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ASTRON PAPER & BOARD MILL LIMITED

Our Company was incorporated, as a public limited company on December 29, 2010 under the provisions of the Companies Act, 1956 as Astron Paper & Board Mill Limited, in Gujarat vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on December 29, 2010. Our Company also obtained the Certificate of Commencement of Business on February 3, 2011 from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. For details of changes in the name and the registered office of our Company, see the chapter titled "History and Certain Corporate Matters" beginning on page 162 of the RHP.

Registered Office & Corporate Office: D-702, Seventh Floor, Ganesh Meridian, Opposite:- High Court, S.G. Highway, Ahmedabad - 380060. **Tel:** + 91-79-40081221; **Fax:** + 91-79-40081220; **Contact Person:** Mr. Uttambhai Patel, **Designation:** Company Secretary and Compliance Officer; **E-mail:** cs@astronpaper.com; **Website:** www.astronpaper.com; **Corporate Identification Number:** U21090GJ2010PLC063428

PROMOTERS OF OUR COMPANY: MR. KIRIT G. PATEL, MR. RAMAKANT PATEL, MR. KARSHANBHAI PATEL AND ASIAN GRANITO INDIA LIMITED

INITIAL PUBLIC OFFERING OF UP TO 1,40,00,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH (THE "EQUITY SHARES") OF ASTRON PAPER & BOARD MILL LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[•] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹[•] PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING UP TO ₹[•] MILLION (THE "ISSUE"). THE ISSUE COMPRISES A NET ISSUE TO THE PUBLIC OF [•] EQUITY SHARES (THE "NET ISSUE") AND RESERVATION OF UP TO 7,00,000 EQUITY SHARES AGGREGATING UP TO ₹[•] MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES NOT EXCEEDING [•]% OF OUR POST-ISSUE PAID-UP EQUITY SHARES CAPITAL (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE WOULD CONSTITUTE [•]% OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL AND THE NET ISSUE TO THE PUBLIC WOULD CONSTITUTE [•]% OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL.

*A discount of ₹2.5 per Equity Share on Issue Price is being offered to Eligible Employees Bidding in the Employee Reservation Portion ("Employee Discount").

Price Band: ₹ 45 to ₹ 50 per Equity Share of face value of ₹ 10 each.

Discount to Eligible Employees: ₹ 2.5 per Equity Share on Issue Price.

The Floor Price is 4.5 times the face value and the Cap Price is 5.0 times the face value.

Bids can be made for a minimum of 280 Equity Shares and in multiples of 280 Equity Shares thereafter.

Risks to Investors:

- The BRLM associated with the Issue has handled 55 SME public issues in the past three years out of which 2 issues closed below the issue price on listing date.
- Net Asset Value of the Issuer as on March 31, 2017 is ₹13.94 per Equity Share as against highest NAV in the peer group of ₹ 174.77 per Equity Share as disclosed in RHP.
- Our Company had negative cash flow from our Operating activities, Investing activities, as well as Financing activities in the past years, For further details kindly refer Risk Factor No. 33 of chapter titled "Risk Factors" on page 29 of RHP.
- Average cost of acquisition of Equity Shares for Promoters namely Mr. Kirit G. Patel, Mr. Ramakant Patel, Mr. Karshanbhai Patel and Asian Granito India Limited is ₹4.24 per share, ₹9.10 per share, ₹2.77 per share, ₹8.95 per share respectively and Issue Price at upper end of the Price Band is ₹50 per share.
- Price Earning (P/E) Ratio based on the Diluted EPS for the year ended March 31, 2017 is 14.71 at the lower end of the Price Band and 16.34 at the higher end of the Price Band as compared to the average industry peer group P/E ratio of 22.89.
- Weighted average return on net worth for the financial years ended on March 2017, 2016 and 2015 is 19.08%.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by the Company in consultation with the BRLM on the basis of an assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10 each and the Issue Price is 4.5 times of the face value at the lower end of the Price Band and 5.0 times the face value at the higher end of the Price Band.

Investors should also refer to the sections "Our Business", "Risk Factors" and "Financial Statements as Restated" on pages 142, 17 and 193, respectively of the RHP, to have an informed view before making an investment decision.

Qualitative Factors

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

• Our experienced management and dedicated employee base; • Scalable Business Model; • Quality certifications; • Repeat orders; • Location Advantages.

For further details, refer to heading "Our Competitive Strengths" under the chapter titled "Our Business" beginning on page 142 of the RHP.

Quantitative Factors

The information presented below relating to the Company is based on the restated financial statements of the Company for the period ended September 30, 2017 and for the Financial Year 2017, 2016 and 2015 prepared in accordance with Indian GAAP, The Companies Act, 2013 and Restated in accordance with SEBI ICDR Regulations. For details, refer chapter titled "Financial Statements as Restated" beginning on page 193 of the RHP. Some of the quantitative factors, which may form the basis for computing the Issue Price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

On a standalone basis:

Year ended	Basic and diluted EPS (₹)	Weight
March 31, 2017	3.06	3
March 31, 2016	1.87	2
March 31, 2015	1.33	1
Weighted average	2.38	
Six months period ended September 30, 2017*	2.91	

*Not annualised.

Note:- 1. Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year. The figures disclosed above are based on the Restated Summary Financial Information of our Company. 2. The face value of each Equity Share is ₹ 10. 3. Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) "Earnings per Share", notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.

Price to Earnings (P/E) ratio in relation to Price Band of ₹ 45 to ₹ 50 per Equity Share of ₹ 10 each fully paid up.

Particulars	P/E Ratio at the lower end of Price Band (no. of times)	P/E Ratio at the higher end of Price Band (no. of times)
Based on basic and diluted EPS as per the Restated Standalone Financial Statements for FY 2017	14.71	16.34
Based on weighted average basic and diluted EPS	18.91	21.01

Industry P/E ratio

Particulars	P/E
Highest	36.11
Lowest	15.05
Average	22.89

Note: The industry high and low has been considered from the industry peer set provided in the chapter titled "Basis for Issue Price" on page 110 of the RHP. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in the chapter titled "Basis for Issue Price" on page 110 of the RHP. For further details, see "—Comparison of Accounting Ratios with Listed Industry Companies" on Note 6 of the chapter titled "Basis for Issue Price" on page 110 of the RHP.

For further details, please see the chapter titled "BASIS FOR ISSUE PRICE" on page 110 of the RHP.

2. Return on Net worth (RoNW)

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

Year ended	RoNW (%)	Weight
March 31, 2017	21.98	3
March 31, 2016	17.21	2
March 31, 2015	14.11	1
Weighted Average	19.08	
Six months period ended September 30, 2017*	17.50	

*Not annualised.

Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the period/ year. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.

3. Minimum Return on Increased Net Worth after the Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2017

Particulars	At Floor Price	At Cap Price
To maintain pre-Issue Basic and Diluted EPS for the year ended March 31, 2017	13.14%	12.34%

4. Net Asset Value (NAV)

Particulars	₹ per share
Net Asset Value per Equity Share as on March 31, 2017 as per Restated Financial Statements	13.94
Net Asset Value per Equity Share as on September 30, 2017 as per Restated Financial Statements	16.62
Net Asset Value per Equity Share after the Issue at Floor Price	25.17
Net Asset Value per Equity Share after the Issue at Cap Price	26.67
Issue Price per equity share	[•]

Net Asset Value per Equity Share has been calculated as net worth as per Restated Financial Statements divided by number of equity shares outstanding at the end of the period/ year. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company. Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

5. Comparison with other listed companies

Name of the Company	CMP*	EPS (₹ per share)	P/E Ratio	RONW (%)	NAV (₹ per share)	Face Value (₹ per share)	Total Income (₹ in millions)
Astron Paper and Board Mill Limited	[•]	3.06	[•]	21.98	13.94	10.00	1,845.89
Peer Group							
Shree Aji Pulp and Paper Limited	209.10	11.95	17.50	6.84	174.77	10.00	2,087.55
Genus Paper & Boards Limited	9.75	0.27	36.11	2.14	12.60	1.00	3,130.43
South India Paper Mills Limited	126.55	8.41	15.05	9.21	91.33	10.00	1,967.41

*Source: www.bseindia.com

Notes: 1. Considering the nature and size of business of the Company, the peers are not strictly comparable. However, above Companies have been included for broad comparison. 2. The figures for Astron Paper and Board Mill Limited are based on the restated financial statements for the year ended March 31, 2017. 3. The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2017. 4. Current Market Price (CMP) is the closing prices of respective scripts as on November 9, 2017. 5. NAV is computed as the closing net worth divided by the closing outstanding number of equity shares. 6. P/E Ratio has been computed based on the closing market price of equity shares on November 9, 2017, divided by the EPS. 7. RoNW is computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves). 8. The Issue Price of Astron Paper and Board Mills Limited will be ₹ [•] per Equity Share. Astron Paper and Board Mills Limited is a Book Built issue and price band for the same shall be published 5 working days before opening of the Issue in English and Hindi national newspapers and one regional newspaper with wide circulation. 9. The Issue Price of ₹ [•] will be determined by our Company, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors" and "Financial Statements, as Restated" beginning on pages 17 and 193, respectively, to have a more informed view. The trading price of Equity Shares could decline due to factors mentioned in "Risk Factors" beginning on page 17 and you may lose all or part of your investments.

BID/ISSUE PROGRAMME

BID/ISSUE OPENS ON: DECEMBER 15, 2017 | BID/ISSUE CLOSSES ON: DECEMBER 20, 2017

ASBA *

Simple, Safe, Smart way of Application - Make use of it !!!

*Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.

Mandatory in public issues from January 01, 2016. No Cheque and Demand Draft will be accepted.

In case of any revision to the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding ten Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM, Registrar to the Issue and share transfer agent, collecting depository participants and at the terminals of the Syndicate Members and by intimation to Self Certified Syndicate Banks ("SCSBs") and the Registered Brokers.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process, in compliance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations") wherein 10% of the Net Issue will be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Category"). Further, 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. Further, not less than 55% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All Bidders shall participate in this Issue mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing details of their respective bank accounts which will be blocked by SCSBs. For details, see "Issue Procedure" on page 264 of the RHP.

Bidders should ensure that DP ID, PAN and the Client ID are correctly filled in the ASBA Form. The DP ID, PAN and Client ID provided in the ASBA Form should match with the DP ID, PAN and Client ID available in the Depository database, otherwise, the ASBA Form is liable to be rejected. Bidders should ensure that the beneficiary account provided in the ASBA Form is active. Bidders should note that on the basis of the PAN, DP ID and Client ID as provided in the ASBA Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Issue. Bidders are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders sole risk.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, investors are requested to see "History and Certain Corporate Matters" on page 162 of the RHP and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see "Material Contracts and Documents for Inspection" on page 382 of the RHP.

LIABILITY OF THE MEMBERS OF OUR COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF OUR COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of our Company is ₹ 500.00 Million divided into 5,00,00,000 Shares of ₹10 each. The issued, subscribed and paid-up share capital of our Company before the Issue is ₹ 325.00 Million divided into 3,25,00,000 Equity Shares of ₹10 each. For details of the Capital Structure, see "Capital Structure" on the page 79 of the RHP.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE	COMPANY SECRETARY AND COMPLIANCE OFFICER
 Pantomath Capital Advisors Private Limited, 406-408, Keshava Premises, Bandra Kurla Complex, Bandra East, Mumbai – 400 051. Tel: +91 22 6194 6700 Fax: +91 22 2659 8690; Email: ipo@pantomathgroup.com; Investor Grievance Email: ipo@pantomathgroup.com Website: www.pantomathgroup.com; Contact Person: Madhu Lunawat; SEBI Registration No: INM000012110	LINKIntime Link Intime India Pvt. Ltd. C-101, 247 Park, 1st Floor, LBS Marg, Vikhroli (W), Mumbai-400083. Tel: 022 49186200; Fax: 022 49186195 Email: astron.ipo@linkintime.co.in; Investor Grievance E-mail: astron.ipo@linkintime.co.in Website: www.linkintime.co.in; Contact Person: Ms. Shanti Gopalakrishnan; SEBI Registration Number: INR000004058	Mr. Uttambhai Patel, Astron Paper and Board Mill Limited, D-702, Seventh Floor, Ganesh Meridian, S.G. Highway, Ahmedabad - 380060, Gujarat, India. Tel No: + 91-79-40081221; Fax No: + 91-79-40081220; Email: cs@astronpaper.com Website: www.astronpaper.com Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account or unblocking of ASBA etc.

AVAILABILITY OF RHP: Investors are advised to refer to the RHP and the Risk Factors contained therein before applying in the Issue. A copy of the RHP is available on the website of the SEBI at www.sebi.gov.in, the website of the BRLM at www.pantomathgroup.com and the Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively.

AVAILABILITY OF ASBA FORM: ASBA form can be obtained from the Registered and Corporate Office of Company, **ASTRON PAPER & BOARD MILL LIMITED**, Tel: + 91-79-40081221, Fax: + 91-79-40081220; BRLM: **Pantomath Capital Advisors Private Limited**, Tel: +91 22 6194 6700, Fax: +91 22 2659 8690; and Syndicate Members: **Pantomath Stock Brokers Private Limited**, Tel: +91 22 42577000, Fax: +9122 26598692; **Ajmera Associates Limited**, Tel: +91 22 40628888, Fax: +91 22 40628989; **Sykes and Rays Equities (I) Limited**, Tel: +91 22 61937300, Fax: +91 22 22650575; **Choice Equity Broking Private Limited**, Tel: +91 22 6707 9999, Fax: +91 22 6707 9898; **Nirmal Bang Securities Private Limited**, Tel: +91 22 39269050, Fax: +91 22 39269010; **Rikhav Securities Limited**, Tel: +91 22 25935353, Fax: +91 22 25935300; Registered Brokers, Designated RTA Locations and Designated CDP Locations for participating in the Issue. ASBA Forms will also be available on the websites of the Stock Exchanges and all the Designated Branches of SCSBs, the list of which is available on the websites of the Stock Exchanges and SEBI.

APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA): Investors have to apply through the ASBA process. ASBA has to be availed by all the investors except Anchor Investors. For details on the ASBA process, please refer to the details given in the ASBA Form and Abridged Prospectus and also please refer to "Issue Procedure" on page 264 of the RHP. ASBA Forms can also be downloaded from the websites of the BSE and NSE. ASBA Forms can be obtained from the list of banks that is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=34.

PUBLIC ISSUE ACCOUNT BANK AND REFUND BANK: ICICI Bank Limited and HDFC Bank Limited.

All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

Place: Ahmedabad
Date: December 6, 2017

For **ASTRON PAPER & BOARD MILL LIMITED**
On behalf of the Board of Directors

Sd/-
Company Secretary & Compliance Officer

Astron Paper and Board Mill Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed the RHP with the RoC, Ahmedabad, Gujarat on December 5, 2017. The RHP is available on the websites of SEBI and Stock Exchanges at www.sebi.gov.in, www.bseindia.com and www.nseindia.com, respectively, and is also available on the websites of the Book Running Lead Manager at www.pantomathgroup.com. Potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see "Risk Factors" beginning on page 17 of the RHP. Potential investors should not rely on the DRHP filed with the SEBI for making any investment decision.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (the "U.S Securities Act") and may not be offered or sold within the United States (as defined in Regulation S of the U.S Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. There will not and is not currently intended to be any public offering of securities in the United States. Accordingly, the Equity Shares are only being offered and sold outside the United States in reliance on Regulation S of the U.S Securities Act and the applicable laws of the jurisdiction where these offer and sales occur.

CONCEPT