluding Debenture Directors."

REMUNERATION OF DIRECTORS

Article 122 provides that, "Unless otherwise determined by the Board of Directors and subject as hereinafter provided each Director shall as from the date of his appointment be deemed to have been entitled to be paid out of the funds of the company sitting fees for attending the meeting of the Board of Directors and Committee thereof within the limits prescribed under the Companies Act, 1956 from time to time decided by the Board of Directors. Subject to the provisions of the Act, Directors shall also be entitled to receive an Annual Commission of 3% on the Profits of the Company such commission to be calculated on the net profits of the Company computed in the manner referred to in section 198 of the Companies Act, 1956 and such commission shall be divided amongst all the Directors in such proportion and manner as may be determined by them from time to time by the General meeting of the Company and such remuneration shall be in addition to the remuneration payable to a Director as otherwise provided in law."

FURTHER REMUNERATION FOR EXTRA SERVICE

Article 124 provides that, "If the Director, being willing, shall be called upon to perform extra services or to make any special exertions for any of the purposes of the company, the Directors, shall, subject to section 309 and 314 of the Act, be entitled to remunerate such Director either by a fixed sum or percentage of profit or in any other manner as may be determined by the Directors from time to time in addition to the remuneration provided herein before."

DIRECTORS NOT TO HOLD OFFICE OF PROFIT

Article 127 provides that, "Except with the previous consent of the company accorded by a special resolution under section 314 of the Act, no Director of the Company, no partner or relative of such a Director, no Firm in which such a Director or relative is a partner, no private company of which such a Director or relative is a partner, no private company of which such is a Director or member and no Director or Manager of such a private company shall hold any office or place of profit, carrying a total monthly remuneration of five hundred rupees or more except that of Managing Director, Manager, Legal or Technical Adviser, Banker or Trustee for the holders of Debentures of the Company.

a) under the company or

b) under any subsidiary of the company unless the remuneration received from such subsidiary in respect of such office or place is paid over to the company or its holding company."

DISQUALIFICATION OF DIRECTORS

Article 132 provides that, "Subject to the provisions contained in subsection (2) of section 283 of the Act, the office of Director shall be vacated if:-

a) He is found to be of unsound mind by a court of Competent jurisdiction.

b) He applies to be adjudicated as an insolvent.

c) He is adjudged as an insolvent.

d) He is convicted by a court of any offence involving moral turpitude, and sentenced in respect thereof imprisonment for not less than six months.

e) He fails to pay and call in respect of shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government has by notification in the official Gazette removed the disqualification incurred by such failure.

f) He absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months whichever is longer, without obtaining leave of absence from the Board.

g) He whether by himself or by any person for his benefit or on his account or any firm in which he is a partner of any private Company of which he is a Director, accept a loan, or guarantee or security for a loan from the company in contravention of the section 299 of the Act.

h) He acts in contravention of section 299 of the Act.

i) He becomes disqualified by an order of court under section 203 of the Act, or

j) He is removed in pursuance of section 284 of the Act, or

k) He resigns his office by a notice in writing addressed to the company."

NOMINATED DIRECTOR

Article 138 provides that, "Whenever the Directors enter into a contract with any person or persons for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Directors shall have subject to the provisions of Section 255 of the Act, the power to agree that such person or persons shall have the right to appoint or nominate by a notice in writing addressed to the company one or more Directors on the Board for such period and upon such condition as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The

Directors may also agree that any such Director or Directors may be removed from time to time by the person or persons entitled to appoint or nominate them and such person or persons may appoint another or others in his or their place and also fill in a vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatever. The Directors appointed or nominated under this article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including the payment of remuneration and traveling expenses to such Director or Directors as may be agreed by the Company with such person or persons aforesaid."

MEETING OF DIRECTORS

Article 145 provides that, "The Director may meet together for the despatch of business adjourn and otherwise regulate their meeting and proceedings as they think fit, provided however that a meeting of the Board of Directors shall be held at least once in every three months and at least four such meeting shall be held in every year. The quorum for a meeting of the Board of Directors of the company shall be one third of its total strength (any fraction contained in that one third being rounded of as one) or two Directors which ever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors present and not interested not being less than two shall be the quorum during such time."

SUMMONING OF MEETING OF DIRECTORS

Article 147 provides that, "Any Director may and the Secretary and/or other authorised officer of the company shall from time to time and also upon the request of a Director shall convene a Meeting of the Board. Notice of every meeting of the Board of Directors of the company shall be given in writing to every Director for the time being in India to ever other Director."

GENERAL POWERS OF COMPANY VESTED IN DIRECTORS

Article 157 provides that, "The business of the Company shall be managed by the Directors who in addition to the powers and authorities by these presents or otherwise expressly conferred upon them may exercise all such powers and do all such Acts and things as may be exercised or done by the Company and are not hereby or by law expressly directed or required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of any law and of these presents and to any regulations not being inconsistent with these presents from time to time made by the Company in General Meeting. Provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulations had not been made."

POWERS OF MANAGING DIRECTOR

Article 159 (b) provides that, "Subject to the provisions of the Act and in particular of the prohibition and restrictions contained in Section 292 thereof the Board may from time to time entrust to and confer upon any Managing Director for the time being such of the powers exercisable under these presents by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as it thinks fit, and it may confer such powers either collaterally with, or to the exclusion of, and in substitution for all or any of the powers of the Board in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers."

DIVISION OF PROFITS

Article 172 provides that, "Subject to the Provisions of these Articles the net profits of the Company (after making provision, if any, for sinking fund, depreciation and reserve funds and carrying forward balances) shall from time be determined to be divided in respect of any year or other period shall be applied first in paying the preferential dividend on the Capital paid upon the preference shares to the close of such year or other period and the surplus shall be divisible amongst the holders of Equity Shares in proportion to the amount paid up on the equity shares held by them respectively."

DIVIDEND OUT OF PROFIT ONLY AND NOT TO CARRY INTEREST

Article 175 provides that, "No dividend shall be payable except out of the profits of the Company of the year or any other undistributed profits, and no dividend shall carry interest as against the Company."

CAPITALISATION OF RESERVES

Article 182 provides that, "Any General meeting may, upon the recommendation of the Directors resolved that any moneys investments or other asset forming part of the company standing to the credit of any reserve fund of special Account or in the hands of the Company and available for dividend and including any profits arising from the sale or revaluation of the Asset of the Company or any part thereof or by reason of any other accretion to Capital Assets by capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitle thereto as Capital and that all or any part of such Capitalised Fund be applied on behalf of such members of paying up in full either at par or at such premium as the resolution may provide any unissued Shares, Debentures, Debenture Stock of the company which shall be distributed accordingly toward payment of the uncalled liability on any issued Shares, or Debentures or Debenture-stock and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised sum."

UNPAID OR UNCLAIMED DIVIDEND

Article 188 provides that, "Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 42 days from the date of declaration to any shareholder entitled to the payment of the dividend, the company shall within 7 days from the date of expiry of the said period of 42 days, open a special account on that behalf in any scheduled bank called "Unpaid Dividend of Greenply Industries Limited" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted. Any money transferred to the unpaid account of the Company which remains unpaid or unclaimed for a period of three years from the date of such transfer shall be transferred by the company to the General Revenue account of the Central Government. A claim to any money so transferred to the general revenue account may be preferred to the Central Government by the shareholders to whom the money is due. No unclaimed or unpaid dividend shall be forfeited by the Board and the Company shall comply with all the provisions of the Section 205A of the Act in respect of unclaimed or unpaid dividend."

INDEMNITY

Article 204 provides that, "Subject to the provisions of section 201 of the Act, every Director, Manager and other officer or servant or Agent of the Company and the Secretaries and Treasurers shall be indemnified against and it shall be the duty of the Directors to pay out of the funds of the Company all costs, loses and expenses which any such Director, Manager or other officer or Servant or Secretaries and Treasurers may incur or become liable to by reason of any contract entered into or in any way in the discharge of his duties including expenses and in particular and so as not to limit generality of the foregoing provisions against all liabilities incurred by him as such Director, Manager, Officer or Servant or Secretaries and Treasurers in defending any proceeding whether Civil or Criminal in which judgement is given in his or their favour or he or they is or are acquired, or in connection with any application under section 633 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims."

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 us or entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by us. These contracts and also the documents for inspection referred to hereunder, may be inspected at the registered office of our Company situated at Makum Road, Tinsukia Assam – 786 125, from 11.00 a.m. to 2.00 p.m. from the date of this Letter of Offer until the date of closure of the Subscription List.

(A) MATERIAL CONTRACTS

1. Engagement Letter dated March 17, 2009 between our Company and the Lead Manager to the Issue.
2. Memorandum of Understanding dated April 22, 2009 and Addendum MoU dated September 7, 2009 entered into with the Lead Manager to the Issue.
3. Memorandum of Understanding dated April 14, 2009 and Addendum MoU dated September 7, 2009 entered into with the Registrar to the Issue

(B) DOCUMENTS

1. Memorandum and Articles of Association of our Company.
2. Certificate of Incorporation of our Company dated November 28, 1990 and subsequent fresh certificates of incorporation dated November 1, 1994 and January 17, 1996.
3. Consents of the Directors, Company Secretary, Auditors, Lead Manager to the Issue, Bankers to the Issue, Bankers to our Company and the Registrar to the Issue to include their names in this Letter of Offer to act in their respective capacities.
4. Copy of the Resolutions of the Board of Directors dated March 7, 2009 authorising the Issue and related matters.
5. Letter from the Auditors, M/s D. Dhandaria & Company, dated August 22, 2009 confirming Tax Benefits as mentioned in this Letter of Offer.
6. The Report of the Auditors, M/s D. Dhandaria & Company as set out herein dated July 30, 2009, as amended by addenda dated September 7, 2009, in relation to the restated financial information of our Company for the last five years.
7. Annual Reports of our Company as also that of the subsidiaries (wherever applicable) for the last five financial years.
8. In-principle listing approval dated May 18, 2009 and May 15, 2009 from the BSE and NSE respectively.
9. Due Diligence Certificate from Enam Securities Private Limited dated April 28, 2009.
10. Tripartite Agreement dated November 13, 2000 between our Company, NSDL and S.K. Computers to establish direct connectivity with Depository
11. Tripartite Agreement dated October 31, 2000 between our Company, CDSL and S.K. Computers to establish direct connectivity with Depository.
12. Letter no. CFD/DIL/ISSUES/PB/AT/173287/2009 dated August 14, 2009 issued by SEBI for this Issue.
13. Letter No. FC. II. 149(09) 101(09) dated June 12, 2009 from the FIPB in relation to the proposed issue and allotment of the Detachable Warrants to Non Resident Equity Shareholders/applicants.
14. Shareholders resolutions for :

Name of the Director	Date of shareholder's resolution for appointment/re-appointment	Date of shareholder's resolution for revision of terms of appointment
Mr. Shiv Prakash Mittal, Executive Chairman	July 11, 2007	August 7, 2008 and August 7, 2009
Mr. Rajesh Mittal, Managing Director	December 30, 2005	July 11, 2007, August 7, 2008 and August 7, 2009

Name of the Director	Date of shareholder's resolution for appointment/re-appointment	Date of shareholder's resolution for revision of terms of appointment
Mr. Saurabh Mittal, Joint Managing Director and CEO	July 11, 2007	August 7, 2008 and August 7, 2009
Mr. Shobhan Mittal, Executive Director	July 11, 2007	August 7, 2008 and August 7, 2009

15. Scheme of Amalgamation of Galaxy Decor Private Limited and Platinum Veneers Private Limited with Greenply Industries Limited.

DECLARATION

We hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act, 1956 and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the guidelines, instructions, issued by SEBI, the Government or any other competent authority in this behalf have been duly complied with. We further certify that all the statements in this Letter of Offer are true and correct.

Name	Signature
Mr. Shiv Prakash Mittal (Executive Chairman)	
Mr. Rajesh Mittal (Managing Director)	
Mr. Saurabh Mittal (Joint Managing Director and CEO)	
Mr. Shobhan Mittal (Executive Director)	
Mr. Moina Yometh Konyak	
Mr. Susil Kumar Pal	
Mr. Vinod Kumar Kothari	
Mr. Anupam Kumar Mukerji	
Ms. Sonali Bhagwati Dalal	
Mr. Gautam Dutta	

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Mr. Vishwanathan Venkatramani
Chief Financial Officer

Place: Kolkata
Date: September 14, 2009