RED HERRING PROSPECTUS
Dated: December 11, 2019
Please read Section 32 of the Companies Act, 2013
Book Built Offer

PRINCE PIPES AND FITTINGS LIMITED

Our Company was incorporated as 'Prince Pipes and Fittings Private Limited' on November 13, 1987 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956. Thereafter, pursuant to Section 43A(1A) of the Companies Act, 1956, our Company became a deemed public limited company with effect from July 1, 1998. Further, pursuant to Section 43A (2A) of the Companies Act, 1956, our Company converted back into a private company on May 18, 2001. Subsequently, upon conversion into a public limited company pursuant to a special resolution of our Shareholders dated August 7, 2017, the name of our Company was changed to 'Prince Pipes and Fittings Limited', and a fresh certificate of incorporation was issued by the Registrar of Companies, Goa, Daman and Diu ("**RoC**") on August 11, 2017. For further details in relation to changes in the name and registered office of our Company, see the section titled "*History and Certain Corporate Matters*" on page 174.

Registered Office: Plot No.1, Honda Industrial Estate, Phase II, Honda Sattari, Honda, Goa 403 530, India
Corporate Office: 8th Floor, The Ruby, Senapati Bapat Marg (Tulsi Pipe Road), Dadar West, Mumbai 400 028, Maharashtra, India
Contact Person: Pravin Jogani, Company Secretary and Compliance Officer; **Telephone:** +91 22 66022222; **Facsimile:** +91 22 66022220
E-mail: investor@princepipes.com; **Website:** www.princepipes.com; **Corporate Identity Number:** U26932GA1987PLC006287

PROMOTERS OF OUR COMPANY: JAYANT SHAMJI CHHEDA, TARLA JAYANT CHHEDA, PARAG JAYANT CHHEDA, VIPUL JAYANT CHHEDA AND HEENA PARAG CHHEDA

INITIAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF PRINCE PIPES AND FITTINGS LIMITED (OUR "COMPANY" OR THE "ISSUER" AND SUCH EQUITY SHARES, THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING UP TO ₹ 5,000 MILLION* (THE "OFFER"), COMPRISING A FRESH ISSUE OF UP TO [•] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 2,500 MILLION* (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 2,500 MILLION, INCLUDING UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 200 MILLION BY JAYANT SHAMJI CHHEDA, UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 1,400 MILLION BY TARLA JAYANT CHHEDA, UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 500 MILLION BY PARAG JAYANT CHHEDA AND UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 400 MILLION BY VIPUL JAYANT CHHEDA (TOGETHER, THE "PROMOTER SELLING SHAREHOLDERS" AND SUCH OFFERS THE "OFFER FOR SALE"). THE OFFER CONSTITUTES [•] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS [•] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER, FINANCIAL EXPRESS, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER, JANSATTA, AND THE PANAJI EDITION OF THE REGIONAL LANGUAGE NEWSPAPER GOA DOOT, EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

****OUR COMPANY HAS, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), UNDERTAKEN A PRIVATE PLACEMENT OF 596,500 COMPULSORILY CONVERTIBLE PREFERENCE SHARES, WHICH HAVE BEEN CONVERTED INTO 5,965,000 EQUITY SHARES FOR CASH CONSIDERATION AGGREGATING TO ₹ 1,061.77 MILLION ("PRE-IPO PLACEMENT"). THE SIZE OF THE FRESH ISSUE OF UP TO ₹ 3,561.77 MILLION HAS BEEN REDUCED BY ₹ 1,061.77 MILLION PURSUANT TO THE PRE-IPO PLACEMENT AND ACCORDINGLY THE FRESH ISSUE IS UP TO ₹ 2,500.00 MILLION.***

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members, and by intimation to Self Certified Syndicate Banks ("**SCSBs**"), the Registered Brokers, Registrar and Share Transfer Agents ("**RTAs**") and Collecting Depository Participants ("**CDPs**").

The Offer is being made in terms of Rule 19(2)(b)(ii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), read with Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI ICDR Regulations**"), wherein a minimum Offer size of at least such percentage of Equity Shares equivalent to a value of ₹ 4,000 million (calculated at the Offer Price) will be offered to the public. The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be available for allocation to Qualified Institutional Buyers ("**QIB Portion**"). Provided that, our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**"), out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. Such number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price such that, subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis. All potential Bidders, other than Anchor Investors, shall participate in the Offer mandatorily through the Applications Supported by Blocked Amount ("**ASBA**") process (including UPI ID in case of Retail Individual Bidders, if applicable) by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs (defined below). Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see the section titled "*Offer Procedure*" on page 380.

RISKS IN RELATION TO FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [•] times the face value and the Cap Price is [•] times the face value of the Equity Shares. The Offer Price, as determined by our Company and Promoter Selling Shareholders, in consultation with the BRLMs in accordance with the SEBI ICDR Regulations and as stated in the section titled "*Basis for Offer Price*" on page 109 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section titled "*Risk Factors*" on page 17.

COMPANY'S AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. The Promoter Selling Shareholders severally, and not jointly, accept responsibility for and confirm only the statements specifically made by the respective Promoter Selling Shareholders in this Red Herring Prospectus to the extent of information specifically pertaining to them and their respective portion of the Offered Shares (defined below).

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated November 14, 2018 and November 16, 2018, respectively. For the purposes of the Offer, BSE Limited shall be the Designated Stock Exchange. A signed copy of this Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents which shall be available for inspection from the date of filing of this Red Herring Prospectus with the RoC, until the Bid/ Offer Closing Date, see the section titled "*Material Contracts and Documents for Inspection*" on page 497.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
JM Financial Limited 7th Floor, Cnergy Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025, Maharashtra, India **Telephone:** +91 22 6630 3030 **Facsimile:** +91 22 6630 3330 **E-mail:** ppfl.ipo@jmfl.com **Investor Grievance E-mail:** grievance.ibd@jmfl.com **Website:** www.jmfl.com **Contact Person:** Prachee Dhuri **SEBI Registration No.:** INM000010361	**Edelweiss Financial Services Limited** 14th Floor, Edelweiss House, Off. C.S.T Road, Kalina Mumbai 400 098, Maharashtra, India **Telephone:** +91 22 4009 4400 **Facsimile:** +91 22 4086 3610 **E-mail:** ppfl.ipo@edelweissfin.com **Investor Grievance E-mail:** customerservice.mb@edelweissfin.com **Website:** www.edelweissfin.com **Contact Person:** Mohit Kapoor/Nishita John **SEBI Registration No.:** INM0000010650	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083, Maharashtra, India **Telephone:** +91 22 4918 6200 **Facsimile:** +91 22 4918 6195 **E-mail:** princepipes.ipo@linkintime.co.in **Investor grievance E-mail:** princepipes.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058

BID/OFFER PROGRAMME*	
BID / OFFER OPENS ON:*	Wednesday, December 18, 2019
BID / OFFER CLOSES ON:	Friday, December 20, 2019

** Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended. If there is any inconsistency between the definitions stated below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.

General Terms

Term	Description
"the Company", "our Company", "the Issuer", "we", "our" or "us"	Prince Pipes and Fittings Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at Plot No.1, Honda Industrial Estate, Phase II, Honda Sattari, Honda, Goa 403 530, India.

Company Related Terms

Term	Description
"Articles", "Articles of Association" or "AoA"	The articles of association of our Company, as amended from time to time.
"Auditor" or "Statutory Auditor"	The current statutory auditor of our Company, namely, M/s. Khimji Kunverji & Co. LLP, Chartered Accountants.
Audit Committee	The audit committee of our Board, as described in the section titled "*Our Management*" on page 181.
"Board" or "Board of Directors"	The board of directors of our Company (including any duly constituted committee thereof).
CCPS	Compulsorily convertible preference shares of our Company having face value of ₹ 100 each
Chairman	The chairman of our Board of Directors, namely Jayant Shamji Chheda.
Corporate Office	The corporate office of our Company located at 8th Floor, the Ruby, Senapati Bapat Marg (Tulsi Pipe Road), Dadar West, Mumbai 400 028, Maharashtra, India.
CSR Committee	The corporate social responsibility committee of our Board, as disclosed in the section titled "*Our Management*" on page 181.
Director(s)	The director(s) on our Board.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
ESOP 2017	Employee Stock Option Scheme, 2017.
Executive Directors	The executive directors of our Company, namely, Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda, as disclosed in the section titled "*Our Management*" on page 181.
Group Companies	Companies which are covered under the applicable accounting standards and other companies as considered material as per the materiality policy approved by our Board as by way of their resolution dated September 24, 2018 and November 28, 2019, as disclosed in the section titled "*Our Group Companies*" on page 205.
Independent Director(s)	Independent director(s) on our Board.
IPO Committee	The committee constituted by our Board for the Offer, as described in the section titled "*Our Management*" on page 181.
Key Management Personnel	Key management/ managerial personnel of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013 and as disclosed in the section titled "*Our Management*" on page 181.
"Memorandum", "Memorandum of Association" or "MoA"	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in the section titled "*Our Management*" on page 181.
Non-executive Director	Director appointed pursuant to the shareholders' agreement dated November 20, 2019, entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust and our Promoters.
Promoters	The promoters of our Company, being Jayant Shamji Chheda, Tarla Jayant Chheda, Parag Jayant Chheda, Vipul Jayant Chheda and Heena Parag Chheda, as disclosed in the section titled "*Our Promoters and Promoter Group*" on page 200.
Promoter Group	The promoter group of our Company comprising such persons and entities, as disclosed in the section titled "*Our Promoters and Promoter Group*" on page 200.

Term	Description
Registered Office	The registered office of our Company located at Plot No.1, Honda Industrial Estate, Phase II, Honda Sattari, Honda, Goa 403 530, India.
"Registrar of Companies" or "RoC"	Registrar of Companies, Goa, Daman and Diu situated at Company Law Bhawan, EDC Complex, Plot No. 21, Patto, Panaji, Goa 403 001, India.
Restated Financial Statements	Collectively: (i) the financial statements of our Company as at and for the three-month period ended June 30, 2019, and as at and for the fiscal years ended March 31, 2019, March 31, 2018, March 31, 2017 and March 31, 2016 (proforma) prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses, 2016, issued by the ICAI; and (ii) the financial statements of our Company as at and for fiscal years ended March 31, 2015 and March 31, 2014, prepared in accordance with the Companies Act, 2013 and the Indian GAAP and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses, 2016, issued by the ICAI.
Shareholders	Such persons holding Equity Shares of our Company and whose names are entered in (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.
SHA	Shareholders' agreement dated November 20, 2019, entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust and our Promoters.
SSA	Share subscription agreement dated November 20, 2019, entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust and our Promoters.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as disclosed in the section titled "*Our Management*" on page 181.

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary to Bidders as proof of registration of the Bid.
Addendum	Addendum dated November 19, 2019, in relation to the draft red herring prospectus dated October 15, 2018 filed with the Securities and Exchange Board of India, and notified in all editions of the English national newspaper, Financial Express, all editions of the Hindi national newspaper, Jansatta, and the Panaji edition of the regional language newspaper Goa Doot, each with wide circulation.
"Allot" or "Allotment" or "Allotted"	Allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares of the Promoter Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	A successful Bidder to whom the Allotment is made.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the SEBI ICDR Regulations, 2018 and who has Bid for an amount of at least ₹ 100 million.
Anchor Investor Allocation Price	The final price at which Equity Shares will be allocated to Anchor Investors according to the terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company and Promoter Selling Shareholders in consultation with the BRLMs.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and the Prospectus.
"Anchor Investor Bid/ Offer Period" or "Anchor Investor Bidding Date"	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The price at which the Equity Shares will be Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and Promoter Selling Shareholders in consultation with the BRLMs.
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.

Term	Description
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and Promoter Selling Shareholders in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 2018. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
"ASBA" or "Application Supported by Blocked Amount"	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism, upon receipt of UPI Mandate Request.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism to the extent of the Bid Amount of the Bidder/Applicant
ASBA Bidder(s)	Any Bidder (other than an Anchor Investor) in the Offer who intends to submit a Bid.
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus.
Banker(s) to the Offer	The Escrow Collection Bank, the Public Offer Bank, the Sponsor Bank and the Refund Bank, collectively.
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in the section titled "*Offer Procedure*" on page 380.
Bid(s)	An indication by a Bidder (other than an Anchor Investor) to make an offer during the Bid/Offer Period, pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations 2018, in terms of this Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in case of Retail Individual Bidders Bidding at Cut-Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder, and payable by an Anchor Investor or blocked in the ASBA Account upon submission of the Bid in the Offer.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires.
"Bidder" or "Applicant"	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	[●] Equity Shares.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of the English national newspaper, Financial Express, all editions of the Hindi national newspaper, Jansatta, and Panaji edition of the regional language newspaper, Goa Doot, each with wide circulation, and in case of any revision, the extended Bid/Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Member, as required under the SEBI ICDR Regulations, 2018. Our Company and Promoter Selling Shareholders, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date.
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national newspaper, Financial Express, all editions of the Hindi national newspaper, Jansatta, and Panaji edition of the regional language newspaper, Goa Doot, each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Member, as required under the SEBI ICDR Regulations, 2018.
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and

Term	Description
	the Bid/Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, 2018 in terms of which the Offer is being made.
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer namely, JM Financial Limited and Edelweiss Financial Services Limited.
Broker Centres	The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time.
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted.
Cash Escrow and Sponsor Bank Agreement	The agreement dated December 10, 2019 amongst our Company, the Promoter Selling Shareholders, the BRLMs, the Escrow Collection Bank, the Refund Bank, Sponsor Bank, Public Offer Bank and the Registrar to the Offer for, *inter alia*, collection of the Bid Amounts and where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Client ID	Client identification number maintained with one of the Depositories in relation to a demat account.
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, and a list of such locations is available on the website of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively.
Cut-Off Price	The Offer Price, which shall be any price within the Price Band finalised by our Company and the Promoter Selling Shareholders, in consultation with and the BRLMs. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	Details of the Bidders including the Bidders address, the name of the Bidders' father / husband, investor status, occupation and bank account details, and UPI ID wherever applicable.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes updated from time to time, or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account, and the SCSBs transfer funds from the ASBA Accounts to the Public Offer Account or the Refund Account, as appropriate, in terms of this Red Herring Prospectus following which our Board of Directors shall Allot Equity Shares to successful Bidders in the Fresh Issue and the Offered Shares in the Offer for Sale are transferred to successful Bidders.
Designated Intermediary(ies)	Collectively, the Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the ASBA Bidders, in the Offer.
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively,) as updated from time.
Designated Stock Exchange	BSE Limited.
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated October 15, 2018, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which

Term	Description
	the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto, read with the Addendum.
Edelweiss	Edelweiss Financial Services Limited.
Eligible NRI	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and this Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
Erstwhile DRHP	Draft red herring prospectus dated September 26, 2017 filed with SEBI, and issued in accordance with the SEBI ICDR Regulations, however, the same was subsequently withdrawn.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS in respect of the Bid Amount while submitting a Bid.
Escrow Collection Bank	The Banker to the Offer with whom the Escrow Account(s) will be opened, in this case being HDFC Bank Limited.
"First" or "sole Bidder"	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fresh Issue	The issue of [●] Equity Shares aggregating up to ₹ 2,500.00 million* by our Company for subscription pursuant to the terms of this Red Herring Prospectus. *Our Company has, in consultation with the BRLMs, undertaken a Pre-IPO placement of 596,500 CCPS for cash consideration aggregating to ₹ 1,061.77 million, which have been converted into 5,965,000 Equity Shares. The size of the Fresh Issue of up to ₹ 3,561.77 million has been reduced by ₹ 1,061.77 million pursuant to the Pre-IPO Placement and accordingly the Fresh Issue is up to ₹ 2,500.00 million.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted.
"General Information Document" or "GID"	The General Information Document for investing in public issues, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 issued by SEBI, modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and the circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018, and the UPI Circulars issued by SEBI and included in the section titled "*Offer Procedure*" on page 380.
JM Financial	JM Financial Limited.
Monitoring Agency	HDFC Bank Limited.
Monitoring Agency Agreement	Agreement dated December 10, 2019, between our Company and the Monitoring Agency.
Mutual Fund Portion	[●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	The Offer Proceeds less the amount to be raised with respect to the Offer for Sale and less our Company's share of the Offer related expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Bidders	Bidders that are not QIBs or Retail Individual Bidders, and who have Bid for Equity Shares for an amount more than ₹ 200,000.
Non-Institutional Portion	[●] Equity Shares which shall be available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
"Non-Resident" or "NR"	A person resident outside India, as defined under FEMA and includes FPIs, FVCIs and Eligible NRIs.
Offer	The initial public offering of [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹5,000 million*, comprising a Fresh Issue of [●] Equity Shares aggregating up to ₹ 2,500 million by our Company, and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 2,500 million by the Promoter Selling Shareholders, comprising an offer for sale of up to [●] Equity Shares aggregating up to ₹ 200 million by Jayant Shamji Chheda, an offer for sale of up to [●] Equity Shares aggregating up to ₹ 1,400 million by Tarla Jayant Chheda, an offer for sale of up to [●] Equity Shares aggregating up to ₹ 500 million by Parag Jayant Chheda and an offer for sale of up to [●] Equity Shares aggregating up to ₹ 400 million by Vipul Jayant Chheda. The Offer constitutes [●] % of the post-Offer paid-up Equity Share capital of our Company.

Term	Description
	*Our Company has, in consultation with the BRLMs, undertaken a Pre-IPO placement of 596,500 CCPS for cash consideration aggregating to ₹ 1,061.77 million, which have been converted into 5,965,000 Equity Shares. The size of the Fresh Issue of up to ₹ 3,561.77 million has been reduced by ₹ 1,061.77 million pursuant to the Pre-IPO Placement and accordingly the Fresh Issue is up to ₹ 2,500.00 million.
Offer Agreement	The agreement dated October 15, 2018, entered among our Company, the Promoter Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer, read with the amendment dated November 29, 2019 to this agreement entered among our Company, the Promoter Selling Shareholders and the BRLMs.
Offer for Sale	The offer for sale of up to [●] Equity Shares aggregating up to ₹ 2,500 million by the Promoter Selling Shareholders, comprising an offer for sale of up to [●] Equity Shares aggregating up to ₹ 200 million by Jayant Shamji Chheda, an offer for sale of up to [●] Equity Shares aggregating up to ₹ 1,400 million by Tarla Jayant Chheda, an offer for sale of up to [●] Equity Shares aggregating up to ₹ 500 million by Parag Jayant Chheda and an offer for sale of up to [●] Equity Shares aggregating up to ₹ 400 million by Vipul Jayant Chheda, in terms of this Red Herring Prospectus.
Offer Price	The final price at which Equity Shares will be Allotted to successful bidders in terms of this Red Herring Prospectus. The Offer Price will be decided by our Company and Promoter Selling Shareholders in consultation with and the BRLMs.
Offered Shares	Equity Shares being offered for sale by the Promoter Selling Shareholders in the Offer.
Offer Proceeds	The proceeds of the Offer based on the total number of Equity Shares Allotted under the Offer and the Offer Price.
Pre-IPO Placement	Private placement of 596,500 CCPS for cash consideration aggregating to ₹ 1,061.77 million, which have been converted into 5,965,000 Equity Shares.
Pre-Offer Advertisement	The pre-Offer advertisement to be published by our Company under regulation 47 of the SEBI ICDR Regulations and section 30 of the Companies Act, 2013 after registration of this Red Herring Prospectus with the RoC, in all editions of the English national newspaper, Financial Express, all editions of the Hindi national newspaper, Jansatta, and Panaji edition of the regional language newspaper, Goa Doot, each with wide circulation.
Price Band	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price of ₹ [●] per Equity Share, including any revisions thereof.
Pricing Date	The date on which our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, will finalise the Offer Price.
Promoter Selling Shareholders	Jayant Shamji Chheda, Tarla Jayant Chheda, Parag Jayant Chheda and Vipul Jayant Chheda.
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations and the SEBI ICDR Regulations, 2018, containing, among other things, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Public Offer Account	The bank account opened with the Banker to the Offer under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date.
Public Offer Bank	The Banker to the Offer with whom the Public Offer Account will be opened, in this case being HDFC Bank Limited.
"QIBs" or "Qualified Institutional Buyers"	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018.
QIB Bidders	QIBs who Bid in the Offer.
QIB Portion	[●] Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
QIB Bid/Offer Closing Date	Shall be the same as the Bid/Offer Closing Date.
"Red Herring Prospectus" or "RHP"	This red herring prospectus dated December 11, 2019 issued by our Company in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations and the SEBI ICDR Regulations, 2018, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto.
Refund Account(s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to unsuccessful Anchor Investors shall be made.
Refund Bank	The Bankers to the Offer with whom the Refund Account(s) will be opened, in this case being HDFC Bank Limited.
Registrar Agreement	The agreement dated October 12, 2018 entered into among our Company, the Promoter

Term	Description
	Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer, read with the amendment dated November 29, 2019 to this agreement entered into among our Company, the Promoter Selling Shareholders and the Registrar to the Offer.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
"Registrar and Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
"Registrar to the Offer" or "Registrar"	Link Intime India Private Limited.
Resident Indian	A person resident in India, as defined under FEMA.
"Retail Individual Bidder(s)", "Retail Individual Investor(s)", "RIIs" or "RIB(s)"	Individual Bidders who have Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRI Bidders) and does not includes NRIs (other than Eligible NRIs).
Retail Portion	[●] Equity Shares available for allocation to Retail Individual Bidders as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.
Revision Form	The form used by Bidders to modify the quantity of the Equity Shares Bid for, or the Bid Amount in any of their ASBA Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date.
"Self Certified Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or such other websites and updated from time to time, , and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.
Sponsor Bank	Bank registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being HDFC Bank Limited.
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely, Link Intime India Private Limited.
Share Escrow Agreement	The agreement dated December 10, 2019, entered into among our Company, the Promoter Selling Shareholders, the Share Escrow Agent and the Registrar to the Offer in connection with, inter alia, the transfer of the Offered Shares by the Promoter Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees.
Specified Locations	The Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of the Securities and Exchange Board of India and updated from time to time.
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated December 10, 2019 entered into among our Company, the Promoter Selling Shareholders, the BRLMs and the Syndicate Members in relation, *inter alia*, to the collection of Bid cum Application Forms by the Syndicate.
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, JM Financial Services Limited and Edelweiss Securities Limited.
"Syndicate" or "Members of the Syndicate"	The BRLMs and the Syndicate Members.
Underwriters	[●].
Underwriting Agreement	The agreement dated [●], among our Company, the Promoter Selling Shareholders and the Underwriters, entered into on or after the Pricing Date but prior to the registration of the Prospectus with the RoC.
"Unified Payments Interface' or "UPI"	The instant payment system developed by the National Payments Corporation of India (NPCI), which allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identified a person's bank account ID created on the unified payments interface for single window mobile payment system developed by the National Payments Corporation of India.

Term	Description
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by an RII to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/ Offer Period, the expression "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and for (c) the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

Technical/Industry related terms/abbreviations

Term	Description
ABS	Acrylonitrile butadiene styrene.
AMRUT	Atal Mission for Rejuvenation and Urban Transformation.
Ashirvad Pipes	Ashirvad Pipes Private Limited.
Astral Poly Technik	Astral Poly Technik Limited.
ASTM	ASTM International.
BIS	Bureau of Indian Standards.
CAGR	Compound annual growth rate.
CENVAT	Central value added tax.
CIPET	Central Institute of Plastics Engineering & Technology.
Contract Labour Act	Contract Labour (Regulation and Abolition) Act, 1970.
CPVC	Chlorinated polyvinyl chloride.
CSO	Central Statistical Organisation.
CRISIL Research	CRISIL Research, a division of CRISIL Limited.
CRISIL Research Report	CRISIL Research's report titled "*Assessment of the polymer pipes industry*" dated November, 2019.
CSR	Corporate social responsibility.
DGAD	Directorate General of Anti-dumping and Allied Duties.
EBITDA	Earnings before interest, tax, depreciation and amortisation, which in the case of our Company, is equal to revenue from operations less cost of materials consumed, less purchase of stock in trade, less changes in inventories of finished goods/ stock-in-trade/ work-in-progress, less excise duty, less employee benefit expense, less other expenses.
EDC	Ethylene dichloride.
Employees State Insurance Act	Employees State Insurance Act, 1948.
Employees Provident Fund Act	Employees Provident Funds and Miscellaneous Provisions Act, 1952.
Finolex Industries	Finolex Industries Limited.
GDP	Gross Domestic Product.
GI	Galvanised iron.
GST	Goods and Services Tax.
GVT	Glazed vitrified.
HDPE	High density polyethylene.
ISI	Indian Standards Institution.
Jain Irrigation	Jain Irrigation Systems Limited.
JNNURM	Jawaharlal Nehru National Urban Renewal Mission.
MCLR	Marginal cost of lending rate.
Net Revenue from Sale of	Revenue from sale of products less excise duty.

Term	Description
Products	
PMAY	Pradhan Mantri Awas Yojana.
PMKSY	Pradhan Mantri Krishi Sinchayee Yojana.
PP	Polypropylene.
PPR	Polypropylene random.
PVC	Polyvinyl chloride.
PVDF	Polyvinylidene fluoride.
PVT	Polished vitrified.
RERA	Real Estate Regulatory Authority.
RERA	Real Estate (Regulation and Development) Act, 2016.
RoCE	Return on capital employed.
RoE	Return on equity.
SWR	Soil, waste and rain water.
Supreme Industries	Supreme Industries Limited.
UPVC	Unplasticised polyvinyl chloride.
VCM	Vinyl chloride monomer.
Wavin	Wavin Overseas B.V.
WSS	Water supply and sanitation.

Conventional and General Terms or Abbreviations

Term	Description
"₹", "Rs.", "INR" or "Rupees"	Indian Rupees, the official currency of the Republic of India.
AGM	Annual general meeting.
AIF	Alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.
"AS" or "Accounting Standards"	Accounting standards issued by the Institute of Chartered Accountants of India as notified by the Companies (Accounting Standards) Rules, 2006.
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate.
Category I FPI(s)	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations.
Category II FPI(s)	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identity Number.
CIT	Commissioner of Income Tax.
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have an effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder.
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections by the Ministry of Corporate Affairs, Government of India as of the date of this Red Herring Prospectus, along with the relevant rules made thereunder.
CSR	Corporate social responsibility.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, read with regulations framed thereunder.
DIN	Director Identification Number.
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.
DP ID	Depository participant's identity number.
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act.
EGM	Extraordinary general meeting.
EPS	Earnings per share.
"EUR" or "€"	Euro, the official currency of the Eurozone.
FDI	Foreign direct investment.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
FCNR	Foreign currency non-resident account.
FDI Circular	Consolidated foreign direct investment policy circular of 2017, effective from August 28, 2017, issued by the DIPP.
"Financial Year", "Fiscal", "Fiscal Year" or "FY"	The period of 12 months ending March 31 of that particular year.

Term	Description
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations.
FVCI	Foreign venture capital Investors as defined and registered under the SEBI FVCI Regulations.
GDP	Gross domestic product.
“GoI”, “Government”, or “Central Government”	Government of India.
GST	Goods and services tax.
Housing Finance Company	Housing finance company as defined under Regulation 2(1)(u) of the SEBI ICDR Regulations, 2018.
HUF	Hindu undivided family.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Income Tax Act	Income Tax Act, 1961, read with rules thereunder.
Ind AS	Indian accounting standards.
India	Republic of India.
Indian Accounting Standard Rules	Companies (Indian Accounting Standards) Rules of 2015.
Indian GAAP	Generally Accepted Accounting Principles in India.
Indian Penal Code	Indian Penal Code, 1860.
IPO	Initial public offering.
IRDA	Insurance Regulatory and Development Authority of India.
IST	Indian standard time.
IT	Information technology.
MCA	Ministry of Corporate Affairs, Government of India.
MCLR	Marginal cost of funds based lending rate.
MICR	Magnetic ink character recognition.
MoU	Memorandum of understanding.
“Mn” or “mn”	Million.
N.A./NA	Not applicable.
NACH	National Automated Clearing House.
NAV	Net asset value.
NEFT	National electronic fund transfer.
Net Worth	The net worth of our Company computed in accordance with section 2(57) of the Companies Act, 2013 which does not include capital reserve, capital redemption reserve and cash flow hedge reserve.
NPCI	National Payments Corporation of India
NRE Account	Non-Resident External account.
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer.
ODI	Offshore derivative instrument.
p.a.	Per annum.
P/E Ratio	Price/earnings ratio.
PAN	Permanent account number allotted under the Income Tax Act.
PAT	Profit after tax.
RBI	Reserve Bank of India.
Regulation S	Regulation S under the U.S. Securities Act.
RONW	Return on net worth.
RTGS	Real time gross settlement.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012.

Term	Description
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
SEBI ICDR Regulations 2018	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993.
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers) Regulations, 1992.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
SI NBFC	Systemically important non banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations, 2018.
Stamp Act	The Indian Stamp Act, 1899.
State Government	The government of a state in India.
Stock Exchanges	Collectively, BSE and NSE.
STT	Securities transaction tax.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
TAN	Tax deduction account number.
TDS	Tax deducted at source.
U.S. GAAP	Generally accepted accounting principles of the United States.
"U.S.", "USA" or "United States"	The United States of America.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
"USD" or "US$"	United States Dollars.
Wilful Defaulter	A company or a person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such.
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations.
Year/ Calendar Year	The 12-month period ending December 31.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms in the SEBI ICDR Regulations, SEBI ICDR Regulations, 2018, the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, capitalised terms in "*Statement of Tax Benefits*", "*Financial Statements*", "*Industry Overview*", "*Basis for Offer Price*", "*Outstanding Litigation and Material Developments*", "*Offer Procedure*" and "*Main Provisions of the Articles of Association*" on pages 112, 212, 115, 109, 340, 380 and 439 respectively, shall have the meaning given to such terms in such sections.

CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION, INDUSTRY AND MARKET DATA

This Red Herring Prospectus has been prepared in accordance with provisions and disclosure requirements of the SEBI ICDR Regulations except that the issue procedure including in relation to Bid/Offer Period, submission of Bid Cum Application Forms, Payment of Bid Amount, Allocation, Allotment, lock-in, Refund of Bid Amount, if any and listing of the Equity Shares as described in the section "*Offer Procedure*" on page 380 including "*Part B - General Information Document for Investing in Public Issues*" (each read with "*Definition and Abbreviations*" on page 1) and matters pertaining to pledge of Promoter shareholding and change in Offer size have been prepared in accordance with SEBI ICDR Regulations, 2018.

All references to "India" contained in this Red Herring Prospectus are to the Republic of India and all references to the "U.S." or "U.S.A" are to the United States of America.

Page numbers

Unless otherwise stated, all references to page numbers in this Red Herring Prospectus are to page numbers of this Red Herring Prospectus.

Currency and units of presentation

All references to *"Rupee(s)"*, *"Rs."* or "₹" or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to *"US$"* or *"U.S. Dollars"* or *"USD"* are to United States Dollars, the official currency of the United States of America. All references to "EUR" or "€" are to Euro, the official currency of the Eurozone.

Exchange rates

This Red Herring Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

Currency#	**Exchange rate as at (*in ₹*)**						
	June 30, 2019(4)	**March 31, 2019(3)**	**March 31, 2018(2)**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014(1)**
1 USD	68.92	69.17	65.04	64.84	66.33	62.59	60.10
1 Euro	78.36	77.70	80.62	69.25	75.10	67.51	82.58

#Source: For information until March 31, 2018, the source is RBI Reference Rate as available on https://www.rbi.org.in/, whereas for information post March 31, 2018, the source is FBIL Reference Rate as available on https://www.fbil.org.in/

(1) Exchange rate as at March 28, 2014, as RBI reference rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.
(2) Exchange rate as at March 28, 2018, as RBI reference rate is not available for March 31, 2018 being a Saturday and March 30, 2018 and March 29, 2018 being public holidays.
(3) Exchange rate as at March 29, 2019, as RBI reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday and a Saturday, respectively.
(4) Exchange rate as at June 28, 2019, as RBI reference rate is not available for June 30, 2019 and June 29, 2019 being a Sunday and a Saturday, respectively.

Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate, the rates stated above or at all.

Financial and other data

Unless stated otherwise, the financial information in this Red Herring Prospectus is derived from our Restated Financial Statements as at and for the Fiscals 2019, 2018, 2017 and 2016 (proforma) along with as at and for the three-month period ended June 30, 2019, prepared in accordance with Ind AS and as at and for the Fiscals 2015 and 2014 prepared in accordance with Indian GAAP. The Restated Financial Statements have been examined by our Statutory Auditor in accordance with the Companies Act and relevant rules framed thereunder and restated under the SEBI ICDR Regulations. As at and for the financial years ended March 31, 2019, 2018, 2017, 2016, 2015 and 2014 and as at the three-month period ended June 30, 2019, our Company did not have any subsidiary and, consequently, the Restated Financial Statements included in this Red Herring Prospectus have been prepared on a standalone basis.

Our Company's fiscal year commences on April 1 of each year and ends on March 31 of the next year. Accordingly, all references to a particular fiscal year (referred to herein as "**Fiscal**", "**Fiscal Year**" or "**FY**") are to the 12-month period ended March 31 of that particular year, unless otherwise specified.

While for statutory reporting purposes, we have adopted Ind AS from April 1, 2017 onwards with a transition date of April 1, 2016, we have prepared our Restated Financial Statements for: (a) the three-month period ended June 30, 2019, financial years ended March 31, 2019, March 31, 2018, March 31, 2017 and March 31, 2016 (proforma) in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses, 2016, issued by the ICAI; and (b) financial years ended March 31, 2015 and March 31, 2014 in accordance with the Companies Act, 2013 and the Indian GAAP and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses, 2016, issued by the ICAI.

All the figures in this Red Herring Prospectus have been presented in millions or in whole numbers where the numbers have been too small to present in millions, unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. Certain figures contained in this Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Industry and Market Data

Unless stated otherwise, the industry and market data set forth in this Red Herring Prospectus have been obtained or derived from publicly available information as well as industry publications and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified by our Company, the Promoter Selling Shareholders, the Syndicate or any of their respective affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

Further, the extent to which industry and market data set forth in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, no investment decision should be made solely on the basis of such information. For further details, see the section titled "*Risk Factors - Statistical and industry data in this Red Herring Prospectus may be inaccurate, incomplete or unreliable*" on page 43.

Certain industry related information in the sections titled "*Summary of Industry*", "*Summary of Business*", "*Industry Overview*", "*Our Business*", "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on pages 46, 57, 115, 150, 17 and 309 respectively, have been derived from an industry report titled *"Assessment of the polymer pipes industry"* dated November, 2019, prepared by CRISIL Research (the "**CRISIL Research Report**"), an independent research house, pursuant to an engagement with our Company**.**

The CRISIL Research Report is subject to the following disclaimer:

"CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data).

However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. ***Prince Pipes and Fittings Limited*** *will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."*

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "goal", "expect", "estimate", "intend", "objective", "plan", "project", "should", "will", "will continue", "seek to", "will pursue" or other words or phrases of similar import. All statements contained in this Red Herring Prospectus that are not statements of historical fact, constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward looking statements include statements with respect to our business strategy, our revenue, and profitability, our projects and other matters discussed in this Red Herring Prospectus. 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.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence.

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

- reduction in the residential and non-residential construction markets;
- cessation of government schemes encouraging building of new houses and related infrastructure;
- reduction in activity in the agriculture sector;
- ability to match competition in the market;
- reduction in demand for our products due to increase in consumers' preference for substitutes;
- increases in the cost of raw materials;
- depreciation of the Indian Rupee;
- delays or cost overruns in the setting up of our new manufacturing plant;
- outcome of outstanding litigation against our Company, our Promoters and our Directors;
- failure to successfully implement our geographical expansion plans for our Trubore brand products; and
- inability to successfully compete in the market for DWC pipes.

For further discussion of factors that could cause our actual results to differ from our expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 17, 150 and 309, respectively. 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 gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect our views as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on the currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. None of our Company, Directors, the Promoter Selling Shareholders, the BRLMs or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements, our Company, the Promoter Selling Shareholders and the BRLMs will ensure that investors in India are informed of material developments from the date of registration of this Red Herring Prospectus with the RoC until the Allotment.

SECTION II - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. This section should be read in conjunction with "Industry Overview", "Our Business", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 115, 150, 212 and 309, respectively, before making an investment decision in relation to the Equity Shares.

The risks and uncertainties described in this section are not the only risks that are relevant to us or the Equity Shares. Additional risks and uncertainties not currently 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. If any of the following risks or other risks that are not currently known or are now deemed immaterial actually occur, our business, results of operations and financial condition could be adversely affected and the trading price of the Equity Shares could decline and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors described below. However, there are certain risk factors where such implications are not quantifiable and hence any quantification of the underlying risks has not been disclosed in such risk factors.

In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer, including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

This section contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. See "Forward-Looking Statements" on page 15.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

1. Demand for our plumbing products and soil, waste and rain water ("SWR") management products is closely tied to the levels of residential and non-residential construction activity in India. Any reduction in the activity in one or both of these markets could have a material adverse effect on our business, results of operations and financial condition.

Sales of plumbing products represented 42.36%, 43.81%, 42.00% and 37.24% of our net revenue from sale of products less excise duty ("**Net Revenue from Sale of Products**") for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, respectively. Sales of SWR management products represented 21.16%, 21.35%, 26.53% and 29.53% of our Net Revenue from Sale of Products for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, respectively. Demand for our plumbing products and SWR management products is closely tied to the levels of residential and non-residential construction activity in India. Any reduction in the activity in one or both of these markets could have a material adverse effect on our business, results of operations and financial condition.

2. If governments cease to encourage the building of new houses and related infrastructure, it could have a material adverse effect on our business, results of operations and financial condition.

CRISIL Research expects construction expenditure on urban infrastructure to be approximately ₹ 3.4 trillion between Fiscal 2019 and Fiscal 2024, which is 1.7 times the expenditure of the previous five fiscal years (i.e., from April 1, 2014 to March 31, 2019). CRISIL Research expects water supply and sanitation ("**WSS**") projects to account for approximately 52% of the total urban infrastructure investment over the next five fiscal years (i.e., from April 1, 2019 to March 31, 2024), driven primarily by state governments and through centrally sponsored programs. Gujarat, Rajasthan, Telangana, and Uttar Pradesh will lead state investments. Plastic pipes are primarily used in irrigation and WSS projects. The major demand sources are public sector projects undertaken by the central, state and municipal level bodies. According to CRISIL Research, the key growth drivers are: (a) increased spending by state governments and municipal corporations to improve accessibility of water for an ever-increasing population; and (b) heightened thrust, in the form of several central government-led schemes, to augment irrigation (e.g., PMKSY), urban infrastructure (WSS schemes such as JNNURM, AMRUT, Swachh Bharat Mission and Smart Cities Mission) and real estate (e.g., Housing for All scheme). Other than government schemes, demand will also be supported by an increase in private sector investments, primarily in the real estate sector. CRISIL Research expects demand for plumbing pipes to grow with the rise in the construction activity in metros as well as tier-II and tier-III cities to drive demand for plastic pipes and fittings. *(Source: CRISIL Research Report*). For details on these schemes and projects, see "*Industry Overview*" on page 115. If the governments cease to encourage the building of new houses and related infrastructure, it could have a material adverse effect on our business, results of operations and financial condition.

3. Demand for our products for use in irrigation is influenced by the growth of the agriculture segment and any reduction in the activity in this segment could have a material adverse effect on our business, results of operations and financial condition.

Sales of products for use in irrigation represented 35.36%, 33.73%, 31.27% and 32.43% of our Net Revenue from Sale of Products for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, respectively. Demand for these products is affected by the levels of the growth in the agriculture segment in India. The level of growth in the agriculture segment is to a major extent impacted by the monsoon each year. India gets relatively more of its agricultural produce from the *kharif* season (June-September) compared to the *rabi* season (November-February). The impact of the monsoon is also crucial for *rabi* crops as it has an impact on the ground water and also reservoirs, which are critical for the irrigation of *rabi* crops. A good monsoon season typically bodes well for farmer's incomes and the agriculture segment, and in turn, for our business. Any reduction in the activity in the agriculture segment could have a material adverse effect on our business, results of operations and financial condition.

4. We engage in a highly competitive business and if we fail to compete effectively, it would have a material adverse effect on our business, financial condition and results of operations.

The markets in which we sell our products are highly competitive and we face significant competition from organized and unorganized pipe manufacturers. For details on our competitors, see "*Our Business–Competition*" on page 164.

Competition among manufacturers in our markets is based on many factors. According to CRISIL Research, the success of players in the industry depends on: (a) a pan-India presence; (b) size of distribution network; (c) product portfolio; (d) the end-use sectors they cater to; and (e) presence in pipes as well as fittings segment. (*Source: CRISIL Research Report*). Some of our competitors may have access to greater financial or other resources than we do, which may afford them greater purchasing power, greater production efficiency, increased financial flexibility or more capital resources for expansion and improvement. Furthermore, our competitors' actions, including expanding manufacturing capacity, or the entry of new competitors into one or more of our markets could cause us to lower prices in an effort to maintain our sales volume. If we fail to compete effectively, it would have a material adverse effect on our business, financial condition and results of operations.

5. We face competition from substitutes for many of our products and if consumers' preferences for any of these substitutes increase it could lead to a reduction in the demand for our products, which could have a material adverse effect on our business, financial condition and results of operations.

In addition to competition from players in the polymer pipes industry, we also face competition from substitutes for many of our products. Our plumbing products compete with galvanized iron products, PEX (cross-linked polyethylene) products, ABS (acrylonitrile butadiene styrene) products, MDPE (medium density polyethylene) products and composite products. Our irrigation products compete with HDPE (high-density polyethylene) products and concrete reinforced products. Our SWR management products compete with concrete reinforced products, cast iron products and composite products. Increases in consumers' preferences for any of these substitutes could lead to a reduction in the demand for our products, which could have a material adverse effect on our business, financial condition and results of operations.

6. Increases in the cost of raw materials could have a material adverse effect on our results of operations and financial condition.

Our primary raw materials comprise UPVC, CPVC, PPR and HDPE resins, which are derived from crude oil by-products. Crude oil prices are volatile and any increases in the price of crude oil would lead to increases in the prices of the raw materials required to manufacture our products. For details on the raw materials used in the plastic pipes industry and recent trends in raw material prices as well as the price of crude oil, see "*Industry Overview – Raw materials for the plastic pipes industry*" beginning on page 136. The price we pay in Rupees for our raw materials is also affected by changes in the exchange rate between the Rupee and the U.S. dollar As a result, a depreciation in the rate of exchange of the Rupee and the U.S. dollar would lead to increases in the prices of the raw materials required to manufacture our products.

We have not entered into any long-term supply contracts for such raw materials and, therefore, we are subject to the risk of increases in the costs of UPVC, CPVC, PPR and HDPE resins and the depreciation of the Rupee against the U.S. dollar. Our costs of raw materials as a percentage of our revenue from operations is dependent on the costs of raw materials as well as the mix of products sold. For Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019 our cost of materials consumed was ₹ 8,364.74 million, ₹ 8,938.14 million, ₹ 10,728.59 million and ₹ 2,789.92 million, respectively, representing 62.89%, 67.69%, 68.25% and 73.46% of our revenue from operations, respectively.

The Ministry of Finance (Department of Revenue), via notification No. 33/2019-Customs (Add), dated August 26, 2019, has announced that provisional anti-dumping duty has been imposed on CPVC, whether or not further processed into compound, imported from China and South Korea into India for a period of six months (unless revoked, amended or superseded earlier) from August 26, 2019. The anti-dumping duties range from US$ 2,031 – 2,165 per tonne for resin and US$ 2,591 – 2,849 per tonne for compound. For Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, the percentage of our pipes and fittings manufactured from CPVC was 8.75%, 9.78%, 8.92% and 7.22% of our total production of pipes and fittings, respectively. Because of this provisional anti-dumping duty, the prices that we pay for CPVC have increased.

If we cannot fully offset increases in the cost of raw materials, through increases in the prices for our products, we would experience lower margins and profitability, which would have a material adverse effect on our financial condition and results of operations.

7. Depreciation of the Rupee would adversely affect our financial condition and results of operations.

We import some of our raw material and equipment/machinery utilized in our manufacturing plants and we also borrow from time to time in foreign currency.

For Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019 we imported ₹ 2,546.95 million, ₹ 3,340.10 million, ₹ 5,592.09 million and ₹ 1,384.23 million equivalent of raw materials on a CIF basis, respectively, representing 30.45%, 33.37%, 52.12% and 49.62% respectively, of our cost of materials consumed.

Our net unhedged foreign currency exposure was ₹ 225.73 million and ₹ 51.75 million as at March 31, 2019 and June 30, 2019, respectively.

For Fiscal 2018 and the three-month period ended June 30, 2019, we incurred expenses of ₹ 24.19 million and ₹ 8.42 million for foreign currency exchange difference (net), respectively. For Fiscals 2017 and 2019, our other income included ₹ 10.09 million and ₹ 18.18 million for foreign currency exchange difference (net), respectively.

For details of our accounting policies with respect to foreign currency transactions, see Annexure E to the Restated Financial Statements in "*Financial Statements*" on page 212.

The average exchange rate per USD for Rupees (RBI reference rate) was ₹ 67.09 for Fiscal 2017, ₹ 64.45 for Fiscal 2018, ₹ 69.89 for Fiscal 2019 and ₹ 69.56 for the three-month period ended June 30, 2019 based on the average of the RBI's/Financial Benchmarks India Pvt. Ltd. ("**FBIL**")`s official rates for each working day of the relevant period. (*Sources:* www.rbi.org.in *and www.fbil.org.in/*).

While our principal revenues are in Rupees, since the costs of the imported raw material and plant and machinery are denominated in foreign currencies, primarily in USD, any depreciation in the Rupee vis-a-vis these foreign currencies, to the extent our exposure is unhedged, would adversely affect our financial condition and results of operations.

In addition, a depreciation in the rate of exchange of the Rupee and the U.S. dollar would lead to increases in the prices of the domestic raw materials required to manufacture our products. If we were unable to pass on increases in the costs of raw materials to customers in the form of higher prices for our products, it would adversely affect our financial condition and results of operations.

8. In relation to certain bonds issued by one of our Promoter Group entities, Express Infra Projects LLP, our Promoters and one of our Promoter Group Entities may be required to pledge certain Equity Shares held by them. Additionally, certain of our Promoters may be required to undertake additional obligations, including providing a non-disposal undertaking with respect to certain of their Equity Shares. In the event they are required to create such encumbrance and if such encumbrance is enforced, there may be a dilution of the shareholding of our Promoters and Promoter Group and we may face certain impediments in taking decisions on certain key strategic matters involving our Company. As a result, we may not be able to conduct our business or implement our strategies as currently planned, which may adversely affect our business, financial condition and results of operations. Further, any rapid sale of Equity Shares by such third parties may adversely affect the price of the Equity Shares.

One of our Promoter Group entities, Express Infra Projects LLP, has issued bonds aggregating up to ₹ 2,000 million, of which ₹ 1,915.00 million was outstanding as at October 31, 2019. For securing these bonds, our Promoters, Jayant Shamji Chheda, Tarla Jayant Chheda, Parag Jayant Chheda, Vipul Jayant Chheda and Heena Parag Chheda, and one of our Promoter Group entities, Jayant Shamji Chheda HUF, had pledged certain Equity Shares (in their capacity as first holders or second holders of such Equity Shares) aggregating 35% of the Equity Share capital of our Company on a fully diluted basis, with IDBI Trusteeship Services Limited, acting as a trustee on behalf of the bondholders. Further, Parag Jayant Chheda and Vipul Jayant Chheda (along with such Shareholders holding Equity Shares jointly with them as second joint Shareholders) had provided a non-disposal undertaking in relation to additional Equity Shares aggregating 16% of the Equity Share capital of our Company on a fully diluted basis. For details in relation this arrangement, see "*History and Certain Corporate Matters – Material Agreements – Other Agreements*" on page 178. The pledge as well as the non-disposal undertaking were released prior to the filing of this Red Herring Prospectus, in accordance with the letter dated November 29, 2019 from IDBI Trusteeship Services Limited. However, in the event the Promoter Selling Shareholders are unable to fully repay the outstanding amounts for these bonds from the proceeds of the Offer for Sale within 2 business days of (i) the credit of proceeds of the Offer in the public offer account opened in relation to the Offer; or (ii) the receipt of the final listing and trading approvals for the Equity Shares from the Stock Exchanges, whichever is later, they are required to, subject to applicable law, (i) create first ranking exclusive security interest over certain immovable properties of the Promoters for the benefit of the bondholders, such that the ratio of the market value of such immovable properties to the aggregate amounts outstanding in relation to the Bonds is at least 2.5:1; (ii) re-create the pledge and provide the non-disposal undertaking (including making relevant filings with the depository) over such number of Equity Shares and in such form and manner as may be satisfactory to the bondholders; and (iii) execute such further documentation as may be required.

In the event the Promoters are required to undertake the actions mentioned above, any default of the arrangement pursuant to which the Equity Shares were encumbered may entitle the bondholders to enforce the encumbrance over these Equity Shares. If this happens, the shareholding of the Promoter and Promoter Group may reduce and as a result of which we may face certain impediments in taking decisions on certain key strategic matters. As a result, we may not be able to conduct our business or implement our strategies as currently planned, which may adversely affect our business, financial condition and results of operations. Further, any rapid sale of Equity Shares by such third parties may adversely affect the price of the Equity Shares.

9. Three of our Promoters have given personal guarantees in relation to certain debt facilities obtained by our Company. Certain of our Promoters have given personal guarantees and/or acted as co-borrowers in relation to certain loans and a debt facility obtained by our Group Companies, Promoter Group Companies and/or other Promoters. In the event our Company, Group Companies, Promoter Group Companies or other Promoters default on any of these loan obligations, these

personal guarantees may be invoked by the lenders or the co-borrowed amount may be called for repayment, as applicable, thereby adversely affecting these Promoters' ability to manage the affairs of our Company and this in turn could adversely affect our business, prospects, financial condition and results of operations.

Three of our Promoters, Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda, have given personal guarantees in relation to (a) a working capital and term loan for our Company from a consortium of banks led by the Standard Chartered Bank, the amount of guarantees provided was ₹ 6,074.70 million as at October 31, 2019 and (b) a facility for forward booking of foreign exchange for our Company from Standard Chartered Bank, the amount of guarantees provided was ₹ 55.00 million as at October 31, 2019. In the event our Company defaults on these debt obligations, the guarantees may be invoked by our lenders. In the event these Promoters do not have other assets to satisfy their obligations under the guarantees, they may be required to sell some or all of their Equity Shares, which could thereby adversely affect these Promoters' ability to manage the affairs of our Company. This in turn could adversely affect our business, prospects, financial condition and results of operations. In addition, the price of our Equity Shares post listing on the Stock Exchanges could be adversely affected by the sale of these Equity Shares. Further, in the event that any of these guarantees are revoked by these Promoters, our lenders may require alternate guarantees, repayment of amounts outstanding under the aforesaid facilities, or they may even terminate such facilities. We may not be able to procure other guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition and cash flows.

The details of sanctioned loans and debt facilities obtained by our Group Companies, Promoter Group Companies and/or other Promoters as at October 31, 2019 against which our Promoters have provided personal guarantees and/or acted as co-borrowers are set forth in the table below.

Guarantor(s)	**Co-borrower(s)**	**Borrower**	**Lender**	**Amount sanctioned as at October 31, 2019 (in ₹ million)**
Jayant Shamji Chheda, Parag Jayant Chheda, Vipul Jayant Chheda and Tarla Jayant Chheda	-	Express Infra Projects LLP	IDBI Trusteeship Services Limited, as trustee on behalf of the bondholders	2,000.00
-	Jayant Shamji Chheda and Ashwini Chheda	Vipul Jayant Chheda	Bank of Baroda	44.00
Tarla Jayant Chheda	Mr. Jayant Shamji Chheda and Ashwini Chheda	Vipul Jayant Chheda	Bank of Baroda	25.00
-	Jayant Shamji Chheda and Ashwini Chheda	Vipul Jayant Chheda	Bank of Baroda	20.00
Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda	-	Pinnacle Realty Projects Private Limited	Kotak Mahindra Bank Limited	200.00
-	Parag Jayant Chheda and Tarla Jayant Chheda	Jayant S. Chheda	Kotak Mahindra Bank Limited	122.50
Jayant Shamji Chheda and Vipul Jayant Chheda	-	Arena Enterprise	Standard Chartered Bank	1,459.42
Jayant Shamji Chheda.	Jayant Shamji Chheda	Ellora Chemical Works	ICICI Bank Limited	87.50
Vipul Jayant Chheda	Vipul Jayant Chheda	Albright Aluminium	Standard Chartered Bank	10.50

		Industries		
			Total	**3,968.92**

In event of default on any of the loan obligations, the guarantees may be invoked by the lenders or the co-borrowed amount may be called for repayment, as applicable. In the event the Promoters do not have other assets to satisfy their obligations, they may be required to sell some or all of their Equity Shares, which could thereby adversely affect the Promoters' ability to manage the affairs of our Company. This, in turn, could adversely affect our business, prospects, financial condition and results of operations. In addition, the price of our Equity Shares post listing on the Stock Exchanges could be adversely affected by the sale of Equity Shares by the Promoters.

10. There are outstanding litigations against our Company, certain of our Promoters and our Directors and any adverse outcome in any of these litigations could have an adverse impact on our business, results of operations and financial condition.

Two of our Promoters, Jayant Shamji Chheda, who is also our Chairman and Managing Director, and Heena Parag Chheda, are also partners in M/s Aditya Developers ("**Aditya**"), a partnership firm that forms a part of our Promoter Group, in which they each own a 10% interest. Aditya had entered into a joint venture agreement dated December 30, 2010 ("**JV Agreement**") with Montana Developers Private Limited ("**Montana**"). Montana initiated arbitration proceedings ("**Claim**") against Aditya and its partners, including Jayant Shamji Chheda and Heena Parag Chheda, seeking, *inter alia*, specific performance of all the obligations under the JV Agreement along with damages from Aditya and its partners. For further details, see "*Outstanding Litigation and Material Developments–Litigation involving our Promoter –Other material litigation outstanding against our Promoters"* on page 344. Further, Montana also filed a criminal complaint ("**Complaint**") before the Additional Chief Metropolitan Magistrate, 37th Esplanade, Mumbai court, against Aditya and its partners, including, Jayant Shamji Chheda and Heena Parag Chheda, alleging (i) misrepresentation of certain material information in relation to the subject matter of the JV Agreement leading to fraudulent inducement to enter into the JV Agreement and making an interest free deposit of ₹ 462.50 million to Aditya; and (ii) forgery of a letter from Montana, countersigned by two of the partners of Aditya on behalf of Aditya, mutually terminating the JV Agreement. For further details, see "*Outstanding Litigation and Material Developments–Litigation involving our Promoters–Outstanding criminal litigation involving our Promoters"* on page 344. We cannot assure you that an adverse order in relation to the Claim will not be passed against two of our Promoters, Jayant Shamji Chheda, who is also our Chairman and Managing Director, and Heena Parag Chheda, for which they may be jointly and severally be subjected to pay damages to the full extent as claimed by Montana, i.e., up to ₹ 9,046.40 million, along with applicable interest, nor can we assure you that they will not be held liable pursuant to the Complaint, which may result in punishment under the relevant provisions of applicable criminal laws, including imprisonment and/or fine. In addition to the above, the Claim and Complaint could also have an adverse effect on the reputation and financial condition of Jayant Shamji Chheda and Heena Parag Chheda and have an impact on their ability to serve our Company.

In addition to the above legal proceedings, our Company, certain of our Promoters and Directors are currently involved in certain other legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals.

The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters and actions by regulatory/ statutory authorities against our Company, certain of our Promoters and Directors have been set out below. Further, the summary of the outstanding matters also include other outstanding matters pending against our Company, certain of our Promoters and Directors that exceed the applicable materiality threshold as determined by our Board.

Litigation against our Company

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Direct tax matters	9	25.54
Indirect tax matters	1	0.38

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Other matters exceeding ₹ 8.34 million or other material litigation	3	0
Pending Action by statutory or regulatory authorities	3	-

Litigation against certain of our Promoters/Directors

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Direct tax matters	10	112.52
Criminal proceedings	2	-
Other matters exceeding ₹ 8.34 million or other material litigation	3	9,046.40
Pending Action by statutory or regulatory authorities	4	-

For further details, see "*Outstanding Litigation and Material Developments*" beginning on page 340.

Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, future financial performance and results of operations. If the courts or tribunals rule against our Company or our Promoters and Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

11. Our Company, the Book Running Lead Managers, and certain others have received complaints in relation to non-disclosure of certain litigation in the Draft Red Herring Prospectus and Erstwhile DRHP.

Our Company, the Book Running Lead Managers, and certain others have received complaints ("**Complaints**") from Montana Developers Private Limited ("**Montana**') and Radon Developer Private Limited ("**Radon**") in respect of the Draft Red Herring Prospectus and the Erstwhile DRHP, alleging, among other things, the non-disclosure of pending litigation involving (i) Montana and Radon, and M/s Aditya Developers ("**Aditya**") and its partners, including Jayant Shamji Chheda and Heena Parag Chheda, two of our Promoters, in the Erstwhile DRHP; and (ii) Montana and Radon, and Aditya and its partners, in the DRHP. The complaints also alleged non-disclosure of certain other cases involving Aditya including cases filed by Radon and cases filed by and against slum dwellers. For further details in relation to these Complaints, along with details of litigation involving our Promoters and one of our Promoter Group entities please see "*Outstanding Litigation and Material Developments*" beginning on page 340 and "*–There are outstanding litigations against our Company, certain of our Promoters and our Directors and any adverse outcome in any of these litigations could have an adverse impact on our business, results of operations and financial condition*" on page 22**.**

12. We plan to use ₹ 1,840.00 million of the Net Proceeds of the Fresh Issue and the proceeds from the Pre-IPO Placement towards setting up a new plant in Telangana, either directly by our Company or indirectly through a wholly owned subsidiary of our Company, with an estimated total cost ₹ 1,961.01 million. The estimated cost of setting up the new Telangana plant has not been appraised by any bank or financial institution. We are yet to obtain certain consents and acknowledgements from various regulatory authorities in relation to setting up and operation of our proposed new manufacturing plant. If there are delays or cost overruns in the setting up of this new plant, it would have an adverse effect on our business, financial condition, results of operations and growth prospects.

We plan to use ₹ 1,840.00 million of the Net Proceeds of the Fresh Issue and the proceeds from the Pre-IPO Placement towards setting up a new plant in Sadashivpet Mandal, district of Sangareddy, Telangana, which may be undertaken directly by our Company, or indirectly, through a subsidiary of our Company. The estimated total cost for the setting up of the plant in Telangana is ₹ 1,961.01 million, out of which we have already paid ₹ 121.01 million for the land, including registration cost, stamp duty and other expenses. The fund requirement mentioned as part of the Objects of the Offer is based on quotations received from vendors as well as internal management estimates and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial conditions or business strategies and the passage of time. Also, if we engage someone other than an identified vendor, such vendor's quotation may differ from the current quotation. Subject to applicable laws, we may have to revise our funding requirements, including increasing or decreasing expenditure for the new plant in Telangana and deployment on account of a variety of factors. We have acquired the land to set up this plant, but we are yet to place orders for construction of the plant or for the machinery for the plant. For further details, see "*Objects of the Offer–Financing the project cost towards establishment of a new manufacturing facility*" and "*Our Business–Proposed New Plant*" on pages 101 and 158, respectively.

As a consequence of any increased costs or delays in implementation, the actual costs to set up this new plant may be higher than our management's estimates, as a result of which, our financial condition and results of operations and cash flows could be materially and adversely impacted.

We are yet to obtain certain consents and acknowledgements from various regulatory authorities in relation to the setting up and operation of our proposed new manufacturing plant. For details, see "*Government and Other Approvals–Approvals applied for but not received*" on page 354, respectively. We cannot assure you that we will be able to obtain the consent and acknowledgements from the regulatory authorities in a timely manner or at all and any delays in getting the required approvals could give rise to cost overruns and delays in our implementation schedules. No assurance can be given that at the time of grant of consent, the regulatory authorities will not impose any restrictions on us.

Further, there could be delays in setting up the new plant as a result of, among other things, contractors' failing to perform, unforeseen engineering problems, disputes with workers, or force majeure events, any of which could give rise to cost overruns and delays in our implementation schedule.

If the construction of the new plant is subject to time and/or cost overruns, it could have an adverse effect on our business, results of operations, financial condition and growth prospects.

13. If we are unable to successfully implement our geographical expansion plans for our Trubore brand products, it could have a material adverse effect on our growth prospects, financial condition and results of operations.

We currently market and sell our Trubore brand products in South India, primarily in Tamil Nadu. For Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019 sales of Trubore brand products in Tamil Nadu represented 82.43%, 78.89%, 79.60% and 76.18% of our total revenue from sale of products for our Trubore brand products, respectively. We plan to increase sales of our Trubore brand products by increasing our marketing efforts and the number of wholesalers and retailers for our Trubore brand products. We plan to do this initially in all other states in South India and then gradually do this in North, East and West India, thereby making our Trubore brand a pan-India brand in the next three or four years. There can be no assurance that we will be able to successfully implement our geographical expansion plans for our Trubore brand products and if we are unable to do so, it could have a material adverse effect on our growth prospects, financial condition and results of operations.

14. In the fourth quarter of Fiscal 2018, we entered the HDPE segment with double wall corrugated ("DWC") pipes. If we are unable to successfully compete in the market for DWC pipes, it could have a material adverse effect on our growth prospects, results of operations and financial condition.

In the fourth quarter of Fiscal 2018, we expanded the reach of our products for application in underground drainage by entering the HDPE segment with DWC pipes when our Haridwar plant began producing DWC pipes with one machine that has an installed capacity of 8,820 tonnes per annum (as at October 31, 2019). We have subsequently installed two machines to produce DWC pipes in our Chennai plant; one in July 2018 with an installed capacity of 8,820 tonnes per annum (as at October 31, 2019), and another in October 2018 with an installed capacity of 5,544 tonnes per annum (as at October 31, 2019). In addition, in October 2018 we installed a machine for manufacturing DWC pipes that has an installed capacity of 13,440 tonnes per annum (as at October 31, 2019) in our Dadra plant. Our contract manufacturer in Aurangabad (Maharashtra) began production of DWC pipes for us in June 2018 using a machine owned by us that has an installed capacity of 5,544 tonnes per annum (as at

October 31, 2019). For Fiscals 2018 and 2019 and the three-month period ended June 30, 2019, our Net Revenue from Sale of Products from sales of DWC pipes was ₹ 26.96 million, ₹ 467.06 million and ₹ 76.20 million, respectively, which represented 0.21%, 2.99% and 2.01% of our Net Revenue from Sale of Products for those periods, respectively. If we are unable to successfully compete in the market for DWC pipes, it could have a material adverse effect on our growth prospects, results of operations and financial condition.

15. The use of the words "Prince" in the corporate, trading or brand names or logos by certain third parties may lead customers to confuse them with our Company, thereby diluting our brand, which could lead to our Company losing business to such competitors and could adversely affect our goodwill. In addition, if they experience any negative publicity, it could have an adverse effect on our reputation. Any of the foregoing could have a material adverse effect on our business, results of operations and financial condition.

Our ability to differentiate our products from our competitors' products is a key factor in attracting customers. We have applied to register the trademark "Prince Piping Systems" in India and have the right to use the same as part of our trading or company name.

Until July 2014, our business was carried on under a different logo. One of our competitors, which has the word Prince in its name, uses the old logo we used to use. The chairman of that company is related to our Promoters. In July 2014, we changed our Company logo to Prince Piping Systems in order to further distinguish our Company from that company.

Another company that is in the business of manufacturing and trading in PVC pipes uses the brand "Prince Platinum", which may lead to confusion in the minds of consumers.

The use of the word "Prince" in the corporate, trading or brand names of third parties, especially in related businesses, as well as continued use of our old logo by one of our competitors, may lead customers to confuse them with our Company, which might lead to our Company losing business to such competitors and might adversely affect our goodwill. In addition, if they experience any negative publicity, it could have an adverse effect on our reputation, all of which could have a material adverse effect on our business, results of operations and financial condition.

16. If we are unable to protect our intellectual property against third party infringement or are found to infringe on the intellectual property rights of others, it could have a material adverse effect on our business, results of operations and financial condition.

We rely on a combination of trademarks and other unregistered rights to protect our rights to our brands and products. For details, see "*Our Business–Intellectual Property*" on page 163.

We have applied for registration of the Prince Piping Systems' logo as a trademark. We have also applied for registering the Prince Piping Systems logo in Hindi, Assamese, Gujarati, Kannada, Oriya, Tamil and Telugu. However, there have been competing claims to it due to pending applications, involving our Company and another company with the word "Prince" in its name in this regard and objections have been raised in regard to our application. We cannot assure that we will be granted these trademarks.

We have applied to register the Prince Piping Systems logo as a trademark in Bangladesh, Nepal, Pakistan and Sri Lanka. A cautionary notice in relation to the Prince Piping Systems logo has been published for our trademark in the Maldives. We cannot assure that we will succeed in procuring these trademarks.

As noted above in "*–The use of the words "Prince" in the corporate, trading or brand names or logos by certain third parties may lead customers to confuse them with our Company, which could lead to our Company losing business to such competitors and could adversely affect our goodwill. In addition, if they experience any negative publicity, it could have an adverse effect on our reputation. Any of foregoing could have a material adverse effect on our business, results of operations and financial condition*" on page 25, certain third parties are using "Prince" in their logo, corporate, trading and/or brand names.

We also rely on product, industry, manufacturing and market "know-how" that cannot be registered and is not subject to any confidentiality or nondisclosure clauses or agreements.

We cannot guarantee that any of our registered or unregistered intellectual property rights or our know-how, or claims thereto, will now or in the future successfully protect what we consider to be the intellectual property underlying our products and business, or that our rights will not be successfully opposed or otherwise challenged. We also cannot guarantee that each application filed with respect to our brand names or any new technology will be approved. For example, our application for registration of the Prince Zero Defect logo under classes 11 and 17 were rejected by the Trademarks Registry. To the extent that our innovations, products and names are not protected by trademarks or other intellectual property rights, third parties, including competitors, may be able to commercialize our innovations or products or use our know-how. Additionally, we may in the future face claims that we are infringing the intellectual property rights of others. If any of our products are found to infringe the trademarks or other intellectual property rights of others, our manufacture and sale of such products could be significantly restricted or prohibited and we may be required to pay substantial damages or on-going licensing fees. If we are unable to protect our intellectual property rights or are found to infringe on the intellectual property rights of others, it could have a material adverse effect on our business, results of operations and financial condition.

17. ***Negative publicity about our Company, the Prince Piping Systems brand, the Trubore brand, our products or the celebrity fronting the Prince Piping Systems brand campaign could adversely affect our reputation and thereby our business and results of operations.***

Our business is dependent on the trust our customers have in the quality of our products, the Prince Piping Systems brand and the Trubore brand. As a part of our marketing strategy, in June 2018 we rolled out an advertising campaign for our Prince Piping Systems brand with a celebrity fronting the campaign. Any negative publicity regarding our Company, our brands, our products or the celebrity fronting the Prince Piping Systems brand campaign could adversely affect our reputation and thereby our business and our results of operations.

18. ***If we are unable to estimate the demand for our products and thereby effectively manage our inventory it could have an adverse effect on our business, results of operations and financial condition.***

The success of our business depends to a major extent on our ability to estimate the demand for our products so as to effectively manage our inventory. We have implemented a demand planning and inventory management system, including automated inventory tracking and auto replenishment at our warehouses based on norms. If we underestimate demand for our products we would manufacture fewer quantities of products than required, which would result in the loss of business. If we overestimate the demand for our products it will result in additional storage costs and such surplus stock may not be sold in a timely manner, or at all. If we are unable to estimate the demand for our products and thereby effectively manage our inventory it could have an adverse effect on our business, results of operations and financial condition.

19. ***We have high working capital requirements. If we are unable to borrow funds to meet our working capital requirements, it could have a material adverse effect on our business, results of operations and financial condition.***

Our business requires a significant amount of working capital. We generally purchase our raw materials from domestic suppliers on credit terms of less than a week and we purchase imported raw materials on credit terms of 90-150 days. The majority of our sales are to distributors on an open credit basis, with standard payment terms of generally between 15-30 days. Therefore, we use working capital facilities to fund the timing difference between the payment for our raw materials and the receipt of payment for our manufactured products.

We meet our requirement for working capital through banking facilities and internal accruals. As at October 31, 2019, we had ₹ 1,532.31 million of outstanding fund based debt and ₹ 1,745.30 million of outstanding non-fund based debt for working capital purposes. If we are unable to borrow funds to meet our working capital requirements, it could have a material adverse effect on our business, results of operations and financial condition.

20. If we do not comply with covenants and conditions under our borrowing arrangements it could lead to termination of our credit facilities, accelerated repayment of all amounts due thereunder, enforcement of any security provided and the trigger of cross default provisions. Any of the above actions taken by the relevant lender could have a material adverse effect on our credit ratings, financial condition, results of operations and cash flows.

As at October 31, 2019, we had ₹ 3,078.46 million of outstanding fund based debt and ₹ 1,745.30 million of outstanding non-fund based debt. Our debt facilities contain a number of significant restrictions and covenants that generally restrict our business and limit our ability to, among other things:

- alteration of our capital structure in any manner;
- making changes to our management set-up;
- effecting any amalgamation, merger, reconstruction or consolidation;
- amending the documents in relation to the constitution of our Company;
- effecting any change in ownership or shareholding pattern;
- creation of further charge, lien or encumbrance on assets hypothecated with our lenders;
- undertaking new projects or implementing any scheme of expansion/diversification, or incurring capital expenditure, except as provided for in the funds flow statement submitted by our Company to the lender;
- investment by way of share capital in or lend or advance to or place deposits with any other entity;
- undertaking guarantee obligations on behalf of any other lender or any third party;
- declaring dividends; and
- declaring dividends except out of profits relating to that year after making all due and necessary provisions.

See *"Financial Indebtedness"* on page 337 for additional information regarding the covenants and other terms of our debt facilities. These and other similar provisions in these and other documents could have adverse consequences on our business because they limit our ability to take these actions even if we believe that a specific transaction would contribute to our future growth or improve our results of operations. For example, these restrictions could limit our flexibility in planning for or reacting to changes in our business and our industry, thereby inhibiting our ability to react to markets and potentially making us more vulnerable to downturns. These restrictions could also require that, based on our level of indebtedness, a significant portion of our cash flow from operations be used to make interest payments, thereby reducing the cash flow available for working capital, to fund capital expenditures or other corporate purposes and to generally grow our business. Furthermore, these restrictions could prevent us from pursuing a strategic transaction that we believe is in the best interests of our Company.

Our ability to comply with these provisions may be affected by events beyond our control. A failure to observe the covenants under our financing arrangements or to obtain necessary consents or serve the required notices of intimation may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect our business, credit ratings, financial condition, results of operations and cash flows.

21. Any increase in interest rates would have an adverse effect on our results of operations.

As at October 31, 2019, we had ₹ 3,069.53 million of outstanding fund-based debt that was subject to floating rates of interest, representing 99.71% of our total outstanding fund based debt as at that date. Any increase in interest rates would increase the interest costs of such loans and would adversely affect our results of operations. In addition, if interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund-based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations.

22. ***Any downward revision of our credit ratings could result in an increase in the interest rates we pay on any new borrowings and could decrease our ability to borrow as much money as we require to finance our business.***

Our current credit ratings are CARE BBB+ (Stable) for long-term bank facilities and CARE A3+ for short-term bank facilities. Further, the table below sets forth our credit ratings since July 2013:

Month/Year	Rating Agency	Short-Term Rating	Long-Term Rating (Outlook)
July 2013	ICRA Rating	A3	BBB-(Stable)
February 2014	ICRA Rating	A3	BBB-(Stable)
December 2014	ICRA Rating	A3	BBB-(Stable)
January 2016	CARE Ratings	A3	BBB
November 2016	CARE Ratings	A3+	BBB+
February 2018	CARE Ratings	A3+	BBB+(Positive)
July 2018	CARE Ratings	A3+	BBB+(Stable)
April, 2019	CARE Ratings	A3+	BBB+(Stable)

In July 2018, CARE Rating changed its outlook on its BBB+ rating of our long-term debt from 'Positive' to 'Stable'. According to CARE Rating, a 'Positive' outlook indicates an expected upgrade in the credit ratings in the medium term on account of expected positive impact on the credit risk profile of the entity in the medium term whereas a 'Stable' outlook would indicate expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.

Any downward revision of our credit ratings could result in adverse changes to the terms of new borrowings, including, but not limited to, an increase in the interest rates we pay on any new borrowings and could decrease our ability to borrow as much money as we require to finance our business, which could have a material adverse effect on our business, financial condition and results of operations.

23. ***Credit and non-payment risks of our distributors could have a material adverse effect on our business, financial condition and results of operations.***

The majority of our sales are to distributors on an open credit basis, with standard payment terms of generally between 15-30 days. While we generally monitor the ability of our distributors to pay these open credit arrangements and limit the credit we extend to what we believe is reasonable based on an evaluation of each distributor's financial condition and payment history, we may still experience losses because of a distributor being unable to pay. As a result, while we maintain what we believe to be a reasonable allowance for doubtful receivables for potential credit losses based upon our historical trends and other available information, there is a risk that our estimates may not be accurate. As at June 30, 2019, our total trade receivables amounted to ₹ 1,904.77 million, out of which ₹ 59.91 million was outstanding for a period exceeding six months. If we are unable to collect distributor receivables or if the provisions for doubtful receivables are inadequate, it could have a material adverse effect on our business, financial condition and results of operations.

In addition, we have executed a first loss default guarantee in favour of Yes Bank Limited for ₹ 850.00 million and an undertaking to reimburse defaulted amounts in favour of ICICI Bank Limited for ₹ 500.00 million, pursuant to which we have guaranteed the repayment of amounts owed to these banks for loans taken out by our customers for the payment of the purchase price of our products. Therefore, if our customers default on their payment obligations to these banks under these facilities, it could have a material adverse effect on our business, financial condition and results of operations. As at June 30, 2019, the amount outstanding on the above-mentioned loan facilities was ₹ 671.19 million.

24. ***We have entered into and may continue to enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.***

Our Company has entered into certain related party transactions with our Promoters/Promoter Group/Group Entities/Key Managerial Personnel. For Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, the amount of such transactions was ₹ 3,504.02 million, ₹ 2,326.69 million, ₹ 372.04 million and ₹ 210.62 million respectively, representing 26.35%, 17.62%, 2.37% and 5.55% of our Revenue from Operations, respectively. For further details, see Note 36 in Annexure G to the Restated Financial Statements in "*Financial Statements*" on page 212.

Our Promoters and Key Managerial Personnel may be deemed to be interested in-the benefits derived by them from their directorship in our Company and other benefits arising from transactions entered into between our Company and themselves or their relatives as well as between our Company and our Group Companies. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that our Company could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, our Company expects to enter into related party transactions in the future.

25. ***Some of our Promoters and their relatives may have interest in us other than normal remuneration benefits or reimbursements of expenses incurred.***

In addition to the respective shareholding of our Promoters in our Company, and any remuneration, benefits or reimbursements, our Promoters and their relatives may have certain interests in us. Our Company has entered into:

(a) Leave and license agreement between Jayant Shamji Chheda, Tarla Jayant Chheda and our Company for lease of the premises situated at Flat No. 10-A, 10th Floor, "Mont Blanc" Building, 550, Jam e-Jamshed Road, Matunga, Mumbai – 400 019 measuring approximately 1,271.77 square feet for a period of five years from March 1, 2013 to February 28, 2018. The agreement was renewed for a period of five years from March 1, 2018 to February 28, 2023. In terms of the renewed lease agreement, our Company is required to pay ₹ 0.19 million per month to Jayant Shamji Chheda and ₹ 0.19 million per month to Tarla Jayant Chheda starting from March 1, 2018. The rent is subject to an annual increase of five percent.

(b) Leave and license agreement between Parag Jayant Chheda and our Company for lease of the premises situated at Flat No. 10-B, 10th Floor, "Mont Blanc" Building, 550 Jam e-Jamshed Road, Matunga, Mumbai – 400019 measuring approximately 1,049.81 square feet for a period of five years from March 1, 2013 to February 28, 2018. The agreement was renewed for a period of five years from March 1, 2018 to February 28, 2023. In terms of the renewed lease agreement, our Company is required to pay ₹ 0.38 million per month to Parag Jayant Chheda starting from March 1, 2018. The rent is subject to an annual increase of five percent.

(c) Leave and license agreement between Vipul Jayant Chheda, Ashwini Vipul Chheda and our Company for lease of the premises situated at Flat No. 1004-A, 1004-B, 1004-C, 10th Floor, Springs I, Bombay Dyeing Spring Mill Compound/New Island City Centre, Dadar (East), Mumbai – 400014 measuring approximately 2,400.69 square feet for a period of five years from March 1, 2013 to February 28, 2018. The agreement was renewed for a period of five years from March 1, 2018 to February 28, 2023. In terms of the renewed lease agreement, our Company is required to pay ₹ 0.38 million per month to Vipul Shamji Chheda and ₹ 0.38 million per month to Ashwini Vipul Chheda starting from March 1, 2018. The rent is subject to an annual increase of five percent.

(d) Memorandum of understanding entered between Prince Marketing and our Company for the premises situated on the 8th floor of The Ruby, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400028. The partners of Prince Marketing are Jayant Shamji Chheda, Parag Jayant Chheda, Vipul Jayant Chheda, Tarla Jayant Chheda, Heena Parag Chheda and Ashwini Vipul Chheda. In terms of the agreement, Prince Marketing agreed to sell the premises to our Company for a total consideration of ₹ 545.50 million, out of which ₹ 400.00 million has been paid as at June 30, 2019. Further, pursuant to an agreement dated November 26, 2019 entered into between our Company, our Promoters and Prince Marketing, our Promoters have undertaken to settle the outstanding amounts equivalent to ₹400.00

million ("**Advance Amount**") with our Company, in the event Prince Marketing fails to repay the Advance Amount to our Company. For further details, please see "*Our Management – Interest of Directors – Interest in Property*" on page 186**.**

The rental amounts for the properties referenced in (a), (b) and (c) above were based on our enquiries with several real estate brokers providing services in the above-mentioned localities. The purchase price for the property referenced in (d) above was determined based on a valuation report as at December 24, 2016, which was ₹ 440.40 million, and accounting for appreciation of the property value due to the passage of time.

(e) Leave and license agreement between Albright Aluminium Industries (through its partner Vipul Jayant Chheda) ("**Lessor**"), a firm forming part of our Promoter Group, and our Company for lease of our Registered Office for a period of nine years from August 1, 2009 to July 31, 2018 for a consideration of ₹2,500 per month, including utility charges, which was waived by the Lessor by way of a letter dated October 6, 2018. The agreement was renewed for a period of five years from August 1, 2018 to July 31, 2023. In terms of the renewed lease agreement, our Company is required to pay ₹2,000 per month to the Lessor, excluding any applicable goods and service tax.

26. We are unable to trace certain corporate records pertaining to the build-up of Equity Shares held by certain of our Promoters. Certain statutory filings made by our Company contain discrepancies/errors with respect to allotment of Equity Shares. We cannot assure you that our Company will not be subjected to any liability on account of such discrepancies.

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all applicable statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. For instance, there have been in the past certain errors in statutory filings and corporate records/statutory registers relating to certain allotments of Equity Shares to joint holders Parag Jayant Chheda and Heena Parag Chheda, instead of Parag Jayant Chheda and Tarla Jayant Chheda. Although the above discrepancies and errors were inadvertent, there can be no assurance that our Company will not be subjected to any liability on account of these discrepancies and errors. As we continue to grow, there can be no assurance that such deficiencies in our internal controls will not arise, giving rise to recurrences of such discrepancies / errors that could subject our Company to the applicable consequences under the Companies Act, which could adversely affect our business and reputation.

27. Our performance depends to a large extent on the efforts and abilities of our Key Managerial Personnel. The loss of or diminution in the services of one or more of our Key Managerial Personnel could have a material adverse effect on our business, financial condition and results of operations.

Our performance depends to a large extent on the efforts and abilities of our Key Managerial Personnel. For details in relation to the experience of our Key Managerial Personnel, see "*Our Management*" on page 181. Our future success will to a large extent depend on our ability to retain our Key Managerial Personnel. We do not have any key man insurance policy in place for our Key Managerial Personnel. The loss of or diminution in the services of one or more of our Key Managerial Personnel could have a material adverse effect on our business, financial condition and results of operations.

28. Any failure to retain and attract additional skilled employees, particularly engineering and technical personnel, could have a material adverse effect on our business, financial condition and results of operations.

Our success depends in part on our ability to retain and attract additional skilled employees, particularly engineering and technical personnel. Without a sufficient number of skilled employees, our operations and manufacturing quality could suffer. Our experienced sales team has also developed a number of meaningful customer relationships that would be difficult to replace. Competition for qualified technical personnel and operators as well as sales personnel with established customer relationships is intense, both in retaining our existing employees and when replacing or finding additional suitable employees. Any failure to retain and attract additional skilled technical or sales personnel could have a material adverse effect on our business, financial condition and results of operations.

29. Delays or outages in our information technology ("IT") systems and computer networks could have a material adverse effect on our business, financial condition and results of operations. In addition, we are dependent on various external vendors for certain elements of our operations and if they fail to fulfil their contractual obligations to us, it could have a material adverse effect on our business, financial condition and results of operations.

Our sales and service activities and to a lesser extent our manufacturing plants depend on the efficient and uninterrupted operation of complex and sophisticated IT systems and computer networks, which are subject to failure and disruption. Given the volume of transactions through our online portal 'IMON', certain errors may be repeated or compounded before they are discovered and successfully rectified. Our dependence upon automated IT systems to record and process transactions may further increase the risk that technical system flaws will result in losses that are difficult to detect. As a result, we face the risk that the design of our controls and procedures may prove inadequate thereby causing delays in detection or errors in information.

We may also be subject to disruptions, failures or infiltrations of our IT systems arising from events that are wholly or partially beyond our control (including, for example, damage or incapacitation by human error, natural disasters, electrical or telecommunication outages, sabotage, computer viruses, hacking, cyber-attacks or similar events, or loss of support services from third parties such as internet backbone providers), for which we may be held liable. In the event we experience interruptions or infiltrations of our IT systems, this may give rise to deterioration in customer service and to loss or liability to us, which may materially and adversely affect our business, financial condition and results of operations. We have not taken a business interruption insurance policy.

In addition, an infiltration of our IT systems may compromise information stored on our systems and may result in significant data losses or theft of our or our customer's proprietary business or personally identifiable information, which could result in other negative consequences, including liabilities, remediation costs, disruption of internal operations, increased cybersecurity protection costs, damage to our reputation and loss of customer confidence, any of which could materially and adversely affect our business, financial condition and results of operations.

In February 2017, our data centre in Mumbai crashed, resulting in a loss of some of the data on our system. The crash was caused by a failure of the host server hardware. Since this incident, we have taken various measures to try and prevent the loss of data occurring again. For details, see "*Our Business–Information Technology*" on page 163. However, there can be no assurance that these measures will prevent any such loss occurring in the future and any such occurrence again could have a material adverse effect on our business, results of operations and financial condition.

Further, we are dependent on various external vendors for certain elements of our operations and are exposed to the risk that external vendors or service providers may be unable to fulfil their contractual obligations to us (or will be subject to the same risk of operational errors by their respective employees) and the risk that their (or their vendors') business continuity and data security systems prove to be inadequate. Failure to perform any of these functions by our external vendors or service providers could materially and adversely affect our business, financial condition and results of operations.

30. A material disruption at one or more of our manufacturing plants or the plants of our contract manufacturers could have a material adverse effect on our business, results of operations and financial condition.

We currently own and operate six manufacturing plants and propose to set up one new manufacturing plant. We also utilize the services of five contract manufacturers. Our manufacturing plants and the plants of our contract manufacturers could unexpectedly stop operating because of events unrelated to us or them, as applicable, or beyond our or their control, as applicable, including fires, floods and other natural disasters, utility and transportation infrastructure disruptions, shortages of raw materials, and acts of war or terrorism. We have not taken any business interruption insurance policy. Any material disruption at one or more of our plants or the plants of our contract manufacturers could have a material adverse effect on our business, results of operations and financial condition.

31. We are not the registered owners of our Corporate Office. If we are unable to procure the registered agreement or if we procure it on terms which are detrimental to our Company, we may suffer a disruption in our operations or increased relocating costs, or both, which could adversely affect our business and results of operations.

Our Company is the registered owner of office premises at the 4th Floor, "RUBY HOUSE", 'B' Wing, Dadar (West), Mumbai ("**Ruby House Premises**"). The developer has offered us alternate premises at the 8th Floor in this building, which we accepted. Though we shifted our Corporate Office to the new premises in May 2013, the agreement for the same with the developer is pending for registration. Despite our repeated requests to the developer and owner of the building in which our Corporate Office, they have not yet registered the agreement. Accordingly, we continue to be in possession both of the Ruby House Premises and the premises on which our Corporate Office is currently located. We have been asked to pay outstanding amounts for *inter alia*, utilities and tax for the Ruby House Premises. We have issued a notice dated October 23, 2019 to the owner of our new premises calling upon them to immediately execute and register the agreement for the new premises, failing which, we would initiate legal action. In this notice, we have also disclaimed our responsibility for any payment towards the Ruby House Premises. If we are unable to procure the registered agreement or if we procure it on terms which are detrimental to our Company, we may suffer a disruption in our operations or increased relocating costs, or both, which could adversely affect our business and results of operations. For further details of the property see "*Our Business–Properties*" on page 165.

32. We sell our Prince Pipe Piping Systems products through a pan-India network of distributors. If we are unable to expand or effectively manage our distribution network for our Prince Pipe Piping Systems products, it could have an adverse effect on our business, results of operations and financial condition.

We sell our Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. As at October 31, 2019, we sold our Prince Piping Systems products to 1,027 distributors in India. For further details, see the section titled "*Our Business–Sales and Marketing*" on page 161.

We continuously seek to increase the penetration of our Prince Piping Systems products by appointing new distributors targeted at different markets and geographies. If the terms offered to such distributors by our competitors are more favourable than those offered by us, distributors may decline to distribute our Prince Piping Systems products and terminate their arrangements with us or they may focus more on selling our competitors' products. In addition, our competitors may also have exclusive arrangements with other distributors, which may restrict us from selling our Prince Piping Systems products through them, thereby limiting our ability to expand our network. Further, our agreements with our distributors are typically valid until terminated by either party on 30 days' written notice. Accordingly, if a distributor terminates its agreement with us, we may be unable to appoint replacement distributors in a timely manner, or at all.

If we are unable to expand or effectively manage our distribution network for our Prince Piping Systems products, it could have an adverse effect on our business, results of operations and financial condition.

33. We are dependent on clearing and forwarding agents to manage our warehouses. We are also dependent on third party transportation and logistics providers for the delivery of our raw materials to our plants and manufactured products to our warehouses. Any increase in the charges of these clearing and forwarding agents or increase in transportation costs could adversely affect our business, results of operations and financial conditions. In addition, disruptions of logistics, including in clearing and forwarding and/or in transportation services, could impair our ability to procure raw materials and/or deliver manufactured products on time, which could materially and adversely affect our business, financial condition and results of operations.

Each of our warehouses is managed by a clearing and forwarding agent. The clearing and forwarding agents carry out the operations of clearing and forwarding of all of our products, including the receipt of products, safe unloading of products, safe storage, maintenance and upkeep of warehouse, invoicing, and dispatch of products as per our requirements. We generally enter into two-year contracts with these clearing and forwarding agents. Any increase in the amount these clearing and forwarding agents charge us could adversely affect our results of operations and financial conditions.

We generally sell our products on a consignee basis, which means that our customers are required to arrange and pay for the transportation of the goods from our plants or warehouses.

We do not own any trucks and rely on third party transportation and logistics providers for delivery of our raw materials and manufactured products to our warehouses. The selected transporter works on an annual fixed rate contract/work order, based on defined terms and conditions. Freight/rate may change due to variations in fuel prices. The purchase order/work order for transportation of goods may be terminated by either party upon giving 30 days' prior written notice to the other, without assigning any reason. Transport, freight and octroi charges represented 0.76%, 1.03%, 1.48% and 1.26%, of our revenue from operations for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019. We are subject to the risk of increases in freight costs. If we cannot fully offset any increases in freight costs, through increases in the prices for our products, we would experience lower margins, which would have an adverse effect on our financial condition and results of operations.

Further, disruptions of logistics, including in clearing and forwarding and/or in transportation services, could impair our ability to procure raw materials and/or deliver manufactured products on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

34. We rely on contractors for the recruitment of contract labourers, and are therefore exposed to execution risks, including the risk of the unavailability of requisite manpower when needed, and liability towards labourers under applicable Indian laws.

We enter into arrangements with contractors for recruitment of contract labourers as per our requirements for a fixed period of time. There is no assurance that we may be able to renew these arrangements on a timely basis or at all. We do not have direct control over the timing or quality of the services and supplies provided by such third parties. Contractors hired by us may be unable to provide the requisite manpower on a timely basis or at all or may be subjected to disputes with their personnel, which, in turn, may affect production at our plants and timely delivery of our products to our customers. Although we do not engage contract labourers directly, we may be held responsible under applicable Indian laws for wage payments to such labourers should our contractors default on wage payments.

35. Work stoppages or increased wage demands by our workforce or any other kind of disputes with our workforce could adversely affect our business and results of operations.

Our Company is exposed to work stoppages and other industrial actions. For instance, our plant located in Athal, Silvassa experienced a brief interruption in operations in 2011 due to an incident involving the workers and the management. As at October 31, 2019, we had 1,739 full-time employees and 960 contract labourers. As at October 31, 2019, 244 of our full-time employees working at our Athal plant are in a union. While we believe that although we enjoy a good relationship with our workforce there can be no assurance that we may not experience disruptions in our operations due to disputes or other problems with our work force such as work stoppages or increased wage demands that could adversely affect our business and results of operations.

36. We utilize the services of four contract manufacturers to produce UPVC pipes and one contract manufacturer to produce DWC pipes for us. If any our contracts with these contract manufacturers is terminated or not renewed for any reason, it may take us some time to find a suitable replacement and, therefore, it could have an adverse effect on our results of operations.

We utilize the services of four contract manufacturers to produce UPVC pipes and one contract manufacturer to produce DWC pipes for us. Our UPVC pipes are manufactured by the following four contract manufacturers, namely: (i) Shree Chintamani Multilayer in Aurangabad (Maharashtra); (ii) Shree Tel-Fab Industries Pvt. Ltd. in Hajipur, Vaishali District (Bihar); (iii) Swetha PVC Industries in Guntur (Andhra Pradesh); and (iv) Ohm Pipes in Balasore (Odisha). Shree Chintamani Multilayer has been manufacturing our UPVC pipes since July 2014, Shree Tel-Fab Industries Pvt. Ltd. has been manufacturing our UPVC pipes since September 2014, Swetha PVC Industries has been manufacturing our UPVC pipes since July 2019 and Ohm Pipes has been manufacturing our UPVC pipes since October 2019. Shree Prabhu Petrochemical's Pvt. Ltd. in Aurangabad (Maharashtra) began manufacturing DWC pipes for us in June 2018 using a machine for manufacturing DWC pipes that we purchased and installed in its facility. For Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, our Net Revenue from Sale of Products from pipes produced by contract manufacturers represented 2.60%, 3.70%, 5.00% and 11.40% of our total Net Revenue from Sale of Products, respectively, and the pipes produced by contract manufacturers for us represented 4.94%, 6.19%, 6.04% and 6.92% of our total production (our own production and the production of contract manufacturers for us), respectively.

We provide the raw materials and other materials required for the manufacturing of the pipes to the contract manufacturers who are paid a negotiated fixed cost per kilogram. We have entered into contracts with the contract manufacturers, which are subject to renewal for further periods of one year on the mutual consent of the parties. Each contract may be terminated by either party giving 60 days prior written notice to the other party. If any of our contract manufacturers cease to manufacture products for us it may take us some time to find suitable replacement and, therefore, it could have an adverse effect on our results of operations.

37. If a new way of manufacturing polymer pipes and/or fittings is discovered that results in the cost of production decreasing, in order to compete effectively we may be required to replace our existing machines with these new types of machines and thereby incur additional capital expenditure, which could have a material adverse effect on our financial condition and results of operations.

The processes for the manufacture of polymer pipes and fittings have remained essentially unchanged since we began in our business. While we are unaware of any significant new developments in these areas, if a new way of manufacturing polymer pipes and/or fittings is discovered that results in the cost of production decreasing, in order to compete effectively we may be required to replace our existing machines with these new types of machines and thereby incur additional capital expenditure, which could have a material adverse effect on our financial condition and results of operations.

38. We are subject to health and safety laws and regulations and any failure to comply with any current or future laws or regulations could have a material adverse effect on our business, financial condition and results of operations.

Manufacturing sites by nature may be hazardous. Our sites often put our employees and others in close proximity with large pieces of mechanized equipment, moving vehicles, chemical and manufacturing processes, heavy products and items and highly regulated materials. As a result, we are subject to a variety of health and safety laws and regulations dealing with occupational health and safety. Unsafe work sites have the potential to increase employee turnover and raise our operating costs.

Our safety record can also impact our reputation. We maintain functional groups whose primary purpose is to ensure we implement effective work procedures throughout our organization and take other steps to ensure the health and safety of our work force, but there can be no assurances these measures will be successful in preventing injuries or violations of health and safety laws and regulations.

Set forth below is at table summarising instances of our non-compliance with health and safety laws and regulations that have occurred since April 1, 2015.

Incident/notice	Summary of claim/notice	Summary of outcome of the claim/notice
On June 27, 2017, one of our employees at our Athal plant injured his hand while working, resulting in the loss of four of his fingers of his right hand.	The Administration of Dadra and Nagar Haveli, U.T., Labour Department, Silvassa in its letter dated November 29, 2017, ordered our Company to pay compensation of ₹ 450,266 for the injuries suffered by our employee.	On December 9, 2017, our Company paid ₹ 450,266 to The Commissioner for Employee's Compensation, DNH, Silvassa.
On February 21, 2018, a contract	Based on an inspection report dated	On July 9, 2018, the court found the

Incident/notice	Summary of claim/notice	Summary of outcome of the claim/notice
labourer slipped from a truck while working at our Haridwar plant and was injured. He was put into intensive care and died on February 24, 2018.	March 23, 2018, the Deputy Director Factories, Boiler, Uttarakhand, Dehradun brought an action against Jayant Chheda (as the occupant) and Brijesh Parihar (as the factory manager) in the Magistrates Court, Haridwar for contraventions of the Factory Act, 1948 and section 7A(2)(c) and section 32(c) constituted under it read with (U.P. Factory Regulations-1950), Subsequent Transference Order 2002.	defendants guilty of the charges and sentenced them until the adjournment of the Court, and also fined each of them ₹ 75,000. Our Company paid these fines on their behalf on September 7, 2018.
On March 20, 2018, an employee of our Company met with an accident while working at our Chennai plant. Based on an inspection report dated July 7, 2018, show cause noticed was issued by the Office of the Joint Director of Industrial Safety and Health, Thiruvottiyur, Chennai-19, dated July 12, 2018.	The show cause notice set forth five items in relation to breaches of health and safety laws by our Chennai plant: (1) failure to have an onsite emergency plan; (2) failure to have an occupational health centre; (3) failure to prevent an accident on March 20, 2018 when an employee was injured because he was using a machine without a mechanical guard with an interlocking guard system in place; (4) failure to maintain accurate and up-to-date health records of the workers in the factory who are exposed to any chemical, toxic or any other harmful substances; and (5) failure on to hold a mock emergency drill.	Our Company responded to the show cause notice in a letter dated August 9, 2018 and undertook as follows; (1) to implement an onsite emergency plan (which has since been done); (2) to set up an occupational health centre (which has since been done); (3) employees working in the risk zone are to be identified and they are to be made aware of safety issues, guards with an interlocking guard system are to be installed on all machines and sign boards setting out the do’s and don’ts of operating the machines are to be installed (all of which has since been complied with); (4) employees working in the risk zone are to be identified and subject to periodical medical checks (which has been complied with) and (5) to organise a mock emergency drill (which has been complied with).

Any failure to maintain safe work sites or violations of applicable law could expose us to significant financial losses and reputational harm, as well as civil and criminal liabilities, any of which could have a material adverse effect on our business, financial condition and results of operations.

39. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our financial condition, results of operations and cash flows.

We have taken out insurance within a range of coverage consistent with industry practice in India to cover certain risks associated with our business. Our insurance policies for staff personal accident and staff group mediclaim recently expired and we are in the process of renewing those policies. For details on our insurance policies, see “*Our Business-Insurance*” on page 164. We cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in future. Even if we have insurance for the incident giving rise to the loss, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our financial condition, results of operations and cash flows.

40. We are required to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business, and if we fail to do so, in a timely manner or at all, we may be unable to fully or partially operate our business and our results of operations may be adversely affected.

We are required to obtain and maintain certain licenses, approvals, permits and registrations in order to undertake our business activities. For details of the approvals we require to operate our business, see "*Government and other Approvals*" on page 349.

While we have obtained a majority of the approvals and licenses required for our operations from the relevant authorities, we are yet to receive or apply for certain approvals and licenses. For details, see section titled "*Government and Other Approvals*" on page 349.

If we fail to comply with, or if we are unable to renew, obtain, apply or maintain the required licenses, approvals, permits or registrations, it could result in an interruption of our operations and could have a material adverse effect on our business, financial condition and results of operations.

41. A shortage or unavailability of electricity or water could affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.

Our manufacturing operations require continuous supply of electricity and water. We currently source our water requirements from bore wells and through water facilities from local bodies. All our plants are equipped with rain water harvesting. We depend on state electricity supply for our energy requirements and we have diesel generators for power back-up at three of our manufacturing plants – Chennai; Kolhapur; and Haridwar. Our plants require the power voltage to be the same at all times to achieve a standard quality of product. In the case of the extrusion process, if the power goes, it takes time to start the process again, which involves the loss of time and energy, and the process is duplicated, resulting in redundant use of resources. A shortage or non-availability of electricity or water could adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.

42. If we are subject to any frauds, theft, or embezzlement by our employees, contractors and customers, it could adversely affect our reputation, results of operations and financial condition.

Our operations may be subject to incidents of theft, prior to or during stocking. We may also encounter some inventory loss on account of employee/contractor/vendor fraud, theft, or embezzlement. Although, we have set up various security measures, including CCTV in our manufacturing plants, deployment of security guards and operational processes, such as periodic stock taking, there can be no assurance that we will not experience any fraud, theft, employee negligence, loss in transit or similar incidents in the future, which could adversely affect our reputation, results of operations and financial condition.

43. Our products are vulnerable to counterfeiting or imitation by third parties, and if we are unable to prevent the circulation of such products in the market, it could adversely affect the reputation of our brands, our business, results of operations and financial condition.

Our products are vulnerable to counterfeiting and imitation by third parties. While we undertake checks in mass markets in an effort to prevent the sale of any counterfeit or imitation products of our brands, there can be no assurance that we will be able to prevent the sale of counterfeit or imitation products at all times. In the past, we have discovered counterfeited products with our logo on it. For instance in October 2015, an investigation agent we hired found our products being counterfeited in a shop in Kota, Rajasthan, and the agent organised for the local police to raid the shop to put a stop this. The reputation of our brands, our business, results of operations and financial condition could be adversely affected by the sale of counterfeit or imitation products, which do not match the quality standards of our products.

44. Our Promoters have the ability to control or influence the outcome of matters submitted to Shareholders for approval and their interests may differ from those of other Shareholders.

Our Promoters currently own 84,540,416 Equity Shares, which represents 88.08% of the outstanding Equity Shares prior to the Offer. The Promoters shareholding shall get diluted on account of the Fresh Issue and shall be further reduced to the extent of Equity Shares offered by them in the Offer for Sale. As long as our Promoters continue to hold a significant ownership stake in our Company, our Promoters have the ability to control or influence the outcome of any matter submitted to Shareholders for approval, including matters relating to sale of all or part of our business, mergers, or acquisitions or disposal of assets; the distribution of dividends; appointment or removal of our directors or officers; and our capital structure, organisational structure or financing. This control could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company, even if it is in best interest of other Shareholders. The Promoters may have interests that are adverse to the interests of our other Shareholders and may take positions with which our other Shareholders do not agree.

45. Information relating to the estimated installed capacities of our manufacturing plants and the planned estimated installed capacities of our planned manufacturing plants is based on various assumptions and estimates and actual production may differ significantly from such estimated capacities.

The estimated installed capacities of our existing manufacturing plants and the planned estimated installed capacities of our planned manufacturing plants are based on certain technical assumptions used by the engineer for the purpose of estimating such capacities. Actual production levels and capacity utilization rates may differ significantly from the estimated installed capacities. Prospective investors should not place undue reliance on the estimated installed capacity for our existing manufacturing plants and the estimated installed capacities of our planned manufacturing plants.

46. We have unsecured loans, which maybe recalled at any time. Any recall of such loans may have an adverse effect on our business, prospects, financial condition and results of operations.

As at June 30, 2019, we had unsecured loans of ₹ 323.08 million, which maybe recalled at any time at the option of the lender. If such loans are recalled at any time, our financial condition may be adversely affected.

47. Grants of options to purchase Equity Shares by our Company will result in a charge to our statement of profit and loss. The exercise of such options could dilute the holdings of our shareholders and adversely affect the trading price of our Equity Shares.

As at December 9, 2019, the total number of outstanding options under ESOP 2017 are 654,092. For further details, see "*Capital Structure–Employee Stock Option Scheme*" on page 93. The grant of stock options by our Company will result in a charge to our statement of profit and loss. For Fiscals 2019 and 2018 and the three-month period ended June 30, 2019, we incurred expenses of ₹ 9.41 million, ₹ 7.18 million and ₹ 1.83 million related to the grant of options under ESOP 2017, respectively. Future issuances of Equity Shares pursuant to the exercise of options granted under ESOP 2017 could dilute the holdings of our Shareholders and adversely affect the trading price of the Equity Shares. Such Equity Shares could be issued at prices below the then current trading price of the Equity Shares.

48. We lease our Registered Office and 11 warehouses and if we are unable to renew our leases on acceptable terms or at or otherwise forced to move premises, it could have an adverse effect on our business, results of operations and financial condition.

We lease our Registered Office and 11 warehouses. If there is any adverse impact on, or deficiency in, the title, ownership or development rights of the owner from whom we leased any of these properties or if we are unable to renew a lease agreement on acceptable terms or at all, we would be required to vacate the premises and find alternative premises. Such alternative premises may not located as favourably as the current premises and may be more expensive and we would have to incur moving costs and other related costs. Therefore, if we unable to renew our leases on acceptable terms or at or otherwise forced to move premises, it could have an adverse effect on our business, results of operations and financial condition.

49. Our contingent liabilities could adversely affect our financial condition and results of operations if they materialize.

As at June 30, 2019, we had contingent liabilities amounting to ₹ 721.33 million, including ₹ 671.19 million in relation to guarantees we have given to Yes Bank Limited and ICICI Bank Limited for the repayment of amounts owed to these banks for loans taken out by our customers for the payment of the purchase price of our products. For details, see Note 33 of Annexure G to the Restated Financial Statements in "*Financial Statements*" on page 212. The contingent liability amounts with respect to claims not acknowledged as debts disclosed in our Restated Financial Statements represent estimates and assumptions of our management based on advice received. If, for any reason, these contingent liabilities materialize, it would adversely affect our financial condition and results of operations.

50. Some of our Group Companies have incurred losses in the past three fiscal years. Further, one of our Group Companies had a negative net worth as at March 31, 2019.

Accord Infra Projects Private Limited and Pinnacle Realty Projects Private Limited, two of our Group Companies, made a loss after tax for the periods stated below, as per their respective audited financial statements.

(in ₹ million)

Name of Entity	**Profit After Tax**		
	Fiscal 2019	**Fiscal 2018**	**Fiscal 2017**
Accord Infra Projects Private Limited	(0.02)	(0.004)	(0.02)
Pinnacle Realty Projects Private Limited	(8.24)	(18.57)	75.19

Accord Infra Projects Private Ltd, one of our Group Companies, had a negative net worth as at March 31, 2019.

(in ₹ million)

Name of Entity	**Net Worth**		
	As at March 31, 2019	**As at March 31, 2018**	**As at March 31, 2017**
Accord Infra Projects Private Ltd	(0.02)	0.001	0.005

51. We have had negative cash flows in the past.

Although we had positive net cash flows from operations in the past three fiscal years and the three-month period ended June 30, 2019, we had negative net cash flows from investment activities, negative net cash flows from financing activities and a net decrease in cash and cash equivalents for the periods indicated below.

(in ₹ million)

Particulars	**Three-month period ended June 30, 2019**	**Fiscal 2019**	**Fiscal 2018**	**Fiscal 2017**
Net cash flow from operating activities	302.88	2,204.90	1,622.39	968.20
Net cash flow (used in) investing activities	(319.03)	(1,050.58)	(1,702.63)	(678.94)
Net cash flow from/(used in) financing activities	(70.21)	(1,067.73)	55.37	(262.53)
Net increase/(decrease) in cash and cash equivalents	**(86.36)**	**86.59**	**(24.87)**	**26.73**

52. One of our objects in relation to the Offer is financing the project cost towards establishment of a new manufacturing facility, either set up directly or indirectly through a wholly owned subsidiary, subject to applicable law. In the event we set up the facility through a wholly owned subsidiary that our Company may set up in the future, we may face time and cost overruns, which could adversely affect our business, financial condition and results of operations.

As a part of our Company's plan to use the Net Proceeds and the proceeds from the Pre-IPO Placement, our Company proposes to finance the project cost towards establishment of a new manufacturing facility, either set up directly or indirectly (through our wholly owned subsidiary that we may set up in the future). For further details, see "*Objects of the Offer - Financing the project cost towards establishment of a new manufacturing facility, either set up directly or indirectly (through a wholly-owned subsidiary that our Company may set up in the future)*" on page 101. As at the date of this Red Herring Prospectus, our Company does not have any subsidiaries. However, our Company may incorporate a wholly owned subsidiary after completion of the Offer, subject to applicable law, to establish and operate our new manufacturing facility in Telangana to avail, to the extent possible, certain tax benefits granted by the state government of Telangana to our Company as a part of the mega project action plan by the Government of Telangana. These benefits could include, among other things, various degrees of reimbursements in relation to power tariffs, taxes under Telangana state GST regime, stamp duty/registration charges and freight charges. Our Company may finance such wholly owned subsidiary in relation to the setting up of the factory above using either debt or equity instruments. In the event the proposed new manufacturing plant in Telangana is set up through a wholly owned subsidiary, the same may lead to additional costs arising on account of, among other things, time overruns due to the time required to incorporate such a wholly owned subsidiary and transfer of the land and the approvals already acquired or applied for in relation to the proposed new manufacturing plant or apply for fresh approvals in the name of the subsidiary, as the case may be, and satisfying any other pre-conditions in order to avail the tax benefit, each of which could adversely affect our business, financial condition and results of operations.

53. We did not spend the amount required on corporate social responsibility activities under Section 135 of the Companies Act, 2013, calculated as per Section 198 of the Companies Act, 2013, in some of the past Fiscals.

The table below sets forth the amount we were required to spend on corporate social responsibility ("**CSR**") activities under Section 135 of the Companies Act, 2013 (i.e., at least 2% of average net profits (calculated as per Section 198 of the Companies Act, 2013) during the three immediately preceding financial years), and the amount we spent on those activities for the fiscal years indicated:

(in ₹ million)

	Amount required to be spent on CSR activities under section 135 of the Companies Act, 2013	**Actual expenses for CSR activities**
Fiscal 2019 (under Ind AS)	16.00	0.06
Fiscal 2018 (under Ind AS)	10.83	38.18
Fiscal 2017 (under Ind AS)	7.65	-
Fiscal 2016 (Proforma Ind AS)	7.22	-
Fiscal 2015 (under Indian GAAP)	6.21	-

The requirements under Section 135 under the Companies Act, 2013 came into effect from April 2014.

As shown in the above table, we did not spend the amount required on CSR activities under Section 135 of the Companies Act, 2013, for Fiscals 2019, 2017, 2016 and 2015. However, our expenses for CSR activities for Fiscal 2018 exceeded the amount we were required to spend on CSR activities under Section 135 of the Companies Act, 2013 for Fiscals 2018, 2017, 2016 and 2015 combined. As at date of this Red Herring Prospectus, there is no specific penalty associated with failure to comply with Section 135 of the Companies Act, 2013.

The Ministry of Law and Justice, on July 31, 2019, issued a notification enacting the Companies (Amendment) Act, 2019 (the "**Amendment Act**"). The Amendment Act, among other things, amends Section 135 of the Companies Act, 2013 to provide for the treatment of unspent amounts to be utilised towards CSR activities. If such amount to be utilized towards the CSR activities remains unspent (unless the unspent amount relates to an ongoing project undertaken by a company in pursuance of its CSR policy), it must be transferred to a fund as specified under the Companies Act, 2013, within a period of six months of the expiry of every financial year. Further, such unspent amounts, pursuant to an ongoing project undertaken by the company in pursuance of its CSR policy, must be deposited in a special account to be opened with a scheduled bank, as prescribed, within 30 days of the end of the relevant financial year and must be utilised towards the CSR activities within a period of three financial years from the date of such transfer. A company failing to do so must transfer such amount to any fund provided for in schedule VII of the Companies Act, 2013, which includes the Clean Ganga Fund, Swachh Baharat Kosh, and the Prime Minister's National Relief Fund in accordance with the provisions of the Amendment Act. The Amendment Act also added a provision for a fine of between ₹ 0.05 million and ₹ 2.50 million on the company in case of failure in compliance with Section 135 of the Companies Act, 2013. Additionally, every officer in default may also be imprisoned for a term of up to three years or fined between ₹ 0.05 million and ₹ 0.50 million or both. The provisions of the Amendment Act amending Section 135 of the Companies Act, 2013 are yet to be notified, once notified, if we fail to comply with Section 135 of the Companies Act, 2013 in the future and we are fined and/or one or more of our officers are imprisoned or fined, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

EXTERNAL RISKS

1. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition and results of operations.

We are incorporated in India and all of our assets are located in India. As a result, our results of operations and financial condition are significantly affected by factors influencing the Indian economy. Any slowdown in economic growth in India could adversely affect us, including our ability to grow our asset portfolio, the quality of our assets and our ability to implement our strategy. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and our business, financial condition and results of operations.

2. High inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

The annual rate of inflation in India was 2.02% (provisional) for the month of June 2019 (over June 2018) as compared to 2.45% (provisional) for the previous month and 5.68% during the corresponding month of 2018. *(Source: Index Numbers of Wholesale Price in India, Review for the month of June 2019, published on July 15, 2019 by Government of India, Ministry of Commerce and Industry).* Inflation may result in increases to salaries or wages payable to our employees, prices of raw materials and any other expenses that we incur. We cannot assure you that we will be able to pass on any additional expenses to our customers. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

3. Political instability or changes in the Government's policies could adversely affect economic conditions in India and, consequently, us.

The GoI has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Since 1991, successive governments have pursued policies of economic and financial sector liberalisation and deregulation. A significant change in the Government's policies in the future, particularly with respect to the manufacturing or financing of the housing and urban infrastructure sectors, could adversely affect our business, results of operations and financial condition.

4. We may be adversely affected by future regulatory changes.

Our business is subject to various laws and regulations. For details, see "*Regulations and Policies*" on page 169. We are also subject to corporate, taxation and other laws in effect in India, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations and financial condition.

5. Our ability to borrow money in foreign currencies may be constrained by Indian law.

As a company registered in India, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign borrowings may have an adverse effect on our business, results of operations and financial condition.

RISKS RELATING TO THE EQUITY SHARES AND THE OFFER

1. You will not be able to immediately sell any of the Equity Shares you purchase in the Offer on the

Stock Exchanges.

We have applied to list the Equity Shares on the Stock Exchanges. Pursuant to the applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares can commence. Investors' book entry or dematerialised ("**Demat**") accounts with depository participants in India are expected to be credited within one working day of the date on which the Basis of Allotment is approved by NSE and BSE. The allotment of Equity Shares in this Offer and the credit of such Equity Shares to an applicant's Demat account with depository participant could take approximately six working days from the Bid/Offer Closing Date. Trading in the Equity Shares on receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six working days of the Bid/ Offer Closing Date.

There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise to commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' Demat accounts, or that trading in the Equity Shares will commence within the time periods specified in this risk factor. The Promoter Selling Shareholders and our Company could also be required to pay interest at the applicable rates, if allotment is not made, refund orders are not dispatched, or Demat credits are not made to investors within prescribed time periods.

2. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for the Equity Shares will develop following the listing of the Equity Shares on the Stock Exchanges.

There has been no public market for the Equity Shares prior to the Offer. The purchase price of the Equity Shares in the Offer will be determined by our Company and the Promoter Selling Shareholders, in consultation with the Book Running Lead Managers, pursuant to the Book Building Process. This price will be based on numerous factors, as described under in "*Basis for Offer Price*" on page 109. This price may not necessarily be indicative of the market price of the Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

The Equity Shares are expected to trade on NSE and BSE after the Offer, but there can be no assurance that active trading in the Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares.

The price at which the Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- our financial condition, results of operations and cash flows;
- the history of and prospects for our business;
- an assessment of our management, our past and present operations and the prospects for as well as timing of our future revenues and cost structures;
- the valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Management Personnel;
- changes in the interest rates;
- fluctuations in stock market prices and trading volumes; and

- general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

3. We will not receive any proceeds from the Offer for Sale portion and our Company's management will have flexibility in utilising the Net Proceeds and the proceeds from Pre-IPO Placement. We have appointed HDFC Bank Limited as a monitoring agency for utilization of the Net Proceeds and Pre-IPO Placement.

The Offer includes an offer for sale of up to [●] Equity Shares aggregating up to ₹ 2,500 million by the Promoter Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Promoter Selling Shareholders and our Company will not receive any such proceeds. See "*Objects of the Offer*" on page 98.

We intend to use the Net Proceeds and the proceeds from Pre-IPO Placement as described in "*Objects of the Offer*" on page 98. We have appointed HDFC Bank Limited as a monitoring agency for utilization of the Net Proceeds and the proceeds from Pre-IPO Placement. As noted in "*Objects of the Offer*", we intend to use ₹ 481.70 million of the Net Proceeds and the proceeds from Pre-IPO Placement to prepay/repay certain of our outstanding loans. For details, see *"Financial Indebtedness"* on page 337. As we will be using ₹ 481.70 million of the Net Proceeds and the proceeds from Pre-IPO Placement to prepay/repay debt, this amount will not be used for capital expenditure or the creation of any tangible assets. Our management will have broad discretion to use the Net Proceeds and the proceeds from Pre-IPO Placement, including in a manner as may be believed to be most beneficial to our Company, and investors will be relying on the judgment of our management regarding such application of the Net Proceeds and the proceeds from Pre-IPO Placement.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects of the Offer would require a special resolution of the Shareholders and our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the Objects, in accordance with the Articles of Association of our Company and as may otherwise be prescribed by the SEBI.

4. Any future issuance of Equity Shares by us or sales of Equity Shares by the Promoters could adversely affect the trading price of the Equity Shares and in the case of the issuance of Equity Shares by us result in the dilution of our then current shareholders.

As disclosed in "*Capital Structure*" on page 81, all of the Equity Shares held by the Promoters following the Offer will be locked-in for one year from the date of Allotment and an aggregate of 20% of the fully diluted post-Offer capital of our Company held by our Promoters shall be considered as minimum Promoters' contribution and locked-in for a period of three years from the date of Allotment. Except for the customary lock-in on our Company's ability to issue equity or equity linked securities discussed in "*Capital Structure*" on page 81, there is no restriction on our Company's ability to issue Equity Shares. As such, there can be no assurance that our Company will not issue additional Equity Shares after the lock-in period expires or that the Promoters will not sell, pledge or encumber the Equity Shares after the lock-in periods expire. In addition, our Company may issue Equity Shares upon the exercise of options granted under ESOP 2017. For details of ESOP 2017, see "*Capital Structure– Employee Stock Option Scheme*" on page 93. Future issuances of Equity Shares or convertible securities and sale of the underlying Equity Shares could dilute the holdings of our shareholders and adversely affect the trading price of the Equity Shares. Such securities could also be issued at prices below the then current trading price of the Equity Shares. Sales of Equity Shares by the Promoters could also adversely affect the trading price of the Equity Shares.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Previously, any gain realised on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long-term capital gains tax in India if Securities Transaction Tax ("**STT**") was paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of Equity Shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

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

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

7. We have not paid any dividends in the last five fiscal years and the three-month period ended June 30, 2019 and have not adopted a policy in relation to payment of dividends. Our ability to pay dividends in the future will depend on a number of factors, including, our profit after tax for the fiscal year, our future expansion plans and capital requirements, our financial condition and our cash flows and applicable taxes.

We have not paid any dividends in the last five fiscal years and the three-month period June 30, 2019 and have not adopted a policy in relation to the payment of dividends. For details, see "*Dividend Policy*" on page 211. Our ability to pay dividends in the future will depend on a number of factors, including our profit after tax for the fiscal year, our future expansion plans and capital requirements, our financial condition, our cash flows and applicable taxes, including dividend distribution tax payable by our Company. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends at any point and in the future.

8. Once the Equity Shares are listed on the Stock Exchanges, there is no assurance that the Equity Shares will remain listed.

Although we currently intended that the Equity Shares will remain listed on the Stock Exchanges once they are listed, there is no guarantee of the continued listing of the Equity Shares. Among other factors, we may not continue to satisfy the listing requirements of the Stock Exchanges. Accordingly, Shareholders will not be able to sell their Equity Shares through trading on the Stock Exchanges if the Equity Shares are no longer listed on the Stock Exchanges.

9. Statistical and industry data in this Red Herring Prospectus may be inaccurate, incomplete or

unreliable.

We have not independently verified data obtained from industry publications and other sources referred to in this Red Herring Prospectus. This Red Herring Prospectus includes information that is derived from the CRISIL Research Report, which was prepared by CRISIL Research, a research house, pursuant to an engagement with our Company. We commissioned the CRISIL Research Report for the purpose of confirming our understanding of the pipes and fittings industry in India. Neither we, nor any of the BRLMs, nor any other person connected with the Offer has verified the information in the CRISIL Research Report. CRISIL Research has advised that while it has taken due care and caution in preparing the CRISIL Research Report, which is based on information obtained from sources that it considers reliable ("**Information**"), it does not guarantee the accuracy, adequacy or completeness of the Information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. The CRISIL Research Report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that CRISIL Research's assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Red Herring Prospectus. Further, the CRISIL Research Report is not a recommendation to invest or disinvest in our Company. CRISIL Research has disclaimed all financial liability towards the subscribers, users, transmitters or distributors of the commissioned report. Prospective investors are advised not to unduly rely on the CRISIL Research Report or extracts thereof as included in this Red Herring Prospectus when making their investment decisions.

Prominent Notes

- Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 5,000 million, comprising a Fresh Issue of [●] Equity Shares aggregating up to ₹ 2,500 million* by our Company, and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 2,500 million by the Promoter Selling Shareholders, comprising an offer for sale of up to [●] Equity Shares aggregating up to ₹ 200 million by Jayant Shamji Chheda, an offer for sale of up to [●] Equity Shares aggregating up to ₹ 1,400 million by Tarla Jayant Chheda, an offer for sale of up to [●] Equity Shares aggregating up to ₹ 500 million by Parag Jayant Chheda and an offer for sale of up to [●] Equity Shares aggregating up to ₹ 400 million by Vipul Jayant Chheda.

  *Our Company has, in consultation with the BRLMs, undertaken a Pre-IPO placement of 596,500 CCPS for cash consideration aggregating to ₹ 1,061.77 million, which have been converted into 5,965,000 Equity Shares. The size of the Fresh Issue of up to ₹ 3,561.77 million has been reduced by ₹ 1,061.77 million pursuant to the Pre-IPO Placement and accordingly the Fresh Issue is up to ₹ 2,500.00 million.

- As at June 30, 2019 and March 31, 2019, the Net Worth of our Company was ₹ 4,204.06 million and ₹ 3,934.79 million, respectively, as per our Restated Financial Statements.

- As at June 30, 2019 and March 31, 2019 the net asset value per Equity Share of our Company was ₹ 46.70 and ₹ 43.71, respectively, as per our Restated Financial Statements.

- The average cost of acquisition of Equity Share held by our Promoters (including the Promoter Selling Shareholders) is disclosed below:

Name of Promoter	Average cost of acquisition per Equity Share* (₹)
Jayant Shamji Chheda	0.10
Tarla Jayant Chheda	0.62
Parag Jayant Chheda	0.12
Vipul Jayant Chheda	0.12
Heena Parag Chheda	11.86

* *As certified by L. D. Joshi & Co., Chartered Accountants pursuant to their certificate dated November 26, 2019. The average cost of acquisition of Equity Shares has been arrived at before accounting for transfer by way of sale.*

For further details in relation to the shareholding of our Promoters, including the Promoter Selling Shareholder, see the section titled "*Capital Structure*" on page 81.

- Except as stated in the sections titled "*Our Group Companies*" and "*Related Party Transactions*" on page 205 and 210, respectively, none of our Group Companies have any business interests or other interests in our Company.

- For details of transactions entered into by our Company with the Group Companies in Fiscal Year 2019, and the cumulative amounts involved in these transactions, see the section titled "*Related Party Transactions*" on page 210.

- Except for the change in name of our Company from 'Prince Pipes and Fittings Private Limited' to 'Prince Pipes and Fittings Limited', upon conversion into a public limited company pursuant to a special resolution of our Shareholders dated August 7, 2017 and a fresh certificate of incorporation was issued by the RoC on August 11, 2017, the name of our Company has not been changed during the last three years. Accordingly, we were not required to alter the objects clause of our Memorandum of Association.

- There are no financing arrangements pursuant to which our Promoter Group, Directors, and/ or their relatives have financed the purchase of securities of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Red Herring Prospectus with SEBI.

- For any complaints, information or clarifications pertaining to this Offer, Bidders may contact the BRLMs, the Registrar to the Offer and our Company.

- Our Company had filed the Erstwhile DRHP, however, the same was subsequently withdrawn. Bidders are advised to not place any reliance on the Erstwhile DRHP in relation to the Offer and details with respect to our Company.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

The following is a summary of the Industry Overview section. For a more detailed description of the Indian polymer pipes and fittings industry, see the "Industry Overview" section beginning on page 115.

All information in this section is sourced from the CRISIL Research Report. The CRISIL Research Report is subject to the disclaimer set out in "Certain Conventions, Currency of Presentation, Use of Financial Information – Industry and Market Data" on page 13. All forward looking statements, estimates and projections in this section are CRISIL Research's forward looking statements, estimates and projections. While we have taken reasonable action to ensure that information from the CRISIL Research Report has been reproduced in its proper form and context, none of our Company, the Book Running Lead Managers and our and their respective directors, employees, agents and professional advisors have conducted an independent review of the content or independently verified the accuracy thereof. Accordingly, prospective investors should not place undue reliance on the information contained in this section.

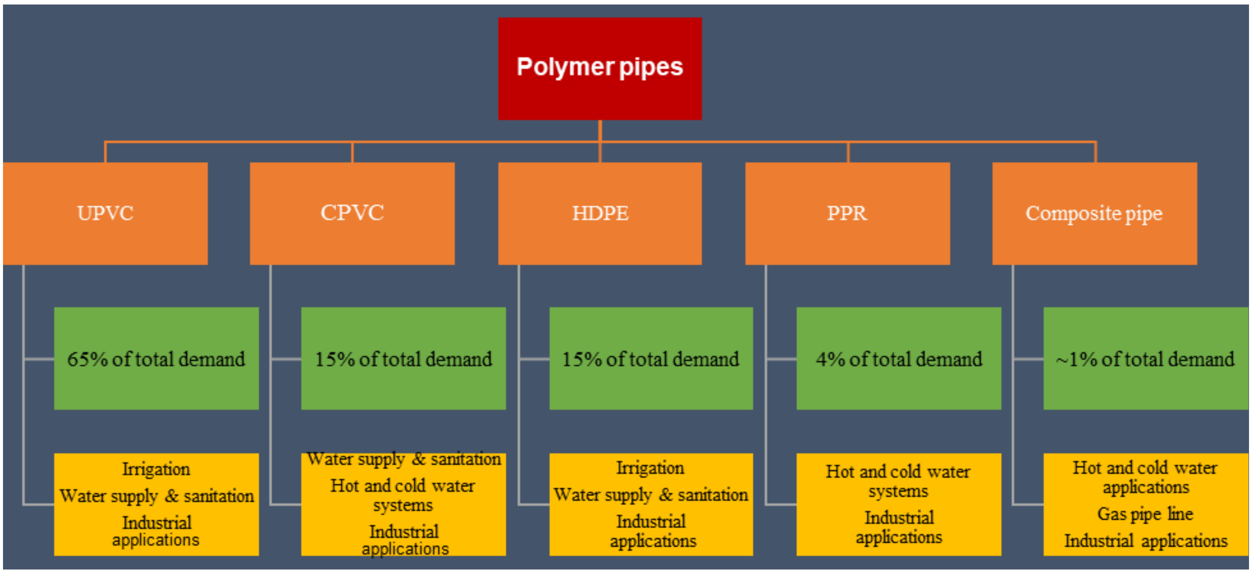
This section contains copies of certain tables and charts from the CRISIL Research report. References to "2015-16", "2016-17", "2017-2018", "2018-2019" etc., or "FY15", "FY16", "FY17", "FY18", "FY19", etc., in these tables and charts are to the financial years ended March 31, 2015, 2016, 2017, 2018 and 2019, etc., or as at March 31, 2015, 2016, 2017, 2018 and 2019, etc., as applicable. The use of the letter "E" after a number means it is an estimated number and the use of the letter "P" after a number means it is a projected number. The use of the symbol "~" means approximately.

OVERVIEW OF THE INDIAN PLASTIC PIPES INDUSTRY

Being a cost-effective way to transport water, pipes form an integral part of infrastructure to transport, distribute and dispose life sustaining resource. They are used for a variety of end applications such as irrigation, household plumbing, sewerage and industrial applications. In the past, metal pipes - especially galvanised iron (GI) pipes - were used for most purposes. However, with an increase in availability of raw materials, superior properties and low costs compared with GI, plastic pipes have emerged as the material of choice for these applications. CRISIL Research estimates the overall sales of the plastic pipe industry at ~₹ 290-300 billion for Fiscal 2019.

Plastic pipes are made of different types of polymers. The four key types are unplasticised polyvinyl chloride (UPVC), which represents 65% of industry demand, chlorinated polyvinyl chloride (CPVC) – 15%, HDPE – 15% and polypropylene (PPR) – 4%. Composite pipes, which have a mix of metal and plastic layers, are also used for similar applications.

Types and applications



Comparison Table

	Galvanised iron (GI)	UPVC	CPVC	HDPE	PPR
Life (years)	15-20	20-25	30-35	50	50
Max operating temperature (degrees Celsius)	200-250	60-70	90-100	90-100	90-100
Strength (hoop)	Higher than plastic pipes	500-600	450-550	350-400	250-300
Cost	Costlier than plastic	Cheaper than GI	Cheaper than GI, costlier than UPVC	Cheaper than GI, costlier than UPVC	Cheaper than GI, costlier than UPVC
Corrosion	Corrodes faster	No effect due to chemical resistance	Has anti-corrosive properties	Excellent anti-corrosion and chemical resistance	Good chemical resistance and corrosion resistance
Leakage	Vulnerable to leakage	Leakage-free	Leakage-free for lifetime	Leakage-free	Leakage-free but requires installation by skilled manpower
Bacterial growth	More prone to bacterial growth compared with plastic	Relatively low compared with GI	Extremely low compared with GI	Extremely low compared with GI	Relatively low compared with GI
Installation	Time- and energy-consuming	Done through cold welding	Done through cold welding	Cold welding. Known for more tolerance to poor installation	Fusion-welded system which requires specialised training and equipment
Thermal conductivity and insulation	Needs insulation as heat loss occurs faster due to high thermal conductivity	Requires less insulation as low thermal conductivity reduces heat loss	Requires less insulation as low thermal conductivity reduces heat loss	Require less insulation as low thermal conductivity reduces heat loss	Require less insulation as low thermal conductivity reduces heat loss

Organised players increased focus on the fittings segment in the past decade

Owing to intense competition because of a large number of unorganised players, there has been pressure on revenues and margins of organised players. To mitigate this pressure, one of the strategies adopted by organised players is to expand their fittings capacity. Manufacture of fittings requires higher precision, thereby constraining the unorganised players to enter this space. Because of the specialised product nature, the fittings segment enjoys higher margins. This provides the opportunity for branded players to increase their revenues and margins. Hence, many branded players have aggressively expanded their fittings capacity and launched new products over the years to cater to the high demand in this segment.

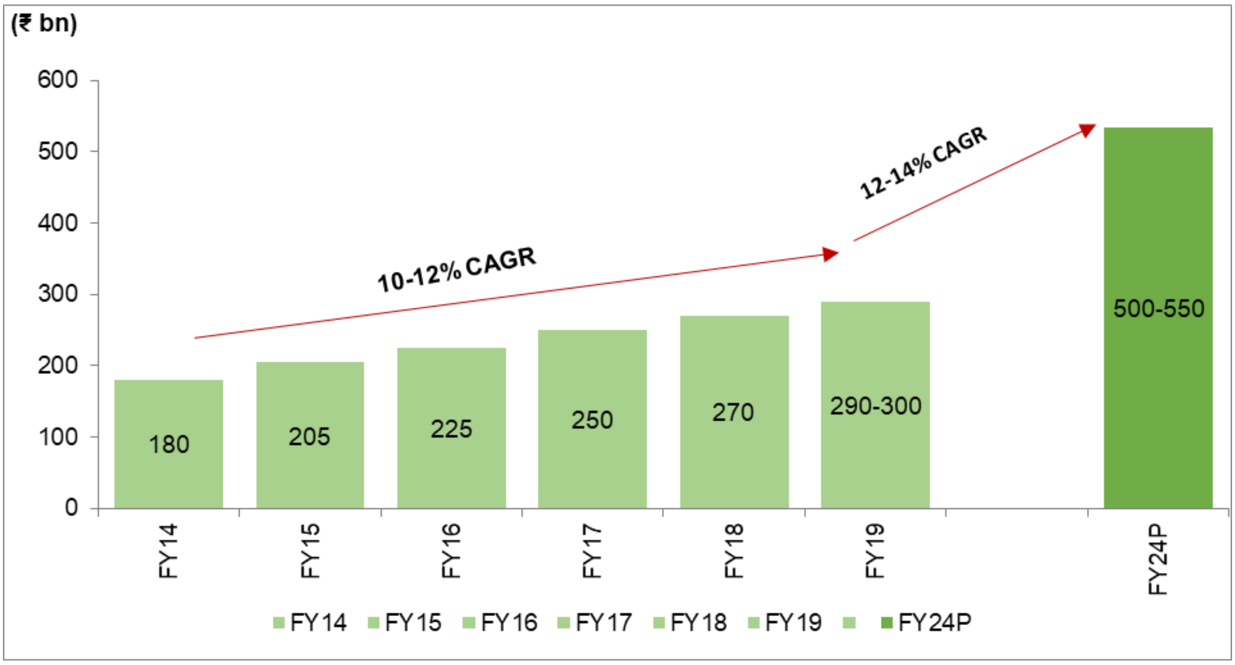
DOMESTIC DEMAND – REVIEW AND OUTLOOK

The Indian plastic pipes and fittings industry rose at a healthy 10-12% CAGR between Fiscals 2014 and 2019 to about ₹ 290-300 billion. Industry growth was driven by rising demand from the construction and irrigation sectors. The sub-segments propelling offtake in the construction space were increasing investments in WSS projects, substitution of metal pipes with polymer pipes, and replacement demand.

Initiatives such as Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), Accelerated Irrigation Benefits Programme (AIBP), and Command Area Development and Water Management Programme supported the irrigation sector's growth.

Additionally, the industry received a boost from the government's Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme, which is aimed at providing basic services, such as WSS, and ensuring that every household has access to a tap with assured water supply and a sewerage connection. As a result, demand for soil, waste and rain, and drainage pipes was robust.

Domestic market size for plastic pipes



Source: industry, CRISIL Research

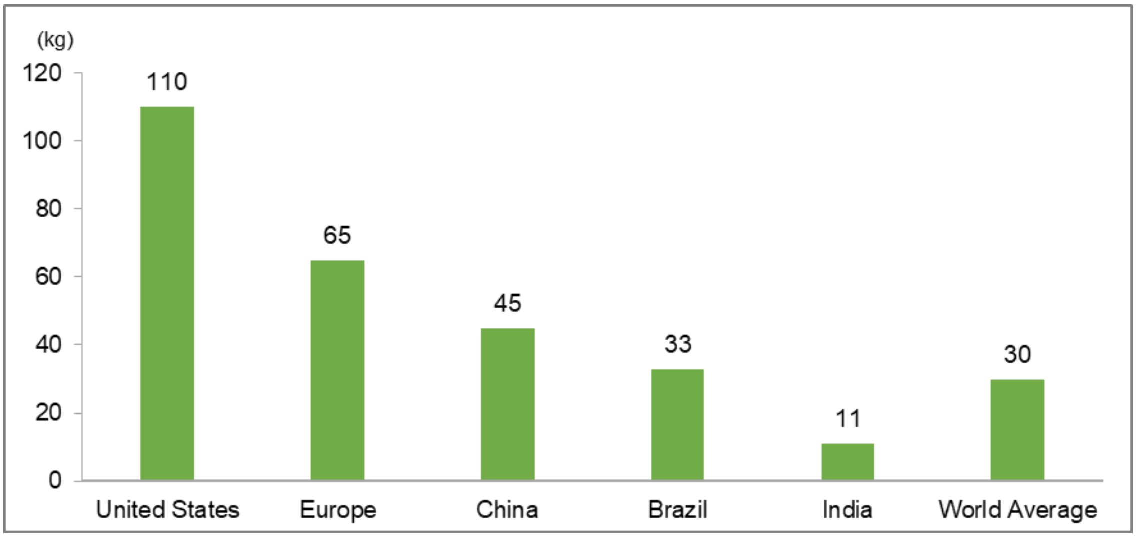
The industry's growth pace is projected to accelerate over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024). CRISIL Research forecasts the plastic pipes and fittings industry to post a CAGR of 12-14% to ₹ 500-550 billion in Fiscal 2024.

The factors that are expected to contribute to demand growth are:

Low per-capita consumption of plastic

India has very low per-capita plastic consumption of about 11 kg, compared with the global average of 30 kg. Traditional materials dominate the application areas of plastic. However, over the past three to four Fiscal years, low crude oil prices and superior properties of plastic have increased the usage of plastic in India. Hence, we expect per-capita consumption to inch up towards the global average. Over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024), CRISIL Research expects demand for polymers to grow at a healthy 7-9% CAGR.

Per-capita plastic consumption – India versus others (2017)

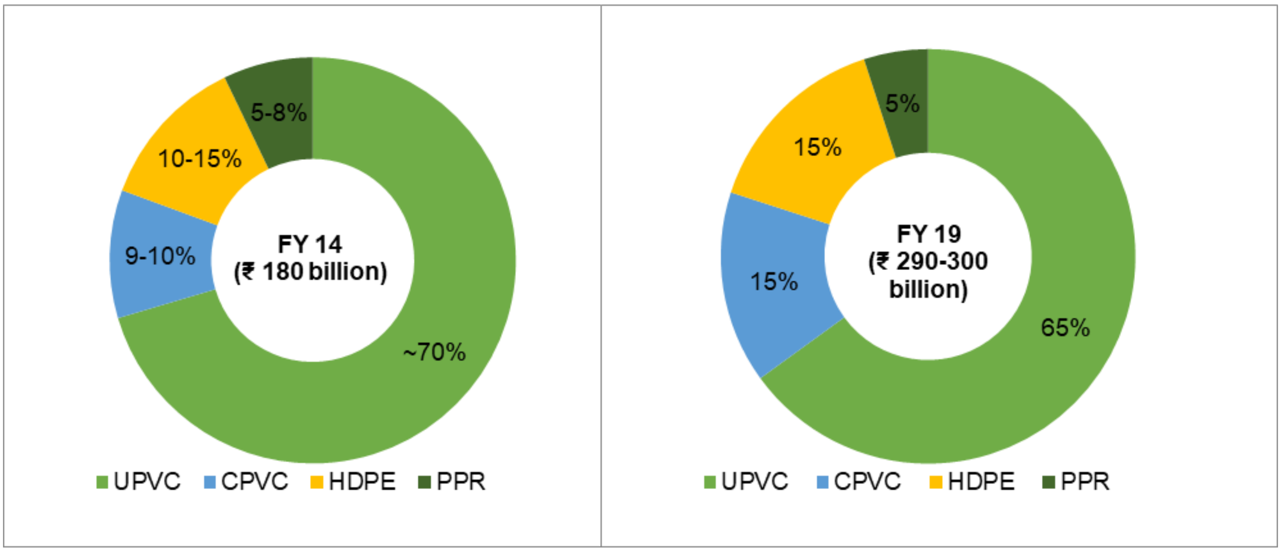


Source: CRISIL Research

Substitution and replacement demand
Plastic pipes have several advantages over metal pipes. For instance, the raw materials used in manufacturing plastic pipes are derivatives of crude oil. Hence, prices of plastic pipes are correlated to crude oil prices. The recent fall in crude oil prices has comparatively lowered raw material prices, and, thus, plastic-pipe prices during the period. Superior real estate properties and low prices have accelerated the substitution of metal pipes by plastic pipes. The increase in the availability of raw materials (PVC, PE and PPR), following the commissioning of new petrochemical facilities in India will further support the plastic-pipes industry. Another factor driving long-term demand is the replacement of older pipes with plastic pipes.

Within the plastic pipes industry, CRISIL Research expects demand to be driven by increasing application of HDPE and CPVC pipes.

Plastic pipes – Shift in demand segmentation, by type



Source: CRISIL Research

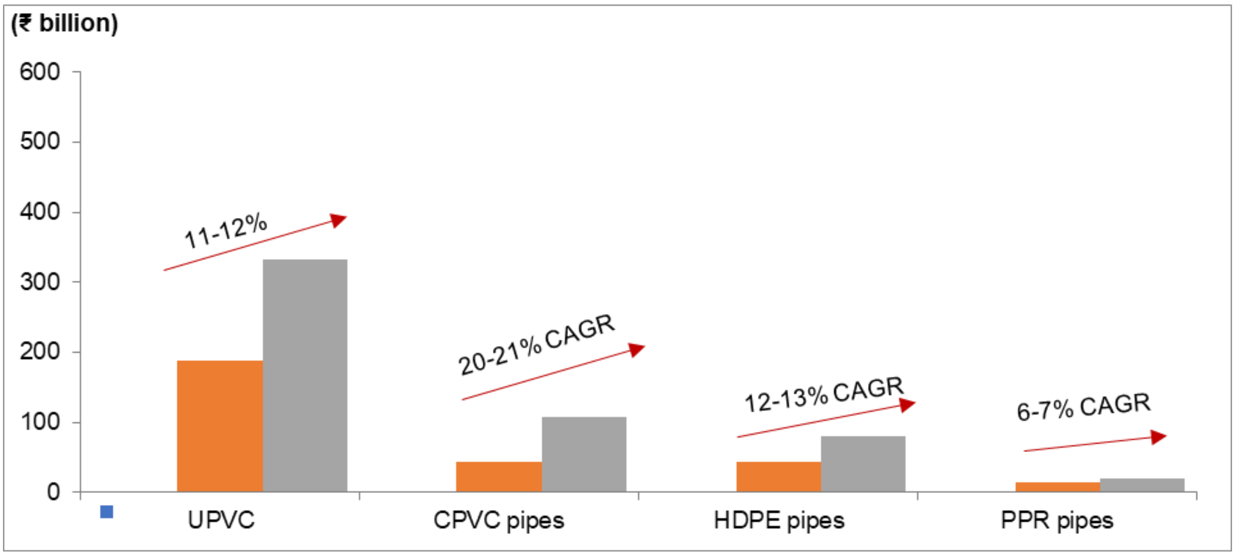
UPVC pipes: These pipes find application in agriculture and plumbing for portable water supply and sewerage. Continuous replacement of galvanised iron pipes with these pipes has supported healthy demand growth in the past. Features such as affordability and longer life compared with metal pipes have aided this segment. Government initiatives, such as AIBP, also provide growth potential. The presence of various brands and established players has ensured steady growth of this segment. Over the next five Fiscal years (i.e., April 1, 2019, to March 31, 2024), CRISIL Research expects growth from this segment to be healthy at 11-12% CAGR.

CPVC pipes: These pipes are primarily used in plumbing applications, as well as hot and cold, potable water distribution systems. Demand growth for this segment over the past five Fiscal years (i.e., April 1, 2014, to March 31, 2019) has been the highest among pipes, as CPVC pipes in India are still at a nascent stage and have huge potential due to factors such as longevity, corrosion free, fire resistant, being lead-free, and the ability to withstand high temperatures. By Fiscal 2024, CRISIL Research expects the share of CPVC pipes in the overall plastic pipes industry to increase and go above 20%, registering the highest growth of 20-21%.

HDPE pipes: These pipes are used in the irrigation sector, sewerage and drainage, city-gas distribution and in chemical and processing industries. HDPE pipes account for ~15% share in the total plastic pipes industry. These pipes have been gaining prominence over traditional metal and cement pipes, due to durability, low maintenance and longevity versus metal pipes. Government schemes, such as PMKSY, are expected to lend support to the segment. Consequently, CRISIL Research expects this segment to witness robust growth of 12-13% CAGR over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024).

PPR pipes: These pipes account for a mere 5% of the total plastic pipes demand. These pipes, which are used for various industrial purposes, are relatively costly compared with other plastic pipes, which restricts their usage. CRISIL Research expects demand from this segment to grow at 6-7% CAGR from April 1, 2019 to March 31, 2024.

Plastic pipes – Growth across each segment



Source: CRISIL Research

Investments in the end-user segments

Plastic pipes are primarily used in irrigation and WSS projects. The major demand sources are public-sector projects undertaken by the central, state and municipal-level bodies. Key growth drivers are:

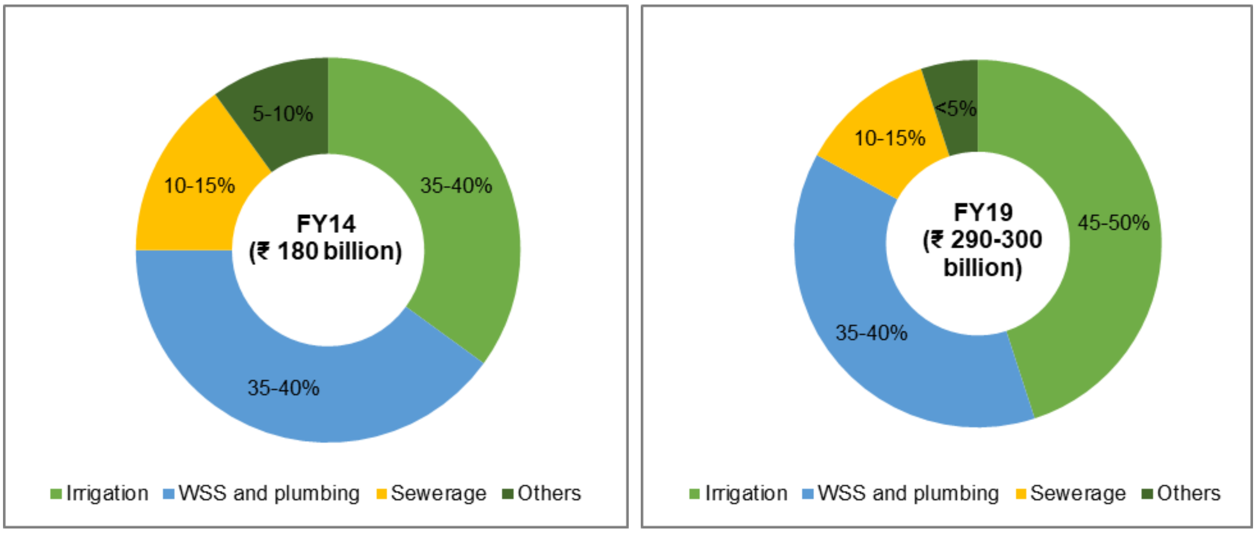
Increased spending by state governments and municipal corporations to improve accessibility of water for an ever-increasing population; and

Heightened thrust, in the form of several central government-led schemes, to augment irrigation, urban infrastructure and real estate. Examples include:

- Irrigation - PMKSY
- Urban infrastructure – WSS schemes such as Jawaharlal, Nehru National Urban Renewal Mission (JNNURM), AMRUT, Swachh Bharat Mission, Smart Cities Mission
- Real estate – Housing for All scheme

Other than government schemes, demand will also be supported by an increase in private sector investments, primarily in the real estate sector. CRISIL Research expects demand for plumbing pipes to grow with the rise in the construction activity in metros as well as tier-II and tier-III cities to drive demand for plastic pipes and fittings.

Shift in demand segmentation by end-users



Source: CRISIL Research

Irrigation sector

The irrigation sector is the key end-user segment for plastic pipes, accounting for a 45-50% share of the industry. Of India's 160 million hectare of cultivated land, a little less than 50% is irrigated. In Fiscal 2016, the central government converged irrigation schemes under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) to expand the area under cultivation by 2.85 million hectares in Fiscal 2017 and by 8 million hectares by 2020, outlining a spending target of ₹ 500 billion until 2020. The key schemes converged are Accelerated Irrigation Benefits Programme (AIBP), Integrated Watershed Management Programme, On Farm Water Management, and Per Drop More Crop.

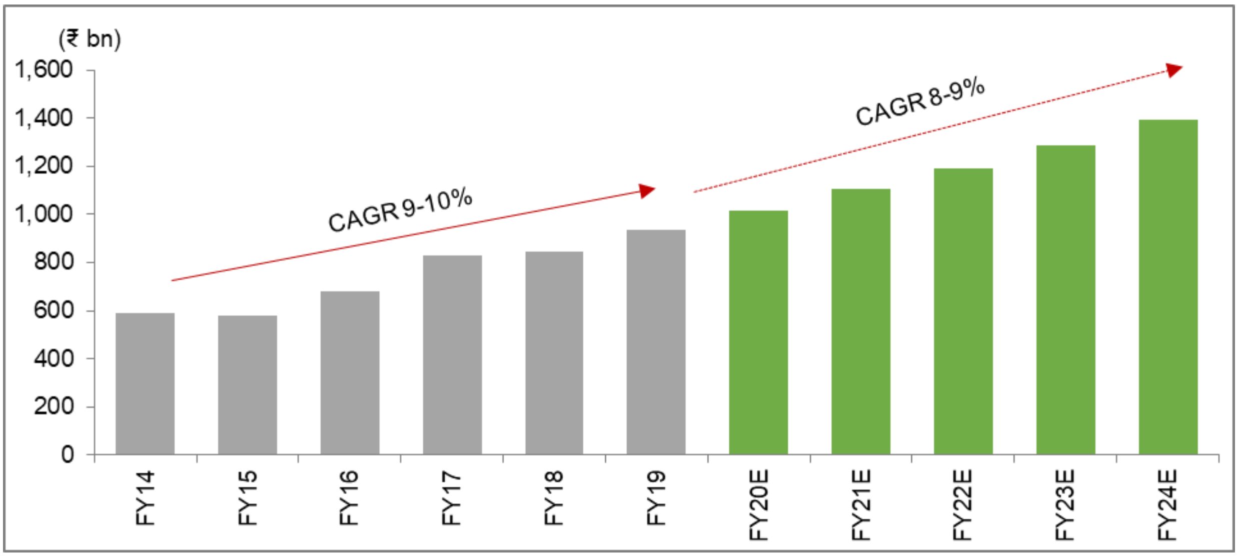
Investment in the sector is expected to rise in the next five years owing to the push from state governments to increase irrigation penetration in states.

Spending in irrigation by states to increase, Centre to focus on monitoring
The government has increased the spending requirement by state governments from 32% to 42%, in line with greater transfer of taxes to states. The central government will play an active role in monitoring the progress of PMKSY projects, and has taken several steps to crystallise investments for irrigation, including:

- Forming SLSCs (State Level Sanctioning Committees) for 26 states
- Releasing ₹ 654 million to states for DIP preparation. As many as 675 DIPs have been submitted from 692 districts. Based on the DIPs, each state is expected to submit a state irrigation plan (SIP).
- Prioritising ~99 ongoing irrigation projects under PMKSY (AIBP) and Command Area Development & Water Management) for completion in phases by December 2019. The government has approved the funding arrangement for these projects through the National Bank for Agriculture and Rural Development

Consequently, CRISIL Research believes investments in irrigation will rise sharply to ₹ 5,993 billion till Fiscal 2024 from ₹ 3,866 billion over the past five years (April 1, 2014 to March 31, 2019).

Investments in irrigation



Source: CRISIL Research

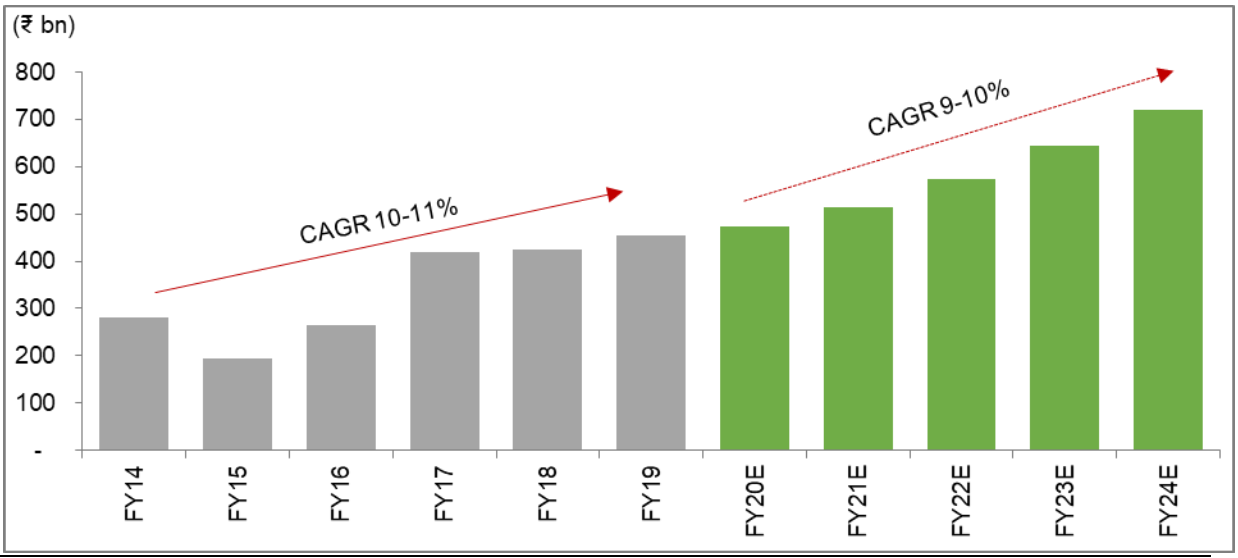
CRISIL Research believes construction investments in irrigation will rise by 8-9% CAGR by Fiscal 2024 compared with 9-10% CAGR over the past five Fiscal years, i.e., from April 1, 2014, to March 31, 2019. Of the total investment in irrigation, construction expenditure is estimated at 75%. This translates into a construction expenditure of ₹ 4,882 billion up to Fiscal 2024, compared with ₹ 2,931 billion over the past five years, i.e., from April 1, 2014, to March 31, 2019. The rise in construction activity will lend support to the pipes and fittings industry.

Irrigation investments are heavily skewed, with the top seven states – Andhra Pradesh, Telangana, Maharashtra, Karnataka, Gujarat, Madhya Pradesh and Uttar Pradesh – accounting for nearly 75% of the total investments during the past five years from April 1, 2013, to March 31, 2019. Also, a budget analysis of these states indicates that the average achievement ratio for these states has been as high as about 95% in the past few years. Over Fiscals 2018 to 2020 as well, the share of these states is expected to remain at about 75%, as investments in Andhra Pradesh, Telangana, Karnataka, Madhya Pradesh and Gujarat rise significantly. Most states are expected to focus on completing existing major and medium irrigation projects. Also, other states such as Odisha, Rajasthan and Chhattisgarh have significantly increased their allocations towards irrigation.

Healthy growth in government investments towards WSS

WSS and plumbing are the second largest end-user segment for plastic pipes, accounting for 35-40% share of the plastic pipes market. In the past five Fiscal years (i.e., from April 1, 2014, to March 31, 2019), government expenditure on the sector rose at 22% CAGR to about ₹ 624 billion in Fiscal 2019. This was led by several Central government schemes, coupled with rising emphasis by municipal authorities, such as Mumbai Metropolitan Region Development Authority, Mumbai and Pune municipal corporations. CRISIL Research expects overall WSS investments to be ₹ 2,924 billion over the next five years, i.e., from April 1, 2019, to March 31, 2024, compared to ₹ 1,753 billion over the past five Fiscal years i.e., from April 1, 2014, to March 31, 2019. This will also be driven by the recently proposed "Nal se Jal" scheme, a component of the Jal Jivan Mission, which promises to provide piped drinking water to every household in the country by 2024. The scheme comes under the domain of the Jal Shakti Ministry, which has merged the ministries of water resources, river development and Ganga Rejuvenation with the Drinking Water and Sanitation portfolio.

Investment trajectory in WSS



Source: CRISIL Research

Real estate sector

Real estate is a key end-user sector for plastic pipes and fittings in India. Over the last few years, end-user demand for real estate has been sluggish. Developers had delayed the possession of projects in many instances due to various reasons, including approval delays and financial issues. However, with the implementation of Real Estate Regulatory Authority (RERA), the confidence of end-users will improve.

Real estate demand drivers

Growth in population: The country's population, which grew at about 1.8% CAGR during the ten-year period between calendar years 2001 and 2011, is expected to grow at about 1.6% CAGR over Fiscals 2011 to 2021 to 1.4 billion. CRISIL Research expects housing demand to increase in line with the number of households.

Urbanisation: The share of urban population in the total population has been consistently rising, and was about 31% in calendar year 2011. Nearly 36% of the country's population is expected to live in urban locations by calendar year 2020, driving demand for housing in these areas.

Traction in tier II and III cities: A pick-up in demand for plastic pipes in tier II and III cities has been observed in recent years. The healthy growth trajectory is expected to continue over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024).

Surging demand from the rural sector: Rural market has low penetration and less availability of branded PVC pipes and fittings. Demand is surging from this sector, driven by the increase in disposable income of farmers due to government initiatives, such as higher MSPs and the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA). Marketing efforts, coupled with the implementation of GST, will help branded players increase rural penetration.

Higher affordability led by increasing disposable income: India's per-capita income grew at a healthy rate between Fiscals 2014 and Fiscal 2019 to ₹ 126,404 (at current prices). Increasing disposable income, typically, has a positive correlation with demand for housing units, as it increases affordability.

Tax incentives by the government: The interest-subvention scheme, interest deduction from taxable income, tax exemption for principal repayment and exemption from capital gains will also be key drivers.

Government initiatives

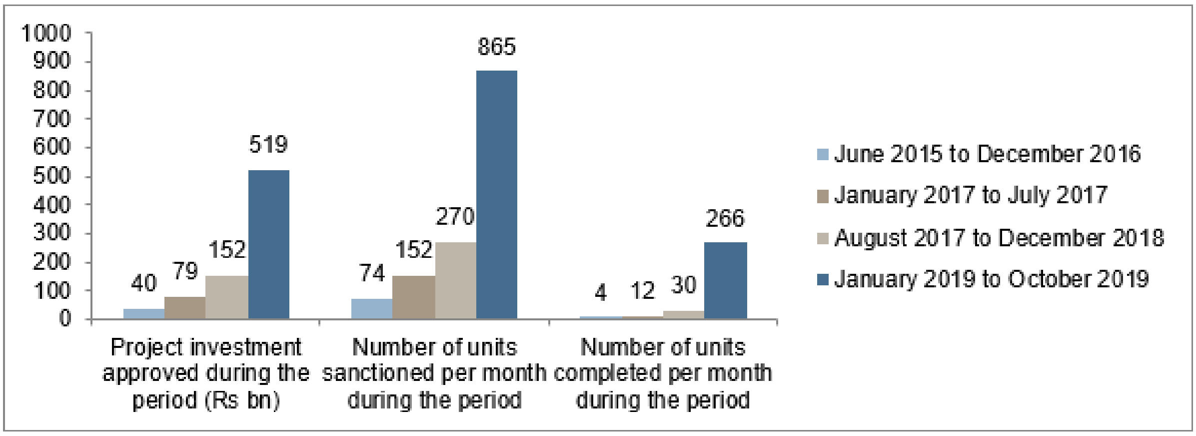
RERA: CRISIL Research expects the Real Estate (Regulation and Development) Act or RERA, which came into force on May 1, 2017, to result in improved transparency, timely delivery and organised operations.

Housing for all by 2022: Also known as the Pradhan Mantri Awas Yojana (PMAY), this scheme was launched on June 25, 2015. It aims to minimise the housing shortage of urban poor. The Ministry of Housing and Urban Poverty Alleviation has estimated a shortage of nearly 20 million dwelling units for the urban poor. PMAY aims to address this by providing central assistance to the implementing agencies through states and union territories to all eligible families/beneficiaries by 2021-22.

Investments planned in PMAY-U are underway in line with Government targets. Since inception, as of July 29, 2019, PMAY-U has witnessed total project investments worth ₹ 5,037 billion (including central assistance worth ₹ 1,325 billion sanctioned) and sanctions of around 8.5 million units. The scheme - now in its fifth year of implementation- is witnessing faster completion velocity in the recent months.

On funding side, in February 2018 budget, the government announced an allocation of ₹ 315 billion (including a provision of internal and external extra budgetary resource worth ₹ 250 billion) and in July 2019, ₹ 69 billion. However, the flow of funds from the central government side will be key as they will need around ₹ 1 trillion over the next three years to achieve PMAY-U target of 10 million houses by 2022.

Visible traction in affordable housing under PMAY (urban)

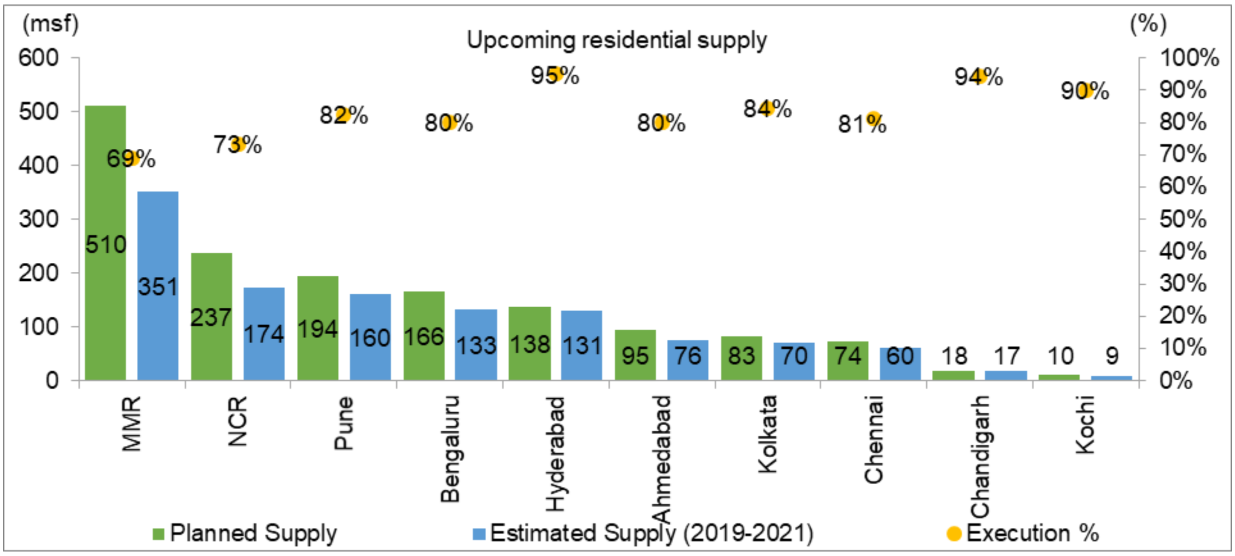


Source: PMAY documents, project update reports, CRISIL Research

Plastic pipes' demand to get a push by estimated 1.16 billion sq. ft. of housing supply in top 10 cities

The top ten cities in India – the National Capital Region, Mumbai, Bengaluru, Pune, Hyderabad, Kolkata, Chennai, Ahmedabad, Chandigarh, and Kochi – are expected to have an estimated 1.16 billion sq. ft. (super built-up area) of supply to come on stream by calendar year 2021. Organised players will be at the forefront of tapping this opportunity because of the portfolio of quality products and presence across fittings segment. In the top eight cities (MMR, NCR, Pune, Bengaluru, Hyderabad, Ahmedabad, Kolkata and Chennai), a total supply of around 1,497 msf has been planned by the developers, of which, around 1,155 msf supply is expected to materialize by 2021.

Estimated housing supply across select cities



Source: CRISIL Research

Growth in investments in end-user segments, and plastic pipes and fittings industry

(CAGR)	FY14 to FY19 (%)	FY19 to FY24 (%)
Irrigation	9-10%	8-9%
WSS	10-11%	9-10%
Plastic pipes and fittings	10-12%	12-14%

Source: CRISIL Research

CRISIL Research expects investments in irrigation and WSS to rise at 8-9% and 9-10% CAGR, respectively, between Fiscals 2019 and 2024. Healthy growth in the real estate segment is expected to support growth of the pipes and fittings industry. Within real estate, the plumbing component is estimated at 5-10% of the building construction cost. Of the total expenditure on plumbing, 2-3% is spent on pipes. This is forecast to translate into 12-14% CAGR for the plastic pipes and fittings industry over the next five Fiscals.

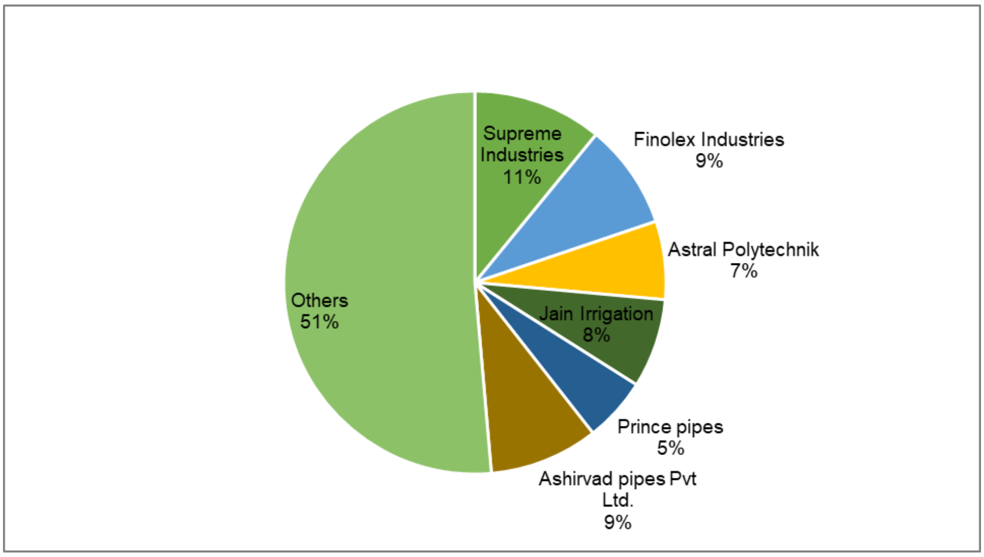
Meanwhile, CRISIL Research expects the share of the organised segment in the industry to expand with the implementation of GST. Further, organised players' focus on marketing and distribution network expansion, and launching innovative and branded products will see their revenue grow faster vis-à-vis the unorganised segment.

COMPETITIVE LANDSCAPE

The organised segment in the pipes and fittings industry accounts for a 60-65% share of the country's plastic pipes industry. However, depending on the category, the share of organised players fluctuates accordingly.

Supreme Industries enjoys the largest market share of about 11%, as of Fiscal 2019, followed by Finolex Industries (9%), and Ashirvad Pipes (9%). The share of Prince Pipes and Fittings increased to 5% in Fiscal 2019 from 4.5% in Fiscal 2016.

Market share in Fiscal 2019



Source: CRISIL Research, company

SUMMARY OF BUSINESS

OVERVIEW

Our Company is recognized as one of the leading polymer pipes and fittings manufacturers in India in terms of number of distributors *(Source: CRISIL Research Report)*. We market our products under two brand names: Prince Piping Systems; and Trubore. Due to our comprehensive product range, we are positioned as an end-to-end polymer piping systems solution provider. We have more than 30 years' experience in the polymer pipes segment.

We currently manufacture polymer pipes using four different polymers: UPVC; CPVC; PPR; and HDPE, and fittings using three different polymers: UPVC; CPVC; and PPR. As at October 31, 2019, we had a product range of 7,167 SKUs. Our products are used for varied applications in plumbing, irrigation, and soil, waste and rain water ("**SWR**") management. Our product range meets the requirements of both the rural and urban markets.

We have six strategically located manufacturing plants, which gives us a strong presence in North, West and South India. Our plants are located at the following locations: Athal (Union Territory of Dadra and Nagar Haveli); Dadra (Union Territory of Dadra and Nagar Haveli); Haridwar (Uttarakhand); Chennai (Tamil Nadu); Kolhapur (Maharashtra) and Jobner (Rajasthan). The total installed capacity of our six existing plants is 241,211 tonnes per annum as at October 31, 2019. We plan to expand the installed capacity at our plant in Jobner (Rajasthan) from 6,221 tonnes per annum as at at October 31, 2019 to 17,021 tonnes per annum by December 31, 2019 and to 20,909 tonnes per annum by the end of Fiscal 2020. We use five contract manufacturers, of which two are in Aurangabad (Maharashtra), one is in Guntur (Andhra Pradesh), one is in Balasore (Odisha) and one is in Hajipur (Bihar).

We plan to set up a new manufacturing plant in Sangareddy (Telangana), with a total estimated installed capacity of 51,943 tonnes per annum. We plan to commence production at the Telangana plant in Fiscal 2021.

We distribute our products from our six plants and 11 warehouses. Our warehouses are managed by clearing and forwarding agents.

We sell our Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. As at October 31, 2019, we sold our Prince Piping Systems products to 1,151 distributors in India. We sell our Trubore products directly to wholesalers and retailers. As at October 31, 2019, we sold our Trubore products to 257 wholesalers and retailers.

Our revenue from operations for Fiscals 2017, 2018 and 2019 was ₹ 13,300.15 million, ₹ 13,205.45 million and ₹ 15,718.69 million, respectively, representing a CAGR of 8.71%. Our revenue from operations for the three-month period ended June 30, 2019 was ₹ 3,797.66 million. Our profit before tax for Fiscals 2017, 2018 and 2019 was ₹ 959.08 million, ₹ 951.67 million and ₹ 1,114.68 million, respectively, representing a CAGR of 7.81%. Our profit before tax for the three-month period ended June 30, 2019 was ₹ 339.31 million. Our profit for the year for Fiscals 2017, 2018 and 2019 was ₹ 741.82 million, ₹ 727.66 million, ₹ 833.51 million, respectively, representing a CAGR of 6.00%. Our profit for the period for the three-month period ended June 30, 2019 was ₹ 266.69 million.

STRENGTHS

Strong brands in the pipes and fittings segment with over 30 years' experience and multiple industry awards and accolades

We have a strong legacy of more than three decades in the polymer pipes segment. We market our products under two brand names: Prince Piping Systems and Trubore. We believe that consumers have a strong loyalty to both our brands, which has enabled us to consistently grow our brands. We acquired the Trubore brand in October 2012.

We have an advantage of being one of the leading organised players in this highly fragmented market. We had a market share of approximately 5% in Fiscal 2019 and are amongst the top six organised players, which collectively have a total market share of 49% in Fiscal 2019. *(Source: CRISIL Research Report).*

The fittings segment typically earns higher margins due to the specialised nature and precision required vis-à-vis the pipes segment. *(Source: CRISIL Research Report).* We believe our strong brands enable us to increase our presence in the fittings segment.

We have been the recipient of numerous awards, including:

- Economic Times Polymers Award (Excellence in Plastics) for excellence in building and construction (plumbing) in the large enterprises' category – 2017;
- Outstanding Contribution to the Plumbing Industry - awarded by the Brihanmumbai Licensed Plumbers' Association – 2015; and
- Indian Manufacturing Excellence Award (Silver Certificate of Merit) by Frost & Sullivan - 2015.

Comprehensive product portfolio across polymers serving diverse end-use applications

Owing to our comprehensive product portfolio, we are positioned not just as a pipe manufacturer but also as an end-to-end piping systems supplier. We currently manufacture polymer pipes using four different polymers: UPVC; CPVC; PPR; and HDPE, and fittings using three different polymers: UPVC; CPVC; and PPR.

We have different SKUs for different products under each polymer type. We had 7,167 SKUs as at October 31, 2019. Our products are used for varied applications in the fields of plumbing, irrigation, and SWR management.

We have a product development team, which is responsible for introducing new products and variations of existing products. Our product development team regularly interacts with the plumbing consultants and contractors to understand the demand for new products and variations of existing products.

Strategically located manufacturing facilities with a core focus on quality

Due to the size of pipes, an important factor in their cost is transportation costs. Therefore, it is a competitive advantage to manufacture pipes as close as possible to the ultimate consumers.

We have established six manufacturing facilities, which are in: Athal (Union Territory of Dadra and Nagar Haveli); Dadra (Union Territory of Dadra and Nagar Haveli); Haridwar (Uttarakhand); Chennai (Tamil Nadu); Kolhapur (Maharashtra) and Jobner (Rajasthan). We use five contract manufacturers, of which two are in Aurangabad (Maharashtra), one is in Guntur (Andhra Pradesh), one is in Balasore (Odisha) and one is in Hajipur (Bihar).

Our multi-location facilities have assisted in market penetration and developing a strong presence in North, West and South India. For Fiscal 2019, our sales in North, South, West and East India represented 38.57%, 26.93%, 23.54% and 10.96% of our revenue from operations, respectively. For the three-month period ended June 30, 2019, our sales in North, South, West and East India represented 34.84%, 26.71%, 22.80% and 15.65% of our revenue from operations, respectively.

One of the major factors contributing to a player's success is the presence of its brands in regional markets and across India. *(Source: CRISIL Research Report).* Our manufacturing presence as compared to our competitors is shown in the table below.

Company	**Manufacturing base(3)**
Our Company(1)	Maharashtra, Tamil Nadu, Uttarakhand, Dadra and Nagar Haveli, Rajasthan
Supreme Industries(2)	Maharashtra, Madhya Pradesh, West Bengal, Uttar Pradesh
Finolex Industries(1)	Maharashtra, Gujarat
Astral Polytechnik (1)	Gujarat, Tamil Nadu, Rajasthan, Maharashtra, Uttarakhand
Jain Irrigation(1)	Maharashtra, Gujarat, Tamil Nadu, Rajasthan, Andhra Pradesh
Ashirvad Pipes(1)	Karnataka, Rajasthan

Note:

(1) Details are at company level.

(2) Details are for 'plastic piping products' segment only.

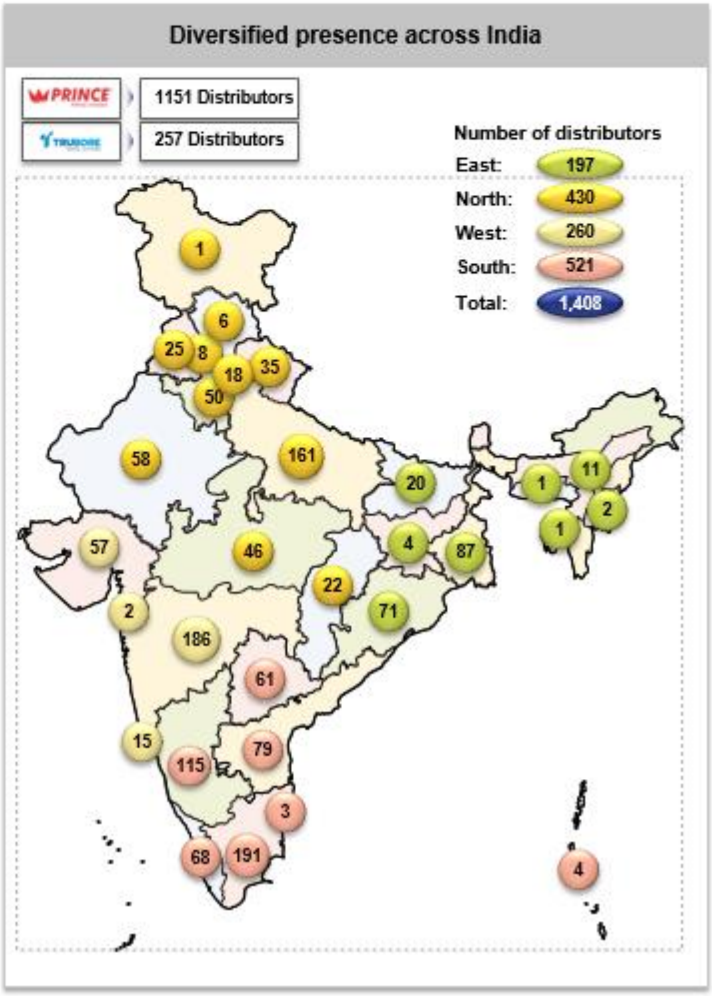
(3) Based on details available as of September 30, 2019.

(*Source: CRISIL Research Report*)

We have an ISO 9001:2008 certified manufacturing process for each of our plants, except for our Kolhapur and Rajasthan plants. We have an ISO 14001:2015 certification for our Haridwar, Dadra and Chennai plants and an EMS certification ISO 50001:2011 (relating to energy efficiency) for our Chennai, Athal, Dadra, Kolhapur and Haridwar plants. We have checks and testing systems in place, from the procurement of raw material to the manufactured product, for ensuring the quality of our products.

Large and growing distribution network

We sell our Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. We sell our Trubore products directly to wholesalers and retailers. We have a pan-India network of distributors for our Prince Piping Systems products and a network of wholesalers and retailers for our Trubore brand products in South India. As at March 31, 2017, 2018 and 2019 and October 31, 2019, we had 766, 955, 1,253 and 1,408 distributors and wholesalers and retailers buying directly from us, respectively, which represented an 83.81% increase from March 31, 2017 to October 31, 2019. Set forth below is a map showing our distribution network as at October 31, 2019.



Our technical collaboration with a reputed international player for almost the last five years, which has helped us to improve the quality of our products and our manufacturing efficiency

Since January 2015, Wavin Overseas B.V. ("**Wavin**"), a company headquartered in Zwolle in The Netherlands, has been providing us with the technology and know-how in the manufacture of our products to improve the quality thereof and to improve manufacturing efficiency. Pursuant to an agreement that expires on January 1, 2020, Wavin provides us with, among other things, (a) advice relating to management systems, such as quality control systems, costing systems and e-business, (b) product know-how, such as products design and jointing techniques; and (c) production technology, such as choice, formulations and quality requirements for raw materials, preparation technology and equipment, extrusion technology and equipment, injection moulding technology and equipment, and fabricated fittings technology and equipment. Wavin has a direct presence in over 25 countries with some 30 manufacturing sites, and is dedicated to supplying a range of plastic pipe systems for building and infrastructure projects, and licensing of know-how and intellectual property rights *(Source: https://www.wavin.com/en-en/About accessed September 21, 2018).*

As a result of our technical collaboration with Wavin, we have seen significant improvements in our production processes at our Athal and Dadra plants. The average number of breakdowns per week (availability) at our Athal plant decreased from 40 for Fiscal 2016 to 23 for the six months ended September 30, 2019 and the Athal plant's overall equipment efficiency increased from 86.5% for Fiscal 2016 to 91.2% for Fiscal 2019. The Athal's plant overall equipment efficiency decreased to 85.4% for the six months ended September 30, 2019 as a result of our trials on phasing out the use of lead stabilizers in PVC pipes and replacing it with tin-based compounds. As per the Order of the National Green Tribunal in the matter of Ajay Kumar Singh Vs Union of India & Others dated January 14, 2019 regarding notification of standards of lead to be used in PVC pipes and to phase out lead as stabilizer in PVC pipes, the tribunal directed the Ministry of Environment & Forest and Climate Change to furnish a status report on the matter within one month. As such expected, we expected the draft rules in relation to the same from the Ministry of Environment, Forest and Climate Change at any point of time thereafter and from April 2019 we began conducting trials to replace lead stabilizers with tin-based compounds in the manufacture of PVC pipes. The Ministry of Environment, Forest and Climate Change through a gazette notification dated September 12, 2019, issued the draft Lead Stabilizer in Polyvinyl Chloride (PVC) Pipes and Fittings, Rules, 2019, regarding the phasing out of lead stabilizers. We are still in the transition phase of replacing lead stabilizers with tin-based compounds in the manufacturing of our PVC pipes and fittings. The average number of breakdowns per week (availability) at our Dadra plant has decreased from 50 for Fiscal 2016 to 11 for the six months ended September 30, 2019 and the Dadra plant's overall equipment efficiency has increased from 76.1% for Fiscal 2016 to 84.4% for the six months ended September 30, 2019. See the table below for more details.

Parameter	**Athal Plant**					**Dadra Plant**				
	Fiscal 2016	**Fiscal 2017**	**Fiscal 2018**	**Fiscal 2019**	**Six months ended September 30, 2019**	**Fiscal 2016**	**Fiscal 2017**	**Fiscal 2018**	**Fiscal 2019**	**Six months ended September 30, 2019**
Average number of breakdowns per week (availability)	40	28	27	21	23	50	37	11	8	11
Overall equipment efficiency (%)(1)	86.5	86.8	91.1	91.2	85.4	76.1	80.3	86.0	84.5	84.4

Note:

(1) Overall equipment effectiveness quantifies how well a manufacturing unit performs relative to its designed capacity during the periods when it is scheduled to run.

We are in discussions with Wavin about entering into a new agreement. However, if we do not end up entering into a new agreement with Wavin, we will continue to implement the technology and know-how in the manufacture of our products Wavin has already provided to us for almost five years,

Strong management team

We have a strong management team led by Jayant Shamji Chheda, our Chairman and Managing Director and one of our Promoters, who has more than three decades' experience in the pipes segment. He was awarded the Lifetime Achievement Award at the Vinyl India Conference in 2014 for his extensive contribution to the piping industry and the society. Parag Jayant Chheda, one of our executive Directors and one of our Promoters, has more than two decades' experience in the pipes and fittings segment. He was the recipient of the Inspiring Business Leader Award at the Economic Times Summit in the 'Business and Industry' category. Vipul Jayant Chheda, one of our executive Directors and one of our Promoters, has more than two decades' experience in the pipes and fittings segment. Shyam Kishanchand Sharda, our Chief Financial Officer, is a Chartered Accountant and has approximately two decades' experience in accounting, finance, and taxation.

We have a strong team of professionals to manage the core functional areas such as finance, procurement, manufacturing, logistics, sales and marketing, human resources, and information technology.

STRATEGIES

Continue to optimize our product mix to improve margins

We will continue to actively manage our product mix at each of our plants to ensure we are maximizing our profit margins. Our CPVC, PPR and HDPE products have higher margins than our UPVC products and our plumbing products have a higher margin than our other products. Our fittings have higher margins than our pipes and we endeavor to optimize our mix of pipes and fittings to maximize our margins.

Increase our sales of DWC pipes

Until the fourth quarter of Fiscal 2018, our focus for our Prince Pipes Systems brand was on products for application above ground, namely, plumbing, irrigation, and sewage disposal. We conducted a pan-India survey through an independent agency to estimate the potential demand of pipes for water supply and sanitation over the four-year period ending March 31, 2021, and based on the various government initiatives and the outcome of the market survey, we decided to enter into this segment with DWC pipes. In the fourth quarter of Fiscal 2017, we expanded the reach of our products for application in underground drainage by entering the HDPE segment with DWC pipes when our Haridwar plant began producing DWC pipes with one machine that has an installed capacity of 8,820 tonnes per annum. We have subsequently installed two machines to produce DWC pipes in our Chennai plant; one in July 2018 with an installed capacity of 8,820 tonnes per annum (as at October 31, 2019), and another in October 2018 with an installed capacity of 5,544 tonnes per annum (as at October 31, 2019). In addition, in October 2018 we installed a machine for manufacturing DWC pipes that has an installed capacity of 13,440 tonnes per annum in our Dadra plant. Our contract manufacturer in Aurangabad (Maharashtra) began production of DWC pipes for us in June 2018 using a machine owned by us that has an installed capacity of 5,544 tonnes per annum (as at October 31, 2019). For Fiscals 2018 and 2019 and the three-month period ended June 30, 2019, our Net Revenue from Sale of Products from sales of DWC pipes was ₹ 26.96 million, ₹ 467.06 million and ₹ 76.20 million, respectively, which represented 0.21%, 2.99% and 2.01% of our Net Revenue from Sale of Products for those periods, respectively. We believe our increased installed capacity for manufacturing DWC pipes will enable us to increase our sales of DWC pipes.

DWC pipes are pipes with full circular dual-wall cross-section, with an outer corrugated pipe wall and a smooth inner surface. DWC pipes are used in the irrigation sector, sewerage and drainage, city-gas distribution and in chemical and processing industries. HDPE pipes account for approximately 15% share in the total plastic pipes industry. These pipes have been gaining prominence over traditional metal and cement pipes, due to durability, low maintenance and longevity versus metal pipes. Government schemes, such as PMKSY, are expected by CRISIL Research to lend support to the segment. Consequently, CRISIL Research expects this segment to witness robust growth of 12-13% CAGR over the next five fiscal years (*i.e.*, from April 1, 2019, to March 31, 2024).

Increase sales of our Prince Piping Systems products by reaching out to more retailers and expanding our distribution network both in new areas as well as in areas where we already have a strong presence

We plan to increase sales of our Prince Piping Systems products by increasing the number of retailers who stock our products. We plan to expand the sale of our Prince Piping Systems products into cities where our products are not currently sold as well as consolidating our position in areas where we already have a strong presence. Our strategy is to focus on increasing the width and depth of our distribution network by increasing the number of distributors, and the frequency and quantity of our products purchased by retailers through our distributors. Our salespersons meet with prospective distributors and retailers who do not currently stock our products to encourage them to do so. As we do not sell our products directly to retailers, we connect each new retailer that wants to sell our products to one of our existing distributors. Our salespersons also meet with distributors in areas where we do not have a distributor to encourage them to stock our products.

Set up a new manufacturing plant in Telangana and expand capacity at our plant in Rajasthan

We plan to set up a new manufacturing plant in Sangareddy (Telangana), with a total estimated installed capacity of 51,943 tonnes per annum. We plan to commence production at the Telangana plant in Fiscal 2021. The opening of this new plant will improve our efficiency thus making us more competitive. Currently, our markets in South India are catered to by our plants in Athal and Haridwar. The opening of the Telangana plant will enable up to compete in these markets more effectively. For more details on this proposed new plant, see

"Our Business –Manufacturing −Proposed New Plant" on page 158.

We recently set up a new manufacturing plant in Jobner (Rajasthan), from which we began sales to third parties in September 2019. The plant's installed capacity was 6,221 tonnes per annum as at October 31, 2019. The plant has been constructed so that the installed capacity can be increased to up to 40,621 tonnes per annum based on machines currently available in the market. We plan to increase the plant's installed capacity to 17,021 tonnes per annum by December 31, 2019 and to 20,909 tonnes per annum by the end of Fiscal 2020. We plan to further increase the plant's installed capacity based on market demand for our products. For more details on the plant, see "*Our Business–Manufacturing*" on page 157.

Expand the Trubore brand to new geographies

We acquired the Trubore brand in October 2012 and it is now our premium brand. Trubore brand products are currently sold in South India, primarily in Tamil Nadu. We plan to increase sales of our Trubore brand products by increasing our marketing efforts and the number of wholesalers and retailers for our Trubore brand products. We plan expand the presence of our Trubore brand initially in all other states in South India and then gradually expand in North, East and West India, thereby making our Trubore brand a pan-India brand in the next three or four years.

Brand building through major marketing initiatives

We plan to increase awareness of our brands through major marketing initiatives. For example, in November 2016, in an endeavour to differentiate our Prince Piping Systems brand from other brands, we launched a loyalty program called 'Prince Udaan' to connect with and reward our distributors, retailers, wholesalers, and plumbers. Under this loyalty program, buyers of Prince Piping Systems' products who are enrolled in the loyalty program receive reward points on every purchase and they can then redeem the points against a number of gifts available. This loyalty program is currently operational in North India (except Madhya Pradesh), West India, South India, East India (only in Bihar, Jharkhand and West Bengal). We are in the process of rolling it out to other areas across India. For more details on this loyalty program, see *"Our Business -Sales and Marketing*" on page 161.

We plan to spend the majority of our below the line advertising budget on activities such as meetings with dealers, meetings with retailers, architects and consultants for informing them about our new products, meetings with plumbers to educate them about our products, meetings with consultants who specify brands for construction projects, giving away branded estimation/pocket pads and other branded gifts as sales promotion items, undertaking branding activities in rural areas and Tier II and Tier III towns, media event sponsorship and exhibiting our products at trade shows and exhibitions. We plan to spend the majority of our above the line advertising budget on television commercials, outdoor hoardings and wall paintings and transit media advertisement on trains, buses, autos, and magazines advertisements. We also plan to increase the visibility of our Prince Piping Systems' products and brand by leveraging our celebrity brand ambassador for Prince Piping Systems through exposure across various touchpoints. For more details, see *"Our Business - Sales and Marketing - Brand Development and Media Strategy*" on page 161.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Statements. The Restated Financial Statements are presented in the section titled "*Financial Statements*" beginning on page 212.

We have prepared our Restated Financial Statements for: (a) the three-month period ended June 30, 2019 and fiscal years ended March 31, 2019, March 31, 2018, March 31, 2017 and March 31, 2016 (proforma) in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses, 2016, issued by the ICAI; and (b) fiscal years ended March 31, 2015 and March 31, 2014, in accordance with the Companies Act, 2013 and the Indian GAAP and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses, 2016, issued by the ICAI.

As at and for the three-month period ended June 30, 2019 and at as and for the years ended March 31, 2019, 2018, 2017, 2016, 2015 and 2014 our Company did not have any subsidiaries and consequently, the Restated Financial Statements have been prepared and presented on a standalone basis. The summary financial information presented below should be read in conjunction with the Restated Financial Statements, the notes thereto and the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 309.

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in million)

Particulars	As at June 30, 2019 (Ind AS)	As at March 31, 2019 (Ind AS)	As at March 31, 2018 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)
ASSETS					
Non-Current Assets					
Property, plant and equipment	3,601.26	3,595.11	3,323.72	2,636.91	2,313.83
Capital Work in Progress	765.85	615.08	146.77	180.32	141.26
Right-Of-Use Assets	58.39	62.37	78.30	10.63	22.22
Goodwill	2.96	2.96	2.96	2.96	2.96
Other Intangible Assets	34.56	35.55	41.52	34.76	36.33
Financial Assets					
Investments	9.06	7.77	7.36	7.25	5.14
Loans	79.72	74.22	73.43	51.49	53.77
Other Financial Assets	86.78	86.78	-	-	-
Other Non-Current Assets	622.55	582.19	692.25	14.47	25.66
Total Non-Current Assets	**5,261.13**	**5,062.03**	**4,366.31**	**2,938.79**	**2,601.17**
Current Assets					
Inventories	2,186.58	2,010.56	2,415.17	1,742.40	1,005.18
Financial Assets					
Investments	-	-	-	-	9.93
Trade Receivables	1,904.77	2,503.61	2,393.93	2,367.37	2,389.93
Cash and Cash Equivalents	2.54	88.90	2.31	27.18	0.45
Other Balances with Banks	127.60	134.25	93.98	96.50	85.28
Loans	2.32	2.33	2.59	3.66	3.82
Other Financial Assets	2.57	1.32	2.62	0.94	3.40
Income Tax Assets (net)	-	5.22	-	24.34	14.69
Other Current Assets	657.06	595.91	451.08	403.87	419.15
	4,883.44	**5,342.10**	**5,361.68**	**4,666.26**	**3,931.83**
Assets classified as held for sale	-	-	70.78	-	-
Total Current Assets	**4,883.44**	**5,342.10**	**5,432.46**	**4,666.26**	**3,931.83**
Total Assets	**10,144.57**	**10,404.13**	**9,798.77**	**7,605.05**	**6,533.00**
EQUITY AND LIABILITIES					
Equity					

Particulars	As at June 30, 2019 (Ind AS)	As at March 31, 2019 (Ind AS)	As at March 31, 2018 (Ind AS)	As at March 31, 2017 (Ind AS)	As at March 31, 2016 (Proforma Ind AS)
Equity Share Capital	900.16	900.16	900.16	450.08	480.08
Other Equity	3,378.40	3,107.51	2,265.63	1,975.36	1,361.67
Total Equity	**4,278.56**	**4,007.67**	**3,165.79**	**2,425.44**	**1,841.75**
Liabilities					
Non-Current Liabilities					
Financial liabilities					
Borrowings	981.82	1,057.69	1,461.86	1,057.62	894.63
Lease Liabilities	39.87	43.95	60.59	-	8.90
Other Financial Liabilities	160.80	160.29	162.04	154.51	139.75
Provisions	84.92	78.16	68.83	45.47	43.13
Deferred Tax liabilities (Net)	114.18	135.49	127.49	117.25	109.14
Other Liabilities	-	-	5.10	-	-
Total Non-Current Liabilities	**1,381.59**	**1,475.58**	**1,885.91**	**1,374.85**	**1,195.55**
Current Liabilities					
Financial liabilities					
Borrowings	1,609.34	1,456.78	1,698.33	1,887.64	1,858.87
Lease Liabilities	16.42	16.64	17.50	8.90	10.53
Trade Payables – MSME	32.63	46.11	50.03	67.79	49.86
Trade Payables – Other than MSME	1,671.18	2,105.52	1,919.98	953.40	941.56
Other Financial Liabilities	1,033.72	1,114.69	963.83	744.36	557.98
Provisions	11.28	16.47	12.05	24.12	21.34
Current tax Liabilities	28.59	-	27.39	-	-
Other Liabilities	81.26	164.68	57.96	118.54	55.56
Total Current Liabilities	**4,484.42**	**4,920.89**	**4,747.07**	**3,804.75**	**3,495.70**
Total Liabilities	**5,886.01**	**6,396.47**	**6,632.98**	**5,179.60**	**4,691.25**
Total Equity and Liabilities	**10,144.57**	**10,404.13**	**9,798.77**	**7,605.05**	**6,533.00**

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(₹ in million)

Particulars	For the three-month period ended June 30, 2019 (Ind AS)	As at March 31, 2019 (Ind AS)	For year ended March 31, 2018 (Ind AS)	For year ended March 31, 2017 (Ind AS)	For year ended March 31, 2016 (Proforma Ind AS)
Revenue from Operations	3,797.66	15,718.69	13,205.45	13,300.15	10,810.57
Other Income	4.26	71.26	60.26	24.80	5.61
Total Revenue	**3,801.92**	**15,789.95**	**13,265.71**	**13,324.95**	**10,816.18**
Expenses:					
Cost of Materials Consumed	2,789.92	10,728.59	8,938.14	8,364.74	7,047.06
Purchase of Stock-in-Trade	62.62	340.84	461.74	1,075.44	327.43
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(163.51)	204.18	(185.60)	(549.58)	87.24
Excise duty	-	-	55.05	835.19	736.89
Employee Benefit Expense	197.83	783.31	725.61	609.56	527.22
Finance Cost	73.85	364.00	361.08	363.74	334.97
Depreciation and Amortization Expenses	118.23	451.64	380.88	328.29	296.84
Other Expenses	383.67	1,802.71	1,577.14	1,338.49	1,088.54
Total Expenses	**3,462.61**	**14,675.27**	**12,314.04**	**12,365.87**	**10,446.19**
Profit before exceptional items and tax	**339.31**	**1,114.68**	**951.67**	**959.08**	**369.99**
Exceptional Items	-	-	-	-	-

Particulars	For the three-month period ended June 30, 2019 (Ind AS)	As at March 31, 2019 (Ind AS)	For year ended March 31, 2018 (Ind AS)	For year ended March 31, 2017 (Ind AS)	For year ended March 31, 2016 (Proforma Ind AS)
Profit before tax	**339.31**	**1,114.68**	**951.67**	**959.08**	**369.99**
Tax expense					
Current tax	94.18	272.43	214.54	208.96	81.84
Deferred tax	(21.56)	8.74	9.47	8.30	(7.20)
(Excess) / Short Provision for tax adjustments in respect of earlier years (Net)	-		-	-	-
Total Tax Expense	**72.62**	**281.17**	**224.01**	**217.26**	**74.64**
Profit for the year	**266.69**	**833.51**	**727.66**	**741.82**	**295.35**
Other Comprehensive Income					
Items that will not be reclassified to Profit or Loss	0.97	(2.39)	2.10	(0.33)	(2.80)
Income tax relating to items that will not be reclassified to profit or loss	(0.24)	0.74	(0.77)	0.18	0.93
Items that will be reclassified to Profit or Loss	1.63	0.61	4.18	(10.29)	-
Income tax relating to items that will be reclassified to profit or loss			-	-	-
Total Other Comprehensive Income	**2.36**	**(1.04)**	**5.51**	**(10.44)**	**(1.87)**
Total Comprehensive Income for the year	**269.05**	**832.47**	**733.17**	**731.38**	**293.48**
Earning per equity share (Face Value per Share Rs 10 each)					
Basic (in ₹)	2.96	9.26	8.08	7.85	3.18
Diluted (in ₹)	2.96	9.26	8.08	7.85	3.18

RESTATED SUMMARY STATEMENT OF CASH FLOWS

(₹ in million)

Particulars	For the three-month period ended June 30, 2019 (Ind AS)	As at March 31, 2019 (Ind AS)	For year ended March 31, 2018 (Ind AS)	For year ended March 31, 2017 (Ind AS)	For year ended March 31, 2016 (Proforma Ind AS)
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit/ (Loss) Before Tax	339.31	1,114.68	951.67	959.08	369.99
Adjustments					
Depreciation and Amortisation Expenses	118.23	451.64	380.88	328.29	296.84
Provision for Gratuity and Leave Encashment	1.56	13.75	13.51	4.53	(0.04)
Interest paid	64.69	330.27	320.87	321.55	303.89
Provision for Doubtful Debts	6.71	4.93	20.92	8.16	-
Bank Commission and Charges paid	8.92	30.99	37.96	37.03	28.61
Employee Stock Compensation for Option granted	1.83	9.41	7.18	-	
Unrealised Foreign Exchange Difference	16.53	(33.00)	23.63	(11.66)	(7.13)
Mark to Market gain on Derivatives	5.73	6.03	(15.34)	11.07	2.83
(Gain)/Loss on fair valuation of Investments through P&L	(0.26)	(0.69)	(0.93)	(1.84)	0.26
(Profit)/Loss on sale of Property, Plant and Equipment	6.66	(28.87)	7.65	5.69	2.19

Particulars	For the three-month period ended June 30, 2019 (Ind AS)	As at March 31, 2019 (Ind AS)	For year ended March 31, 2018 (Ind AS)	For year ended March 31, 2017 (Ind AS)	For year ended March 31, 2016 (Proforma Ind AS)
(Profit)/Loss on sale of investments	-	-	-	(3.61)	-
Dividend Received	-	(0.05)	(0.05)	(0.03)	(0.06)
Operating Profit before Working Capital Changes	**569.91**	**1,899.09**	**1,747.95**	**1,658.26**	**997.38**
Adjustments for					
Decrease/ (Increase) Inventories	(176.02)	404.61	(672.78)	(727.69)	120.46
Decrease/ (Increase) Trade & Other Receivables	541.25	(294.80)	(195.99)	34.56	(444.16)
Increase/ (Decrease) Trade & Other Payables	(571.93)	501.04	906.03	221.68	295.39
Cash Generated from Operations	**363.21**	**2,509.94**	**1,785.21**	**1,186.81**	**969.07**
Taxes paid (net)	(60.33)	(305.04)	(162.82)	(218.61)	(75.02)
Net Cash Flow from Operating Activities (A)	**302.88**	**2,204.90**	**1,622.39**	**968.20**	**894.05**
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Property, Plant and Equipment	(229.11)	(917.98)	(1,118.99)	(684.70)	(509.50)
Sale of Property, Plant and Equipment	1.05	84.38	82.42	1.73	12.80
Capital Advances paid	(89.93)	(217.03)	(666.79)	(9.53)	(20.81)
Purchase of Non-Current Investment	(1.04)	-	-	(1.60)	(11.59)
Sale of Non-Current Investment	-	-	0.68	15.13	-
Dividend Received	-	0.05	0.05	0.03	0.06
Net Cash Flow from Investing Activities (B)	**(319.03)**	**(1,050.58)**	**(1,702.63)**	**(678.94)**	**(529.04)**
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Non-Current/Current (Net)	7.69	(688.97)	424.63	254.26	(21.02)
Net Lease impacts	(4.82)	(18.47)	(17.58)	(16.74)	(15.93)
Proceeds on buyback of shares	-	-	-	(147.68)	-
Bank Commission and Charges paid	(8.92)	(30.99)	(37.96)	(37.03)	(28.61)
Interest paid	(64.16)	(329.30)	(313.73)	(315.34)	(299.38)
Net Cash Flow from Financing Activities (C)	**(70.21)**	**(1,067.73)**	**55.37**	**(262.53)**	**(364.94)**
D. Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	**(86.36)**	**86.59**	**(24.87)**	**26.73**	**0.07**
Cash and Cash Equivalents at the beginning of the year	88.90	2.31	27.18	0.45	0.38
Cash and Cash Equivalents at the end of the year	2.54	88.90	2.31	27.18	0.45
Net Increase/(Decrease) in Cash & Cash Equivalents	**(86.36)**	**86.59**	**(24.87)**	**26.73**	**0.07**
Components of Cash and Cash Equivalents :					
-Cash on hand	0.84	0.52	0.62	0.29	0.36
-Cheques on hand					
-Balances with Banks					
-on current account	1.70	88.38	1.69	26.89	0.09

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in million)

	Particulars	As at March 31, 2015 (Indian GAAP)	As at March 31, 2014 (Indian GAAP)
I.	**EQUITY & LIABILITIES**		
1	**Shareholders funds**		
	Share Capital	480.08	480.08

	Reserves and Surplus	1,064.06	910.79
2	**Non-Current Liabilities**		
	Long term Borrowings	714.14	883.56
	Deferred Tax Liabilities	116.24	135.56
	Other Long Term Liabilities	137.88	112.72
	Long Term Provisions	41.84	22.56
3	**Current Liabilities**		
	Short Term Borrowings	2,061.40	2,440.04
	Trade Payables		
	- Micro, Small and Medium Enterprises	57.96	45.38
	- Others	705.33	408.24
	Other Current Liabilities	551.41	495.61
	Short Term Provisions	20.22	13.31
	Total	**5,950.56**	**5,947.85**
II.	**ASSETS**		
1	**Non-Current Assets**		
	Property, Plant and Equipment	2,199.63	2,193.29
	Intangible assets	42.07	49.19
	Capital work in progress	43.52	26.35
	Non Current Investments	1.57	3.93
	Long Term Loans and Advances	4.05	6.90
	Other Non-Current Assets	50.33	48.75
2	**Current Assets**		
	Inventories	1,125.64	1,291.98
	Trade Receivables	2,120.36	2,037.70
	Cash and Bank Balances	60.40	56.09
	Short Term Loans and Advances	165.88	183.96
	Other Current Assets	137.11	49.71
	Total	**5,950.56**	**5,947.85**

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(₹ in million)

	Particulars	**For the year ended March 31, 2015 (Indian GAAP)**	**For the year ended March 31, 2014 (Indian GAAP)**
I	Revenue from Operations	9,571.91	10,063.42
II	Other Income	20.61	44.01
III	**Total Revenue (I+II)**	**9,592.52**	**10,107.43**
	Expenses:		
	Cost of Material Consumed	7,130.97	6,838.53
	Purchases of Stock In Trade	197.79	713.56
	Changes in inventories of Finished Goods	(74.10)	178.90
	Employee Benefits Expense	487.67	458.72
	Finance Cost	373.95	480.49
	Depreciation	285.45	264.54
	Other Expenses	1,012.49	849.39
IV	**Total Expenses**	**9,414.22**	**9,784.13**
V	**Profit before exceptional items & tax (III-IV)**	**178.30**	**323.30**
VI	**Exceptional Items**	**-**	**-**
VII	**Profit from Ordinary Activities before tax**	**178.30**	**323.30**
VIII	**Tax Expense:**		
	Current Tax	38.93	69.54
	Deferred Tax	(17.44)	2.97
	Total Tax Expense	**21.49**	**72.51**

IX	**Profit from Ordinary Activities after tax(VII-VIII)**	**156.81**	**250.79**
X	Extraordinary Item (net of tax expense)	-	-
XI	**Profit for the year (IX-X)**	**156.81**	**250.79**
XII	**Earnings per equity share**(Face value of Rs. 10 each):		
	Basic and Diluted (in Rupees)	**1.63**	**2.61**

RESTATED SUMMARY STATEMENT OF CASH FLOWS

(₹ in million)

Particulars	For the year ended March 31, 2015 (Indian GAAP)	For the year ended March 31, 2014 (Indian GAAP)
A.<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax	178.30	323.30
<u>Adjustments</u>		
Depreciation and Amortisation Expenses	285.45	264.54
Provision for Gratuity and Leave Encashment	26.14	11.15
Interest paid	339.20	355.77
Provision for Doubtful Debts	8.21	-
Bank Commission and Charges paid	22.17	17.76
Unrealised Foreign Exchange Difference	(8.72)	(9.36)
(Profit)/Loss on sale of Property, Plant and Equipment	0.41	5.94
Investments Written off	-	4.90
(Profit)/Loss on sale of investments	3.22	-
Dividend Received	(0.09)	(0.07)
Interest Received	-	(25.17)
Operating Profit before Working Capital Changes	**854.29**	**948.76**
<u>Adjustments for</u>		
Decrease/ (Increase) Inventories	166.34	(64.30)
Decrease/ (Increase) Trade & Other Receivables	(170.18)	(321.52)
Increase/ (Decrease) Trade & Other Payables	410.31	(351.41)
Cash Generated from Operations	**1,260.76**	**211.53**
Taxes paid (net)	(33.00)	(83.76)
Net Cash Flow from Operating Activities (A)	**1,227.76**	**127.77**
B. <u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Property, Plant and Equipment	(311.71)	(373.44)
Sale of Property, Plant and Equipment	4.06	9.38
Purchase of Long Term Investments	(0.62)	(0.07)
Sale of Long Term Investments	(0.25)	-
Dividend Received	0.09	0.07
Net Cash Flow from Investing Activities (B)	**(308.43)**	**(364.06)**
C. <u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds from Long Term/Short Term Borrowings (Net)	(559.05)	573.74
Interest Received	-	25.17
Bank Commission and Charges paid	(22.17)	(17.76)
Interest paid	(339.20)	(355.77)
Net Cash Flow from Financing Activities (C)	**(920.42)**	**225.38**
D. Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	**(1.09)**	**(10.91)**
Cash and Cash Equivalents at the beginning of the year	1.47	12.38
Cash and Cash Equivalents at the end of the year	0.38	1.47
Net Increase/(Decrease) in Cash & Cash Equivalents	**(1.09)**	**(10.91)**
Components of Cash and Cash Equivalents:		
-Cash on hand	0.30	0.42
-Balance with Banks		
-On current account	0.08	1.04

THE OFFER

The following table summarises the Offer details:

Offer (1) (2) (3)	Up to [●] Equity Shares aggregating up to ₹ 5,000 million
Comprising:	
Fresh Issue(2)	Up to [●] Equity Shares aggregating up to ₹ 2,500 million
Offer for Sale (3)	Up to [●] Equity Shares aggregating up to ₹ 2,500 million
- By Jayant Shamji Chheda	Up to [●] Equity Shares aggregating up to ₹ 200 million
- By Tarla Jayant Chheda	Up to [●] Equity Shares aggregating up to ₹ 1,400 million
- By Parag Jayant Chheda	Up to [●] Equity Shares aggregating up to ₹ 500 million
- By Vipul Jayant Chheda	Up to [●] Equity Shares aggregating up to ₹ 400 million
The Offer consists of:	
A. QIB Portion* (4)	Not more than [●] Equity Shares
Of which:	
Anchor Investor Portion*	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
Of which:	
Mutual Fund Portion	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
B. Non-Institutional Portion(4)	Not less than [●] Equity Shares
C. Retail Portion(4)	Not less than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer, as on the date of this Red Herring Prospectus(5)(6)	95,980,816 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See the section titled "*Objects of the Offer*" on page 98. Our Company will not receive any proceeds from the Offer for Sale.

* *Our Company and Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionally to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see the section titled "Offer Procedure" on page* 380.

(1) The Offer has been authorised by a resolution of our Board dated September 24, 2018, and by a special resolution of our Shareholders at the EGM held on September 29, 2018.

(2) Our Company has, in consultation with the BRLMs, undertaken a Pre-IPO placement of 596,500 CCPS for cash consideration aggregating to ₹ 1,061.77 million, which have been converted into 5,965,000 Equity Shares. The size of the Fresh Issue of up to ₹ 3,561.77 million has been reduced by ₹ 1,061.77 million pursuant to the Pre-IPO Placement and accordingly the Fresh Issue is up to ₹ 2,500.00 million.

(3) The Offer for Sale has been authorised by the Promoter Selling Shareholders as follows:

Promoter Selling Shareholder	Equity Shares offered in the Offer for Sale aggregating up to (in ₹ million)	Date of consent/ authorisation
Jayant Shamji Chheda	200	Letter dated October 15, 2018 read with letter dated November 22, 2019
Tarla Jayant Chheda	1,400	Letter dated October 15, 2018 read with letter dated November 22, 2019

Promoter Selling Shareholder	Equity Shares offered in the Offer for Sale aggregating up to (in ₹ million)	Date of consent/ authorisation
Parag Jayant Chheda	500	Letter dated October 15, 2018 read with letter dated November 22, 2019
Vipul Jayant Chheda	400	Letter dated October 15, 2018 read with letter dated November 22, 2019

The Board has taken on record the Offer for Sale by the Promoter Selling Shareholders pursuant to its resolutions dated September 24, 2018 and November 22, 2019. The Promoter Selling Shareholders, severally and not jointly, confirm that the portion of the Equity Shares offered by each of the Promoter Selling Shareholders are eligible for being offered in the Offer for Sale in terms of Regulation 26(6) of the SEBI ICDR Regulations.

(4) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category (except in the QIB Portion, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(ii) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations, Allotment will be first made towards the Fresh Issue from the valid Bids. For further details, please see the section titled "*Offer Structure*" on page 376.

(5) Our Company has granted 900,028 options to its eligible employees, in accordance with ESOP 2017 and applicable law, of which 6,61,604 options are in force as on November 26, 2019. This figure does not factor in the Equity Shares that may be issued pursuant to exercise of such options, once they are vested, or options that may have been forfeited, lapsed or cancelled. For further details, see section titled "*Capital Structure*" on page 81.

(6) Includes 5,965,000 Equity Shares issued by our Company pursuant to conversion of 596,500 CCPS issued for cash consideration aggregating to ₹ 1,061.77 million, pursuant to the Pre-IPO Placement.

Allocation to Bidders in all categories, except the Retail Portion and Anchor Investor Portion, shall be made on a proportionate basis. For further details, see the section titled "*Offer Procedure – Allotment Procedure and Basis of Allotment*" on page 427.

GENERAL INFORMATION

Our Company was incorporated as 'Prince Pipes and Fittings Private Limited' on November 13, 1987 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956. Thereafter, pursuant to Section 43A(1A) of the Companies Act, 1956, our Company became a deemed public limited company with effect from July 1, 1998. Further, Pursuant to Section 43A(2A) of the Companies Act, 1956, our Company converted back into a private company on May 18, 2001. Subsequently, upon conversion into a public limited company pursuant to a special resolution of our Shareholders dated August 7, 2017, the name of our Company was changed to 'Prince Pipes and Fittings Limited', and a fresh certificate of incorporation was issued by the RoC on August 11, 2017. For further details in relation to changes in the name and registered office of our Company, see the section titled "*History and Certain Corporate Matters*" on page 174.

Registration Number: 006287

Corporate Identity Number: U26932GA1987PLC006287

Registered Office
Plot No.1, Honda Industrial Estate
Phase II, Honda Sattari
Honda, Goa 403 530, India
Telephone: +91 22 66022222
Facsimile: +91 22 66022220
Website: www.princepipes.com

For details of change in the registered office of our Company, see the section titled "*History and Certain Corporate Matters – Changes in the Registered Office*" on page 174.

Corporate Office
8th Floor, The Ruby
Senapati Bapat Marg (Tulsi Pipe Road)
Dadar West, Mumbai 400 028, Maharashtra, India
Telephone: +91 22 66022222
Facsimile: +91 22 66022220
Website: www.princepipes.com

Address of the Registrar of Companies

Our Company is registered with the Registrar of Companies, Goa, Daman and Diu, located at the following address:

The Registrar of Companies,
Company Law Bhawan
EDC Comlex, Plot No. 21
Patto, Panaji, Goa 403 001, India

Board of Directors

The table below sets forth the details of the constitution of our Board:

Name	Designation	DIN	Address
Jayant Shamji Chheda	Chairman and Managing Director	00013206	1001, 10th floor, Mont Blanc, Plot no. 550, Jame Jamshed Road, Matunga C.Rly, Mumbai, Maharashtra 400 019
Parag Jayant Chheda	Executive Director	00013222	1002, 10th floor, Mont Blanc, Plot no. 550, Jame Jamshed Road, Matunga C.Rly, Mumbai, Maharashtra 400 019
Vipul Jayant Chheda	Executive Director	00013234	1004, 10th Floor, Bombay Dyeing Spring Mill Compound, Dadar (East) Mumbai 400 014
Rajesh R. Pai	Non-executive Director	02930658	C-22 Mangirish Soc, L.J. Road, Mahim, Mumbai 400016, India

Name	Designation	DIN	Address
Ramesh Chandak	Independent Director	00026581	1202, Shrushti Towers, Old Prabhadevi Road, Prabhadevi, Mumbai 400 025, Maharashtra, India
Mohinder Pal Bansal	Independent Director	01626343	1403/B, Casa Grande Tower-1, Opp. Peninsula Complex, Senapati Bapat Marg, Lower Parel, Mumbai, 400 013, Maharashtra, India
Dilip Deshpande	Independent Director	08488986	Kumar Peninsula, A Building, Flat 301, Baner Pashan Link Road, Pashan, Pune-411021, Maharashtra, India
Uma Mandavgane	Independent Director	03156224	504, Sai Sharan, N.C. Kelkar Road, Dadar (West), Mumbai 400 028, Maharashtra, India

For brief profiles of members of our Board, see the section titled "*Our Management*" on page 181.

Promoter Selling Shareholders

The Promoter Selling Shareholders are:

1. Jayant Shamji Chheda;
2. Tarla Jayant Chheda;
3. Parag Jayant Chheda; and
4. Vipul Jayant Chheda.

Chief Financial Officer

Shyam Sharda is the Chief Financial Officer of our Company. His contact details are as follows:

8th Floor, The Ruby
Senapati Bapat Marg (Tulsi Pipe Road)
Dadar West, Mumbai-400 028, Maharashtra, India
Telephone: +91 22 66022222
Facsimile: +91 22 66022220
E-mail: cfo@princepipes.com

Company Secretary and Compliance Officer

Pravin Jogani is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

8th Floor, The Ruby
Senapati Bapat Marg (Tulsi Pipe Road)
Dadar West, Mumbai-400 028, Maharashtra, India
Telephone: +91 22 66022222
Facsimile: +91 22 66022220
E-mail: investor@princepipes.com

Offer related grievances

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

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the First or sole Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for ASBA Account number (for Bidders other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIIs bidding through the UPI mechanism and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidders shall also enclose the Acknowledgement Slip duly received from the concerned Designated Intermediary in addition to the documents/information mentioned hereinabove.

BRLMs

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg, Prabhadevi
Mumbai - 400 025, Maharashtra, India
Telephone: +91 22 6630 3030
Facsimile: +91 22 6630 3330
E-mail: ppfl.ipo@jmfl.com
Investor Grievance E-mail: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Prachee Dhuri
SEBI Registration No.: INM000010361

Edelweiss Financial Services Limited
14th Floor, Edelweiss House
Off. C.S.T Road, Kalina
Mumbai 400 098, Maharashtra, India
Telephone: +91 22 4009 4400
Facsimile: +91 22 4086 3610
E-mail: ppfl.ipo@edelweissfin.com
Investor Grievance E-mail: customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Mohit Kapoor/Nishita John
SEBI Registration No.: INM0000010650

Statement of *inter-se* allocation of responsibilities between the BRLMs

The responsibilities of the BRLMs for various activities in the Offer are as follows:

S.No.	Activity	Responsibilities	Co-ordination
1.	Capital Structuring with relative components and formalities such as type of instruments, etc.	JM Financial, Edelweiss	JM Financial
2.	Due diligence of Company's operations / management / business plans / legal etc. Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing, follow up and coordination till final approval from all regulatory authorities	JM Financial, Edelweiss	JM Financial
3.	Drafting and approval of all statutory advertisement	JM Financial, Edelweiss	JM Financial
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in 3 above including media monitoring, corporate advertisement, brochure etc.	JM Financial, Edelweiss	Edelweiss
5.	Appointment of other intermediaries viz., Registrar's, Printers, Advertising Agency, Monitoring Agency and Bankers to the Offer (including coordinating all agreements to be entered with such parties)	JM Financial, Edelweiss	Edelweiss
6.	Preparation of road show presentation and FAQs for the road show team	JM Financial, Edelweiss	JM Financial

S.No.	Activity	Responsibilities	Co-ordination
7.	International institutional marketing strategy · Finalize the list and division of investors for one to one meetings, in consultation with our Company, and · Finalizing the International road show schedule and investor meeting schedules	JM Financial, Edelweiss	JM Financial
8.	Domestic institutions / banks / mutual funds marketing strategy · Finalizing the list and division of investors for one to one meetings, and · Finalizing investor meeting schedules	JM Financial, Edelweiss	Edelweiss
9.	Non-Institutional and Retail marketing of the Offer, which will cover, *inter alia*, · Formulating marketing strategies, preparation of publicity budget · Finalize Media and PR strategy · Finalizing centers for holding conferences for press and brokers · Finalising collection centres; · Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material	JM Financial, Edelweiss	Edelweiss
10.	Co-ordination with Stock Exchanges for Book Building software, bidding terminals, mock trading and deposit of 1% security deposit	JM Financial, Edelweiss	Edelweiss
11.	Finalization of pricing, in consultation with our Company and the Promoter Selling Shareholders	JM Financial, Edelweiss	Edelweiss
12.	Post-issue activities, which shall involve managing Anchor book related activities and submission of letters to regulators post completion of Anchor issue, management of escrow accounts, coordinating underwriting, coordination of non-institutional allocation, finalization of the basis of allotment based on technical rejections, essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self Certified Syndicate Banks etc. listing of instruments, demat credit and refunds/ unblocking of funds announcement of allocation and dispatch of refunds to Bidders, etc, payment of the applicable STT, coordination with SEBI and Stock Exchanges for refund of 1% security deposit and media compliance report.	JM Financial, Edelweiss	Edelweiss

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai 400 083, Maharashtra, India
Telephone: +91 22 4918 6200
Facsimile: +91 22 4918 6195
E-mail: princepipes.ipo@linkintime.co.in
Investor grievance E-mail: princepipes.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058

Legal Counsel to our Company as to Indian Law

L&L Partners*
20th Floor, Tower 2, Unit A2,
Indiabulls Finance Centre
Elphinstone Road, Senapati Bapat Marg,
Mumbai 400 013

Maharashtra, India
Telephone: (91 22) 6630 3600
Facsimile: (91 22) 6630 3700

*Formerly known as Luthra & Luthra Law Offices

Legal Counsel to the BRLMs as to Indian Law

AZB & Partners
AZB House, Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel, Mumbai 400 013, Maharashtra, India
Telephone: +91 22 6639 6880
Facsimile: +91 22 66396888

International Legal Counsel to the BRLMs

Duane Morris & Selvam LLP
16 Collyer Quay #17-00
Singapore 049318
Telephone: +65 6311 0038
Facsimile: +65 6311 0058

Statutory Auditor to our Company

M/s. Khimji Kunverji & Co. LLP, Chartered Accountants
(Formerly Khimji Kunverji & Co. – FRN 105146W)
Sunshine Tower, Level 19
Senapati Bapat Marg
Elphinstone Road, Mumbai 400 013, Maharashtra, India
Telephone: + 91 22 61437333
Facsimile: +91 22 22089978
E-mail: info@kkc.in
ICAI Firm Registration Number: 105146W
Peer Review Number: 011216

Bankers to our Company

ICICI Bank Limited
4th Floor, ICICI Venture House
Stanrose House Annexe, Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025, Maharashtra, India
Telephone: +91 22 4966 5207
Facsimile: +91 22 6653 8855
E-mail: nimit.malhotra@icicibank.com
Website: www.icicibank.com
Contact Person: Nimit Malhotra

Standard Chartered Bank
6th Floor, Parinee Crescenzo
Plot number C-38 & 39, G-block
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051, Maharashtra, India
Telephone: +91 22 61158104
Facsimile: +91 26759006
E-mail: aparna.soni@sc.com
Website: www.standardchartered.com
Contact Person: Aparna Soni

The Federal Bank Limited
Corporate & Institutional Banking
Business Department (CIB)
2nd Floor, C Wing, Laxmi Towers
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051, Maharashtra, India
Telephone: +91 22 6174 8621/4917 4401
Facsimile: +91 22 2265 4464
E-mail:
subashpathak@federalbank.co.in/bbya@federalbank.co.in
Website: www.federalbank.co.in

Bank of India
Mumbai Large Corporate Branch
70/80, MG Road, 4th Foor
Bank of India Building, Fort
Mumbai 400 001, Maharashtra, India
Telephone: +91 22 61870400/404/425
Facsimile: +91 22 2268 4470
E-mail: Mumbai.Lcbb@bankofindia.co.in
Website: www.bankofindia.co.in
Contact Person: B.S. Fonia

Contact Person: Subhash Pathak

IDFC FIRST Bank Limited
Naman Chambers, C-32, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051, Maharashtra, India
Telephone: +91 22 4222 2000
Facsimile: +91 44 4564 4022
E-mail:bank.info@idfcbank.com
Website: www.idfcbank.com
Contact Person: Rahul Agarwal

IndusInd Bank Limited
11th Floor, Tower – I, One Induabulls Centre
Senapati Bapat Marg, Elphinstone, Mumbai 400 013, Maharashtra, India
Telephone: +91 22 7143 2158
Facsimile: -
E-mail:jain.abhishek@indusind.com
Website: www.indusind.com
Contact Person: Abhishek Jain

DBS Bank India Limited
16th Floor,Express Towers, Nariman Point
Mumbai 400 021, Maharashtra, India
Telephone: +91 22 6629 7583
Facsimile: +91 22 6572 8399
E-mail:saiprasadshetye@dbs.com
Website: www.dbs.com/in/
Contact Person: Saiprasad Shetye

YES Bank Limited
YES Bank Tower, IFC1, 25th Floor, Senapati Bapat Marg, Elphinestone (W), Mumbai 400 013, Maharashtra, India
Telephone: +91 22 7100 9057
Facsimile: +91 22 2421 4500
E-mail:pavan.wadhwani@yesbank.in/
alok.jhavar@yesbank.in
Website: www.yesbank.in
Contact Person: Pavan Wadhwani/ Alok Jhavar

Syndicate Members

JM Financial Services Limited
2, 3 & 4, Kamanwala Chambers, Ground Floor,
Sir P. M. Road, Fort, Mumbai-400001
Telephone: +91 22 6136 3400
Facsimile: Not applicable
E-mail:Surajit.Misra@jmfl.com;
deepak.vaidya@jmfl.com;tn.kumar@jmfl.com;
sona.verghese@jmfl.com;
Website: www.jmfinancialservices.in
Contact Person: Surajit Misra / Deepak Vaidya / T N Kumar / Sona Verghese

Edelweiss Securities Limited
2nd Floor, M.B. Towers
Plot No. 5, Road No. 2
Banjara Hills, Hyderabad-500 034
Telangana, India
Telephone: +91 22 4063 5569
Facsimile: +91 22 6747 1347
E-mail: customerservice.mb@edelweissfin.com
Website: www.edelweissfin.in
Contact Person: Prakash Boricha

Banker to the Offer/ Escrow Collection Bank / Refund Bank/ Sponsor Bank/ Public Offer Account Bank

HDFC Bank Limited
ALFA Building, FIG-OPS Department – Lodha, I-Think Techno Campus O-3 Level
Next to Kanjurmarg Railway Station, Kanjurmarg (East) Mumbai 400 042, Maharashtra, India
Telephone: +91 22 3075 2928/2914/2929
Fascimile: +91 22 2579 9801
Email: vincent.dsouza@hdfcbank.com, siddharth.jadhav@hdfcbank.com, prasanna.uchil@hdfcbank.com, neerav.desai@hdfcbank.com
Website: www.hdfcbank.com
Contact Persons: Vincent Dsouza, Siddharth Jadhav, Prasanna Uchil, Neerav Desai

Designated Intermediaries

Self Certified Syndicate Banks

The list of banks which are registered with the SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 or such other websites as updated from time to time. For details of the Designated Branches which shall collect ASBA Forms from the Bidders and Designated Intermediaries, please refer to the above-mentioned link.

Registered Brokers

In accordance with SEBI circulars number CIR/CFD/14/2012, dated October 9, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, *i.e.* through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone numbers, and e-mail address, is provided on the websites of BSE and NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, or such other websites as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone numbers, and e-mail address, are provided on the websites BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/pro ducts/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/pro ducts/content/equities/ipos/asba_procedures.htm, respectively, or such other websites as updated from time to time.

Expert

Except as stated below, our Company has not obtained any expert opinions.

As required under the Companies Act, 2013, our Company has received written consent from the following entities/ persons to include their names as an "expert" as defined under the Companies Act, 2013:

i. our Statutory Auditor, namely, M/s Khimji Kunverji & Co. LLP (Formerly Khimji Kunverji & Co. – FRN 105146W), Chartered Accountants, with respect of its (a) examination report dated November 22, 2019 on the Restated Financial Statements, and (b) report dated November 25, 2019 on the statement of possible special tax benefits available for our Company and the Shareholders.

ii. Rajesh Patel, Reliable Testing, Chartered Engineer, with respect to his certificate dated November 26, 2019.

Further, such consents have not been withdrawn as on the date of this Red Herring Prospectus.

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

Grading of the Offer

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Trustees

As this is an offer of Equity Shares, there are no trustees appointed for the Offer.

Monitoring Agency

Since the proceeds from the Fresh Issue exceeds ₹ 1,000 million, in terms of Regulation 41(1) of the SEBI ICDR Regulations, 2018, our Company is required to appoint a monitoring agency for the purposes of the Offer.

Accordingly, our Company has appointed HDFC Bank Limited as the monitoring agency, in relation to the Offer by way of the Monitoring Agency Agreement. Their contact details are as follows:

HDFC Bank Limited
ALFA Building, FIG-OPS Department – Lodha, I-Think Techno Campus O-3 Level
Next to Kanjurmarg Railway Station, Kanjurmarg (East) Mumbai 400 042, Maharashtra, India
Telephone: +91 22 3075 2928/2914/2929
Fascimile: +91 22 2579 9801
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Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of this Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot size will be decided by our Company and the Promoter Selling Shareholders in consultation with the BRLMs and advertised in all editions of the English national newspaper, Financial Express, all editions of the Hindi national newspaper, Jansatta, and Panaji edition of the regional language newspaper, Goa Doot, each with wide circulation, each with wide circulation, respectively, at least two Working Days prior to the Bid / Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders in consultation with the BRLMs, after the Bid/ Offer Closing Date. The principal parties involved in the Book Building Process are:

(1) our Company;
(2) the Promoter Selling Shareholders;
(3) the BRLMs;
(4) the Syndicate Members;
(5) the Registrar to the Offer;
(6) the Escrow Collection Bank;
(7) the Sponsor Bank
(8) the SCSBs;
(9) the CDPs;
(10) the RTAs; and
(11) the Registered Brokers.

All potential Bidders, other than Anchor Investors, shall participate in the Offer mandatorily through the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, 2018, QIB Bidders (other than Anchor Investors) Bidding in the QIB Portion and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis. By submitting a Bid, each Bidder will be deemed to have acknowledged the above restrictions and the terms of the Offer.

For further details, see "*Offer Structure*" and "*Offer Procedure*" on pages 376 and 380, respectively.

Our Company will comply with the SEBI ICDR Regulations and SEBI ICDR Regulations, 2018, each to the extent applicable, and any other directions issued by SEBI in relation to the Offer. The Promoter Selling Shareholders have specifically confirmed that they will comply with the SEBI ICDR Regulations and SEBI

ICDR Regulations, 2018, each to the extent applicable, and any other ancillary directions issued by SEBI, as applicable to the Promoter Selling Shareholders, in relation to the Offered Shares. In this regard, our Company and the Promoter Selling Shareholders has appointed the BRLMs to manage the Offer and procure Bids for the Offer.

The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for, after Allotment.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid. For further details, see "*Offer Procedure*" on page 380.

- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

- Ensure that the Bid cum Application Form is duly completed as per the instructions given in the Draft Red Herring Prospectus, this Red Herring Prospectus and in the respective form;

- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the State of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, are exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which are exempted from specifying, may be exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (see "Offer Procedure" on page 380). The exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims;

- Ensure the correctness of your PAN, DP ID, UPI ID and Client ID and beneficiary account number given in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain details of the Bidders from the Depositories including the Bidder's name, bank account number etc., and the Stock Exchanges will validate the electronic Bid details with the Depositories records for PAN, DP ID and Client ID;

- Ensure correctness of your demographic details such as the address, UPI ID, the bank account details for printing and occupation given in the Bid cum Application Form, with the details recorded with your Depository Participant;

- Retail Individual Investors can submit their Bids by ASBA Forms which shall include their bank account linked UPI ID, either in physical or electronic mode to any of the Designated Intermediaries. UPI Bidders should ensure that the bank account linked to the UPI ID mentioned in the ASBA Form have adequate credit balance at the time of accepting the UPI Mandate Request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account to ensure that their ASBA Form is not rejected;

- Bids by ASBA Bidders will have to be submitted to the Designated Intermediaries in physical form. It may also be submitted in electronic form to the Designated Branches of the SCSBs only. ASBA Bidders should ensure that the ASBA Accounts have adequate credit balance at the time of submission of the ASBA Forms to the Designated Intermediaries to ensure that the ASBA Form submitted by the ASBA Bidders is not rejected.

- Bids by all Bidders (except Anchor Investors) shall be submitted only through the ASBA process.

For further details, see "*Offer Procedure*" on page 380.

Illustration of Book Building Process and the Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see the section titled "*Offer Procedure – Part B – Basis of Allocation*" on page 426.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the registration of the Prospectus with the RoC, our Company and the Promoter Selling Shareholders intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares. The underwriting shall be to the extent of the Bids uploaded, subject to Regulation 13 of the SEBI ICDR Regulations. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before the registration of the Prospectus with the RoC.)

Name, address, telephone number, Facsimile number and E-mail address of the Underwriters	Indicative Number of Equity Shares to be underwritten	Amount underwritten (in ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned amount will be finalised after determination of the Offer Price and before finalisation of the Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or are registered as brokers with the Stock Exchange(s). The Board of Directors/ IPO Committee, at its meeting, held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them, in accordance with the Underwriting Agreement.

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in the Offer, except for ASBA Bids procured by the members of the Syndicate.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Red Herring Prospectus, is set forth below:

(in ₹ million, except share data)

		Aggregate nominal value	Aggregate value at Offer Price
A)	**AUTHORISED SHARE CAPITAL**		
	144,035,000 Equity Shares	1,440.35	-
	596,500 CCPS	59.65	
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	95,980,816 Equity Shares(1)	959.81	-
C)	**PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS**		
	Public offer of up to [●] Equity Shares aggregating up to ₹ 5,000 million(2)(3)(4)	[●]	[●]
	Comprising:		
	a) Fresh issue of up to [●] Equity Shares aggregating up to ₹ 2,500 million(3)	[●]	[●]
	b) Offer for sale of up to [●] Equity Shares by the Promoter Selling Shareholders aggregating up to ₹ 2,500 million (4)	[●]	[●]
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares	[●]	[●]
E)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	1,002.12	
	After the Offer (assuming full subscription in the Offer)	[●]	

(1) Includes 5,965,000 Equity Shares issued by our Company pursuant to conversion of 596,500 CCPS issued for cash consideration aggregating to ₹ 1,061.77 million, pursuant to the Pre-IPO Placement.

(2) The Offer has been authorised by a resolution of our Board dated September 24, 2018, and a special resolution of our Shareholders at the EGM held on September 29, 2018.

(3) Our Company has, in consultation with the BRLMs, undertaken a Pre-IPO placement of 596,500 CCPS for cash consideration aggregating to ₹ 1,061.77 million, which have been converted into 5,965,000 Equity Shares. The size of the Fresh Issue of up to ₹ 3,561.77 million has been reduced by ₹ 1,061.77 million pursuant to the Pre-IPO Placement and accordingly the Fresh Issue is up to ₹ 2,500.00 million.

(4) The Promoter Selling Shareholders have consented to their respective portion of the Offer for Sale as follows:

Promoter Selling Shareholder	Equity Shares offered in the Offer for Sale aggregating up to (in ₹ million)	Date of consent/ authorisation
Jayant Shamji Chheda	200	Letter dated October 15, 2018 read with letter dated November 22, 2019
Tarla Jayant Chheda	1,400	Letter dated October 15, 2018 read with letter dated November 22, 2019
Parag Jayant Chheda	500	Letter dated October 15, 2018 read with letter dated November 22, 2019
Vipul Jayant Chheda	400	Letter dated October 15, 2018 read with letter dated November 22, 2019

Each of the Promoter Selling Shareholders confirms that their respective portions of the Offered Shares are eligible to be offered for sale in accordance with the SEBI ICDR Regulations, and have been held for a period of at least one year prior to the date of the Draft Red Herring Prospectus (or have resulted from a bonus issue of Equity Shares held for a period of at least one year prior to the date of the Draft Red Herring Prospectus through capitalisation of free reserves and share premium of our Company existing at the end of the previous Fiscal Year preceding the date of the Draft Red Herring Prospectus and not through utilization of revaluation reserves or unrealized profits of our Company), as per Regulation 26(6) of the SEBI ICDR Regulations.

Changes in our Authorised Share Capital

For details of changes in our authorised share capital, see the section titled "*History and Certain Corporate Matters – Amendments to our Memorandum of Association*", on page 174.

Notes to Capital Structure

1. Share Capital History

(a) History of Equity Share capital of our Company

The following table sets forth the history of our Equity Share capital:

Date of allotment*	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
November 13, 1987	5,000	10	10	Cash	Subscription to the MoA(1)	5,000	50,000
March 26, 1994	495,000	10	10	Cash	Further issue (2)	500,000	5,000,000
March 31, 1995	500,000	10	10	Cash	Further issue(3)	1,000,000	10,000,000
June 20, 2001	100	10	10	Cash	Further issue to Prince Multiplast Private Limited	1,000,100	10,001,000
June 4, 2002	2,000,200	10	-	NA	Bonus issue(4)	3,000,300	30,003,000
December 17, 2005	3,000,300	10	-	NA	Bonus issue(5)	6,000,600	60,006,000
March 7, 2009	6,000,600	10	-	NA	Bonus issue(6)	12,001,200	120,012,000
February 11, 2013	777	10	-	Other than cash	Pursuant to Scheme of Amalgamation(7)	12,001,977	120,019,770
March 22, 2013	12,001,977	10	-	NA	Bonus issue(8)	24,003,954	240,039,540
March 29, 2014	24,003,954	10	-	NA	Bonus issue(9)	48,007,908	480,079,080
December 26, 2016	(3,000,000)	10	40#	-	Buyback(10)	45,007,908	450,079,080
July 12, 2017	45,007,908	10	-	NA	Bonus issue(11)	90,015,816	900,158,160
December 9, 2019	5,965,000	10	178	Cash	Conversion of CCPS to Equity Shares(12)	95,980,816	959,808,160

* *The Equity Shares were fully paid-up on the date of their allotment.*

\# *Buyback price.*

(1) *1,000 Equity Shares each were allotted to Jayant Shamji Chheda, Gangji Shamji Chheda, Mulchand Shamji Chheda, Kishore Shamji Chheda and Arvind Shamji Chheda, pursuant to initial subscription to the MoA. The date of subscription to the Memorandum of Association is October 19, 1987.*

(2) *List of allottees who were allotted Equity Shares is as follows:*

Sr. No.	***Name of the allottee***	***Number of equity shares allotted***
1.	Gangji Shamji Chheda and Prabhavati Gangji Chheda	9,000
2.	Prabhavati Gangji Chheda and Gangji Shamji Chheda	35,000
3.	Mahendra Gangji Chheda and Kala Mahendra Chheda	22,500
4.	Kala Mahendra Chheda and Mahendra Gangji Chheda	22,500
5.	Mulchand Shamji Chheda and Sunder Mulchand Chheda	69,000
6.	Sunder Mulchand Chheda and Mulchand Shamji Chheda	10,000
7.	Manish Mulchand Chheda and Sunder Mulchand Chheda	10,000
8.	Kishore Shamji Chheda and Amrut Kishore Chheda	59,000
9.	Amrut Kishore Chheda and Kishore Shamji Chheda	10,000
10.	Dharmesh Kishore Chheda and Ekta Dharmesh Chheda	10,000
11.	Bhavesh Kishore Chheda and Amrut Kishore Chheda	10,000
12.	Jayant Shamji Chheda and Tarla Jayant Chheda	9,000
13.	Tarla Jayant Chheda and Jayant Shamji Chheda	60,000
14.	Parag Jayant Chheda and Tarla Jayant Chheda	10,000
15.	Vipul Jayant Chheda and Tarla Jayant Chheda	10,000
16.	Arvind Shamji Chheda and Nirmala Arvind Chheda	44,000
17.	Nirmala Arvind Chheda and Arvind Shamji Chheda	45,000
18.	Piyush Gangji Chheda and Rupal Piyush Chheda	12,500
19.	Rupal Piyush Chheda and Piyush Gangji Chheda	12,500
20.	Rakesh Kishore Chheda and Nina Rakesh Chheda	12,500
21.	Nina Rakesh Chheda and Rakesh Kishore Chheda	12,500

(3) *List of allottees who were allotted Equity Shares is as follows:*

Sr. No.	***Name of the allottee***	***Number of equity shares allotted***
1.	Mulchand Shamji Chheda and Sunder Mulchand Chheda	70,000
2.	Kishore Shamji Chheda and Amrut Kishore Chheda	60,000
3.	Tarla Jayant Chheda and Jayant Shamji Chheda	60,000

Sr. No.	*Name of the allottee*	*Number of equity shares allotted*
4.	Arvind Shamji Chheda and Nirmala Arvind Chheda	45,000
5.	Nirmala Arvind Chheda and Arvind Shamji Chheda	45,000
6.	Prabhavati Gangji Chheda and Gangji Shamji Chheda	35,000
7.	Mahendra Gangji Chheda and Kala Mahendra Chheda	22,500
8.	Kala Mahendra Chheda and Mahendra Gangji Chheda	22,500
9.	Piyush Gangji Chheda and Rupal Piyush Chheda	12,500
10.	Rupal Piyush Chheda and Piyush Gangji Chheda	12,500
11.	Rakesh Kishore Chheda and Nina Rakesh Chheda	12,500
12.	Nina Rakesh Chheda and Rakesh Kishore Chheda	12,500
13.	Gangji Shamji Chheda and Prabhavati Gangji Chheda	10,000
14.	Sunder Mulchand Chheda and Mulchand Shamji Chheda	10,000
15.	Manish Mulchand Chheda and Sunder Mulchand Chheda	10,000
16.	Amrut Kishore Chheda and Kishore Shamji Chheda	10,000
17.	Dharmesh Kishore Chheda and Ekta Dharmesh Chheda	10,000
18.	Bhavesh Kishore Chheda and Amrut Kishore Chheda	10,000
19.	Jayant Shamji Chheda and Tarla Jayant Chheda	10,000
20.	Parag Jayant Chheda and Tarla Jayant Chheda	10,000
21.	Vipul Jayant Chheda and Tarla Jayant Chheda	10,000

(4) *Bonus issue in the ratio of 2:1 to the following allottees:*

Sr. No.	*Name of the allottee*	*Number of equity shares allotted*
1.	Jayant Shamji Chheda and Tarla Jayant Chheda	160,000
2.	Tarla Jayant Chheda and Jayant Shamji Chheda	638,000
3.	Parag Jayant Chheda and Tarla Jayant Chheda	40,000
4.	Parag Jayant Chheda and Heena Parag Chheda	560,000
5.	Vipul Jayant Chheda and Tarla Jayant Chheda	600,000
6.	Jayant Shamji Chheda*	2000
7.	Prince Multiplast Private Limited	200

* *held as the karta of Jayant Shamji Chheda HUF*

(5) *Bonus issue in the ratio of 1:1 to the following allottees:*

Sr. No.	*Name of the allottee*	*Number of Equity Shares allotted*
1.	Jayant Shamji Chheda and Tarla Jayant Chheda	240,000
2.	Tarla Jayant Chheda and Jayant Shamji Chheda	957,000
3.	Parag Jayant Chheda and Tarla Jayant Chheda	59,899
4.	Parag Jayant Chheda and Heena Parag Chheda	840,001
5.	Vipul Jayant Chheda and Tarla Jayant Chheda	900,000
6.	Heena Parag Chheda and Parag Jayant Chheda	100
7.	Ashwini Vipul Chheda and Vipul Jayant Chheda	100
8.	Jayant Shamji Chheda*	3,000
9.	Prince Multiplast Private Limited	100
10.	Pinnacle Realty Projects Private Limited	100

* *held as the karta of Jayant Shamji Chheda HUF*

(6) *Bonus issue in the ratio of 1:1 to the following allottees:*

Sr. No.	*Name of the allottee*	*Number of Equity Shares allotted*
1.	Jayant Shamji Chheda and Tarla Jayant Chheda	480,000
2.	Tarla Jayant Chheda and Jayant Shamji Chheda	1,914,000
3.	Parag Jayant Chheda and Tarla Jayant Chheda	119,796
4.	Parag Jayant Chheda and Heena Parag Chheda	1,680,004
5.	Vipul Jayant Chheda and Tarla Jayant Chheda	1,800,000
6.	Heena Parag Chheda and Parag Jayant Chheda	200
7.	Ashwini Vipul Chheda and Vipul Jayant Chheda	200
8.	Jayant Shamji Chheda*	6,000
9.	Prince Multiplast Private Limited	200
10.	Pinnacle Realty Projects Private Limited	200

* *held as the karta of Jayant Shamji Chheda HUF*

(7) *For details, please see the section titled "History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets" on page 176. List of allottees who were allotted Equity Shares is as follows:*

Sr. No.	*Name of the allottee*	*Number of Equity Shares allotted*

Sr. No.	Name of the allottee	Number of Equity Shares allotted
1.	Lalji Khimji Patel	244
2.	Rajesh Lalji Patel	153
3.	Arvind Lalji Patel	136
4.	Hitesh Lalji Patel	95
5.	Valji Khimji Patel	79
6.	Tejbai Valji Patel	19
7.	Pushpa Arvind Patel	15
8.	Jashu Hitesh Patel	15
9.	Premila Rajesh Patel	8
10.	Amarben Lalji Patel	7
11.	Valji Patel	3
12.	Karasan Harji Patel	3

(8) *Bonus issue in the ratio of 1:1 to the following allottees:*

Sr. No.	Name of the allottee	Number of Equity Shares allotted
1.	Jayant Shamji Chheda and Tarla Jayant Chheda	960,000
2.	Tarla Jayant Chheda and Jayant Shamji Chheda	3,828,000
3.	Parag Jayant Chheda and Tarla Jayant Chheda	239,592
4.	Parag Jayant Chheda and Heena Parag Chheda	3,360,008
5.	Vipul Jayant Chheda and Tarla Jayant Chheda	3,600,000
6.	Heena Parag Chheda and Parag Jayant Chheda	1,177
7.	Ashwini Vipul Chheda and Vipul Jayant Chheda	400
8.	Jayant Shamji Chheda*	12,000
9.	Prince Multiplast Private Limited	400
10.	Pinnacle Realty Projects Private Limited	400

* *held as the karta of Jayant Shamji Chheda HUF*

(9) *Bonus issue in the ratio of 1:1 to the following allottees:*

Sr. No.	Name of the allottee	Number of Equity Shares allotted
1.	Jayant Shamji Chheda and Tarla Jayant Chheda	1,920,000
2.	Tarla Jayant Chheda and Jayant Shamji Chheda	7,656,000
3.	Parag Jayant Chheda and Tarla Jayant Chheda	479,184
4.	Parag Jayant Chheda and Heena Parag Chheda	6,720,016
5.	Vipul Jayant Chheda and Tarla Jayant Chheda	7,200,000
6.	Heena Parag Chheda and Parag Jayant Chheda	2,354
7.	Ashwini Vipul Chheda and Vipul Jayant Chheda	800
8.	Jayant Shamji Chheda*	24,000
9.	Prince Multiplast Private Limited	800
10.	Pinnacle Realty Projects Private Limited	800

* *held as the karta of Jayant Shamji Chheda HUF*

(10) *In accordance with resolution of our Board dated December 19, 2016, 1,500,000 Equity Shares were bought back from Parag Jayant Chheda (and Tarla Jayant Chheda) and Vipul Jayant Chheda (and Tarla Jayant Chheda) each, for a total consideration of ₹ 120.00 million.*

(11) *Bonus issue in the ratio of 1:1 to the following allottees:*

Sr. No.	Name of the allottee	Number of Equity Shares allotted
1.	Jayant Shamji Chheda and Tarla Jayant Chheda	3,840,000
2.	Tarla Jayant Chheda and Jayant Shamji Chheda	15,312,000
3.	Parag Jayant Chheda and Tarla Jayant Chheda	12,898,400
4.	Vipul Jayant Chheda and Tarla Jayant Chheda	12,900,000
5.	Heena Parag Chheda and Parag Jayant Chheda	6,308
6.	Ashwini Vipul Chheda and Vipul Jayant Chheda	3,200
7.	Jayant Shamji Chheda*	48,000

* *held as the karta of Jayant Shamji Chheda HUF*

(12) *5,926,820 Equity Shares allotted to South Asia Growth Fund II Holdings LLC and 38,180 Equity Shares allotted to South Asia EBT Trust, pursuant to conversion of CCPS into Equity Shares under the Pre-IPO Placement for a cumulative cash consideration of ₹1,061.77 million.*

(b) History of CCPS of our Company

The following table sets forth the history of our CCPS issuances:

Date of allotment	Number of CCPS	Face value (₹)	Issue price per CCPS (₹)	Nature of consideration	Nature of allotment	Cumulative number of CCPS	Cumulative paid-up capital from CCPS (₹)
November 28, 2019	596,500	100	1,780	Cash	Private placement(1)	596,500	59,650,000

(1) CCPS with a preference dividend of 0.01% in priority to the holders of Equity Shares and on a pari passu basis with other holders of preference shares (if any), convertible into Equity Shares pursuant to a conversion ratio of 1:10 or 1:12.5, subject to occurrence of certain events, at the end of the 19th years from the date of allotment of CCPS or convertible voluntarily with 10 days notice at the option of the holder of the CCPS, or at such time as required by applicable law. For further details, see "*History and Certain Corporate Matters*" beginning on page 174. In case of the Offer, the CCPS were convertible into Equity Shares in the ratio of 1:10. 592,682 CCPS were allotted to South Asia Growth Fund II Holdings LLC and 3,818 CCPS were allotted to South Asia EBT Trust under the Pre-IPO Placement for a cumulative cash consideration of ₹1,061.77 million. All of these CCPS have been converted into an aggregate of 5,965,000 Equity Shares and as on date, there are no outstanding CCPS. For further details, see "*Notes to Capital Structure – Share Capital History – History of Equity Share capital of our Company*" on page 82.

(c) Equity Shares issued for consideration other than cash or through bonus issues

Details of Equity Shares issued for consideration other than cash or through bonus issues are as follows:

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price (₹)	Reasons for allotment	Allottees	Benefits accrued to our Company
June 4, 2002	2,000,200	10	-	Bonus issue of two Equity Shares for every one Equity Share held.	See footnote 4 to the table on equity share capital build up in "*Notes to Capital Structure – Share Capital History – History of Equity Share capital of our Company*" on page 81.	-
December 17, 2005	3,000,300	10	-	Bonus issue of one Equity Share for every one Equity Share held.	See footnote 5 to the table on equity share capital build up in "*Notes to Capital Structure – Share Capital History – History of Equity Share capital of our Company*" on page 82.	-
March 7, 2009	6,000,600	10	-	Bonus issue of one Equity Share for every one Equity Share held.	See footnote 6 to the table on equity share capital build up in "*Notes to Capital Structure – Share Capital History – History of Equity Share capital of our Company*" on page 82.	-
February 11, 2013	777	10	-	Pursuant to Scheme of Amalgamation. For details, please see "*History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets*" on page 176.	See footnote 7 to the table on equity share capital build up in "*Notes to Capital Structure – Share Capital History – History of Equity Share capital of our Company*" on page 82.	Strengthening and consolidation of the position of our Company to develop and concentrate on our core competency. For details, see the section titled "*History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets*" on page 176.
March 22, 2013	12,001,977	10	-	Bonus issue of one Equity Share for	See footnote 8 to the table on equity share capital	-

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price (₹)	Reasons for allotment	Allottees	Benefits accrued to our Company
				every one Equity Share held.	build up in "*Notes to Capital Structure – Share Capital History – History of Equity Share capital of our Company*" on page 82.	
March 29, 2014	24,003,954	10	-	Bonus issue of one Equity Share for every one Equity Share held.	See footnote 9 to the table on equity share capital build up in "*Notes to Capital Structure – Share Capital History – History of Equity Share capital of our Company*" on page 82.	-
July 12, 2017	45,007,908	10	-	Bonus issue of one Equity Share for every one Equity Share held.	See footnote 11 to the table on equity share capital build up in "*Notes to Capital Structure – Share Capital History – History of Equity Share capital of our Company*" on page 82.	-

2. History of Equity Share Capital Build-up of our Promoters, Promoters' Contribution and Lock-in of Promoters' Shareholding

a) Build-up of our Promoters' shareholding in our Company

Set forth below is the build-up of the equity shareholding of our Promoters, since incorporation of our Company:

Date of allotment/ transfer	Nature of transaction	Number of Equity Shares*	Nature of Consideration	Face value (₹)	Issue/ acquisition/ transfer price per Equity Share (₹)	% of the pre-Offer Equity Share capital	% of post-Offer Equity Share capital
Jayant Shamji Chheda							
November 13, 1987	Subscription to the MoA	1,000	Cash	10	10	Negligible	[●]
March 26, 1994	Further issue	9,000	Cash	10	10	0.01	[●]
March 31, 1995	Further issue	10,000	Cash	10	10	0.01	[●]
July 25, 1996	Transfer	1,000	Cash	10	10	Negligible	[●]
July 25, 1996	Transfer	9,000	Cash	10	10	0.01	[●]
July 25, 1996	Transfer	10,000	Cash	10	10	0.01	[●]
July 25, 1996	Transfer	10,000	Cash	10	10	0.01	[●]
July 25, 1996	Transfer	10,000	Cash	10	10	0.01	[●]
July 25, 1996	Transfer	20,000	Cash	10	10	0.02	[●]
June 4, 2002	Bonus issue	160,000	NA	10	-	0.17	[●]
December 17, 2005	Bonus issue	240,000	NA	10	-	0.25	[●]
March 7, 2009	Bonus issue	480,000	NA	10	-	0.50	[●]
March 22, 2013	Bonus issue	960,000	NA	10	-	1.00	[●]
March 29, 2014	Bonus issue	1,920,000	NA	10	-	2.00	[●]
July 12, 2017	Bonus issue	3,840,000	NA	10	-	4.00	[●]
Total		**7,680,000(1)**				**8.00**	**[●]**
Tarla Jayant Chheda							
March 26, 1994	Further issue	60,000	Cash	10	10	0.06	[●]
March 31, 1995	Further issue	60,000	Cash	10	10	0.06	[●]
July 25, 1996	Transfer	150,000	Cash	10	10	0.16	[●]
	Transfer	(1,000)	Cash	10	10	(Negligible)	[●]
March 11, 1997	Transfer	50,000	Cash	10	16	0.05	[●]
June 4, 2002	Bonus issue	638,000	NA	10	-	0.66	[●]

Date of allotment/ transfer	Nature of transaction	Number of Equity Shares*	Nature of Consideration	Face value (₹)	Issue/ acquisition/ transfer price per Equity Share (₹)	% of the pre-Offer Equity Share capital	% of post-Offer Equity Share capital
December 17, 2005	Bonus issue	957,000	NA	10	-	1.00	[●]
March 7, 2009	Bonus issue	1,914,000	NA	10	-	1.99	[●]
March 22, 2013	Bonus issue	3,828,000	NA	10	-	3.99	[●]
March 29, 2014	Bonus issue	7,656,000	NA	10	-	7.98	[●]
July 12, 2017	Bonus issue	15,312,000	NA	10	-	15.95	[●]
November 16, 2017	Transfer	(574,000)	Cash	10	30	(0.60)	[●]
November 22, 2017	Transfer	(505,000)	Cash	10	30	(0.52)	[●]
November 23, 2017	Transfer	(248,000)	Cash	10	30	(0.26)	[●]
November 29, 2017	Transfer	(500,000)	Cash	10	30	(0.53)	[●]
December 13, 2017	Transfer by way of gift	(600,000)	NA	10	-	(0.63)	[●]
July 13, 2018	Transfer	(1,010,000)	Cash	10	30	(1.05)	[●]
July 13, 2018	Transfer by way of gift	(1,200,000)	NA	10	-	(1.25)	[●]
October 8, 2018	Transfer	(1,209,000)	Cash	10	30	(1.26)	[●]
April 26, 2019	Transfer	175,000	Cash	10	30	0.18	[●]
May 22, 2019	Transfer	175,000	Cash	10	30	0.18	[●]
June 7, 2019	Transfer	(175,000)	Cash	10	45	(0.18)	[●]
September 30, 2019	Transfer	298,000	Cash	10	50	0.31	[●]
Total		**25,251,000 (2)**				**26.31**	**[●]**
Parag Jayant Chheda							
March 26, 1994	Further issue	10,000	Cash	10	10	0.01	[●]
March 31, 1995	Further issue	10,000	Cash	10	10	0.01	[●]
July 25 ,1996	Transfer	230,000	Cash	10	10	0.24	[●]
March 11, 1997	Transfer	50,000	Cash	10	16	0.05	[●]
June 4, 2002	Bonus issue	600,000	NA	10	-	0.63	[●]
March 26, 2003	Transfer	(100)	Cash	10	(50)	Negligible	[●]
October 21, 2004	Transfer	(1)	Cash	10	10	Negligible	[●]
October 21, 2004	Transfer	(1)	Cash	10	10	Negligible	[●]
February 24, 2005	Transfer	1	Cash	10	10	Negligible	[●]
February 24, 2005	Transfer	1	Cash	10	10	Negligible	[●]
December 17, 2005	Bonus issue	899,900	NA	10	-	0.94	[●]
March 7, 2009	Bonus issue	1,799,800	NA	10	-	1.88	[●]
March 22, 2013	Bonus issue	3,599,600	NA	10	-	3.75	[●]
March 29, 2014	Bonus issue	7,199,200	NA	10	-	7.50	[●]
December 26, 2016	Buyback	(1,500,000)	-	10	-	(1.56)	[●]
July 12, 2017	Bonus issue	12,898,400	NA	10	-	13.44	[●]
Total		**25,796,800(3)**				**26.88**	**[●]**
Vipul Jayant Chheda							
March 26, 1994	Further issue	10,000	Cash	10	10	0.01	[●]
March 31, 1995	Further issue	10,000	Cash	10	10	0.01	[●]
July 25 ,1996	Transfer	230,000	Cash	10	10	0.24	[●]
March 11, 1997	Transfer	50,000	Cash	10	16	0.05	[●]
June 4, 2002	Bonus issue	600,000	NA	10	-	0.63	[●]
December 17, 2005	Bonus issue	900,000	NA	10	-	0.94	[●]
March 7, 2009	Bonus issue	1,800,000	NA	10	-	1.88	[●]
March 22, 2013	Bonus issue	3,600,000	NA	10	-	3.75	[●]
March 29, 2014	Bonus issue	7,200,000	NA	10	-	7.50	[●]
December 26, 2016	Buyback	(1,500,000)	-	10	-	(1.56)	[●]
July 12, 2017	Bonus issue	12,900,000	NA	10	-	13.44	[●]
Total		**25,800,000(4)**				**26.88**	**[●]**
Heena Parag Chheda							
October 21, 2004	Transfer	100	Cash	10	75	Negligible	[●]
December 17, 2005	Bonus issue	100	NA	10	-	Negligible	[●]
March 7, 2009	Bonus issue	200	NA	10	-	Negligible	[●]

Date of allotment/ transfer	Nature of transaction	Number of Equity Shares*	Nature of Consideration	Face value (₹)	Issue/ acquisition/ transfer price per Equity Share (₹)	% of the pre-Offer Equity Share capital	% of post-Offer Equity Share capital
March 22, 2013	Transfer	777	Cash	10	80	Negligible	**[●]**
March 22, 2013	Bonus issue	1,177	NA	10	-	Negligible	**[●]**
March 29, 2014	Bonus issue	2,354	NA	10	-	Negligible	**[●]**
March 31, 2014	Transfer	1,600	Cash	10	50	Negligible	**[●]**
July 12, 2017	Bonus issue	6,308	NA	10	-	Negligible	**[●]**
Total		**12,616(5)**				**0.01**	[●]

* *Held as first holders.*
(1) *Held with Tarla Jayant Chheda.*
(2) *Held with Jayant Shamji Chheda.*
(3) *Held with Tarla Jayant Chheda.*
(4) *Held with Tarla Jayant Chheda.*
(5) *Held with Parag Jayant Chheda.*

All the Equity Shares held by the Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

As on the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters or Promoter Group are pledged. However, in relation to certain bonds issued by one of our Promoter Group entities, Express Infra Projects LLP, our Promoters and one of our Promoter Group Entities may in the future be required to pledge certain Equity Shares held by them. For further details, please see "*Risk Factors - In relation to certain bonds issued by one of our Promoter Group entities, Express Infra Projects LLP, our Promoters and one of our Promoter Group Entities may be required to pledge certain Equity Shares held by them. Additionally, certain of our Promoters may be required to undertake additional obligations, including providing a non-disposal undertaking with respect to certain of their Equity Shares. In the event they are required to create such encumbrance and if such encumbrance is enforced, there may be a dilution of the shareholding of our Promoters and Promoter Group and we may face certain impediments in taking decisions on certain key strategic matters involving our Company. As a result, we may not be able to conduct our business or implement our strategies as currently planned, which may adversely affect our business, financial condition and results of operations. Further, any rapid sale of Equity Shares by such third parties may adversely affect the price of the Equity Shares.*" and "*History and Certain Corporate Matters – Other Agreements - Pledge Agreement ("PA") dated March 30, 2019, entered into between our Company, the Promoters, Jayant Shamji Chheda HUF (one of the members of the Promoter Group), and IDBI Trusteeship Services Limited ("Bond Trustee", and collectively "Parties")*" on pages 20 and 178, respectively.

b) Shareholding of our Promoters and other members of our Promoter Group

Provided below are details of Equity Shares held by our Promoters and other members of the Promoter Group as on the date of this Red Herring Prospectus:

S No.	Name of shareholder#	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares	Percentage of post-Offer capital
Promoters					
1.	Jayant Shamji Chheda	7,680,000	8.00	[●]	[●]
2.	Tarla Jayant Chheda	25,251,000	26.31	[●]	[●]
3.	Parag Jayant Chheda	25,796,800	26.88	[●]	[●]
4.	Vipul Jayant Chheda	25,800,000	26.88	[●]	[●]
5.	Heena Parag Chheda	12,616	0.01	[●]	[●]
Sub-total (A)		**84,540,416**	**88.08**	**[●]**	**[●]**
Promoter Group					
1.	Vaishali Hitesh Shah	500,000	0.52	[●]	[●]
2.	Gunvanti Jayantilal Gada	40,000	0.04	[●]	[●]
3.	Jayantilal Kalyanji Gada	60,000	0.06	[●]	[●]
4.	Jayant Shamji Chheda*	96,000	0.10	[●]	[●]
5.	Ashwini Vipul Chheda	6,400	0.01	[●]	[●]
6.	VS Family Trust (through its trustee, Jayant Shamji Chheda)	1,200,000	1.25	[●]	[●]

S No.	Name of shareholder#	Pre-Offer		Post-Offer	
		No. of Equity Shares	Percentage of pre-Offer capital	No. of Equity Shares	Percentage of post-Offer capital
Sub-total (B)		**1,902,400**	**1.98**	[●]	[●]
Total Promoters & Promoter Group (A+B)		**86,442,816**	**90.06**	**[●]**	**[●]**

 # Names of first holders where Equity Shares are held jointly.
** Held as karta of Jayant Shamji Chheda HUF.*

All the Equity Shares held by our Promoters and Promoter Group are in dematerialised form.

c) Details of Promoters' contribution locked in for three years

Pursuant to Regulations 32 and 36(a) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be considered as minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Promoters' Contribution**"). The lock-in of the Promoters' Contribution would be created as per applicable laws and procedures, and details of the same shall also be provided to the Stock Exchanges before the listing of the Equity Shares.

Our Promoters have, pursuant to letters, each dated October 15, 2018, provided consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution and have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of the Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under the SEBI ICDR Regulations. Details of Promoters' Contribution are as provided below:

Name of the Promoter	No. of Equity Shares locked-in	Date of transaction	Face value (₹)	Allotment/ Acquisition (₹)	Nature of transaction	% of the pre-Offer capital	% of the fully diluted post-Offer Capital
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total	[●]						[●]

The Promoters' Contribution shall be brought in to the extent of not less than the specified minimum lot, as required under the SEBI ICDR Regulations.

The Equity Shares that are being locked-in for computation of Promoters' Contribution are not, and will not be, ineligible under Regulation 33 of the SEBI ICDR Regulations. In particular, these Equity Shares do not, and shall not, consist of:

(i) Equity Shares acquired during the three years preceding the date of the Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) bonus shares issued out of revaluations reserves or unrealised profits or against Equity Shares which are otherwise ineligible for computation of Promoters' Contribution;
(ii) Equity Shares acquired during the one year preceding the date of the Draft Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
(iii) Equity Shares issued to the Promoters in the last one year preceding the date of the Draft Herring Prospectus upon conversion of a partnership firm; and
(iv) Equity Shares held by the Promoters that are or will be subject to any pledge or any other form of encumbrance.

3. Sales or purchases of Equity Shares or other specified securities of our Company by our Promoters, the other members of our Promoter Group or our Directors or their immediate relatives during the six months immediately preceding the date of the Draft Red Herring Prospectus and until the date of this Red Herring Prospectus.

Except as stated below, our Promoters, the other members of our Promoter Group or our Directors or their immediate relatives have not sold or purchased any Equity Shares or other specified securities of our Company during the six months immediately preceding the date of the Draft Red Herring Prospectus and until the date of this Red Herring Prospectus:

Name of the Promoter/member of Promoter Group	No. of Equity Shares purchased	No. of Equity Shares sold	Date of transaction	Transaction price per Equity Share (in ₹)
Tarla Jayant Chheda	175,000*	-	April 26, 2019	30
	175,000*	-	May 25, 2019	30
	-	175,000**	June 7, 2019	45
	298,000***	-	September 30, 2019	50
Total	**648,000**	**175,000**		

**Sold by Nayan Vipin Shah*

***35,000 Equity Shares sold each to Durgesh Lalji Chheda, Jyoti Durgesh Chheda, Sachin Durgesh Chheda, Nimit Durgesh Chheda and Durgesh Lalji Chheda HUF.*

**** 154,000 Equity Shares sold by Bhavna Desai, 54,000 Equity Shares sold by Sonal Trivedi and 90,000 Equity Shares sold by Suketu Trivedi.*

4. Details of share capital locked-in for one year

Except for (a) the Promoters' Contribution which shall be locked in as above; (b) Equity Shares allotted under the ESOP 2017 Scheme to the employees of our Company who are employees as on date of Allotment; (c) the Equity Shares which are sold or transferred as part of the Offer for Sale by the Promoter Selling Shareholders, the entire pre-Offer Equity Share capital of our Company (including those Equity Shares held by our Promoters in excess of Promoters' Contribution); (d) Equity Shares held by any VCFs or AIF category I or category II or FVCI (provided that such Equity Shares shall be locked in for a period of at least one year from the dae of purchase of Equity Shares by them), shall be locked in for a period of one year from the date of Allotment. Any unsubscribed portion of the Equity Shares being offered by the Promoter Selling Shareholders in the Offer for Sale would also be locked-in as required under the SEBI ICDR Regulations.

In terms of Regulation 40 of the SEBI ICDR Regulations, Equity Shares held by the Promoters and locked in as per Regulation 36 of the SEBI ICDR Regulations may be transferred to and among the Promoters and members of the Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of the transferee for the remaining period and compliance with the applicable provisions of the Takeover Regulations as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in the SEBI ICDR Regulations has expired. The Equity Shares held by persons other than the Promoters prior to the Offer which are locked in, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in the hands of the transferee, and compliance with the applicable provisions of the Takeover Regulations.

Pursuant to Regulation 21 of the SEBI ICDR Regulations 2018, Equity Shares held by our Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions or SI NBFC or housing finance companies as collateral security for loans granted by such banks or public financial institutions or SI NBFC or housing finance companies, provided that the pledge of such Equity Shares is one of the terms of the sanction of such loans. Equity Shares locked-in as Promoters' Contribution for three years can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by scheduled commercial banks or public financial institutions or systemically important non banking financial companies for the purpose of financing one or more objects of the Offer and the pledge of such Equity Shares is one of the terms of the sanction of such loans. Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the Equity Shares till the lock-in period has expired.

Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

5. Our shareholding pattern

The table below represents the equity shareholding pattern of our Company as on the date of this Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered* (XIII)		Number of equity shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class	Class	Total								
								Equity	NA									
(A)	**Promoter and Promoter Group**	11	86,442,816	-	-	86,442,816	90.06	86,442,816	-	86,442,816	90.06	-	90.06	-	-	-	-	86,442,816
(B)	**Public**	28	9,538,000	-	-	9,538,000	9.94	9,538,000	-	9,538,000	9.94	-	9.94	-	-	-	-	9,538,000
I	**Non Promoter-Non Public**																	
I (1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
I (2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A) + (B) + (C)	39	95,980,816	-	-	95,980,816	100.00	95,980,816	-	95,980,816	100.00	-	100.00	-	-	-	-	95,980,816

**As on the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters or Promoter Group are pledged. However, in relation to certain bonds issued by one of our Promoter Group entities, Express Infra Projects LLP, our Promoters and one of our Promoter Group Entities may in the future be required to pledge certain Equity Shares held by them. For further details, please see "Risk Factors – In relation to certain bonds issued by one of our Promoter Group entities, Express Infra Projects LLP, our Promoters and one of our Promoter Group Entities may be required to pledge certain Equity Shares held by them. Additionally, certain of our Promoters may be required to undertake additional obligations, including providing a non-disposal undertaking with respect to certain of their Equity Shares. In the event they are required to create such encumbrance and if such encumbrance is enforced, there may be a dilution of the shareholding of our Promoters and Promoter Group and we may face certain impediments in taking decisions on certain key strategic matters involving our Company. As a result, we may not be able to conduct our business or implement our strategies as currently planned, which may adversely affect our business, financial condition and results of operations. Further, any rapid sale of Equity Shares by such third parties may adversely affect the price of the Equity Shares." on page 20.*

6. **Shareholding of our Directors and Key Management Personnel in our Company**

Except as set forth below, none of our Directors or Key Management Personnel hold any Equity Shares as on the date of this Red Herring Prospectus. For details regarding options granted to our Directors and Key Management Personnel, see the section titled "*Capital Structure – Employee Stock Option Scheme*" on page 93.

Name#	Number of Equity Shares	% of pre-Offer Equity Share capital
Directors		
Vipul Jayant Chheda	25,800,000	26.88
Parag Jayant Chheda	25,796,800	26.88
Jayant Shamji Chheda	7,680,000	8.00
Total	**59,276,800**	**61.76**

\# *Names of first holders where Equity Shares are held jointly.*

7. As on the date of this Red Herring Prospectus, our Company has 39 Equity Shareholders.

8. **Top ten shareholders**

- The following table sets forth details of the top 10 Shareholders as on the date of this Red Herring Prospectus:

Sr. No.	Shareholder#	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital
1.	Vipul Jayant Chheda	25,800,000	26.88
2.	Parag Jayant Chheda	25,796,800	26.88
3.	Tarla Jayant Chheda	25,251,000	26.31
4.	Jayant Shamji Chheda	7,680,000	8.00
5.	South Asia Growth Fund II Holdings LLC	5,926,820	6.18
6.	VS Family Trust (through its trustee, Jayant Shamji Chheda)	1,200,000	1.25
7.	Vaishali Hitesh Shah	500,000	0.52
8.	Kalpana Ramesh Damani	480,000	0.50
9.	Kishore Jagshi Chheda	360,000	0.38
10.	Vishanji Shamji Dedhia	300,000	0.31
	Total	**93,294,620**	**97.20**

\# *Names of first holders where Equity Shares are held jointly.*

None of the top 10 Shareholders as on date of this Red Herring Prospectus are entitled to further Equity Shares arising out of any warrant, option or convertible debentures, loans or any other instrument.

- The following table sets forth details of the top 10 Shareholders as on 10 days prior to the date of filing of this Red Herring Prospectus:

Sr. No.	Shareholder#	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital
1.	Vipul Jayant Chheda	25,800,000	26.88
2.	Parag Jayant Chheda	25,796,800	26.88
3.	Tarla Jayant Chheda	25,251,000	26.31
4.	Jayant Shamji Chheda	7,680,000	8.00
5.	VS Family Trust (through its trustee, Jayant Shamji Chheda)	1,200,000	1.25
6.	Vaishali Hitesh Shah	500,000	0.52
7.	Kalpana Ramesh Damani	480,000	0.50
8.	Kishore Jagshi Chheda	360,000	0.38
9.	Vishanji Shamji Dedhia	300,000	0.31
10.	Anjana Shah	250,000	0.26
	Arpana Manish Shah	250,000	0.26
	Chandravadan Dhanji Shah	250,000	0.26
	Jagdish Lalji Shah	250,000	0.26
	Manish Shah	250,000	0.26
	Sheela Narendra Gala	250,000	0.26
	Total	**88,867,800**	**92.59**

\# *Names of first holders where Equity Shares are held jointly.*

None of the top 10 Shareholders as on 10 days prior to the date of filing of this Red Herring Prospectus, are entitled to further Equity Shares arising out of any warrant, option or convertible debentures, loans or any other instrument.

- The following table sets forth details of the top 10 shareholders as on two years prior to the date of filing of this Red Herring Prospectus:

Sr. No.	Shareholder#	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital
1.	Tarla Jayant Chheda	28,797,000	30.00
2.	Vipul Jayant Chheda	25,800,000	26.88
3.	Parag Jayant Chheda	25,796,800	26.88
4.	Jayant Shamji Chheda	7,680,000	8.00
5.	Chandravadan Dhanji Shah	250,000	0.26
6.	Sheela Narendra Gala	250,000	0.26
7.	Kalpana R Damani	240,000	0.25
8.	Nayana Vipin Shah	175,000	0.18
9.	Kishor Jagshi Chheda	160,000	0.17
10.	Vishanji Shamji Dedhia	150,000	0.16
	Total	**89,298,800**	**93.04**

Names of first holders where Equity Shares are held jointly.

None of the top 10 Shareholders as on two years prior to the date of filing of this Red Herring Prospectus are entitled to further Equity Shares arising out of any warrant, option or convertible debentures, loans or any other instrument.

For details relating to the average cost of acquisition of Equity Shares by the Promoters, see the section titled "*Risk Factors – Prominent Notes*" on page 44.

9. *Employee Stock Option Scheme*

To reward our employees and provide an incentive for their continuous contribution to our organisational success, our Board instituted ESOP 2017, pursuant to resolutions passed by our Board and our shareholders on August 21, 2017 and September 15, 2017, respectively. ESOP 2017 envisages the grant of such number of options that (together with exercised options) grants their eligible employee holders the right to apply for 900,158 Equity Shares. Each option under ESOP 2017, upon exercise, grants its holder the right to be allotted one Equity Share, upon payment of the exercise price. As on November 26, 2019, under ESOP 2017 our Company had granted 900,028 options, without options that may have been forfeited, lapsed or cancelled, as described in the table below.

ESOP 2017 is in compliance with the SEBI ESOP Regulations and the Companies Act, 2013, and is accounted for in accordance with guidance notes issued by ICAI and the relevant accounting standards, as per the certificate dated December 9, 2019 from our Statutory Auditor.

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Options granted</td><td>900,028 options.
<table>
<tr><th>Period</th><th>ESOP 2017</th></tr>
<tr><td>Number of options as at the beginning of</td><td></td></tr>
<tr><td>Fiscal Year 2017</td><td>N.A.</td></tr>
<tr><td>Fiscal Year 2018</td><td>900,028</td></tr>
<tr><td>Fiscal Year 2019</td><td>Nil</td></tr>
<tr><td>Period between April 1, 2019 and December 9, 2019</td><td>Nil</td></tr>
<tr><td>Total options granted</td><td>900,028</td></tr>
</table></td></tr>
<tr><td>Pricing formula (in ₹)</td><td>200 per option</td></tr>
<tr><td>Exercise price of options (in ₹)</td><td>200 per option</td></tr>
<tr><td>Vesting period</td><td>Vesting spread over four years</td></tr>
<tr><td>Options vested (excluding the Options that have been exercised)</td><td>198,481</td></tr>
<tr><td>Options exercised</td><td>Nil</td></tr>
<tr><td>The total number of Equity Shares arising as a result of exercise of options</td><td>Nil</td></tr>
<tr><td>Options lapsed/ forfeited/ cancelled as on December 9,</td><td>245,936</td></tr>
</table>

Particulars	Details
2019	
Variation of terms of options	None
Money realised by exercise of options	Nil
Total number of options in force as on December 9, 2019	654,092
Employee-wise detail of options granted to	
(i) Senior managerial personnel i.e., Directors and Key Managerial Personnel	Shyam Kishanchand Sharda: 25,718 options; Ashok Mehra: 25,718 options; Hemant Kumar: 25,718 options; and Prakash Hegde: 25,718 options.
(ii) Any other employee who received a grant in any one year of options amounting to five per cent or more of the options granted during that year	Nil
(iii) Identified employees who were granted options during any one year equal to exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil
Fully diluted EPS on pre-Offer, standalone basis pursuant to exercise of options calculated in accordance with the relevant accounting standard	Not applicable
Fully diluted EPS on pre-Offer, consolidated basis pursuant to exercise of options calculated in accordance with the relevant accounting standard	Not applicable
Impact on profit and EPS of the last three years if the accounting policies as specified in the Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed in respect of options granted in the last three fiscal years	No impact on the profits and EPS of the last three years as our Company follows intrinsic value method of accounting.
Where our Company has calculated the employee compensation cost using the intrinsic value of stock options, difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and the impact of this difference on profits and EPS of our Company	Had our Company followed fair value method of accounting, the profits of our Company would reduce by ₹ 20,598,737 for the period September 16, 2017 to December 9, 2019. Since the EPS for this period is not computed, the impact cannot be assessed.
Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock	Exercise price : ₹ 200 per option Fair value : ₹ 44.22 per option

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option.</td><td><table>
<tr><th>Model used</th><th>The Black – Scholes Formula</th></tr>
<tr><td>Risk-free interest rate</td><td>6.47%</td></tr>
<tr><td>Expected life</td><td>4 years</td></tr>
<tr><td>Expected volatility</td><td>0.00%</td></tr>
<tr><td>Expected dividends per share of face value ₹ 10</td><td>0</td></tr>
<tr><td>Price of underlying Equity Shares</td><td>₹ 200</td></tr>
</table></td></tr>
<tr><td>Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three-month period after the listing of Equity Shares pursuant to the Offer</td><td>Nil. As on date, no Equity Shares have been allotted pursuant to ESOP 2017.</td></tr>
<tr><td>Intention to sell Equity Shares arising out of the ESOP 2017 within three-month period after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of ESOP 2017 amounting to more than one per cent of the issued capital (excluding outstanding warrants and conversions)</td><td>Nil. As on date, no Equity Shares have been allotted pursuant to ESOP 2017.</td></tr>
</table>

10. Except for the Equity Shares allotted pursuant to conversion of the CCPS allotted in the Pre-IPO Placement, our Company has not issued Equity Shares in the last one year preceding the date of filing of this Red Herring Prospectus which may be at a price lower than the Offer Price.

11. Our Company, our Directors and the BRLMs have not entered into any buy-back, standby and/or any safety net arrangement for the purchase of Equity Shares or other specified securities of our Company.

12. Neither the BRLMs nor their associates hold any Equity Shares as on the date of filing of this Red Herring Prospectus.

13. No person connected with the Offer, including, but not limited to, the BRLMs, the Syndicate Members, our Company, the Promoter Selling Shareholders, the Directors, the Promoters or the members of our Promoter Group and Group Companies, shall offer in any manner whatsoever any incentive, whether direct or indirect, in cash, in kind or in services or otherwise, or make payment, to any Bidder for making a Bid.

14. Our Company has not issued any Equity Shares out of its revaluation reserves.

15. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Red Herring Prospectus.

16. Except for the options granted under the ESOP 2017, there are no outstanding convertible securities or any other right or instrument which would entitle any person any option to receive Equity Shares as on the date of this Red Herring Prospectus.

17. Except the Equity Shares allotted pursuant to the Scheme of Amalgamation, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956. For details, see the sections titled "*Capital Structure – Notes to the Capital Structure – Share Capital History of our Company*" on page 82 and *"History and Certain Corporate Matters – Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets"* on page 176.

18. Except for ESOP 2017, our Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares, whether on a preferential basis or by way of issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement or otherwise.

19. Except for any issuance of Equity Shares pursuant to ESOP 2017 and the Equity Shares allotted pursuant to conversion of the CCPS allotted in the Pre-IPO Placement, there neither have been and will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

20. Except as stated in "*Notes to Capital Structure – Share Capital History – History of Equity Share capital of our Company*" on page 82, as on the date of this Red Herring Prospectus, none of the Equity Shares held by the members of our Promoter Group are pledged or otherwise encumbered. None of the Equity Shares being offered for sale through the Offer for Sale are pledged or otherwise encumbered.

21. During the period of six months immediately preceding the date of the Draft Red Herring Prospectus, no financing arrangements existed whereby our Promoters, other members of our Promoter Group, our Directors or their relatives may have financed the purchase of Equity Shares by any other person.

22. Except to the extent of Equity Shares offered by the Promoter Selling Shareholders in the Offer for Sale, our Promoters and members of our Promoter Group will not submit Bids, or otherwise participate in this Offer.

23. This Offer is being made in terms of Rule 19(2)(b)(ii) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations, wherein at least such percentage of Equity Shares equivalent to a value of ₹ 4,000 million (calculated at the Offer Price) will be offered to the public. Our Company is eligible for the Offer in accordance with Regulation 26(1) of the SEBI ICDR Regulations.

24. The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

25. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. All Bidders (other than Anchor Investors) shall participate in the Offer mandatorily through the ASBA process, providing the details of their respective bank accounts, which will be blocked by SCSBs.

26. Any over-subscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the minimum allotment lot. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(ii) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations, Allotment will be first made towards the Fresh Issue from the valid Bids. For further details, please see the section titled "*Offer Structure*" on page 376.

27. The Equity Shares offered pursuant to this Offer shall be fully paid-up at the time of Allotment.

28. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

29. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group, if any, during the period between the date of filing this Red Herring Prospectus with the RoC and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

OBJECTS OF THE OFFER

The Offer consists of the Fresh Issue and the Offer for Sale.

Offer for Sale

The proceeds from the Offer for Sale (net of any Offer related expenses to be borne by the Promoter Selling Shareholders) shall be received by the Promoter Selling Shareholders and our Company shall not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholders intend to use the proceeds of the Offer for Sale (net of Offer related expenses to be borne by the Promoter Selling Shareholders, applicable taxes and other regulatory / statutory charges, payable as per applicable law) towards repayment of the outstanding bonds issued by Express Infra Projects LLP.

For further details, please see "*Risk Factors – In relation to certain bonds issued by one of our Promoter Group entities, Express Infra Projects LLP, our Promoters and one of our Promoter Group Entities may be required to pledge certain Equity Shares held by them. Additionally, certain of our Promoters may be required to undertake additional obligations, including providing a non-disposal undertaking with respect to certain of their Equity Shares. In the event they are required to create such encumbrance and if such encumbrance is enforced, there may be a dilution of the shareholding of our Promoters and Promoter Group and we may face certain impediments in taking decisions on certain key strategic matters involving our Company. As a result, we may not be able to conduct our business or implement our strategies as currently planned, which may adversely affect our business, financial condition and results of operations. Further, any rapid sale of Equity Shares by such third parties may adversely affect the price of the Equity Shares.*" on page 20.

Utilization of the proceeds of the Fresh Issue

The details of utilization of the proceeds of the Fresh Issue are summarized below:

Particulars	Amount *(in ₹ million)*
Gross proceeds of the Fresh Issue	2,500.00#
(Less) Offer related expenses in relation to the Fresh Issue*	[●]
Net Proceeds*	[●]

**To be finalised upon determination of the Offer Price.*

 # The size of the Fresh Issue as disclosed in the Draft Red Herring Prospectus, being up to ₹ 4,000.00 million, has been reduced to up to ₹ 3,561.77 million. Further, our Company has, in consultation with the BRLMs, undertaken a Pre-IPO placement of 596,500 CCPS for cash consideration aggregating to ₹ 1,061.77 million, which have been converted into 5,965,000 Equity Shares. The size of the Fresh Issue of up to ₹ 3,561.77 million has been further reduced by ₹ 1,061.77 million pursuant to the Pre-IPO Placement and accordingly, after adjustment for Pre-IPO Placement, the size of the Fresh Issue is up to ₹ 2,500.00 million.

The objects for which our Company intends to utilise the Net Proceeds and the proceeds from the Pre-IPO Placement, are as follows:

1. repayment or prepayment of certain outstanding loans of our Company;
2. Financing the project cost towards establishment of a new manufacturing facility, either set up directly or indirectly (through a wholly-owned subsidiary that our Company may set up in the future);
3. upgradation of equipment at our manufacturing facilities; and
4. general corporate purposes, subject to the applicable laws.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association, enable our Company to undertake its existing activities and the activities for which funds are being raised through the Offer. Further, we confirm that the activities carried out till date are in accordance with the main objects clause of our Memorandum of Association.

Requirement of funds and proposed schedule of deployment

We intend to utilise the Net Proceeds and the proceeds from the Pre-IPO Placement, as set forth below:

(in ₹ million)

Particulars	Total estimated amount/cost	Amount deployed/utilized as at December 10, 2019	Balance amount to be deployed from Net Proceeds and the proceeds from the Pre-IPO Placement	Amount to be deployed from Pre-IPO Placement	Balance amount to be deployed from Net Proceeds (After adjusting for Pre-IPO Placement)	Amount to be deployed from the Net Proceeds and the Pre-IPO Placement in	
						Fiscal Year 2020	Fiscal Year 2021

Particulars	Total estimated amount/cost	Amount deployed/utilized as at December 10, 2019	Balance amount to be deployed from Net Proceeds and the proceeds from the Pre-IPO Placement	Amount to be deployed from Pre-IPO Placement	Balance amount to be deployed from Net Proceeds (After adjusting for Pre-IPO Placement)	Amount to be deployed from the Net Proceeds and the Pre-IPO Placement in	
						Fiscal Year 2020	Fiscal Year 2021
Repayment or prepayment, in full or part, of certain outstanding loans of our Company	481.70	-	**481.70**	381.70	100.00	481.70	-
Financing the project cost towards establishment of a new manufacturing facility*	1,961.01*	121.01*	**1,840.00**	250.00	1,590.00	294.40***	1,545.60***
Upgradation of equipment at our manufacturing facilities	821.03	-	**821.03**	330.03	491.00	228.30***	592.73***
General corporate purposes**	[●]	-	[●]	100.04	[●]	[●]	[●]
Total	[●]		[●]	**1,061.77**	[●]	[●]	[●]

* *Our Company has deployed ₹ 121.01 million towards purchase of land situated at Sadashivpet Mandal, district Sangareddy, Telangana, including for registration cost, stamp duty and other expenses. Except for the required land already acquired by our Company, the entire estimated cost for establishment of the new facility in Telangana is proposed to be met out of the Net Proceeds and the proceeds from the Pre-IPO Placement.*

** *To be finalised upon determination of the Offer Price. The amount utilised for general corporate purposes from the Net Proceeds shall not exceed 25% of the gross proceeds of the Fresh Issue.*

****In the event the amount marked out for deployment in Fiscal 2020 is not used in Fiscal 2020, it will be deployed in Fiscal 2021.*

The above fund requirements are based on internal management estimates, and quotations received from third-party vendors, which are subject to change in the future, and have not been appraised by any bank or financial institution or any other independent agency. These are based on current conditions and business needs, and are subject to revisions in light of changes in costs, the financial condition of our business, interest rate fluctuations, business, strategy or external circumstances which may not be in our control. Further, in case the Net Proceeds are not completely utilised in a scheduled Fiscal Year due to any reason, the same would be utilised (in part or full) in the next Fiscal Year/ subsequent period as may be determined by our Company, in accordance with applicable law. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law. For further details, see the section titled "*Risk Factors – We will not receive any proceeds from the Offer for Sale portion and our Company's management will have flexibility in utilising the Net Proceeds of the Fresh Issue*" on page 42.

In case we require additional capital towards meeting the objects of the Fresh Issue, we may explore a range of options including utilising internal accruals and availing additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for general corporate purposes in accordance with applicable law.

Details of the Objects

1. Repayment or prepayment of certain outstanding loans of our Company

We enter into various financing arrangements from time to time, with banks and financial institutions. These arrangements include a mix of secured and unsecured loans. For details of our financing arrangements, including related terms and conditions; see "*Financial Indebtedness*" on page 337.

We intend to utilize an amount aggregating up to ₹ 481.70 million from the Net Proceeds and the proceeds from the Pre-IPO Placement towards repayment and/or pre-payment, in full or in part, of certain outstanding term loans availed by our Company (as set forth below).

Repayment and/or pre-payment of these facilities will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of our accruals for further investment in our business growth and expansion. In addition, we believe that this would improve our ability to raise further resources in the future to fund our potential business development opportunities.

As at October 31, 2019, the outstanding borrowings arising on account of the below outstanding term loans of our Company are ₹ 1,381.22 million, and this outstanding amount pertains to the term loan agreement dated July 9, 2019 amongst our Company and the consortium lenders, as well as the sanction letters from the respective consortium lenders. The details of these term loans are set forth below:

S. No.	Name of lender	Amount outstanding as at October 31, 2019 (₹ in million)	Interest rate (in % per annum) as at October 31, 2019	Repayment schedule	Pre-payment penalty*
1.	Bank of India	52.50	11.60	To be repaid on or prior to June 29, 2021 by way of quarterly instalments.	Prepayment is allowed, subject to prior written approval of or notice to the lenders, as applicable, and the payment of a prepayment penalty of 0.50% (in case of IDFC First Bank Limited).
2.	IndusInd Bank Limited	500.00	9.85	To be repaid on or prior to March 12, 2025 by way of quarterly installments.	
3.	The Federal Bank Limited	60.12	9.75	To be repaid on or prior to November 6, 2021 by way of quarterly instalments.	
		300.00	9.85	To be repaid on or prior to September 15, 2025 by way of quarterly instalments.	
4.	ICICI Bank Limited	102.22	11.60	To be repaid on or prior to October 25, 2023 by way of monthly instalments.	
5.	IDFC First Bank Limited	366.38	10.70	To be repaid on or before June 30, 2023 by way of quarterly instalments.	
	Total	**1,381.22**			

* *Payment of prepayment penalties, if any, shall also be made out of the Net Proceeds. In the event that the Net Proceeds are insufficient for the said payment of prepayment penalty, such payment shall be made from our internal accruals.*

We have applied for and received the required consents from our lenders for repayment/prepayment of the above-mentioned outstanding loans availed by our Company, as applicable.

As per the certificate dated December 10, 2019 issued by L. D. Joshi & Co., Chartered Accountant, (i) the above term loan facilities have been utilized for the purposes for which they were sanctioned, and (ii) none of the borrowings that are intended to be prepaid out of the Net Proceeds have been utilized for any payments to, or repayment/refinancing of, any loans availed from the Promoter Group or Group Companies.

Given the nature of these borrowings and the terms of repayment and/ pre-payment, the aggregate outstanding loan amounts may vary from time to time. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In the event that we are unable to raise the Offer Proceeds till the due date for repayment of the facilities mentioned above, the funds earmarked out of the Net Proceeds for such repayment may be utilized for repayment and/or prepayment of any other loans, including loans availed by our Company after the date of filing of this Red Herring Prospectus. However, the quantum from the Net Proceeds and the proceeds from the Pre-IPO Placement that will be utilized for prepayment or scheduled repayment of the loans shall not exceed ₹ 481.70 million.

2. Financing the project cost towards establishment of a new manufacturing facility, either set up directly or indirectly (through a wholly-owned subsidiary that our Company may set up in the future)

We propose to establish a new manufacturing facility in Telangana, either directly or indirectly through a wholly owned subsidiary that we may set up in the future. For setting up this facility, we have purchased land, through multiple sale deeds, each dated as below, admeasuring approximately 45 acres 11 guntas, situated at Sadashivpet Mandal, district Sangareddy, Telangana for a total consideration of ₹ 121.01 million, including registration cost, stamp duty and other expenses.

Further details of the land purchased are as below:

S. No.	Date of sale deed	Location	Area (in acres –guntas)	Consideration paid (in ₹ million)	Name of the seller from whom the land was acquired
1.	August 31, 2017	Survey numbers 160/AA1, 161, 161/AA1 and 161/AA/2, Yenkepally Village Gram Panchayat, Sadashivpet Mandal, District Sangareddy, Telangana.	10-31	29.17	Machavarapu Ganapathi Rao
2.	August 31, 2017	Survey numbers 161/A3 and 161/E1, Yenkepally Village Gram Panchayat, Sadashivpet Mandal, District Sangareddy, Telangana.	4-11	11.65	Namburi Kumara Swamy
3.	August 31, 2017	Survey numbers 159/EE, 159/E4, 159/E/2, 159/E/E, 159/E6, 159/AA1 and 159/EE, Yenkepally Village Gram Panchayat, Sadashivpet Mandal, District Sangareddy, Telangana.	5-17	14.70	Namburi Kumara Swamy
4.	August 31, 2017	Survey numbers 160/E and 161/A2/1, Yenkepally Village Gram Panchayat, Sadashivpet Mandal, District Sangareddy, Telangana.	6-24	18.14	Rakesh Nuttaki
5.	August 31, 2017	Survey numbers 69/AA and 69/AA2, Chandrapur Village Gram Panchayat, Sadashivpet Mandal, District Sangareddy, Telangana.	3-30	10.59	Namburi Deepthi
6.	January 19, 2018	Survey numbers 161/ E2 and 170, Enkepalle Village, Sangareddy District, Sub-registrar	6-35	15.02	Vemulapalli Vanishree

S. No.	Date of sale deed	Location	Area (in acres –guntas)	Consideration paid (in ₹ million)	Name of the seller from whom the land was acquired
		Office Sadashivpet, District Sangareddy, Telangana.			
7.	May 2, 2018	Survey number 171/A1, Yenkepally (Village and G.P.) Sadashivpet, Registration Sub-district Sangareddy, District Sangareddy, Telangana.	1-10	3.92	Golla Siddu
8.	May 2, 2018	Survey number 171/A2, Yenkepally (Village and G.P.) Sadashivpet, Registration Sub-district Sangareddy, District Sangareddy, Telangana.	1-11	3.98	Golla Swaroopa
9.	May 2, 2018	Survey number 171/A2, Yenkepally (Village and G.P.) Sadashivpet, Registration Sub-district Sangareddy, District Sangareddy, Telangana.	2-21	6.92	Golla Anjamma
10.	May 2, 2018	Survey number 171/E, Yenkepally (Village and G.P.) Sadashivpet, Registration Sub-district Sangareddy, District Sangareddy, Telangana.	2-21	6.92	Golla (Alias) Manthuri Kistaiah
Total			**45-11**	**121.01**	

The following table depicts the break-down of the estimated expenses related to the proposed manufacturing facility at Telangana, excluding land cost already incurred as above:

Sr. No.	Particulars	Total cost* (in ₹ million)
1.	Civil and electrical	690.96
2.	Plant and machinery	642.83
3.	Utility	166.25
4.	Moulds and dyes	314.58
5.	Office equipment	25.38
	Total Cost	**1,840.00**

* *Based on quotations received from third party vendors. Further, the amounts mentioned in certain quotations are in Euros and US Dollars, for which the RBI conversion rate as at November 15, 2019 has been considered. Customs duty rate of 27.74% has been applied for calculation of taxes applicable to cost of certain imported machinery and equipment. This amount also includes applicable goods and services tax but excludes installation and packaging charges.*

As certified by L. D. Joshi & Co., Chartered Accountants, pursuant to a certificate dated December 10, 2019, except for ₹ 121.01 million deployed towards acquiring land at for the new manufacturing facility, including registration cost, stamp duty and other expenses, our Company has not deployed any funds towards establishing a new manufacturing facility in Telangana.

The proposed plan for establishing of a new manufacturing facility includes:

(i) *Civil works:* Includes land filling and levelling, construction of concrete roads and reinforced concrete cement gutters; and related infrastructure. We have received quotations for such civil works from several third-party vendors. However, we have not entered into any definitive agreements with any of such third-party vendors and there can be no assurance that the same vendors would be engaged to eventually undertake the civil works or the estimated cost will not increase due to a possible cost escalation. If we engage someone other than the third party vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. For further details, see "*Risk Factors – We plan to use ₹ 1,840.00 million of the Net Proceeds of the Fresh Issue and the proceeds from the Pre-IPO Placement towards setting up a new plant in Telangana, either directly by our Company or indirectly through a wholly owned subsidiary of our Company, with an estimated total cost ₹ 1,961.01 million. The estimated cost of setting up the new Telangana plant has not been appraised by any bank or financial institution. We are yet to obtain certain consents and acknowledgements from various regulatory authorities in relation to setting up and operation* *of our proposed new manufacturing plant. If there are delays or cost overruns in the setting up of this new plant, it would have an adverse effect on our business, financial condition, results of operations and growth prospects.*" on page 23.

(ii) *Plant and machinery:* Includes machinery used for manufacturing UPVC, PP, as well as CPVC polymer pipes, injection moulding machines which are capable of producing moulded UPVC, PP and CPVC fittings and moulds which are used in the moulding machines and are capable of producing fittings of various designs. It also includes compounding mixers which are used for mixing raw materials in the production of UPVC, PP and CPVC polymer and automated material conveying system to deliver compounded dry blend over extruders and injection moulding machines and grinders and pulverisers to recycle runner and other plastic waste generated during the production process. We also intend to install three axis robots which automate the injection moulding process. We have received quotations for purchase of such plant and machinery from several third-party vendors. However, we have not entered into any definitive agreements with any of such third-party vendors and there can be no assurance that the same vendors would be engaged to eventually supply the plant and machinery or our cost will not increase due to a possible cost escalation owing to currency fluctuations or other market risks. If we engage someone other than the identified third-party vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the plant and machinery may differ from the current estimates. For further details, see "*Risk Factors – We plan to use ₹ 1,840.00 million of the Net Proceeds of the Fresh Issue and the proceeds from the Pre-IPO Placement towards setting up a new plant in Telangana, either directly by our Company or indirectly through a wholly owned subsidiary of our Company, with an estimated total cost ₹ 1,961.01 million. The estimated cost of setting up the new Telangana plant has not been appraised by any bank or financial institution. We are yet to obtain certain consents and acknowledgements from various regulatory authorities in relation to setting up and operation of our proposed new manufacturing plant. If there are delays or cost overruns in the setting up of this new plant, it would have an adverse effect on our business, financial condition, results of operations and growth prospects.*" on page 23.

(iii) *Utility:* Includes compressors, chillers, water treatment plants, cooling towers etc. required for smoothly carrying out the manufacturing processes. Utilities are required for maintaining adequate conditions of a manufacturing unit, like pressure, temperature etc. We have received quotations for such utilities from several third-party vendors. However, we have not entered into any definitive agreements with such third-party vendors with respect to any of the proposed utility works and there can be no assurance that such third party vendors will be engaged to eventually provide these services. If we engage someone other than the identified third party vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. For further details, see "*Risk Factors – We plan to use ₹ 1,840.00 million of the Net Proceeds of the Fresh Issue and the proceeds from the Pre-IPO Placement towards setting up a new plant in Telangana, either directly by our Company or indirectly through a wholly owned subsidiary of our Company, with an estimated total cost ₹ 1,961.01 million. The estimated cost of setting up the new Telangana plant has not been appraised by any bank or financial institution. We are yet to obtain certain consents and acknowledgements from various regulatory authorities in relation to setting up and operation of our proposed new manufacturing plant. If there are delays or cost overruns in the setting up of this new plant, it would have an adverse effect on our business, financial condition, results of operations and growth prospects.*" on page 23.

(iv) *Moulds & Dyes:* Includes moulds required for mass manufacturing of fittings, and dyes required for manufacturing of pipes. Moulds are typically used in mass-production processes where the same part is being created thousands or even millions of times in succession. We have received quotations for moulds and dyes from several third-party vendors. However, we have not entered into any definitive agreements with such third-party vendors with respect to any of the proposed moulds and dyes and there can be no assurance that such third-party vendors will be engaged to eventually provide these services. If we engage someone other than the third-party vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. For further details, see "*Risk Factors –We plan to use ₹ 1,840.00 million of the Net Proceeds of the Fresh Issue and the proceeds from the Pre-IPO Placement towards setting up a new plant in Telangana, either directly by our Company or indirectly through a wholly owned subsidiary of our Company, with an estimated total cost ₹ 1,961.01 million. The estimated cost of setting up the new Telangana plant has not been appraised by any bank or financial institution. We are yet to obtain certain consents and acknowledgements from various regulatory authorities in relation to setting up and operation of our proposed new manufacturing plant. If there are delays or cost overruns in the setting up of this new plant, it would have an adverse effect on our business, financial condition, results of operations and growth prospects.*" on page 23.

(v) *Office Equipment:* Includes basic furniture such as chairs, office cabin, dining sets, computers and peripherals and light fixtures for the office space in the manufacturing plants. We have received quotations for such office equipment from several third-party vendors. However, we have not entered into any definitive agreements with such third-party vendors with respect to any of the proposed office equipment and there can be no assurance that such third-party vendors will be engaged to eventually provide these services. If we engage someone other than the third-party vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. For further details, see "*Risk Factors – We plan to use ₹ 1,840.00 million of the Net Proceeds of the Fresh Issue and the proceeds from the Pre-IPO Placement towards setting up a new plant in Telangana, either directly by our Company or indirectly through a wholly owned subsidiary of our Company, with an estimated total cost ₹ 1,961.01 million. The estimated cost of setting up the new Telangana plant has not been appraised by any bank or financial institution. We are yet to obtain certain consents and acknowledgements from various regulatory authorities in relation to setting up and operation of our proposed new manufacturing plant. If there are delays or cost overruns in the setting up of this new plant, it would have an adverse effect on our business, financial condition, results of operations and growth prospects.*" on page 23.

As certified by Rajesh Patel, Reliable Testing, Chartered Engineer, pursuant to a certificate dated November 26, 2019, the machinery and equipment proposed to be procured by our Company in relation to the planned installed capacity at its proposed new plant at Telangana are required and adequate.

3. Upgradation of equipment at our manufacturing facilities

We currently own six manufacturing facilities at Haridwar, Dadra, Chennai, Kolhapur, Athal and Jobner. For further details, see "*Our Business – Manufacturing*" on page 157. We propose to upgrade equipment at certain of our manufacturing facilities, to help to reduce energy consumption, manpower cost, manpower dependency and improve the precision level.

The proposed plan includes upgradation of the following categories of equipment at our facilities:

(i) *Machinery for pipes:* Includes machinery for pipes such as 75-28 Rollepaal Extruder, TTS 88 Theysohn Extruder, which is used for manufacturing UPVC as well as CPVC polymer pipes. These machines will replace the existing machines which are due for replacement. It also includes socketing machine, screw barrel, Auxiliary equipment such as electric pallet truck, fork lift etc., electrical equipment such as PLC, AC drives, isolators, ACB, VCB etc., miscellaneous fixed assets, works related to polishing, nitriding, repairing, servicing etc., spares and consumables and utilities. We have received quotations for such machine from several third-party vendors for our manufacturing facilities at Jobner, Chennai, Dadra, Haridwar and Kolhapur. However, we have not entered into any definitive agreements with such third-party vendors and there can be no assurance that such third-party vendors will be engaged to eventually provide these services. If we engage someone other than the third-party vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates.

(ii) *Machinery for fittings:* Includes machinery for fittings such as injection moulding machines with capacity ranging from 140 Tonnes to 450 Tonnes, capable of producing moulded UPVC and CPVC fittings and moulds which are used in the moulding machines and are capable of producing fittings of various designs. These fittings are primarily used in agriculture and building and construction. These latest machines will replace the existing machines which are due for replacement because of ageing, low efficiency and high energy consumption. It also includes auxiliary equipment such as electric pallet truck, forklift etc. electrical equipment such as PLC, AC drives, isolators, ACB, VCB etc., miscellaneous fixed assets, works related to polishing, nitriding, repairing, servicing etc., spares and consumables and utilities. We have received quotations for such machinery from several third-party vendors for our manufacturing facilities at Jobner, Athal and Haridwar. However, we have not entered into any definitive agreements with such third-party vendors and there can be no assurance that such third-party vendors will be engaged to eventually provide these services. If we engage someone other than the third-party vendors from whom we have obtained quotations, such vendor's estimates and actual costs for the services may differ from the current estimates.

(iii) *Machinery for Pipes and Fittings:* Includes auxiliary equipment, electrical equipment, miscellaneous fixed assets, repairs and maintenance, spares and consumables and utilities to be utilised for pipes and fittings in our manufacturing unit in Haridwar (whereby we have facilities for manufacturing both pipes and fittings). We have received quotations for such machinery from several third-party vendors. However, we have not entered into any definitive agreements with such third-party vendors and there can be no assurance that such third-party vendors will be engaged to eventually provide these services. If we engage someone other than the third-party vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor’s estimates and actual costs for the services may differ from the current estimates.

The following table depicts the break-down of the estimated expenses related to the proposed upgradation of equipment:

Sr. No.	Particulars	Total cost* (in ₹ million)
1.	Machinery – Pipes	323.18
2.	Machinery – Fittings	497.85
Total		**821.03**

* *Based on quotations received from third party vendors. Further, the amounts mentioned in certain quotations are in Euros and US Dollars, for which the RBI conversion rate as at November 15, 2019 has been considered. Customs duty rate of 27.74% has been applied for calculation of taxes applicable to cost of certain imported machinery and equipment. This amount also includes applicable goods and services tax but excludes installation and packaging charges.*

4. General Corporate Purposes

We intend to deploy the remaining portion of the Net Proceeds and the proceeds from the Pre-IPO Placement, if any, for general corporate purposes, as may be approved by our management, including but not restricted to maintenance and expansion of our manufacturing facilities, repayment of loans, strategic initiatives and acquisitions, working capital requirements, strengthening of the marketing capabilities, as may be applicable, and meeting on-going general corporate exigencies.

Our management, in accordance with the policies of our Board, will have flexibility in utilising the remaining portions of the Net Proceeds and the proceeds of the Pre-IPO Placement for general corporate purposes, as mentioned above, subject to such utilization of the remaining portion of the Net Proceeds shall not exceed 25% of the gross proceeds of the Fresh Issue, in compliance with the SEBI ICDR Regulations. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer related expenses include fees payable to the BRLMs and legal counsel, underwriting commission, fees payable to the Auditor, brokerage and selling commission, commission payable to Registered Brokers, SCSBs’ fees, Escrow Banks’ and Registrar’s fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

All Offer related expenses, other than listing fees (which shall be borne by our Company), shall be shared by our Company and the Promoter Selling Shareholders in proportion to the number of Equity Shares being issued or offered, as the case may be, by each of them in the Fresh Issue and the Offer for Sale, in accordance with applicable law. Any payments by our Company in relation to the Offer on behalf of the Promoter Selling Shareholders shall be reimbursed by the Promoter Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale by each of the Promoter Selling Shareholders in the Offer.

The estimated Offer related expenses are as under:

S. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer related expenses*	As a % of Offer size*
1.	Payment to the BRLMs (including brokerage, underwriting and selling commission)	[●]	[●]	[●]
2.	Selling commission and processing fees for SCSBs and fees payable to the Sponsor Bank	[●]	[●]	[●]
3.	Brokerage, selling commission and bidding charges for the Members of the Syndicate, SCSBs, Registered Brokers, RTAs and CDPs	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]

S. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer related expenses*	As a % of Offer size*
5.	Others: a)Listing fees, SEBI filing fees, book building software fees and other regulatory expenses; b) Printing and stationery expenses; c)Fees payable to Monitoring Agency; d) Advertising and marketing for the Offer; and e)Miscellaneous	[●]	[●]	[●]
	Total Estimated Offer Related Expenses	[●]	[●]	[●]

For SCSBs

Selling commission payable to the SCSBs *on the portion for Retail Individual Investors and Non-Institutional Investors which are directly procured and uploaded by them would be as follows:*

Portion for Retail Individual Investors	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Investors	*0.20% of the Amount Allotted* (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.

The Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Processing fees payable to the SCSBs *of Rs. 10/- per valid application (plus applicable taxes) for processing the Bid cum Application of Non-Institutional Investors procured from the Syndicate /Sub-Syndicate Members/Registered Brokers /RTAs /CDPs and submitted to SCSBs for blocking would be as follows:*

For Syndicate (including their Sub-Syndicate Members), RTAs and CDPs

Brokerages, selling commission and processing/uploading charges *on the portion for Retail Individual Investors (using the UPI mechanism), portion for Non-Institutional Investors which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

Portion for Retail Individual Investors	*0.35% of the Amount Allotted* (plus applicable taxes)*
Portion for Non-Institutional Investors	*0.20% of the Amount Allotted* (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

The payment of Selling Commission payable to the sub-brokers / agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

The Selling Commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

Uploading Charges/ Processing Charges of ₹ 30/- *valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*

- *for applications made by Retail Individual Investors using the UPI Mechanism*

Uploading Charges/ Processing Charges of ₹ 10/- *valid application (plus applicable taxes) are applicable only in case of bid uploaded by the members of the Syndicate, RTAs and CDPs:*

- *for applications made by Retail Individual Investors using 3-in-1 type accounts*
- *for Non-Institutional Bids using Syndicate ASBA mechanism / using 3- in -1 type accounts,*

The Bidding/uploading charges payable to the Syndicate / Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

For Registered Brokers

Selling commission payable to the registered brokers on the portion Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:

Portion for Retail Individual Bidders & Non-Institutional Bidders	*₹ 10/- per valid application* (plus applicable taxes)*

**Based on valid applications.*

For Sponsor Bank

Processing fees for applications made by Retail Individual Investors using the UPI mechanism will be

Sponsor Bank	*₹ 8/- per valid Bid cum Application Form * (plus applicable taxes).* *The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

** For each valid application.*

Appraisal and Bridge Loans

The above fund requirements have not been appraised by any bank or financial institution. Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

Means of Finance

The entire fund requirements of each the objects detailed above are intended to be funded completely from the Net Proceeds and the proceeds from the Pre-IPO Placement. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, in addition to the Net Proceeds and the proceeds from the Pre-IPO Placement.

Interim Use of Net Proceeds

Pending utilization for the purposes described above, we intend to deposit the Net Proceeds and the proceeds from the Pre-IPO Placement only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013, we confirm that we shall not use the Net Proceeds and the proceeds from the Pre-IPO Placement, or any part thereof, for buying, trading or otherwise dealing in any shares of any listed company or for any investment in equity markets.

Monitoring of Utilization of Funds

Since the proceeds from the Fresh Issue exceeds ₹ 1,000 million, in terms of Regulation 41(1) of the SEBI ICDR Regulations, 2018, our Company is required to appoint a monitoring agency for the purposes of the Offer. Accordingly, our Company has appointed HDFC Bank Limited as the monitoring agency in relation to the Offer.

Our Company will disclose the utilization of the Net Proceeds and the proceeds from the Pre-IPO Placement, including interim use, under a separate head in the balance sheet, specifying the details, if any, in relation to all proceeds of the Offer (including from proceeds of the Pre-IPO Placement) that have not been utilised. Our Company will also indicate investments, if any, of the unutilized proceeds of the Offer in our balance sheet for the relevant financial years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the use and application of the Net Proceeds and the proceeds from the Pre-IPO Placement. Additionally, the Audit Committee shall make recommendations to our Board for further action, if appropriate. Till such time as all the Net Proceeds and the proceeds from the Pre-IPO Placement have been utilized in full, our Company shall prepare an annual statement, certified by the statutory auditor, of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee.

Further, in terms of Regulation 32(3) of the SEBI Listing Regulations, our Company will furnish a quarterly statement to the Stock Exchange indicating material deviations, if any, in the use of proceeds from the objects stated in this Red Herring Prospectus. This information shall be furnished to the Stock Exchange along with the interim or annual financial results and would be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee.

Other Confirmations

No part of the Net Proceeds and the proceeds from the Pre-IPO Placement will be paid by our Company as consideration to our Promoters, Directors, Key Management Personnel and the members of our Promoter Group or Group Entities, except in the ordinary course of business. However, certain of our Promoters will receive a portion of the proceeds of the Offer for Sale, net of their respective share of Offer related expenses, as Promoter Selling Shareholders, pursuant to sale of the Equity Shares being offered by them through the Offer for Sale.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, along with the corresponding rules issued thereunder, our Company shall not vary the objects of the Fresh Issue, unless authorised by our Shareholders in a general meeting by way of a special resolution. Additionally, the notice in respect of such resolution issued to the Shareholders shall contain details as prescribed under the Companies Act, 2013 along with the corresponding rules issued thereunder, and such details of the notice, clearly indicating the justification for such variation, shall also be published in one English and one vernacular newspaper in the city where the registered office of our Company is situated, as per the Companies Act, 2013 and the rules framed thereunder. Pursuant to the Companies Act, 2013, our Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, in accordance with our Articles of Association and the SEBI ICDR Regulations.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and Promoter Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10 and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Bidders should also refer to the sections titled "*Our Business*", "*Risk Factors*", "*Financial Statements*" *and "Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 150, 17, 212 and 309, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for the Offer Price are:

1. Strong brands in the pipes and fittings segment with over 30 years' experience and multiple industry awards and accolades.
2. Comprehensive product portfolio across polymers serving diverse end-use applications.
3. Strategically located manufacturing facilities with a core focus on quality.
4. Large and growing distribution network.
5. Our technical collaboration with a reputed international player, which helps to improve the quality of our products and our manufacturing efficiency.
6. Strong management team.

For further details, please refer to the section titled "*Our Business –Strengths*" on page 150.

Quantitative Factors

Information presented in this chapter is derived from the Restated Financial Statements of our Company.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Earning per share ("EPS") per Equity Share of face value of ₹ 10 each:

Financial Year / Period Ended	Basic EPS (in ₹)	Weight	Diluted EPS (in ₹)	Weight
March 31, 2017	7.85	1	7.85	1
March 31, 2018	8.08	2	8.08	2
March 31, 2019	9.26	3	9.26	3
Weighted Average	8.63		8.63	
June 30, 2019*	2.96	-	2.96	-

**Not annualised*

Notes:

i) Basic Earnings per share before adjusting exceptional item = Net profit after tax attributable to equity shareholders (as restated)/ weighted average number of equity shares outstanding during the year/period.

ii) Diluted Earnings per share before adjusting exceptional item = Net profit after tax attributable to equity shareholders (as restated)/ weighted average number of diluted equity shares outstanding during the year/period.

iii) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.

iv) Earnings per share calculations are done in accordance with Ind AS 33 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.

v) The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure G of Restated Financial Statements as appearing in the section titled "Financial Statements" on page 212.

vi) The figures / ratios disclosed above are based on Restated Financial Statements.

2. Price earning ("P/E") ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	As per our Restated Financial Statements
P/E ratio based on Basic EPS for the financial year ended March 31, 2019 at the Floor Price:	[●]
P/E ratio based on Diluted EPS for the financial year ended March 31, 2019 at the Floor	[●]

Particulars	As per our Restated Financial Statements
Price:	
P/E ratio based on Basic EPS for the financial year ended March 31, 2019 at the Cap Price:	[●]
P/E ratio based on Diluted EPS for the financial year ended March 31, 2019 at the Cap Price:	[●]

Industry P/E Ratio

	P/E Ratio
Highest	65.37
Lowest	19.13
Average	38.89

Notes:

i) The average, highest and lowest Industry P/E shown above is based on the industry peer set provided below under "Comparison with Listed Peers". The industry composite has been calculated as the arithmetic average P/E of the peer set provided below, based on consolidated EPS numbers. For further details, see "Basis for Offer Price – Comparison with Listed Peers" hereunder.

ii) P/E ratios for the peers are computed based on closing market price as at November 21, 2019 on BSE, divided by Diluted EPS (on consolidated basis) based on the financial results of such companies for the Fiscal Year 2019.

3. Return on Net Worth ("RoNW"):

Year/Period ended	RoNW (%)	Weight
March 31, 2017	31.47%	1
March 31, 2018	23.52%	2
March 31, 2019	21.18%	3
Weighted Average	23.68%	
June 30, 2019*	6.34%	-

*Not annualised

Note:

1. *Return on net worth (%) = Net profit after tax (as restated)/ net worth as at the end of year/period.*
2. *Net worth = Equity share capital + Reserves and surplus (includes General Reserve and surplus in Profit and Loss Account) in accordance with Section 2 (57) of The Companies Act 2013*

4. Minimum Return on Net Worth after Offer required to maintain Pre-Offer EPS for the year ended March 31, 2019:

a) To maintain pre-Offer Basic EPS for the year ended March 31, 2019

Particulars	(%)
At the Floor Price	[●]
At the Cap Price	[●]

b) To maintain pre-Offer Diluted EPS for the year ended March 31, 2019

Particulars	(%)
At the Floor Price	[●]
At the Cap Price	[●]

5. Net asset value ("NAV") per Equity Share of face value of ₹ 10 each:

Particulars	NAV (in ₹)
As on March 31, 2017	52.37
As on March 31, 2018	34.36
As on March 31, 2019	43.71
As on June 30, 2019	46.70
After the Offer	At the Floor Price: [●]
	At the Cap Price: [●]
Offer Price*	[●]

* *Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*

Note:

i) Net asset value per equity share (Rs) = Net worth (as restated)/ Total number of equity shares outstanding as at the end of year/period.

ii) Net worth = Equity share capital + Reserves and surplus (includes General Reserve and surplus in Profit and Loss Account) in accordance with Section 2 (57) of The Companies Act 2013.

6. Comparison with Listed Peers

	Name of the company	Face Value per Equity Share (₹)	Total Income[2] (₹ Million)	Basic EPS (₹)	Diluted EPS (₹)	P/E[4] (Based on Basic EPS)	P/E[4] (Based on Diluted EPS)	RoNW[5] (%)	NAV per equity share[6] (₹)
1	Prince Pipes and Fittings Limited[3]	10	15,789.95	9.26	9.26	[●]	[●]	21.18%	43.71
2	Peer Group[1]								
	Astral Poly Technik Limited	1	25,227.33	16.27	16.27	65.37	65.37	15.45%	106.64
	Finolex Industries Limited	10	31,317.34	29.59	29.59	19.13	19.13	14.26%	207.60
	Supreme Industries Limited	2	56,197.70	35.32	35.32	32.17	32.17	20.83%	169.57
3	Industry Composite[7]					38.89	38.89	16.84%	161.27

Notes:

1. *Peer Group Companies' financial details set out in the above table are based on their respective consolidated audited results as at and for the year ended March 31, 2019.*
2. *Total Income refers to Revenue from Operations and Other Income.*
3. *Company information is based on the Restated Financial Statements as at and for the year ended March 31, 2019.*
4. *P/E Ratio has been computed using the closing market prices of the peer companies on BSE sourced from BSE's website as on November 21, 2019, as divided by the basic and diluted EPS respectively.*
5. *RoNW has been calculated as Profit after Tax (post minority interest, if any) divided by the Net Worth of these companies. Net worth has been computed as sum of Share Capital and Reserves & Surplus (attributable to equity shareholders).*
6. *Net asset value per equity share is calculated as the Net Worth of the peer companies (as mentioned in the point 5 above), divided by the outstanding number of fully paid up equity shares.*
7. *The industry composite has been calculated as the arithmetic average of the industry peer set disclosed above.*

The Offer Price of ₹ [●] has been determined by our Company and Promoter Selling Shareholders, in consultation with the BRLMs on the basis of the demand from investors for the 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*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 17, 212 and 309 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in the section titled "*Risk Factors*" or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Prince Pipes and Fittings Limited
Plot No.1,
Honda Industrial Estate,
Phase II,
Honda Sattari Honda
Goa 403 530

Dear Sirs,
Sub: Statement of possible tax benefits ('the Statement') available to Prince Pipes and Fittings Limited ("the Company") prepared in accordance with the requirement in Schedule VIII – Clause (VII)(L) of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ('the Regulations')

We refer to the proposed initial public offering of Equity Shares of face value of Rs. 10 each (the "**Equity Shares**") of the Company (the "**Offer**"). We enclose herewith the statement showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Income-tax Act, 1961, as amended ("**the Act**") and presently in force in India, for inclusion in the Red Herring Prospectus ("**RHP**") and Prospectus (collectively the RHP and Prospectus, the "**Offer Documents**") for the proposed Offer.

Several of these benefits are dependent on the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the Company and/or its shareholders can derive these direct tax benefits upon fulfilling such conditions laid down in the Act.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated herein are based on the information and explanations obtained from the Company from time to time. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax benefits and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of participation in the Offer. We are neither suggesting nor are we advising the investor to invest money based on this statement.

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;
- the conditions prescribed for availing the benefits have been/would be met with; and
- the revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include the enclosed statement regarding the special tax benefits available to the Company and to its shareholders in the Offer Documents which the Company intends to file with the Securities and Exchange Board of India ("**SEBI**"), file with the Registrar of Companies, Goa, Daman and Diu and submit to stock exchanges and any other statutory or regulatory authorities.

Limitations

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. 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.

This statement has been prepared solely in connection with the Offer under the Regulations.

All Capitalized terms used but not defined herein shall have the same meanings assigned to such terms in the Offer Documents.

Yours faithfully,
For **Khimji Kunverji & Co LLP**
(Formerly Khimji Kunverji & Co. – FRN 105146W)

Chartered Accountants

Sd/-
Gautam V Shah
Partner
Membership No: F-117348
ICAI UDIN: 19177348AAAACS4781
Place: Mumbai
Date: November 25, 2019

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961

Outlined below are the possible special tax benefits available to the Company and its shareholders as per the provisions of the Act currently in force in India. These tax benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the Company and its shareholders can derive the possible tax benefits upon fulfilling such conditions laid down in the Act, which are based on business imperatives they face in the future, they may or may not choose to fulfill.

A. Special tax benefits available to the Company under the Act

There are no special tax benefits available under the Act to the Company.

B. Special tax benefits available to the Shareholders under the Act

There are no special tax benefits available under the Act to the Shareholders.

C. Notes:

Pursuant to The Taxation Laws (Amendment) Ordinance, 2019 the company is eligible for tax advantage under the new section 115BAA introduced w.e.f. 01-04-2019 wherein the effective tax rates have changed to 25.17% subject to certain conditions as mentioned below.

Conditions specified under eligibility criteria of section 115BAA

All domestic companies shall have an option to pay income tax at the rate of 22% (plus applicable surcharge and cess), provided the following conditions are complied with:

a. Such companies should not avail any exemptions/incentives under different provisions of income tax. Therefore, the total income of such company shall be computed without:

I. Claiming any deduction especially available for units established in special economic zones under section 10AA
II. Claiming additional depreciation under section 32 and investment allowance under section 32AD towards new plant and machinery made in notified backward areas in the states of Andhra Pradesh, Bihar, Telangana, and West Bengal
III. Claiming deduction under section 33AB for tea, coffee and rubber manufacturing companies
IV. Claiming deduction towards deposits made towards site restoration fund under section 33ABA by companies engaged in extraction or production of petroleum or natural gas or both in India
V. Claiming a deduction for expenditure made for scientific research under section 35
VI. Claiming a deduction for the capital expenditure incurred by any specified business under section 35AD
VII. Claiming a deduction for the expenditure incurred on an agriculture extension project under section 35CCC or on skill development project under section 35CCD
VIII. Claiming deduction under chapter VI-A in respect to certain incomes, which are allowed under section 80IA, 80IAB, 80IAC, 80IB and so on, except deduction under section 80JJAA
IX. Claiming a set-off of any loss carried forward from earlier years, if such losses were incurred in respect of the aforementioned deductions
X. Claiming a deduction for depreciation under section 32 in a manner as may be prescribed, except the additional depreciation as mentioned above.

Such companies will have to exercise this option to be taxed under the section 115BAA on or before the due date of filing income tax returns i.e. usually 30th September of the assessment year. Once the company opts for section 115BAA in a particular financial year, it cannot be withdrawn subsequently.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

All information in this section is sourced from the CRISIL Research Report. The CRISIL Research Report is subject to the disclaimer set out in "Certain Conventions, Currency of Presentation, Use of Financial Information – Industry and Market Data" on page 13. All forward-looking statements, estimates and projections in this section are CRISIL Research's forward looking statements, estimates and projections. While we have taken reasonable action to ensure that information from the CRISIL Research Report has been reproduced in its proper form and context, none of our Company, the Book Running Lead Managers and our and their respective directors, employees, agents and professional advisors have conducted an independent review of the content or independently verified the accuracy thereof. Accordingly, prospective investors should not place undue reliance on the information contained in this section.

This section contains copies of certain tables and charts from the CRISIL Research report. References to "2015-16", "2016-17", "2017-2018", "2018-2019" etc., or "FY15", "FY16", "FY17", "FY18", "FY19", etc., in these tables and charts are to the financial years ended March 31, 2015, 2016, 2017, 2018 and 2019, etc., or as at March 31, 2015, 2016, 2017, 2018 and 2019, etc., as applicable. The use of the letter "E" after a number means it is an estimated number and the use of the letter "P" after a number means it is a projected number. The use of the symbol "~" means approximately.

MACROECONOMIC SCENARIO IN INDIA

With population of over 1.3 billion and estimated GDP of ₹ 141 trillion in Fiscal 2019, India is the sixth largest economy. Also, India has favourable demographics with largest working population, 66.4% of the total population in working age group of 15-64 years in 2018 *(Source: World Bank data indicators)*, and more than half the population below 25 years of age. In fact, working population of India is more than total population of countries such as Russia, Brazil and the US. Going forward, the working population, which rose at 2% CAGR over 2008-2018, is expected to increase further, thereby driving consumption and growth.

Being a major exporter of information technology (IT) and business process outsourcing (BPO) services, the country's services sector is one of fastest growing and is the highest contributor to its GDP followed by manufacturing.

Review and outlook on GDP

Global growth set to slow in 2019 due to trade tension and lingering impact of financial tightening

The global economy seems poised on the cusp of a dip, with an upturn on the horizon. For the present, however, the International Monetary Fund (IMF) in its April World Economic Outlook (WEO) printed a rather gloomy outlook, downgrading its 2019 global growth forecast to 3.3% from 3.5% estimated in January, compared with 3.6% growth in 2018. The slowdown is attributed to rising trade tensions and financial tightening in the second half (H2) of 2018. However, it expects growth to rebound from H2 2019 owing to the more patient pace of monetary normalisation by major central banks – led by the United States (US) Federal Reserve (Fed) – and increased Fiscal and monetary stimulus in countries such as China. For 2020, the IMF pegs the growth to recover to 3.6%.

That said, the IMF warns the rebound later this year is vulnerable to downside risks including Brexit, high debt in certain countries, tensions around trade policy, and a sense of unease in financial markets.

Growth is expected to slow down in 2019 for major advanced economies, including the United States (US), Euro area (EA-19), the United Kingdom (UK), and Japan. Moreover, growth would likely continue tapering down in 2020 for the US and Japan. Emerging markets and developing economies in 2019 will show marginal slowdown in 2019 before recovering in 2020, especially Latin America, the Middle East, North Africa, and a few Asian economies. China's growth is expected to continue declining in 2019 and 2020, in line with Chinese government's target range of 6-6.5%.

Indian GDP expected to grow at 6.3% in Fiscal 2020

The first quarter of Fiscal 2020's gross domestic product (GDP) growth estimate of 5% - the slowest in 25 quarters – corroborates that India's economic slowdown is deeper and more broad-based than suspected. While on-ground indicators did suggest that the quarter would look worse than the previous one (at 5.8%), the extent of the fall has caught everyone by surprise.

Table 1: The nuances of GDP growth

At basic prices	2015-16	2016-17	2017-18	2018-19	At market prices	2015-16	2016-17	2017-18	2018-19
					GDP	8	8.2	7.2	6.8
Agriculture	0.6	6.3	5	2.9	Private consumption	7.4	7.3	7.4	8.1
Industry	9.8	6.8	6.2	8.4	Govt. consumption	6.8	12.2	15	9.2
Manufacturing	12.8	7.9	5.9	6.9	Fixed investment	5.2	10.1	9.3	10
Mining & quarrying	13.8	13	5.1	1.3	Exports	-5.6	5	4.7	12.5
Services	9.6	7.5	8.1	7.5	Imports	-5.9	4	17.6	15.4

Source: CSO, CEIC, CRISIL Research

- The sharpest dip was seen in exports, where growth nearly halved to 5.7% from 10.6% in the fourth quarter of Fiscal 2019. Private consumption growth nosedived to an 18-quarter low of 3.1%, down from 7.2% in the previous quarter. Not surprisingly, manufacturing sector flat lined, showing 0.6% growth. Government consumption slowed to 8.8% from 13.1%, while investments growth held up, recording a mild uptick at 4% from 3.6%. A sharp slowdown in imports to 4.2% from 13.3% provided support. On-year, the trade balance of goods and services was, in fact, slightly lower.

- On the supply-side, growth in gross value added or GVA slowed to 4.9% in the first quarter of Fiscal 2020, from 5.7% in the previous quarter. The slowdown was fairly broad-based. The sharpest slowdown was in the real estate, financial and professional services segment, which slipped to 5.9% from 9.5%. This reflected weakness in the banking and non-banking sectors, where overall credit growth has been sluggish and funding constraints to the real estate sector has slowed activity there. Services sector growth dipped to 6.9% from 7.1%. This was followed by manufacturing (0.6% vs 3.1%) and public administration and defence (8.5% vs 10.7%). Mining and construction activities, too, saw lower growth.

- Agricultural growth, however, picked up to 2% in the first quarter, from -0.1% in the previous. While overall GVA growth fell by 80 basis points (bps) between the two quarters, excluding agriculture, it was 140 bps lower. Growth was also higher in the trade, hotels, transport and communication segment (7.1% vs 6%).

A plunge in domestic private consumption demand, slump in manufacturing, halving of merchandise exports growth, and a high-base effect from last year have gnawed away at first-quarter growth. Private consumption growth – the bulwark of India's growth story in recent years – registered a scant 3.1% in the first quarter, a four-year low. The last couple of times private consumption fell this sharply was in the first quarter of Fiscal 2013 (-0.9%) and third quarter of Fiscal 2015 (2.1%), as per the new GDP series. With over 55% weight in GDP and 7.6% annual growth, on average, in the past five years, the importance of bolstering private consumption cannot be over-emphasised. In the past few years, households had dipped into their savings and leveraged themselves to support private consumption. However, first quarter data shows, they have not been able to sustain the momentum.

How does the future look?

There are mixed signals for the second quarter. The first two months of the quarter (July and August) on average have weaker PMIs (purchase managers' index) for manufacturing, compared with the first quarter, while for services it is somewhat stronger. Meanwhile, export growth turned positive in July. However, in some sectors such as automobiles, demand stayed sluggish, as sales continued to tank. Similarly, the monsoon, though normal, has brought its share of uncertainty. Rains caught up in August, but the rapid recovery meant excess rains in several regions leading to kharif crop losses. Also, a few regions are still reeling under rainfall deficiency. But healthy groundwater and reservoir levels bode well for the rabi crop, which could still improve the overall prospects for agricultural production this Fiscal.

Taking these factors into consideration, CRISIL Research expects India's growth forecast for Fiscal 2020 to be 6.3%. That is under the assumption that the second quarter will see some mild pick-up in growth, which continues through the year. Growth is expected to get some lift from the low base effect that will now set in (second half of Fiscal 2019 GDP growth was at 6.2%). An easing monetary policy, improved transmission of rate cuts, and the government's minimum income support scheme to farmers would also feed into consumption.

Table 2: Key projections for Fiscal 2020

	2015-16	2016-17	2017-18	2018-19	2019-20F
GDP Growth (%)	**8.0**	**8.2**	**7.2**	**6.8**	**6.3**
CPI (%, average)	4.9	4.5	3.6	3.4	3.6
CAD/GDP (%)	-1.1	-0.7	-1.8	-2.1	-2.2
Fiscal deficit/ GDP centre (%)	3.9	3.5	3.5	3.4	3.3
Exchange rate (Rs./$M March-end)	67	65.9	65	69.5	71
10 Year G-sec yield (%, March-end)	7.5	6.8	7.6	7.5	7.1

F: Forecast
Source: Central Statistics Office (CSO), Reserve Bank of India (RBI) and CRISIL estimates

Raising long-term potential

Initiatives to boost economy
Reviving private consumption, lowering non-performing assets (NPAs) of banks, improving the investment climate and many such steps are critical to support domestic economic growth. Following are a few steps taken by the government in this regard:

- ***Improve investment climate through ease of doing business:*** The government has initiated a number of steps to ease the business environment (big moves such as GST and insolvency law and a number of other steps such as introducing online single window model for providing clearances and filing compliances, removal of FIPB for fast-track foreign investments, setting up of National Investment and Infrastructure Fund (NIIF), etc.) Although these remain work in progress and will bear fruit over the medium run as the case for private investments turns favourable. That said, a pickup in investment may be expected in Fiscal 2020 given the government's aggressive focus on affordable housing, rural infrastructure, and creation of roads and highways. Further, India's ranking in World Bank's ease of doing business (EODB) has also improved from 134 in 2014 to 77 in 2019. However, it is still far behind large Asian economies like China and other BRIC (Brazil Russia India China) countries. EODB rankings of two other BRICS nations, particularly, Russia and China, have also improved impressively, from 92 and 96 positions in 2014 to 31 and 46 positions in 2019 respectively.

Table 3: Ease-of-doing-business ranking

	Brazil	Russia	India	China	South Africa
2014	116	92	134	96	41
2015	120	62	142	90	43
2016	116	51	130	84	73
2017	123	40	130	78	74
2018	125	35	100	78	82
2019	109	31	77	46	82

Source: World Bank, CRISIL Research

However, as per the World Economic Forum's global competitiveness index (GCI) ranking, India has also moved down to from 60th position in Fiscal 2014 to 68th position in Fiscal 2019. Among the BRICS, India is better only to Brazil.

Table 4: Global competitiveness index ranking

	Brazil	Russia	India	China	South Africa
2013-14	56	64	60	29	53
2014-15	57	53	71	28	56
2015-16	75	45	55	28	49
2016-17	69	45	63	28	62
2017-18	72	43	58	28	67
2018-19	71	43	68	28	60

Source: World Economic Forum, CRISIL Research

Further, according to the global innovation index, India's rank has improved from 76th in 2014 to 52nd in 2019. However, among its BRICS peers, India continues to lag China and Russia.

Table 5: Global innovation index rank

	Brazil	Russia	India	China	South Africa
2014	61	49	76	29	53
2015	70	48	81	29	60
2016	69	43	66	25	54
2017	69	45	60	22	57
2018	64	46	57	17	58
2019	66	46	52	14	63

Source: Global innovation index by Cornell, INSEAD, WIPO, CRISIL Research

- ***Passage of key bills:*** The government has passed several key bills over the past Fiscal – Finance Bill 2017; Banking Regulation (Amendment) Bill, which seeks to amend the Banking Regulation Act, 1949 to insert provisions for handling cases related to stressed assets; Insolvency and Bankruptcy Code (Amendment) Bill, 2017, which strives to create an enabling environment for expeditious resolution of bankruptcies with least pain to all stakeholders; and the GST Bill to herald transparency, reduce the cascading effect of taxes, and promote higher GDP growth.

- ***Capex crunch:*** Overall capex spending (via gross budgetary spending, or GBS, and spending by central public sector enterprises, or CPSEs) is however, budgeted to fall 5.7% in Fiscal 2020, compared with 6.3% growth in Fiscal 2019. Tighter Fiscal space is expected to restrict the government's ability to take on higher capex. At the same time, public sector enterprises are no longer doing the heavy lifting on investments.

- ***No reliance on excessive leverage:*** India's GDP growth is not supported by excessive credit creation, averaging 6.2% in the past two years (Fiscals 2016 and 2017), compared with an average 9.1% nominal GDP growth. In China, loans are flying twice as fast, accompanied by ballooning debt/GDP (IMF).

- ***Manufacturing thrust:*** The government has made some progress in improving labour market efficiency through various programmes, such as Skilling India and Make in India, which are more or less at the inception stage. Overall, the reforms process remains very gradual and states will have to take the lead in implementing these. Some of the reforms at the centre level are still underway and are likely to ease the labour laws in the country.

- ***Consumption growth:*** Given the favourable demographics, rising disposable income, increasing middle class population is expected to spur consumption growth in India. However, keeping inflation and interest rates in check would be important to support consumption.

- ***Development of financial markets:*** To develop the financial markets, the government has instituted steps such as the Jan Dhan Yojana, higher FDI in insurance, a better monetary policy framework, and the passage of bankruptcy code. Further, Securities and Exchange Board of India (SEBI), which is the capital market regulator in India, approved the framework for business trusts in India. SEBI has approved the Real Estate Investment Trusts ("REITs") and Infrastructure Investment Trusts ("InvITs") framework, both of which are new asset class for investor. While REITs is an investment vehicle that allows monetization of real estate assets, InvITs help promoters to monetize their completed infrastructure projects (having concessionaire/development agreement).

- Also under the Union Budget 2019-20, to encourage capital inflows, foreign portfolio investors (FPIs) have been allowed to subscribe to listed debt securities issued by ReITs and InvITs. They will also be permitted early exit from debt securities of IDF–NBFCs. Further, the non-resident Indian portfolio investment scheme route is proposed to be merged with the FPI route to channel more money into the domestic capital market. The budget also proposes to rationalise and streamline the existing know-your-customer norms for FPIs to make them more investor-friendly without compromising the integrity of cross-border capital flows

- ***Digitalisation:*** The government has been quick to board the technology bandwagon with its 'Digital India' programme, which aims to speed up financial inclusion and deliver government services electronically by increasing internet connectivity and improving online infrastructure. Digitisation and digitalisation will create an efficiency-led spurt in growth over the medium run.

Structural reforms take time to impact the economy. How much the trend improves depends a lot on how the repairs and reforms are carried out. This time around, growth is slow to pick up, but appears sustainable and qualitatively better as it is accompanied by prudent Fiscal and monetary policies and a 'repair-and-reform-oriented' policy approach.

The government has always shown the desire to enhance the economic growth of the country and has been continuously taking the necessary steps to facilitate the GDP growth. Subsequently, reforms and policies are in a continuing process. Some of the key initiatives taken include the Make in India campaign to provide a push to manufacturing, Start-up India initiative and Ease of Doing Business. Creating a conducive environment for businesses by reducing the undue procedural bottlenecks and streamlining the existing regulations and processes has been the government's prime focus. Efforts have also been taken to provide a lift to farmers' incomes by way of increases in the Minimum Support Prices (MSPs) for crops. Further, the government also recapitalized the public sector banks thus entailing the banks to enhance lending.

To improve the growth momentum the government has also introduced the Goods and Services Tax (GST), a new taxation regime thereby reducing barriers to trade, business and related economic activities. In fact, the budget 2018-19 too included several measures for driving infrastructure through higher allocation to rail and road sector. Moreover, for helping the growth and facilitation of MSME (Micro, Small and Medium Enterprises) sector the government has launched a support and outreach program.

Perceivable risks in the economy

India is believed to remain one of the world's fastest growing major economies going ahead. Several global agencies such as the IMF and the World Bank too have a positive outlook for the country. However, from the perspective of emerging market economies (EMEs), India is still exposed to global risks and policy changes. Any challenges in the global environment have the potential to limit the upside to growth. For instance, the ongoing trade tensions coupled with slowing global growth have dented India's export demand. Similarly, since India is a net importer, rising oil prices too impact India's macros – inflation, Fiscal and external accounts.

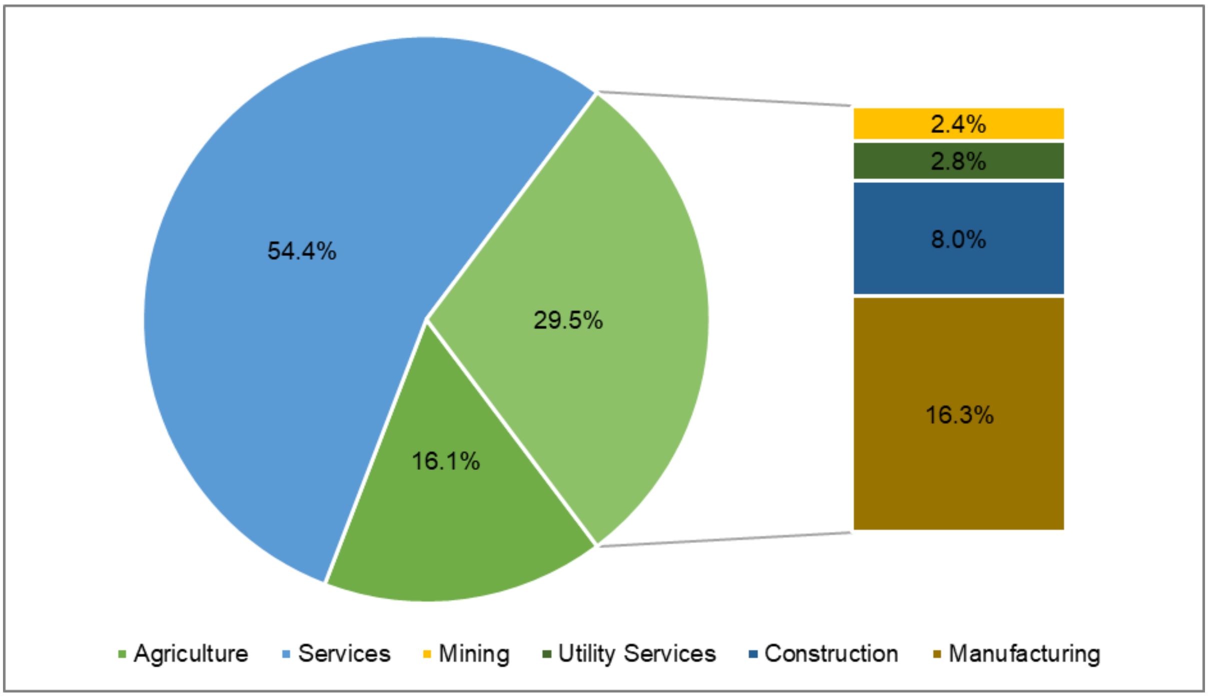
However, the risks to growth are more domestic than external. Private investments have stayed sluggish given unutilized existing capacities and high leverage with corporates. Sluggishness in private consumption could be explained by a number of factors, including a possible income slowdown and cost increases, amid other challenges in the automobile sector, slowing activity in real estate, and an overall dent to consumer sentiment. In fact, much of this cyclical slowdown has affected sectors that are large employment generators, suggesting that incomes and/or employment growth in these might have suffered. Add to this the fact that households have been dipping into their savings in the near past, while also leveraging themselves, indicates their ability to spend could be constrained. Given this, straining government's finances could slow government investment as well. Finally, financial conditions in the banking and non-banking systems, have tightened. If these conditions take time to ease, there could be a negative impact on financing and therefore growth.

For the medium term, structural issues such as agriculture productivity and export and employment need to be addressed for any growth pick-up to sustain. Similarly, relentless implementation of reforms announced over the past few years is critical to pave way for higher and sustained growth.

Indian plastic pipes industry grew at higher pace than GDP growth

Investments in the agriculture and construction sectors are closely linked to GDP growth, with agriculture comprising 16.1% share of GDP and construction 8% in Fiscal 2019.

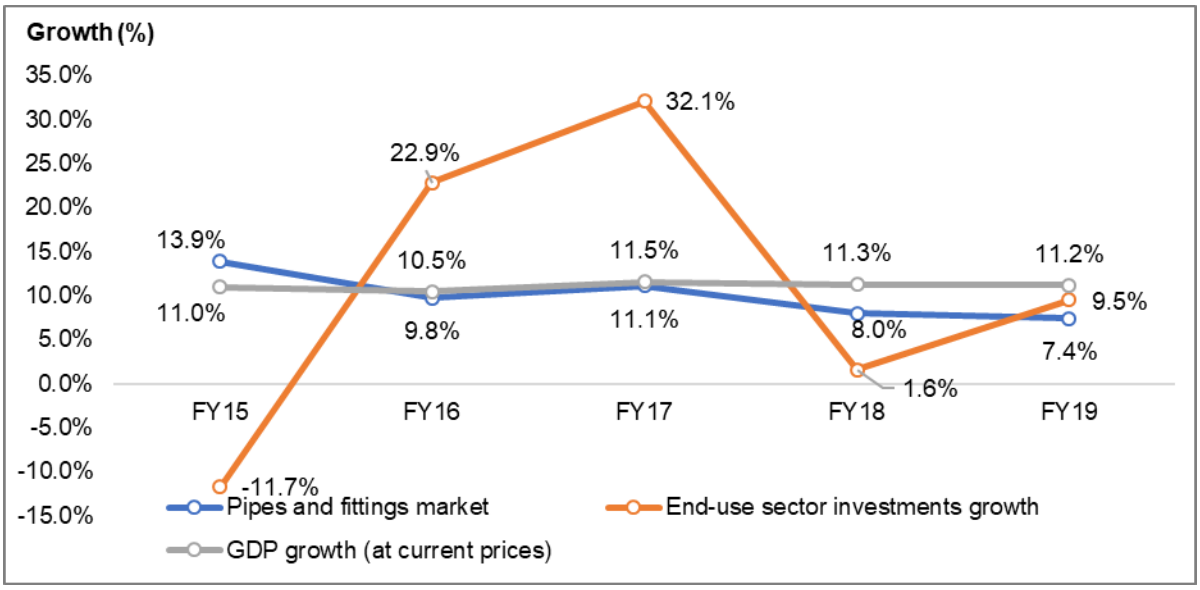
GDP sector-wise break-up (Fiscal 2019)



Source: CSO, CRISIL Research

As the plastic pipes industry in India is driven by investments in the agriculture and construction space, namely irrigation, water supply and sanitation (WSS) and housing, the industry will mirror economic growth. However, in four of the past seven Fiscal years (from April 1, 2012 to March 31, 2019), the plastic pipes industry has grown at a higher pace than GDP growth owing to high growth in end-use-sector investments such as irrigation and WSS. Increased awareness, and adoption and substitution of metal pipes by plastic pipes have also led to higher growth. Organised players, especially, grew at a much higher pace compared with the pipes industry average growth owing to an increase in the quality consciousness of consumers, emerging premium products in real estate, fittings segment, and chlorinated polyvinyl chloride (CPVC) niche applications, among others.

GDP growth versus plastic pipes industry growth



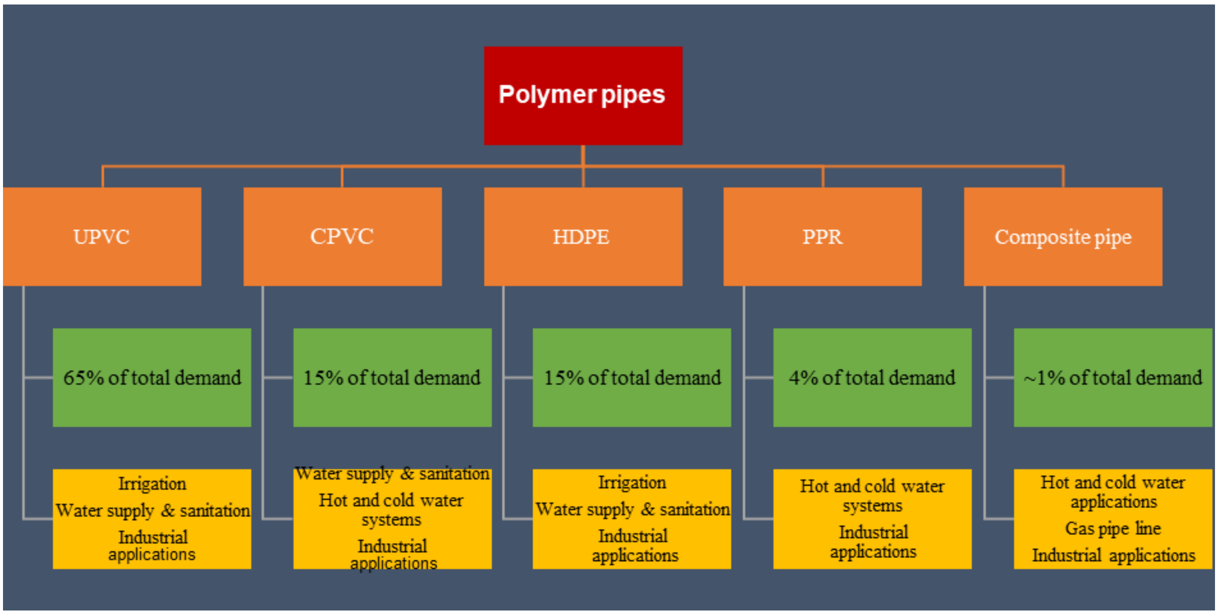
Note: "End use sector investments" considered here are Irrigation and WSS.
Source: CRISIL Research

OVERVIEW OF THE INDIAN PLASTIC PIPES INDUSTRY

Being a cost-effective way to transport water, pipes form an integral part of infrastructure to transport, distribute and dispose life sustaining resource. They are used for a variety of end applications such as irrigation, household plumbing, sewerage and industrial applications. In the past, metal pipes – especially galvanised iron (GI) pipes – were used for most purposes. However, with an increase in availability of raw materials, superior properties and low costs compared with GI, plastic pipes have emerged as the material of choice for these applications. CRISIL Research estimates the overall sales of the plastic pipe industry at ~₹ 290-300 billion for Fiscal 2019.

Plastic pipes are made of different types of polymers. The four key types are unplasticised polyvinyl chloride (UPVC), which represents 65% of industry demand, chlorinated polyvinyl chloride (CPVC) – 15%, HDPE – 15% and polypropylene (PPR) – 4%. Composite pipes, which have a mix of metal and plastic layers, are also used for similar applications.

Types and applications

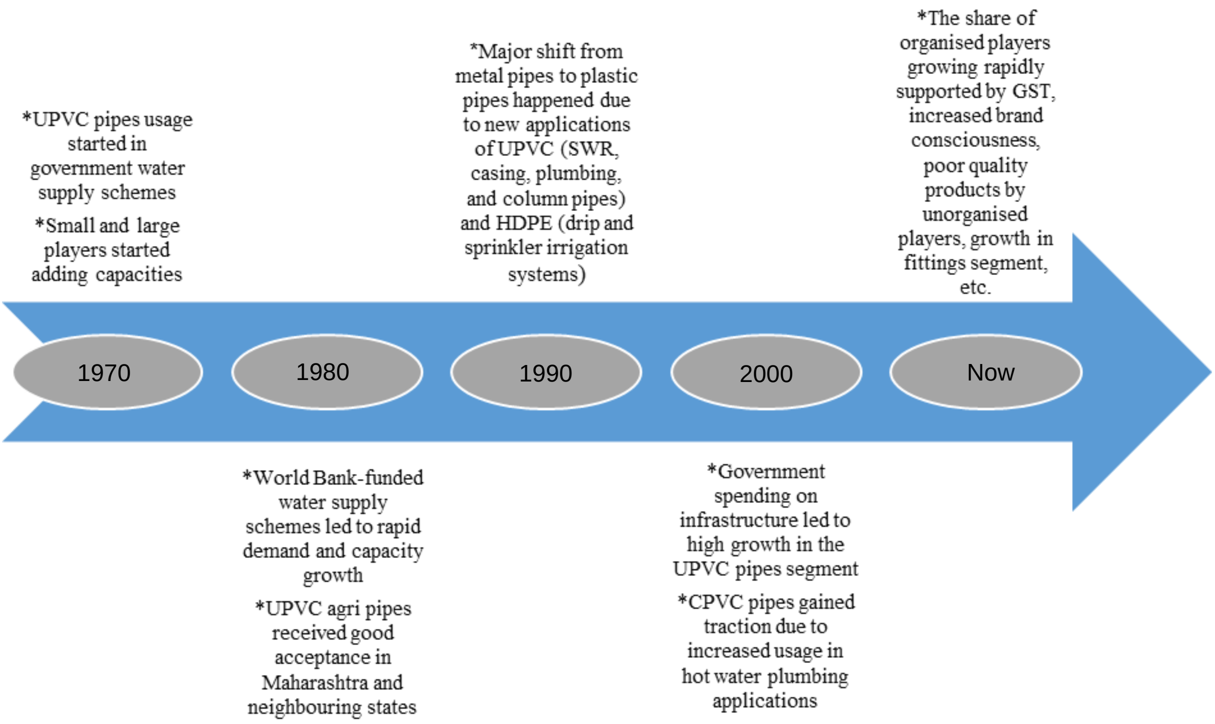


Comparison Table

	Galvanised iron (GI)	UPVC	CPVC	HDPE	PPR
Life (years)	15-20	20-25	30-35	50	50
Max operating temperature (degrees Celsius)	200-250	60-70	90-100	90-100	90-100
Strength (hoop)	Higher than plastic pipes	500-600	450-550	350-400	250-300
Cost	Costlier than plastic	Cheaper than GI	Cheaper than GI, costlier than UPVC	Cheaper than GI, costlier than UPVC	Cheaper than GI, costlier than UPVC
Corrosion	Corrodes faster	No effect due to chemical resistance	Has anti-corrosive properties	Excellent anti-corrosion and chemical resistance	Good chemical resistance and corrosion resistance
Leakage	Vulnerable to leakage	Leakage-free	Leakage-free for lifetime	Leakage-free	Leakage-free but requires installation by skilled manpower
Bacterial growth	More prone to bacterial growth compared with plastic	Relatively low compared with GI	Extremely low compared with GI	Extremely low compared with GI	Relatively low compared with GI
Installation	Time- and energy-consuming	Done through cold welding	Done through cold welding	Cold welding. Known for more tolerance to poor installation	Fusion-welded system which requires specialised training and equipment
Thermal conductivity and insulation	Needs insulation as heat loss occurs faster due to high thermal conductivity	Requires less insulation as low thermal conductivity reduces heat loss	Requires less insulation as low thermal conductivity reduces heat loss	Require less insulation as low thermal conductivity reduces heat loss	Require less insulation as low thermal conductivity reduces heat loss

Evolution of the Indian plastic pipes industry

The plastic pipes industry in India is five decades old, with the first polyvinyl chloride (PVC) plant being established in 1961. With the introduction of various PVC products in the 1970s, PVC consumption started doubling almost every five years. Between 1985 and 1995, the Green Revolution resulted in increased usage of PVC pipes in the agriculture sector due to their superior performance. The industry has experienced a rapid 10-12% CAGR in the past five Fiscal years The major reasons for growth are: increasing demand for pipes in the construction/ building industry and irrigation sector, nationwide infrastructural development, the government's focus on urban/rural development, and the Smart City initiative. Among several variants of plastic pipes available in the market, the demand for UPVC and CPVC, in particular, has been rising owing to affordability, high quality and durability.



Branded players recorded higher sales growth in the past decade owing to rise in demand for specialised products

In the past decade, many new emerging needs led to a rise in demand for specialised plastic pipes. One of the biggest changes came in the real estate plumbing sector in which pipes was no longer a low-involvement category product as it was a decade ago. Consumers started demanding better products and newer plumbing systems. This was owing to pressure on the land bank in metropolitan cities as well as tier-I and tier-II cities, which witnessed a boom in high-rise constructions. Such construction was made possible thanks to advancements in construction technology which has forced changes in the design and layout of drainage systems. Vertical growth and premium architectural designs demanded premium drainage systems having low-noise properties. Many branded pipe manufacturers have launched new products to meet this demand. Consequently, branded players were able to record higher sales growth in the past decade than unorganised players.

Plastic pipes, especially CPVC, gained prominence in the past decade

In the past decade, one of the most important changes in the pipes industry was the large-scale shift from metal- to polymer-based pipes in most applications. This was especially true in case of plumbing and piping applications in the construction industry. This evolution has allowed for greater research and development in specialised products by organised players for specific applications with the development of polymers such as CPVC for hot and cold water plumbing, firefighting and transportation of industrial fluids. The CPVC segment, which poses technological barriers to enter, has also given branded players an opportunity to increase their market share. Until then, UPVC dominated the plastic pipes industry with several unorganised players posing stiff competition to branded players.

HDPE segment also gained prominence with better quality and increasing usage preference

The HDPE pipes market took a hit in the early 1980s because of the failure of pipes made from scrap HDPE and sold to prestigious government projects as prime grade pipes. While the HDPE pipe market languished owing to these incidents, PVC pipes surged ahead. It has taken two decades for the HDPE pipe market to recover, driven by consistent quality and development of new application areas such as drip and sprinkler irrigation, gas piping, large diameter sewerage pipes, etc., as well as consolidation in the core water supply sector with good quality pipes with second-generation HDPE grades.

Organised players increased focus on the fittings segment in the past decade

Owing to intense competition because of a large number of unorganised players, there has been pressure on revenues and margins of organised players. To mitigate this pressure, one of the strategies adopted by organised players is to expand their fittings capacity. Manufacture of fittings requires higher precision, thereby constraining the unorganised players to enter this space. Because of the specialised product nature, the fittings segment enjoys higher margins. This provides the opportunity for branded players to increase their revenues and margins. Hence, many branded players have aggressively expanded their fittings capacity and launched new products over the years to cater to the high demand in this segment.

Quality standards for pipes evolved over the years in line with changing product requirements

The Indian government's Bureau of Indian Standards (BIS), formerly the Indian Standards Institution (ISI), introduced standards for PVC pipes for the first time in 1968 called IS 4985 standards covering PVC pipes from 16 to 315 mm. The standard has since undergone three revisions and the latest revision was done in 2000. The standard is designed in line with the International Standards Organisation (ISO) 4422, keeping in view the requirements of the global market. Similarly, BIS has separate standards for HDPE pipes of different applications.

The Central Institute of Plastics Engineering & Technology (CIPET), which was established in 1968 by the government with the assistance of United Nations Development Programme (UNDP) at Chennai, is a third-party independent inspection agency. CIPET conducts inspections and certifies plastic piping systems based on BIS standards. The International Association of Plumbing and Mechanical Officials Plumbing Codes and Standards India Pvt. Ltd., which was founded in 2007, also provides certification for plumbing piping systems.

There are several global standards, such as the American Society for Testing and Materials and ISO, which provide global recognition to the plastic piping products of a company. Large organisations typically purchase products of companies with international certification. Going forward, due to increasing awareness of quality standards among various stakeholders, branded players with quality certifications will benefit.

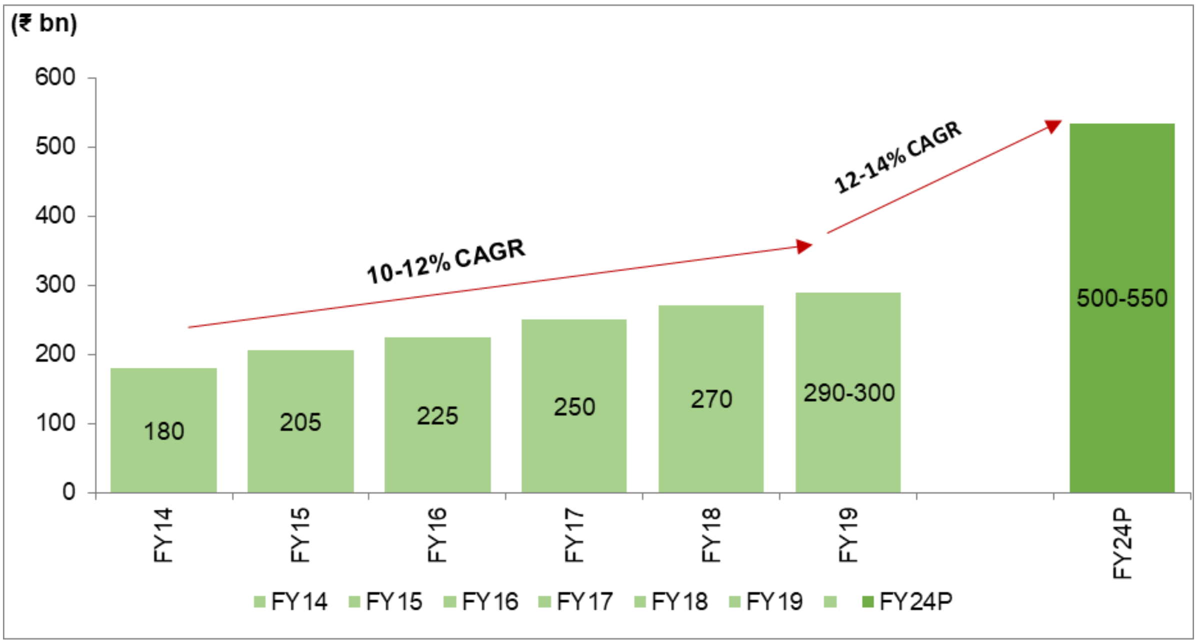
DOMESTIC DEMAND – REVIEW AND OUTLOOK

The Indian plastic pipes and fittings industry rose at a healthy 10-12% CAGR between Fiscals 2014 and 2019 to about ₹ 290-300 billion. Industry growth was driven by rising demand from the construction and irrigation sectors. The sub-segments propelling offtake in the construction space were increasing investments in WSS projects, substitution of metal pipes with polymer pipes, and replacement demand.

Initiatives such as Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), Accelerated Irrigation Benefits Programme (AIBP), and Command Area Development and Water Management Programme supported the irrigation sector's growth.

Additionally, the industry received a boost from the government's Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme, which is aimed at providing basic services, such as WSS, and ensuring that every household has access to a tap with assured water supply and a sewerage connection. As a result, demand for soil, waste and rain, and drainage pipes was robust.

Domestic market size for plastic pipes



Source: industry, CRISIL Research

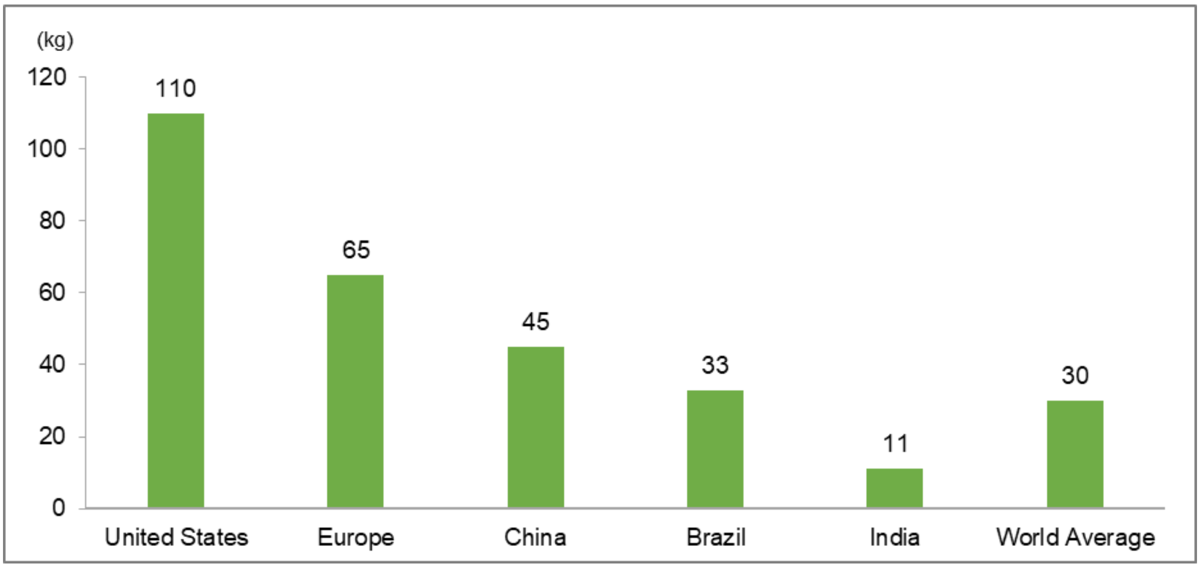
The industry's growth pace is projected to accelerate over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024). CRISIL Research forecasts the plastic pipes and fittings industry to post a CAGR of 12-14% to ₹ 500-550 billion in Fiscal 2024.

The factors that are expected to contribute to demand growth are:

Low per-capita consumption of plastic

India has very low per-capita plastic consumption of about 11 kg, compared with the global average of 30 kg. Traditional materials dominate the application areas of plastic. However, over the past three to four Fiscal years, low crude oil prices and superior properties of plastic have increased the usage of plastic in India. Hence, we expect per-capita consumption to inch up towards the global average. Over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024), CRISIL Research expects demand for polymers to grow at a healthy 7-9% CAGR.

Per-capita plastic consumption – India versus others (2017)

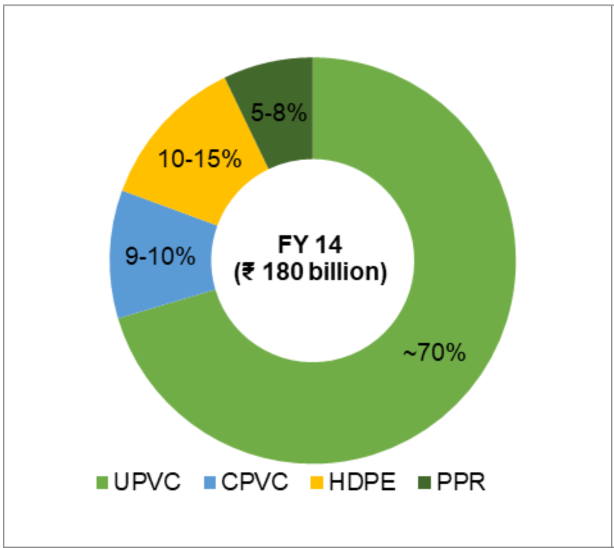


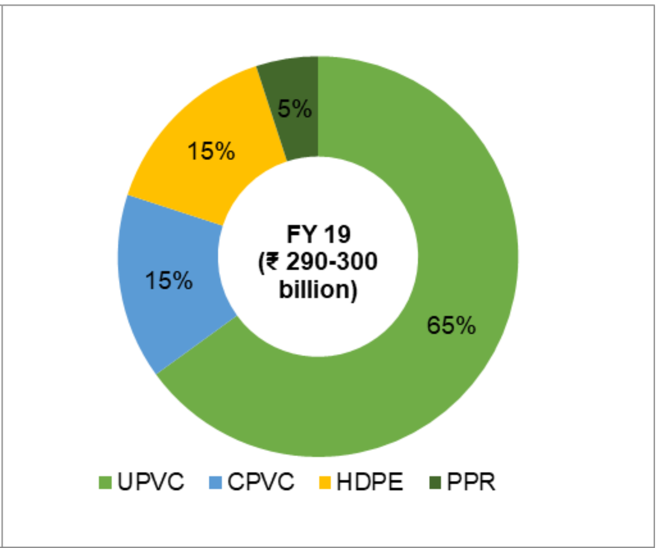
Source: CRISIL Research

Substitution and replacement demand
Plastic pipes have several advantages over metal pipes. For instance, the raw materials used in manufacturing plastic pipes are derivatives of crude oil. Hence, prices of plastic pipes are correlated to crude oil prices. The recent fall in crude oil prices has comparatively lowered raw material prices, and, thus, plastic-pipe prices during the period. Superior real estate properties and low prices have accelerated the substitution of metal pipes by plastic pipes. The increase in the availability of raw materials (PVC, PE and PPR), following the commissioning of new petrochemical facilities in India will further support the plastic-pipes industry. Another factor driving long-term demand is the replacement of older pipes with plastic pipes.

Within the plastic pipes industry, CRISIL Research expects demand to be driven by increasing application of HDPE and CPVC pipes.

Plastic pipes – Shift in demand segmentation, by type





Source: CRISIL Research

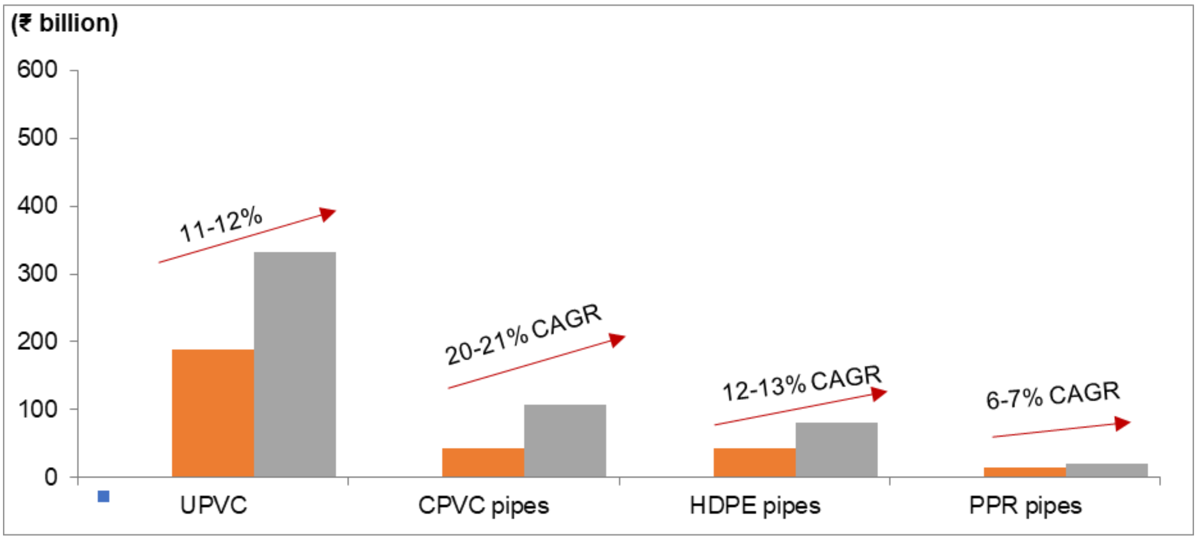
UPVC pipes: These pipes find application in agriculture and plumbing for portable water supply and sewerage. Continuous replacement of galvanised iron pipes with these pipes has supported healthy demand growth in the past. Features such as affordability and longer life compared with metal pipes have aided this segment. Government initiatives, such as AIBP, also provide growth potential. The presence of various brands and established players has ensured steady growth of this segment. Over the next five Fiscal years (i.e., April 1, 2019, to March 31, 2024), CRISIL Research expects growth from this segment to be healthy at 11-12% CAGR.

CPVC pipes: These pipes are primarily used in plumbing applications, as well as hot and cold, potable water distribution systems. Demand growth for this segment over the past five Fiscal years (i.e., April 1, 2014, to March 31, 2019) has been the highest among pipes, as CPVC pipes in India are still at a nascent stage and have huge potential due to factors such as longevity, corrosion free, fire resistant, being lead-free, and the ability to withstand high temperatures. By Fiscal 2024, CRISIL Research expects the share of CPVC pipes in the overall plastic pipes industry to increase and go above 20%, registering the highest growth of 20-21%.

HDPE pipes: These pipes are used in the irrigation sector, sewerage and drainage, city-gas distribution and in chemical and processing industries. HDPE pipes account for ~15% share in the total plastic pipes industry. These pipes have been gaining prominence over traditional metal and cement pipes, due to durability, low maintenance and longevity versus metal pipes. Government schemes, such as PMKSY, are expected to lend support to the segment. Consequently, CRISIL Research expects this segment to witness robust growth of 12-13% CAGR over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024).

PPR pipes: These pipes account for a mere 5% of the total plastic pipes demand. These pipes, which are used for various industrial purposes, are relatively costly compared with other plastic pipes, which restricts their usage. CRISIL Research expects demand from this segment to grow at 6-7% CAGR from April 1, 2019 to March 31, 2024.

Plastic pipes – Growth across each segment



Source: CRISIL Research

Investments in the end-user segments

Plastic pipes are primarily used in irrigation and WSS projects. The major demand sources are public-sector projects undertaken by the central, state and municipal-level bodies. Key growth drivers are:

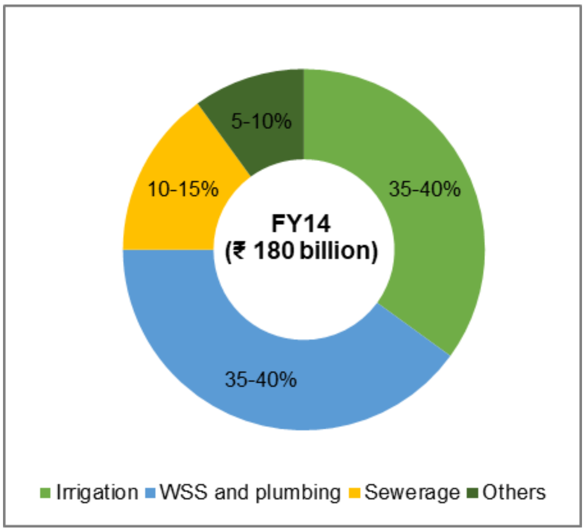
Increased spending by state governments and municipal corporations to improve accessibility of water for an ever-increasing population; and

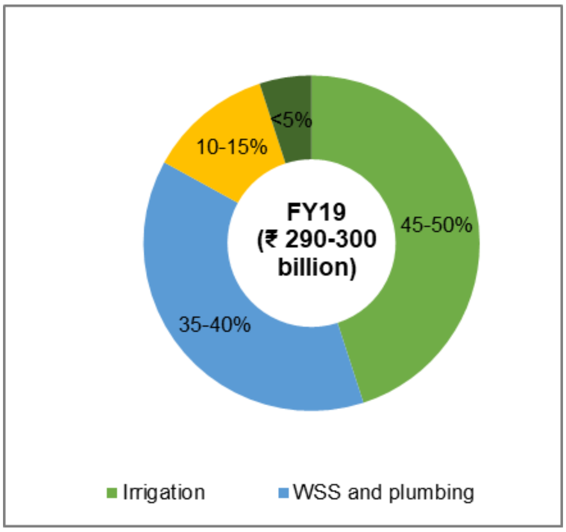
Heightened thrust, in the form of several central government-led schemes, to augment irrigation, urban infrastructure and real estate. Examples include:

- Irrigation – PMKSY
- Urban infrastructure – WSS schemes such as Jawaharlal, Nehru National Urban Renewal Mission (JNNURM), AMRUT, Swachh Bharat Mission, Smart Cities Mission
- Real estate – Housing for All scheme

Other than government schemes, demand will also be supported by an increase in private sector investments, primarily in the real estate sector. CRISIL Research expects demand for plumbing pipes to grow with the rise in the construction activity in metros as well as tier-II and tier-III cities to drive demand for plastic pipes and fittings.

Shift in demand segmentation by end-users





Source: CRISIL Research

Irrigation sector

The irrigation sector is the key end-user segment for plastic pipes, accounting for a 45-50% share of the industry. Of India's 160 million hectare of cultivated land, a little less than 50% is irrigated. In Fiscal 2016, the central government converged irrigation schemes under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) to expand the area under cultivation by 2.85 million hectares in Fiscal 2017 and by 8 million hectares by 2020, outlining a spending target of ₹ 500 billion until 2020. The key schemes converged are Accelerated Irrigation Benefits Programme (AIBP), Integrated Watershed Management Programme, On Farm Water Management, and Per Drop More Crop.

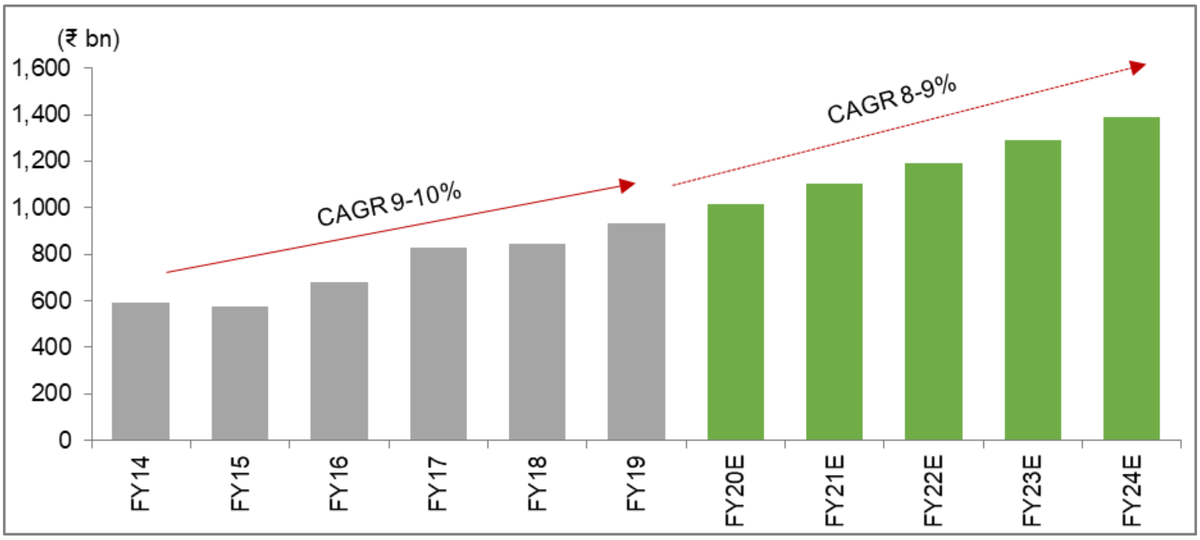
Investment in the sector is expected to rise in the next five years owing to the push from state governments to increase irrigation penetration in states.

Spending in irrigation by states to increase, Centre to focus on monitoring
The government has increased the spending requirement by state governments from 32% to 42%, in line with greater transfer of taxes to states. The central government will play an active role in monitoring the progress of PMKSY projects, and has taken several steps to crystallise investments for irrigation, including:

- Forming SLSCs (State Level Sanctioning Committees) for 26 states
- Releasing ₹ 654 million to states for DIP preparation. As many as 675 DIPs have been submitted from 692 districts. Based on the DIPs, each state is expected to submit a state irrigation plan (SIP).
- Prioritising ~99 ongoing irrigation projects under PMKSY (AIBP) and Command Area Development & Water Management) for completion in phases by December 2019. The government has approved the funding arrangement for these projects through the National Bank for Agriculture and Rural Development

Consequently, CRISIL Research believes investments in irrigation will rise sharply to ₹ 5,993 billion till Fiscal 2024 from ₹ 3,866 billion over the past five years (April 1, 2014 to March 31, 2019).

Investments in irrigation



Source: CRISIL Research

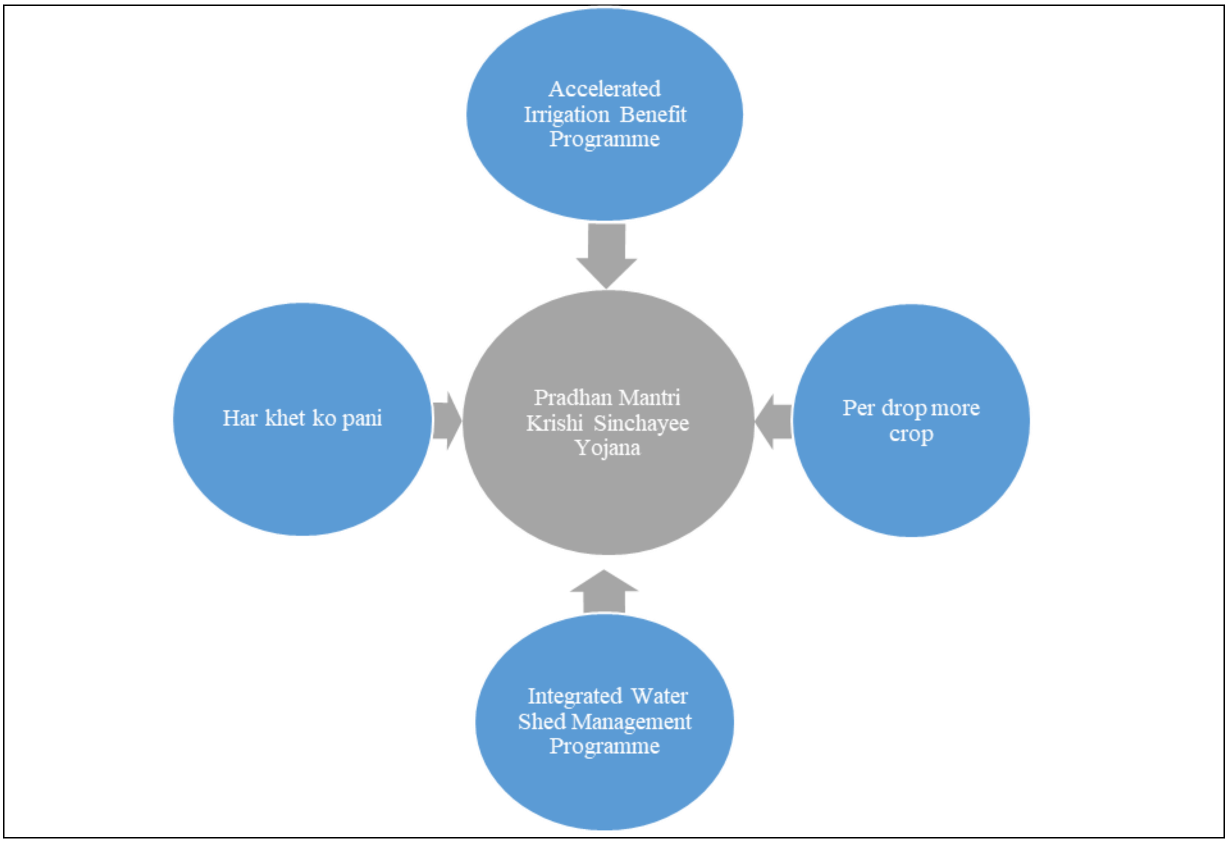
CRISIL Research believes construction investments in irrigation will rise by 8-9% CAGR by Fiscal 2024 compared with 9-10% CAGR over the past five Fiscal years, i.e., from April 1, 2014, to March 31, 2019. Of the total investment in irrigation, construction expenditure is estimated at 75%. This translates into a construction expenditure of ₹ 4,882 billion up to Fiscal 2024, compared with ₹ 2,931 billion over the past five years, i.e., from April 1, 2014, to March 31, 2019. The rise in construction activity will lend support to the pipes and fittings industry.

Irrigation investments are heavily skewed, with the top seven states – Andhra Pradesh, Telangana, Maharashtra, Karnataka, Gujarat, Madhya Pradesh and Uttar Pradesh – accounting for nearly 75% of the total investments during the past five years from April 1, 2013, to March 31, 2019. Also, a budget analysis of these states indicates that the average achievement ratio for these states has been as high as about 95% in the past few years. Over Fiscals 2018 to 2020 as well, the share of these states is expected to remain at about 75%, as investments in Andhra Pradesh, Telangana, Karnataka, Madhya Pradesh and Gujarat rise significantly. Most states are expected to focus on completing existing major and medium irrigation projects. Also, other states such as Odisha, Rajasthan and Chhattisgarh have significantly increased their allocations towards irrigation.

PMKSY

Key schemes converged include AIBP and Integrated Water Shed Management Programme, On Farm Water Management or *Har Khet Ko Pani*, and Per Drop More Crop, of which micro-irrigation is a component. Micro-irrigation promotes efficient water conveyance and usage of precision water application devices, such as drips, sprinklers, pivots and rain guns.

Convergence of various schemes under one umbrella



Source: CRISIL Research

Andhra Pradesh, Karnataka and Telangana to lead investments

Andhra Pradesh (with Telangana), Gujarat, Karnataka, Madhya Pradesh and Maharashtra account for ~76% of investments in irrigation projects, whereas Bihar, Uttar Pradesh, Jharkhand, Chhattisgarh, Tamil Nadu, Rajasthan and West Bengal have ~17% share.

Irrigation investments are heavily skewed, with the top six states accounting for ~75% of total investments over Fiscals 2014 to 2016. During Fiscals 2019 to 2021 as well, the share of these top six states is expected to remain ~76% as investments in Gujarat, Karnataka and Telangana rise significantly. Additionally, Odisha has increased focus towards the irrigation sector, which is visible in its CAGR of ~21% in irrigation investments.

The achievement ratio for these top six states is expected high at ~89% in the Fiscal 2019. Most states are expected to focus on completing existing major and medium irrigation projects. Also, Chhattisgarh and Rajasthan have significantly increased their allocations towards irrigation.

The below table elaborates the state-wise trend in irrigation investments in the past:

Government capital expenditure on major and medium irrigation and flood control

State/UT	2013-14	2014 -15	2015 -16	2016-17	2017-18	2018-19 E
AP and Telangana	186	158	167	238	208	240
Karnataka	64	66	70	86	104	116
Maharashtra	79	78	81	88	94	109
Gujarat	68	46	81	74	91	99
Madhya Pradesh	45	41	64	84	80	88
Odisha	22	29	42	58	68	58
Uttar Pradesh	34	47	51	52	31	49
Bihar	18	10	17	18	27	26
Rajasthan	5	13	13	14	22	24
West Bengal	7	10	8	16	16	17
Jharkhand	5	10	12	14	17	17
Chhattisgarh	17	15	17	19	17	18
Tamil Nadu	10	10	7	11	12	15
Assam	4	4	2	2	2	2
Punjab	1	6	10	11	3	3
Kerala	3	2	5	6	6	6
Uttarakhand	5	8	7	7	8	8
Haryana	9	10	6	6	10	10
Manipur	2	2	3	4	4	5
Himachal Pradesh	2	5	5	5	5	6
JAMMU AND KASHMIR	3	2	4	5	5	5
Goa	1	1	2	2	2	2
Tripura	0	0	2	3	3	3
Meghalaya	0	0	1	1	1	2
Mizoram	0	0	1	1	1	1
Puducherry	0	0	0	0	1	1
National Capital Territory of Delhi	1	1	1	1	1	1
Arunachal Pradesh	0	0	3	3	3	4
Nagaland	0	0	1	1	2	2
Sikkim	0	0	0	0	0	0
Andhra Pradesh	186	93	89	102	82	124
Telangana		65	78	137	126	116
Total	**591**	**577**	**682**	**830**	**842**	**935**

Source: RBI, CRISIL Research

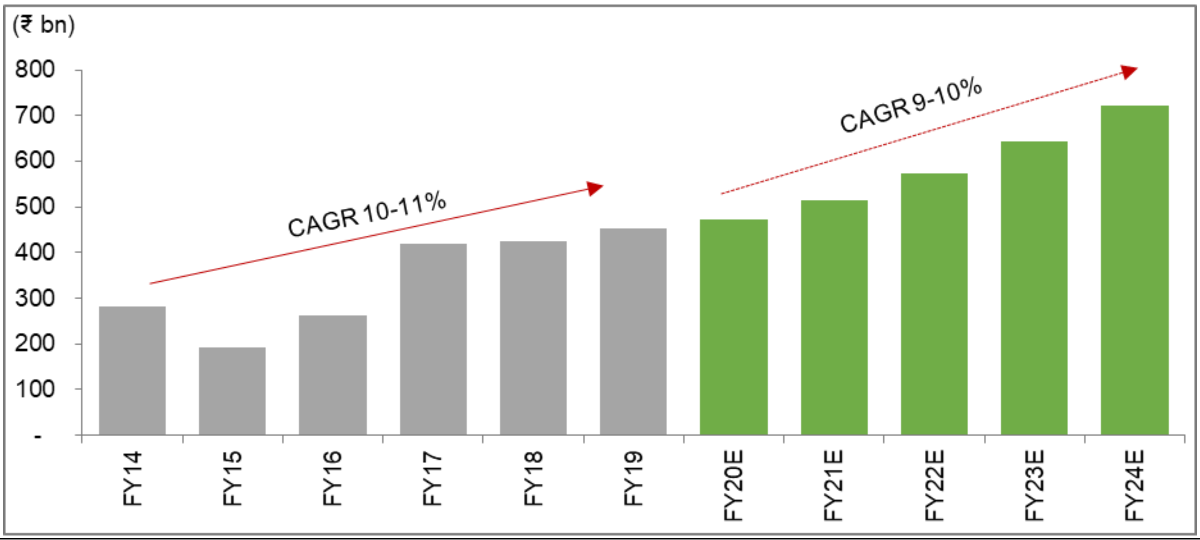
Urban infrastructure

CRISIL Research expects construction expenditure in urban infrastructure to be approximately ₹ 3.4 trillion between Fiscal 2019 and Fiscal 2024, which is 1.7 times the expenditure of the previous five Fiscal years (i.e., from 1 April, 2014 to March 31, 2019). CRISIL Research expects WSS projects to account for approximately 52% of the total urban infrastructure investment over the next five Fiscal years (i.e., from April 1, 2019 to March 31, 2024), driven primarily by state governments and through centrally sponsored programmes. Gujarat, Rajasthan, Telangana, and Uttar Pradesh will lead state investments.

Healthy growth in government investments towards WSS

WSS and plumbing are the second largest end-user segment for plastic pipes, accounting for 35-40% share of the plastic pipes market. In the past five Fiscal years (i.e., from April 1, 2014, to March 31, 2019), government expenditure on the sector rose at 22% CAGR to about ₹ 624 billion in Fiscal 2019. This was led by several Central government schemes, coupled with rising emphasis by municipal authorities, such as Mumbai Metropolitan Region Development Authority, Mumbai and Pune municipal corporations. CRISIL Research expects overall WSS investments to be ₹ 2,924 billion over the next five years, i.e., from April 1, 2019, to March 31, 2024, compared to ₹ 1,753 billion over the past five Fiscal years i.e., from April 1, 2014, to March 31, 2019. This will also be driven by the recently proposed "Nal se Jal" scheme, a component of the Jal Jivan Mission, which promises to provide piped drinking water to every household in the country by 2024. The scheme comes under the domain of the Jal Shakti Ministry, which has merged the ministries of water resources, river development and Ganga Rejuvenation with the Drinking Water and Sanitation portfolio.

Investment trajectory in WSS



Source: CRISIL Research

Most schemes under WSS faring well

Schemes	Targeted year of completion	Progress
Swachh Bharat Mission (G)	December 2019	83% of targeted number of projects completed as of January 31, 2019
SMART Cities	June 2020	Actual expenditure 40% of released funds till July 2019
PMKSY	December 2019	₹ 265 billion released in FY16-19 period against ₹ 216 billion envisaged initially
AMRUT	March 2020	Actual expenditure 75% of released funds till July 2019

Source: CRISIL Research

Swachh Bharat Mission

Government schemes such as the Swachh Bharat Mission and the National Mission for Clean Ganga are likely to boost WSS investments. On October 2, 2014, Prime Minister Narendra Modi launched the Swachh Bharat

Mission in order to focus on sanitation and accelerate efforts to achieve universal sanitation coverage. It comprises two sub-missions – Gramin (for the rural areas) and Urban – aimed at achieving a clean India by 2019.

The measures undertaken by the mission include construction of household, community and public toilets, and conversion of insanitary latrines into pour-flush latrines; solid waste management; and public awareness.

Status of Swachh Bharat Mission
Gramin: For Fiscal 2019, the budgetary allocation to the scheme was ~₹ 153 billion. However, as per the revised estimates, investments in the scheme were estimated at ₹ 145 billion. For Fiscal 2020, the central government has allocated ₹ 100 billion. Under this scheme, more than 90 million household toilets have been constructed and over 600 districts have been declared as open defecation-free since October 2, 2014.

Urban: Under this component, the government has sanctioned ₹ 27.5 billion to be spent in Fiscal 2020. About ₹ 25 billion is estimated to be expensed in Fiscal 2019 as per the revised estimates. Under this scheme, more than 580,000 individual toilets and over 490,000community and public toilets have been constructed since October 2, 2014.

Atal Mission for Rejuvenation and Urban Transformation

In May 2015, the government replaced the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) with the Atal Mission for Rejuvenation and Urban Transformation (AMRUT), to focus on basic infrastructure services such as water supply, sewerage, storm water drains, transport, and development of green spaces and parks.

Under AMRUT, the Centre is assisting states based on project cost and population of the cities and towns. The financial aid is released in three instalments in the 20:40:40 ratio, based on achievement of milestones indicated in the State Annual Action Plan.

The scheme also covers JNNURM projects sanctioned between 2005 and 2012 and those that have achieved 50% physical progress (102 projects), or have availed of 50% central government funding up to the initiation of project (296 projects).

As of December 2018, the central government had released ~₹ 30 billion across states since Fiscal 2016, of which only ₹ 96 billion had been utilised. The fund utilisation levels were the highest in Jammu & Kashmir, followed by Karnataka and Madhya Pradesh. The budgetary outlay for AMRUT in Fiscal 2020 is ₹ 73 billion, while the revised estimate for Fiscal 2019 was ₹ 62 billion.

Smart Cities Mission

To further push infrastructure spending, the government approved a budget of ₹ 480 billion for the development of 100 smart cities over five years, beginning Fiscal 2017. The focus is on adequate and clean water supply, sanitation, solid waste management, efficient transportation, affordable housing for the poor, power supply, robust IT connectivity, e-governance, safety and security of citizens, health, and education. The selected cities will receive central assistance of ₹ 2 billion in the first year, ₹ 1 billion in each of the next four years, and a matching contribution from the respective state.

Status: All 100 cities announced; 29 cities show reasonable activity in terms of tendering and execution
Out of the 60 smart cities declared in rounds one and two and the fast track round, only ~29 cities are seeing reasonable amount of activity. Of the first 20 cities announced, only 10 have progressed in terms of execution. About eight cities have no progress or only marginal progress in execution as against what was planned initially. Except Raipur, cities from the fast-track round that were to start execution from Fiscal 2017 have seen almost no activity.

For the balance 40 cities selected in rounds three and four, tendering is at a very nascent stage for the newly formed special purpose vehicles (SPVs). Key reasons for the slow activity include inability of some states to provide their share of funds, lack of manpower with suitable skills, experience at the SPV level, and failure of urban local bodies to decentralise responsibilities to the SPV.

Real estate sector

Real estate is a key end-user sector for plastic pipes and fittings in India. Over the last few years, end-user demand for real estate has been sluggish. Developers had delayed the possession of projects in many instances due to various reasons, including approval delays and financial issues. However, with the implementation of Real Estate Regulatory Authority (RERA), the confidence of end-users will improve.

Real estate demand drivers
Growth in population: The country's population, which grew at about 1.8% CAGR during the ten-year period between calendar years 2001 and 2011, is expected to grow at about 1.6% CAGR over Fiscals 2011 to 2021 to 1.4 billion. CRISIL Research expects housing demand to increase in line with the number of households.

Urbanisation: The share of urban population in the total population has been consistently rising, and was about 31% in calendar year 2011. Nearly 36% of the country's population is expected to live in urban locations by calendar year 2020, driving demand for housing in these areas.

Traction in tier II and III cities: A pick-up in demand for plastic pipes in tier II and III cities has been observed in recent years. The healthy growth trajectory is expected to continue over the next five Fiscal years (i.e., from April 1, 2019, to March 31, 2024).

Surging demand from the rural sector: Rural market has low penetration and less availability of branded PVC pipes and fittings. Demand is surging from this sector, driven by the increase in disposable income of farmers due to government initiatives, such as higher MSPs and the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA). Marketing efforts, coupled with the implementation of GST, will help branded players increase rural penetration.

Higher affordability led by increasing disposable income: India's per-capita income grew at a healthy rate between Fiscals 2014 and Fiscal 2019 to ₹ 126,404 (at current prices). Increasing disposable income, typically, has a positive correlation with demand for housing units, as it increases affordability.

Tax incentives by the government: The interest-subvention scheme, interest deduction from taxable income, tax exemption for principal repayment and exemption from capital gains will also be key drivers.

Government initiatives

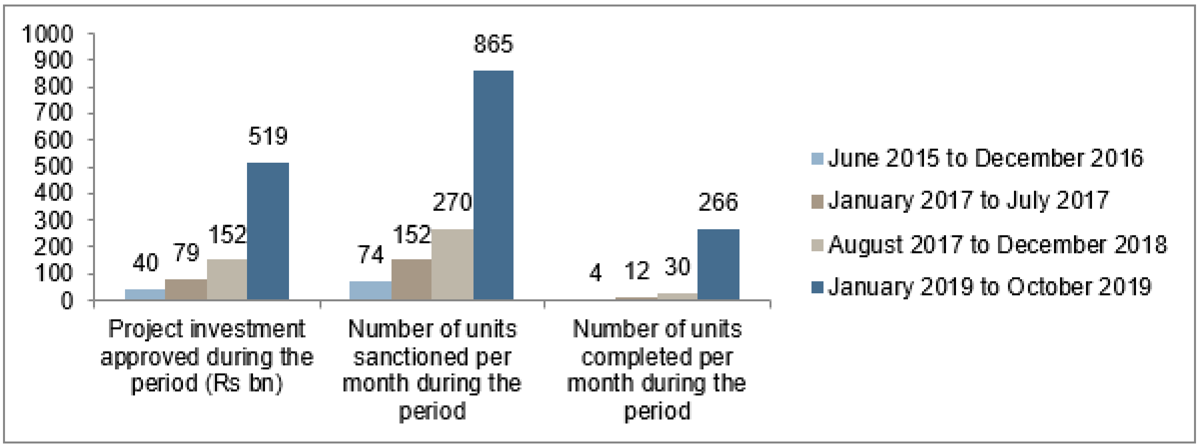
RERA: CRISIL Research expects the Real Estate (Regulation and Development) Act or RERA, which came into force on May 1, 2017, to result in improved transparency, timely delivery and organised operations.

Housing for all by 2022: Also known as the Pradhan Mantri Awas Yojana (PMAY), this scheme was launched on June 25, 2015. It aims to minimise the housing shortage of urban poor. The Ministry of Housing and Urban Poverty Alleviation has estimated a shortage of nearly 20 million dwelling units for the urban poor. PMAY aims to address this by providing central assistance to the implementing agencies through states and union territories to all eligible families/beneficiaries by 2021-22.

Investments planned in PMAY-U are underway in line with Government targets. Since inception, as of July 29, 2019, PMAY-U has witnessed total project investments worth ₹ 5,037 billion (including central assistance worth ₹ 1,325 billion sanctioned) and sanctions of around 8.5 million units. The scheme – now in its fifth year of implementation- is witnessing faster completion velocity in the recent months.

On funding side, in February 2018 budget, the government announced an allocation of ₹ 315 billion (including a provision of internal and external extra budgetary resource worth ₹ 250 billion) and in July 2019, ₹ 69 billion. However, the flow of funds from the central government side will be key as they will need around ₹ 1 trillion over the next three years to achieve PMAY-U target of 10 million houses by 2022.

Visible traction in affordable housing under PMAY (urban)

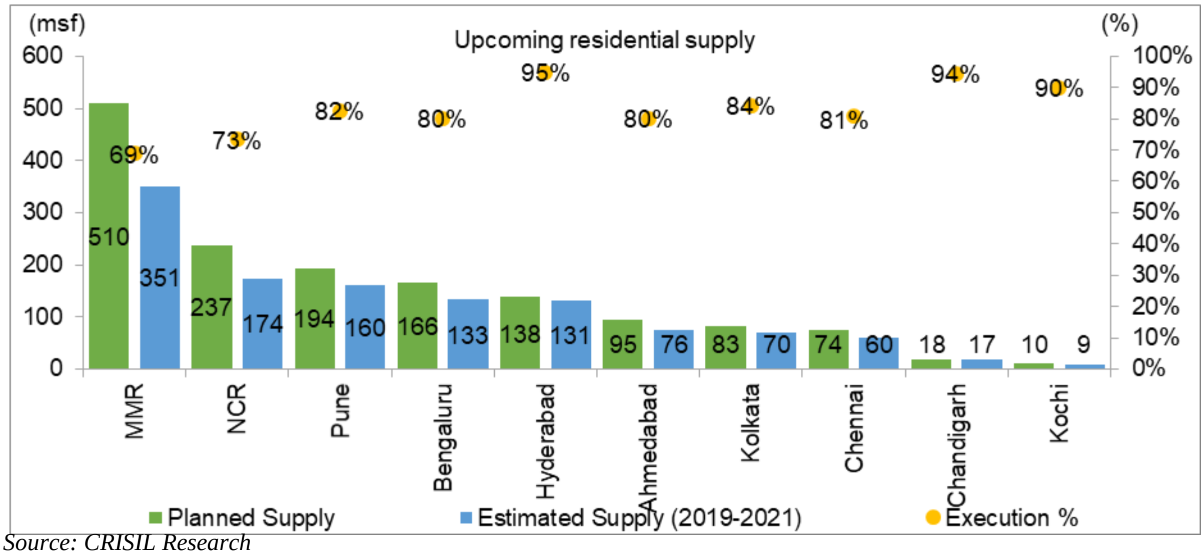


Source: PMAY documents, project update reports, CRISIL Research

Plastic pipes' demand to get a push by estimated 1.16 billion sq. ft. of housing supply in top 10 cities

The top ten cities in India – the National Capital Region, Mumbai, Bengaluru, Pune, Hyderabad, Kolkata, Chennai, Ahmedabad, Chandigarh, and Kochi – are expected to have an estimated 1.16 billion sq. ft. (super built-up area) of supply to come on stream by calendar year 2021. Organised players will be at the forefront of tapping this opportunity because of the portfolio of quality products and presence across fittings segment. In the top eight cities (MMR, NCR, Pune, Bengaluru, Hyderabad, Ahmedabad, Kolkata and Chennai), a total supply of around 1,497 msf has been planned by the developers, of which, around 1,155 msf supply is expected to materialize by 2021.

Estimated housing supply across select cities



Source: CRISIL Research

Growth in investments in end-user segments, and plastic pipes and fittings industry

(CAGR)	FY14 to FY19 (%)	FY19 to FY24 (%)
Irrigation	9-10%	8-9%
WSS	10-11%	9-10%
Plastic pipes and fittings	10-12%	12-14%

Source: CRISIL Research

CRISIL Research expects investments in irrigation and WSS to rise at 8-9% and 9-10% CAGR, respectively, between Fiscals 2019 and 2024. Healthy growth in the real estate segment is expected to support growth of the pipes and fittings industry. Within real estate, the plumbing component is estimated at 5-10% of the building construction cost. Of the total expenditure on plumbing, 2-3% is spent on pipes. This is forecast to translate into 12-14% CAGR for the plastic pipes and fittings industry over the next five Fiscals.

Meanwhile, CRISIL Research expects the share of the organised segment in the industry to expand with the implementation of GST. Further, organised players' focus on marketing and distribution network expansion, and launching innovative and branded products will see their revenue grow faster vis-à-vis the unorganised segment.

RAW MATERIALS FOR THE PLASTIC PIPES INDUSTRY

Naphtha and natural gas (ethane/propane component) are the key raw materials used in the petrochemicals industry. Their prices are linked to the global demand-supply dynamics and movements in crude oil prices. Crude oil price is highly volatile, thus imparting volatility to prices of petrochemical products. The table below sets forth the high, low and average crude oil price for the periods indicated:

Europe Brent spot price (FOB, US$ per Barrel)

H1 FY20			FY19			FY18			FY17		
High	Low	Average	High	Low	Average	High	Low	Average	High	Low	Average
86	55	75	86	50	70	71	44	57	56	36	48

Source: U.S. Energy Information Administration, CRISIL Research

Polyethylene (PE), PPR, PVC and CPVC resin are the key raw materials used in the plastic pipes industry, prices of which are dependent on crude oil price movements, and other factors such as changes in the global demand-supply and import-export regulations. India currently relies completely on imports to meet its CPVC requirements.

PVC

Domestic PVC capacity is estimated at ~1.63 million tonnes as of Fiscal 2019. Reliance Industries, Chemplast Sanmar, Finolex Industries, DCW and DCM Sriram are the key producers of PVC in India. These players collectively meet 45-50% of domestic demand, while the balance is met through imports. Taiwan, Japan, South Korea and China collectively account for over 70% of India's imports. CRISIL Research expects PVC prices, which were nearly stable at US$920 per tonne in calendar year 2018, to decline by 5-6% in the calendar year 2019, owing to weak demand from China, a key market. Lower upstream vinyl chloride monomer (VCM) prices, i.e. feedstock prices, has put added pressure on PVC prices. A further decline in prices, though, will be cushioned because of supply constraints as many PVC plants have shut down or have been forced to shift from mercury-based catalyst processes to mercury-free processes, owing to strict environmental regulations in China.

PP

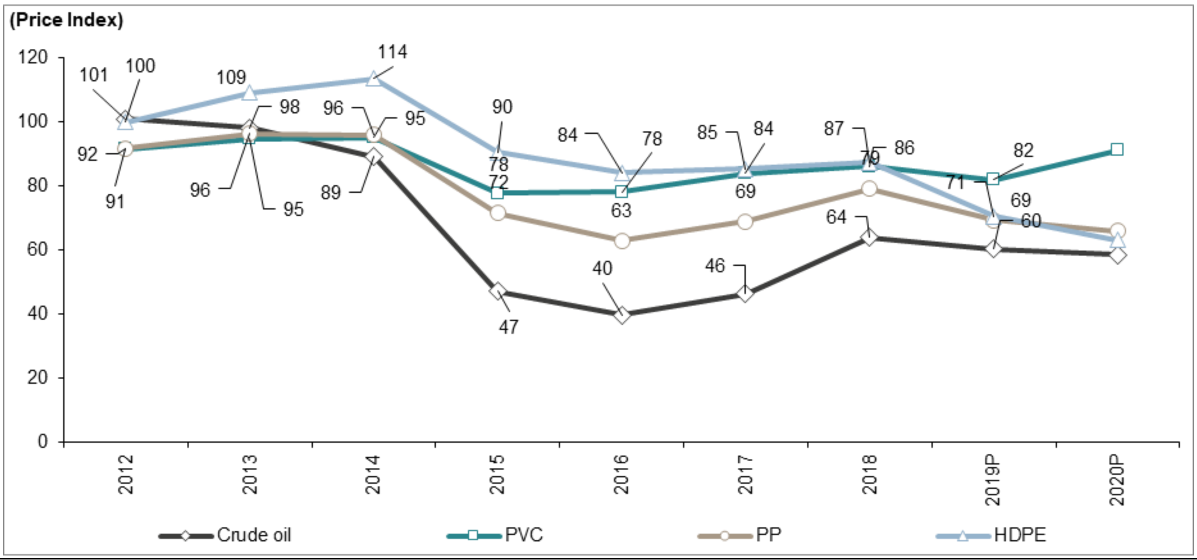
Domestic polypropylene (PP) capacity was estimated at 5 million tonnes as of Fiscal 2019. Indigenous production accounts for close to 90% of total demand, while the rest is imported. In calendar year 2018, global PP capacity is estimated to have increased ~4% on year, which was in line with the increase in demand. However, PP prices increased 15% on year to US$1,200 per tonne due to an increase in propylene prices. Polypropylene (PP) prices are expected to decline 8-13% in 2019 to US$1,030-1,080 per tonne, in line with a decline in prices of feedstock propylene. Another reason for the fall is the expected capacity addition of 5.2 million tonne of PP globally against incremental demand of 2.5 million tonne, which will put pressure on prices.

In Fiscal 2020, domestic propylene demand is expected to rise 6-7% on-year driven by driven by an increase in the production of downstream polypropylene (PP) segment (which accounts for 95% of the total demand). Demand is expected to grow at a CAGR of 5-6% from Fiscal 2019 to Fiscal 2024. During the year, the IOCL capacity, which came online in February 2019, is also expected to commence commercial production, thereby driving overall consumption. In calendar year 2020, lower raw material prices is likely to result in decline in PP prices by 11-13%, dropping to US$870-920 per tonne.

HDPE

Domestic PE capacity was estimated at 5.6 million tonnes as of Fiscal 2019. Reliance Industries Ltd, Gas Authority of India Ltd and Haldia Petrochemicals have swing plants (HDPE/ linear low-density polyethylene or LLDPE) and dedicated HDPE units. In a swing plant, similar equipment and process conditions are used for LLDPE and HDPE. Switching from HDPE to LLDPE production involves a variation in process parameters, even though production does not have to be stopped. HDPE accounts for nearly 50% of overall PE demand. Within HDPE, nearly 40-45% of domestic requirement is met through imports. The top five countries (the UAE, Saudi Arabia, Qatar, Singapore and USA) collectively accounted for 82% of India's imports in Fiscal 2019, with the UAE having the highest share (~39%). In calendar 2019, average crude oil prices are expected to decline and range between US$63-68 per barrel (8-10% on-year increase), with naphtha prices falling at a similar pace. However, ethylene prices are likely to decline at a much steeper pace of 27-30% on-year to US$840-890 per tonne in 2019 as increase in supply is expected to outpace demand growth. In the first half of 2019, prices have declined by ~28% on-year, while the fall in naphtha and crude prices is 13% and 7% on-year. The steeper fall in ethylene prices can also be attributed to sluggish demand from China owing to slowdown in downstream PE and styrene demand with the ongoing US-China trade war. Oversupply in the global ethylene market has worsened the situation. During 2018-2020, global capacity is expected to increase further by 19 million tonnes, driven by China as well as USA. On the other hand, incremental demand growth is expected to be to the tune of 15-16 million tonnes, resulting in ethylene surplus of 3-4 million tonnes. In calendar year 2020, ethylene prices are expected to decline further to US$800-820 per tonne given ample supply in the market, and no major uptick in demand from downstream segments amid global slowdown.

Trend in raw material prices



Notes:
The above prices are indexed prices, base year 2011
Crude oil – US$111 per tonne; PVC – US$1,068 per tonne; PP – US$1,515 per tonne; HDPE – US$1,347 per tonne

Source: CRISIL Research

Thus, even though India has significant capacity of polymers, it continues to be net importers of PVC and PE as demand growth has outpaced capacity additions. Therefore, volatility in international price of feedstock, fluctuations in the exchange rate and demand-supply mismatch are the key risks faced by players in the pipes and fittings industry. Given that 40% of the pipes and fittings industry is unorganised, characterised by intense competition, players are able to pass on the increase in raw material prices only partially to end users. However, organised players are better placed to face the risks as they enjoy established relationships with raw material suppliers, and have wide distribution bases and a well-recognised brand presence. Consequently, they are better positioned to pass on the increase in raw material prices to end users.

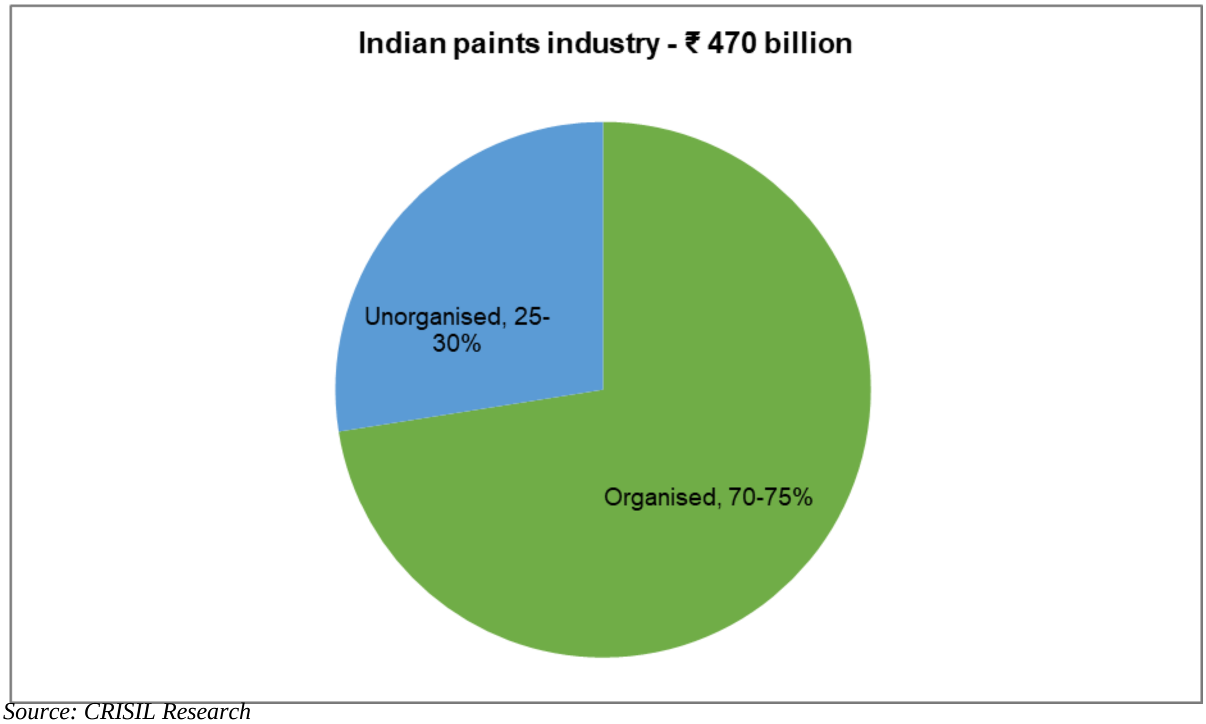
ASSESSMENT OF THE BUILDING MATERIALS INDUSTRY

Paints, sanitaryware and ceramic tiles, and plywood and laminates are some of the key sectors in the building materials industry. Demand growth in these sectors is primarily driven by real estate activity. Significant demand for plastic pipes also comes from applications in residential and commercial housing projects. Hence, demand prospects for auxiliary sectors such as the paint sector is a good indicator of demand prospects of plastic pipes from the real estate sector.

Paints industry

The industry is relatively organised. Top players Asian Paints, Kansai Nerolac, Berger Paints, Akzo Nobel and Shalimar accounted for 70-75% market share in Fiscal 2019. The unorganised segment comprises about 2,000 SMEs.

Share of organised and unorganised players in the Indian paints industry



Source: CRISIL Research

It is challenging for new players to foray into the sector, as the extent of distribution network, product portfolio and brand recall considerably influence sales. Moreover, established players have regularly put up capacities to cater to rising demand; 30-50% of the existing capacity is expected to be added by leading players over the next few years.

Decorative and industrial paints

Decorative paints: This segment includes exterior and interior wall paints, wood finishes and enamel, and ancillary products such as primers and putties. Decorative paints are used in the housing and construction sectors, and account for over 70% of the paint market. Within this segment, repainting comprises 70-75% share and new construction the remainder. Most of the demand arises during the festive season (September to December).

Industrial paints: These are used in automobiles, auto-ancillary, consumer durables, marine vessels, and industrial plant and machinery industries. Of these, the automotive segment constitutes the largest share. Owing to the technology-intensive nature of end-user segments, manufacturers have entered into technical collaborations and joint ventures with leading international paint producers.

Demand drivers

Apart from macroeconomic drivers such as a rise in population and income, government initiatives, urbanisation, rise in the number of nuclear families, and availability of retail financing options, demand for paints is expected to be guided by the following factors:

Economic growth: Despite the steady climb, per capita paint demand in India is still very low at 3.5-4.0 kg per year compared with ~6 kg in South East Asia, 23 kg in developed countries and the global average of 12-15 kg. As the economy picks up pace, and disposable income, housing supply and industrial activity rise, India's per capita paint consumption is bound to increase.

Adaptation of high-value products in urban areas: Softer aspects such as increase in frequency of home repairs and maintenance and willingness to spend considerable sums on home interiors have increased the usage of premium products within the decorative paints industry, especially in urban areas.

Increase in penetration of paints in rural and non-metro cities: In rural and non-metro cities, distemper is the primary product. With rise in household incomes in rural and non-metro cities, the preference for superior aesthetics is expected to rise and with it, demand for paints. Also, the augmentation of distribution networks in these regions to tap the rising paint demand will contribute to the sector's growth.

CRISIL Research estimates 10-12% CAGR over the next five Fiscals

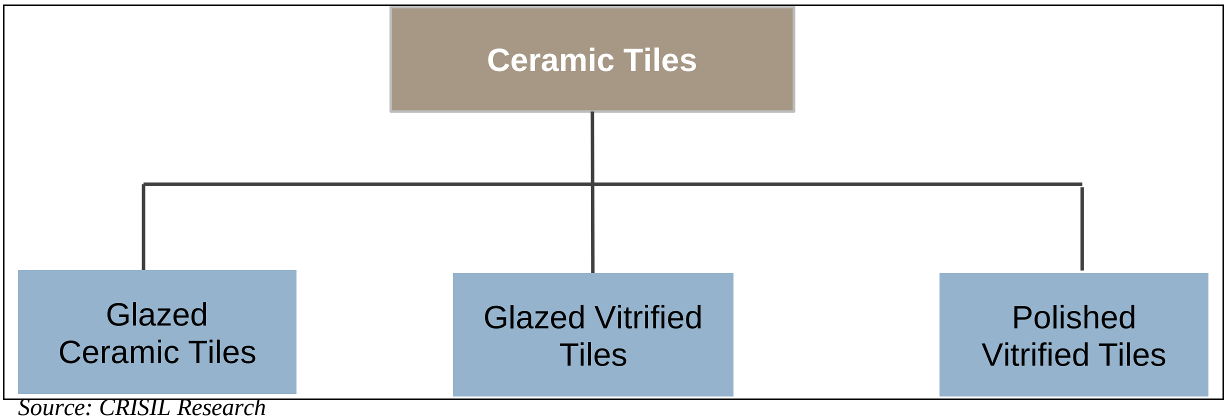
The domestic paints industry clocked 9% revenue CAGR between Fiscals 2014 and 2019, led by growth in key end-user sectors such as real estate, automobiles, etc.; higher per capita consumption of paints and better penetration of players in semi-urban and rural areas. The real estate and automobile industries' fortunes are driven by higher disposable incomes, rise in the number of nuclear families and urbanization. However, sluggish growth in these two end-user segments in the last couple of years affected the overall revenue growth of key players in the industry as well. Going ahead, industry revenue is expected to grow by around 10-12% over between Fiscals 2019 and 2024, with the Government pushing for affordable housing, smart cities and also with the demand for major automobile segments likely to go up.

Ceramic tiles and sanitaryware

CRISIL Research estimates the overall sales of the Indian ceramic tiles and sanitaryware industry at ₹ 320-325 billion for Fiscal 2019. Ceramic tiles account for 85% (or ₹ 270-275 billion) of the industry and sanitaryware 15% (₹ 45-50 billion). In terms of production, India ranks third in the world in the ceramic tiles and sanitaryware sector.

Note: CRISIL Research has included water closets (WC), basins, bath and other fittings as part of the sanitaryware market; faucets not included.
Ceramic tiles are used in residential and commercial spaces primarily for flooring, but also for covering walls. These tiles are classified as glazed, glazed vitrified (GVT) and polished vitrified (PVT), and are manufactured by both large players and SMEs, with wide variance in type, size, quality and standard.

Types of ceramic tiles



Source: CRISIL Research

Ceramic tiles segments:

Based on the type of tiles, the industry can be segregated into three major segments:

1. The ceramic floor and wall tiles segment, which accounts for 40-42% of market value, is estimated at ₹ 105-110 billion.

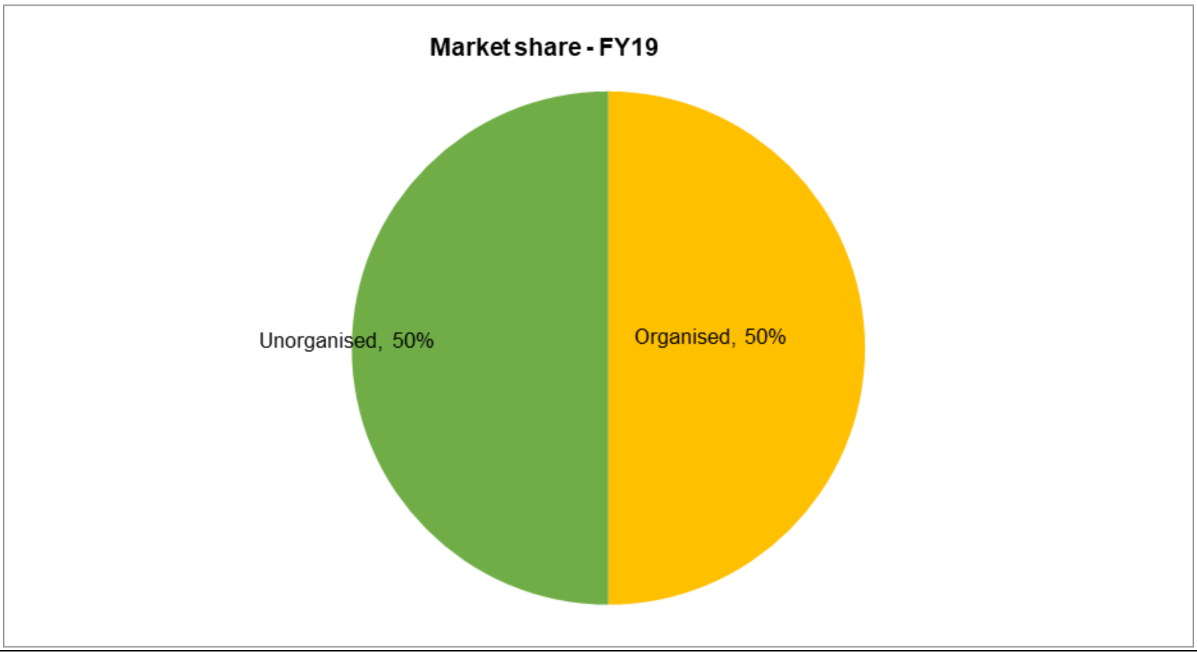
2. The PVT segment, accounting for 41-43% of market value, is estimated at ₹ 105-115 billion.

3. The GVT segment, accounting for 16-18% of market value, is estimated at ₹ 44-48 billion.

Organised versus unorganised

While the organised segment accounts for ~50-52% of the market value, the component of smaller players is sizeable. CRISIL Research expects the organised sector to strengthen its hold in the industry. Organised players mostly cater to the faster-growing segments – vitrified and polished tiles – which will also help them grow faster. They are expanding capacity rapidly because of their entry into long-term joint ventures with smaller unorganised players

Market share of organised vs unorganised players (value terms)

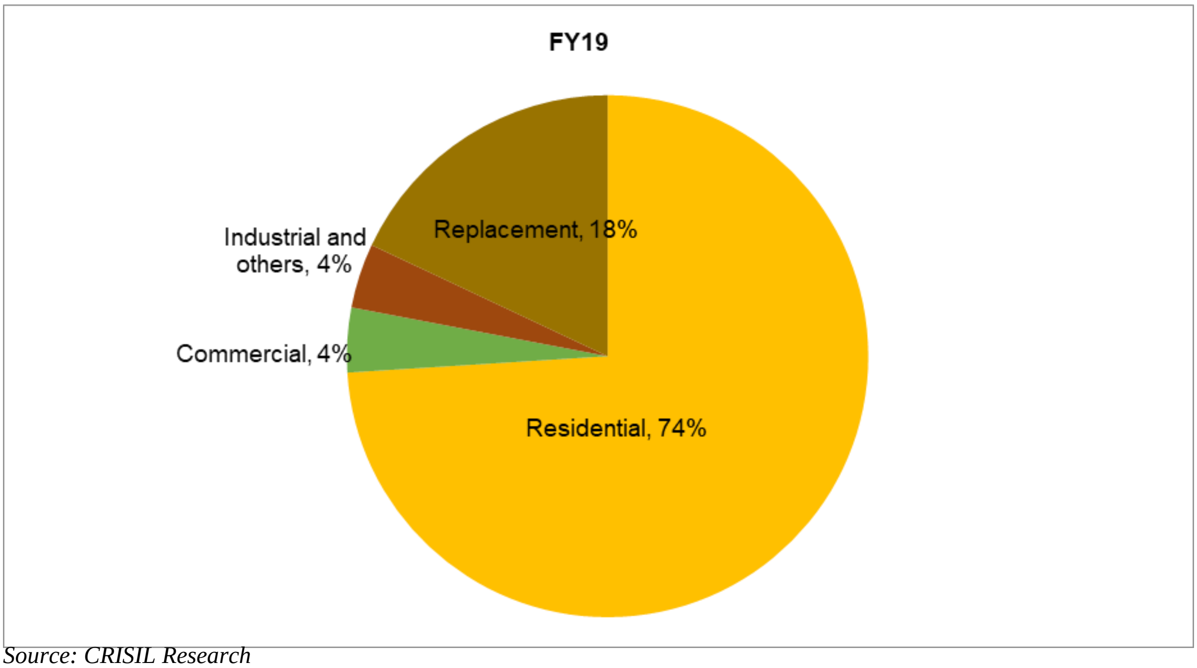


Source: CRISIL Research

Key ceramic tiles players in the organised segment include Kajaria Ceramics Ltd, Somany Ceramics Ltd and HR Johnson India. The Morbi region in western Gujarat is the largest manufacturing hub of ceramic tiles in the country. With over 600 unorganised players along with several joint ventures (JVs) of large players like Kajaria and H&R Johnson, this region accounts for 80% of India's total ceramic production.

In case of sanitaryware, key players such as Hindware Home Retail Pvt. Ltd. (HSIL), Parryware Roca Pvt. Ltd. (PRPL) and Cera Sanitaryware account for the bulk of revenue within the organised segment (60-75%), and SMEs 25-40%.

Break-up among end users (volume terms)



Source: CRISIL Research

Demand/growth drivers

Apart from macroeconomic factors such as rise in population, urbanisation, number of nuclear families and penetration of retail finance, growth in the ceramic tiles and sanitaryware segment will be driven by:

Low per capita consumption of tiles: Per capita consumption of tiles in India is way behind that of other developing countries. It is at about 0.59 sq. m. as compared to world average of 1.5 sq. m. This along with changing demographics indicate significant potential lying in the industry.

Increase in tile intensity in residential construction: CRISIL Research expects tile intensity in residential construction to increase. Historically, tile intensity in urban areas has been higher than in rural areas owing to easier availability of tiles and higher income. However, in the near future, CRISIL Research expects tile intensity in rural areas to increase, as rural consumers are likely to show a mounting preference for ceramic over mosaic tiles.

Growth in commercial real estate: The commercial real estate sector is another major demand driver for the ceramic tiles industry. Commercial construction includes office space, retail store chains, educational institutions, hotels and hospitals. Within commercial construction, organized retail has been a major demand driver for ceramic tiles and we expect this trend to continue. The announcement of allowing 100 per cent foreign direct investment (FDI) in the retailing industry would further boost demand for ceramic tiles, as increased flow of investments will pave the way for more retail malls to be opened up. The hospitality sector would act as another demand driver, as sustained rise in demand from tourists, both domestic and international, is likely to increase supply of branded hotel rooms.

Rising income levels and introduction of innovative tiles: Rising income levels, coupled with innovations such as digital tiles and 3D tiles, are expected to increase replacement demand for ceramic tiles. Nevertheless, replacement demand for tiles in India at around 15-20 per cent is much lower, compared to developed countries, where it accounts for approximately 35-40 per cent of the total demand for ceramic tiles**.** Increase in innovations such as digital and 3D tiles are expected to heighten replacement demand for ceramic tiles. CRISIL Research estimates replacement demand for tiles in India is at around 17-18% of total demand for Fiscal 2019 compared with 35-40% for developed nations.

Real Estate Regulatory Authority: For decades, Indian home buyers bought the most expensive asset class without sectoral protection. From Fiscal 2017, implementation of the unprecedented RERA promises to enhance sectoral credibility and make it virtually impossible for non-compliant players to bring projects to the market. This will strengthen the confidence of buyers and drive the prospects of organised players.

Housing for all: During Fiscal 2017, the government provided infrastructure status to the country's affordable housing segment – a move expected to transform the prospects of the real estate sector, catalysing demand for residential housing across the value chain, especially for mid-segments, which cater to the needs of the aspirational, upwardly mobile section of the Indian population.

Anti-dumping duty: The Finance Ministry has imposed provisional anti-dumping duty of US$0.83-1.87 per sq. metre on glazed/unglazed porcelain/vitrified tiles in polished or unpolished finish with less than 3% water absorption in Fiscal 2017. The levy will provide much-needed push to plain tile manufacturers who cater to the mid and low segments. Imports, accounting for 4-5% of domestic demand, are expected to reduce, helping the unorganised sector ramp up production and improve utilisation.

GST implementation: The Goods and Services Tax (GST), was implemented in Fiscal 2018, which will provide a major push to the industry. Removal of multiple taxes such as octroi and other state levies will streamline the logistics chain, making it efficient and cost-effective. A lower tax rate and better tax rules was expected to help major players consolidate and provide a level the playing field. Reduction of GST rates to 18% in November 2017 was welcomed by the industry.

Growth trend

The Indian ceramic tiles industry, after seeing a tepid growth of 2-3 per cent (value terms) from Fiscal 2015 to 2018 (led by poor off-take in real estate sector as well as disruptions like GST and demonetization), saw an uptick of around 5 per cent in Fiscal 2019. While the first half of Fiscal 2019 did well in terms of demand (on account of various infrastructure development along with Pradhan Mantri Awas Yojana (PMAY) programme), second half saw a dip in the overall demand – some of the reasons being liquidity crisis (which had a great impact on real estate sector) and disruption in production caused by NGT ban.

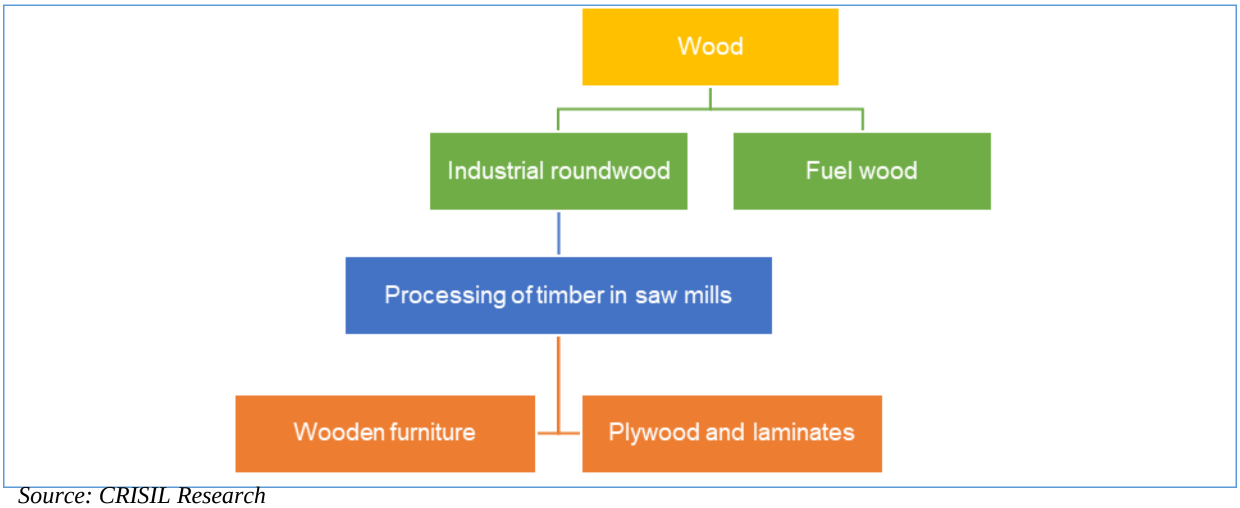
CRISIL Research expects the ceramic tiles industry to log a moderate 5-6% CAGR in value terms between Fiscals 2019 and 2024, largely driven by volume growth of 4-5% CAGR over the same period. Realisations are expected to increase marginally, aided by greater market share of rich value products such as vitrified, glazed and digital tiles. Growth is expected to be let by the high value GVT and PVT products.

Plywood and laminates

Plywood is a manufactured wood panel made from thin sheets of wood veneer. Being flexible, inexpensive, workable, reusable, and capable of being locally manufactured, it is one of the most widely used wood products. Plywood is used instead of plain wood owing to its resistance to cracks, shrinkage, splitting and twisting/warping, and comparatively higher degree of strength.

A laminate is composed of layers of firmly united material; it is made by bonding layers of paper, wood, or fabric and compressing them under heat. Lamination is the technique of manufacturing a material in multiple layers, so that the composite material achieves enhanced strength, stability, appearance or other properties arising from the use of different materials.

Value chain



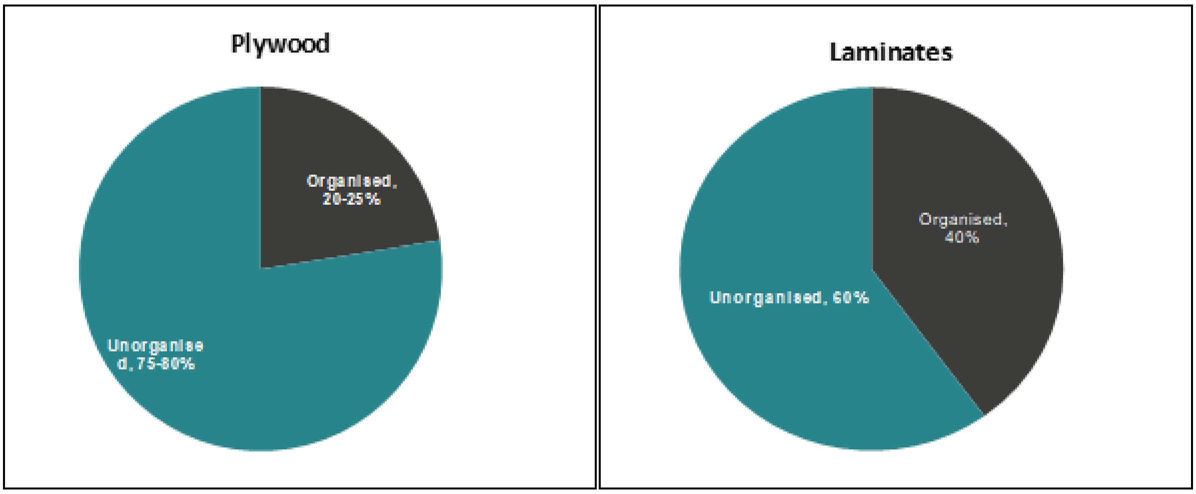
Source: CRISIL Research

Organised versus unorganised segments

The plywood and laminates industry is highly fragmented and unorganised with a significant presence of SMEs owing to low technical and capital intensity, and the regional nature of demand.

Players primarily cater to regional demand, as transporting plywood/laminates over long distances is extremely expensive and price is the key differentiator. The unorganised sector accounted for 75-80% of the plywood industry and 60% of the laminates industry in Fiscal 2019.

Organised versus unorganised share – plywood and laminates industry



Source: CRISIL Research, Industry

Macroeconomic factors to drive demand growth

Growth in real estate activity: Translates to increased demand for plywood and laminates

Rise in income levels: Boosts consumption of lifestyle products such as furniture and interiors

Favourable demographics: India has a sizeable youth population, with below-30 average age, leading to high disposable incomes in the hands of those aspiring for a better lifestyle

Narrower replacement cycles: The replacement cycle for furniture has narrowed to 5-7 years, from 12-15 years a decade ago, thereby increasing demand for plywood and laminates

Increase in urbanisation: Expected to generate fresh demand for plywood and laminates

CRISIL Research estimates 8-10% CAGR over the next five Fiscals

CRISIL Research estimates the overall sales of the plywood and laminates industry at ₹ 280-300 billion for Fiscal 2019. The industry recorded 6-8% CAGR between Fiscals 2014 and 2019 driven by growth in real estate activity. Factors such as rise in per capita and disposable income, and increase in urbanisation and number of nuclear families have supported growth. CRISIL Research estimates 8-10% CAGR over the next five Fiscals.

Overview of building materials categories

	Plastic pipes	Paints	Ceramic tiles and sanitaryware	Plywood and laminates
Industry size in FY19 (₹ bn)	**290-300**	**470**	**320-325**	**280-300**
Share of organised segment	**60-65%**	**70-75%**	**~50%**	**Plywood – 20-25%** **Laminates – 40%**
Past CAGR (from April 1, 2014 to March 31, 2019)	**10-12%**	**8-10%**	**3%**	**6-8%**
Future CAGR (from April 1, 2019 to March 31, 2024)	**12-14%**	**10-12%**	**5-6%**	**8-10%**

Source: CRISIL Research

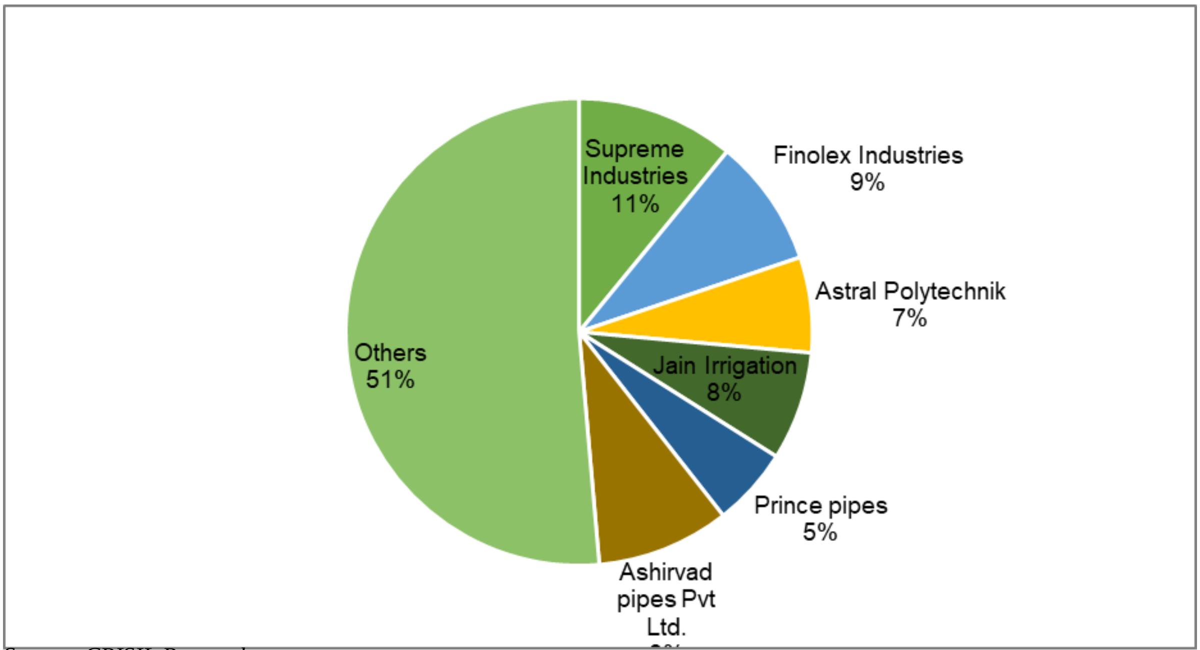
The table above shows that growth in plastic pipes is expected to be the fastest, driven by various government initiatives, private sector investments, and other drivers such as increasing substitution and replacement demand. Moreover, launching of new innovative products to cater to the needs of various end users adds to the attractiveness of pipes.

COMPETITIVE LANDSCAPE

The organised segment in the pipes and fittings industry accounts for a 60-65% share of the country's plastic pipes industry. However, depending on the category, the share of organised players fluctuates accordingly.

Supreme Industries enjoys the largest market share of about 11%, as of Fiscal 2019, followed by Finolex Industries (9%), and Ashirvad Pipes (9%). The share of Prince Pipes and Fittings increased to 5% in Fiscal 2019 from 4.5% in Fiscal 2016.

Market share in Fiscal 2019



Source: CRISIL Research, company

The success of players in the industry depends on:

- Pan-India presence;
- Distribution network;
- Product portfolio;
- End-use sectors they cater to; and
- Presence in the pipes and fittings segment.

Pan-India presence

One of the major factors contributing to the players' success is the presence of its brands in the regional markets and across India.

Manufacturing base and distribution network of peer companies in India

Company	Manufacturing base(4)	Number of distributors(4)	Total no. of touch points(4)
Prince Pipes and Fittings(1)	Maharashtra, Tamil Nadu, Uttarakhand, Dadra and Nagar Haveli, Rajasthan	1,408[3]	46,171
Supreme Industries(2)	Maharashtra, Madhya Pradesh, West Bengal, Uttar Pradesh	984	N.A.
Finolex Industries(1)	Maharashtra, Gujarat	850	18,000
Astral Polytechnik (1)	Gujarat, Tamil Nadu, Rajasthan, Maharashtra, Uttarakhand	750	28,000

Company	Manufacturing base[4]	Number of distributors[4]	Total no. of touch points[4]
Jain Irrigation[1]	**Maharashtra, Gujarat, Tamil Nadu, Rajasthan, Andhra Pradesh**	**N.A.**	**11,000**
Ashirvad Pipes[1]	**Karnataka, Rajasthan**	**1,100**	**36,000**

N.A. – Not Available

Notes:

(1) *Details are at company level.*
(2) *Details are for 'plastic piping products' segment only.*
(3) *Including 212 distributors of "Trubore".*
(4) *Based on details available as of September 30, 2019.*

Source: Company website and reports

While most players have established positions in the western region, Supreme Industries and Prince Pipes and Fittings have spread their manufacturing base in other regions. Continuous efforts by organised players to increase channel partners and widen distribution networks are key in providing a competitive edge and in catering to the needs of the underpenetrated market. Moreover, organised players, particularly in the SWR (soil, waste and rain) segment are being able to cater to unserved demand from players who are financially stressed.

Product diversification in the pipe segment

Product	Ashirvad Pipes	Astral Polytechnik	Finolex Industries	Supreme Industries	Prince Pipes and Fittings	Jain Irrigation
PVC pipes	✔	✔	✔	✔	✔	✔
CPVC pipes	✔	✔	✔	✔	✔	✔
HDPE pipes	×	✔	×	✔	✔	✔
PPR pipes	×	×	×	✔	✔	✔

Source: Company website, CRISIL Research.

As seen above, currently, most players are present in the UPVC segment. However, emphasis on high-value products, such as CPVC and HDPE, has seen them gaining market shares. HDPE and CPVC pipes demand higher premium and, therefore, players are increasing focus in these segments, due to the huge growth potential.

Presence in the fittings market and exposure to diversified end-user sectors

The fittings segment typically earns higher margins due to the specialised nature and precision required versus the pipes segment. Consequently, many branded players have been intensifying their focus to expand their fittings capacity to cater to high demand in this segment. Prince Pipes and Fittings has also been focusing on increasing its fittings presence, due to high demand in this segment. Similarly, the ability to meet the requirements of various end-user segments, such as irrigation, housing and sewerage, provides a competitive advantage to the players. Players such as Prince Pipes and Supreme Industries maintain a strong position with regards to the same.

Financial parameters

		Prince Pipes and Fittings Limited	Supreme Industries Ltd.[1]	Finolex Industries Ltd.[1]	Astral Polytechnik Ltd.[1]	Jain Irrigation Systems Ltd.[1] [2]	Ashirvad Pipes Pvt. Ltd.

		Prince Pipes and Fittings Limited	Supreme Industries Ltd.[(1)]	Finolex Industries Ltd.[(1)]	Astral Polytechnik Ltd.[(1)]	Jain Irrigation Systems Ltd.[(1) (2)]	Ashirvad Pipes Pvt. Ltd.
Year	**Unit**	**FY19**	**FY19**	**FY19**	**FY19**	**FY19**	**FY19**
Operating Income	**₹ mn**	**15,719**	**56,081**	**30,868**	**19,175**	**44,885**	**26,728**
Share of plastic pipes	**%**	**100.0**	**56.5**	**83.4**	**100.0**	**48.6**	**100.0**
OPM	**%**	**12.2**	**14.4**	**19.5**	**16.1**	**16.3**	**18.8**
RoCE	**%**	**22.6**	**32.7**	**20**	**20.5**	**9.7**	**33.8**
ROE	**%**	**20.5**	**25.0**	**13.2**	**13.8**	**5.06**	**23.7**
NPM	**%**	**5.2**	**8.2**	**11.3**	**7.4**	**5.2**	**10.7**
Sales growth	**%**	**19.0**	**11.8**	**13.3**	**18.9**	**15.6**	**25.7**
NP growth	**%**	**11.7**	**12.5**	**17.1**	**18.8**	**19.3**	**101.6**

Notes:

(1) The above financials are on a standalone basis.

(2) For Jain Irrigation, segmental revenue as reported under the segment 'plastic division', and not only pipes

Source: company reports, CRISIL Research

Revenue growth

The overall plastic pipes industry grew about 9-9.5% during Fiscal 2019 to ₹ 290-300 billion, Prince Pipes, Astral Polytechnik, and Supreme Industries reported the highest sales growth of 19%, 19% and 16.3%, respectively.

Segmental revenue (plastic pipes)

(₹ million)	**FY19**	**FY18**	**FY17**	**FY16**	**FY15**
Prince Pipes and Fittings	**15,719**	**13,205**	**12,626**	**10,090**	**9,572**
Revenue growth (%)	***19.0***	***5.5***	***25.1***	***5.4***	***-4.9***
Supreme Industries[(1)]	**31,728**	**27,285**	**24,670**	**16,298**	**22,663**
Revenue growth (%)[(2)]	***16.3***	***-17.1***	*13.5*	*-4.1*	*4*
Finolex Industries[(3)]	**25,748**	**23,288**	**22,169**	**20,305**	**16,395**
Revenue growth (%)	***10.6***	***5.1***	***9.2***	***23.8***	***4.9***
Astral Polytechnik[(4)]	**19,175**	**16,109**	**14,767**	**13,180**	**12,526**
Revenue growth (%)	***19.0***	***9.0***	***12***	***5.2***	***16.8***
Ashirvad Pipes	**26,728**	**24,299**	**20,287**	**16,141**	**14,002**

(₹ million)	FY19	FY18	FY17	FY16	FY15
Revenue growth (%)	***10.0***	***19.8***	*25.7*	***15.3***	***23.5***
Jain Irrigation[5]	**21838**	**19,688**	**16,445**	**15,329**	**13,819**
Revenue growth (%)	***10.9***	***19.7***	***7.3***	*10.9*	*-7.3*

Notes:

(1) Figures reported under 'Plastic piping products' from the consolidated financials of Supreme Industries
(2) For FY15, the year-end for Supreme Industries was June 2015. Hence, revenue for FY16 is only for nine months, i.e., July 2015 to March 2016. Accordingly, sales growth and net profit growth for FY16 and FY17 is calculated by annualising revenue
(3) Figures reported under 'PVC Pipes and Fittings' from standalone financials of Finolex Industries
(4) Figures taken from standalone financials of Astral Polytechnik
(5) Figures reported under 'Plastic division' from the consolidated financials, and not only pipes. As taken from Annual report 2019 of Jain Irrigation Systems
(6) Mar-18 figures for many players are net of GST and thus y-o-y growth in FY18 may not be comparable

Source: company reports, CRISIL Research

Increasing focus on high-margin products and improving efficiency to help expand margins

Factors such as well-established brand presence, improving operating efficiency, expanding reach and distribution network (and thereby managing selling and distribution expenses) helps determine the profitability of the players. Moreover, raw material cost accounts for 65-70% of operating income. PE, PP and PVC are the key raw materials used, prices of which are dependent on crude oil prices. Therefore, management of raw material cost is also important. Organised players are able to better manage their cost components versus unorganised players and have greater ability to pass on the increase in raw material costs. Consequently, operating margins typically vary between 10% and 15%. In our sample set, Astral Polytechnik posted the highest EBIT margin of 12.8% in Fiscal 2019. This was followed by Jain Irrigation, which posted an EBIT margin of 10.8% in Fiscal 2018. The expansion in margins can be attributed to the rising focus on high-value products, as well as presence in the fittings segment, where the margins are typically higher.

Segmental EBIT margins (plastic pipes)

(%)	FY19	FY18	FY17	FY16
Prince Pipes and Fittings	**9.3**	9.5	10.4	6.9
Supreme Industries[2]	**9.86**	11.5	13.6	10.3
Finolex Industries	**7.1**	5.8	8	8.8
Astral Polytechnik	**12.8**	11.8	11.2	9.9
Ashirvad Pipes	**16**	18.1	17.4	12.4
Jain Irrigation[3]	**10.8**	10.2	8.4	8.6

Notes:

1. The above financials are on a standalone basis.
2. For FY15, the year-end for Supreme Industries was June 2015.
3. For Jain Irrigation, the figures relate to its plastic division, and not only pipes.

Source: Company reports, CRISIL Research

Overall company-level EBITDA margins

(%)	FY19	FY18	FY17	FY16
Prince Pipes and Fittings	**12.2**	12.3	12.9	9.7
Supreme Industries[1]	**14.4**	15.8	17.1	15.6
Finolex Industries[1]	**19.5**	17.5	18.7	13.4
Astral Polytechnik[1]	**16.1**	15.2	14.4	12.7
Ashirvad Pipes	**18.8**	20.6	19.8	15
Jain Irrigation[1]	**16.3**	15.7	15.9	16

Note:

1. The above financials are on a standalone basis

Source: Company reports, CRISIL Research

The companies in the sample set enjoy a healthy return on capital employed (RoCE) and return on equity (RoE) ratios. During Fiscal 2019, the RoCE of Ashirvad pipes was the highest at 33.8%, followed by Supreme Industries at 32.7%. Further, in Fiscal 2018, Prince Pipes and Fittings posted the highest RoE of 26.4%, followed by Supreme Industries Ltd's 24.9%.

RoCE (%)	**FY19**	**FY18**	**FY17**	**FY16**	**FY15**
Prince Pipes and Fittings	**22.6**	20.8	24.8	14.8	11.2
Supreme Industries(1)(2)	**32.7**	31	35	30.1	35.7
Finolex Industries(1)	**20**	16.7	24.1	24.3	7.0
Astral Polytechnik(1)	**20.5**	18.6	17.8	15.5	19.1
Ashirvad Pipes	**33.8**	34.9	37	22.7	29.4
Jain Irrigation(1)	**9.7**	8.8	8.2	8.1	7.5

Notes:

1. *The above financials are on a standalone basis.*
2. *For FY15, the year-end for Supreme Industries was June 2015. Accordingly, ROCE for FY16 is annualised.*
3. *Calculated as EBIT/Average capital employed, wherein Capital employed = Net worth + Total Debt.*

Source: company reports, CRISIL Research

RoE (%)	**FY19**	**FY18**	**FY17**	**FY16**	**FY15**
Prince Pipes and Fittings	**20.5**	26.4	30.7	17.4	10.7
Supreme Industries(1)(2)	**25.0**	25.1	27.6	24.5	28.8
Finolex Industries(1)	**13.2**	11.8	18.3	21.6	6.1
Astral Polytechnik(1)	**13.8**	13.3	13.6	10.8	14.8
Ashirvad Pipes	**23.7**	31.5	35.2	22.2	31.7
Jain Irrigation(1)	**5.06**	6.3	3.9	1.9	2.1

Notes:

1. *The above financials are on a standalone basis.*
2. *For FY15, the year-end for Supreme Industries was June 2015. Accordingly, ROE for FY16 is annualised.*
3. *Calculated as PAT/Average net worth.*

Source: company reports, CRISIL Research.

OUR BUSINESS

Our Company is recognized as one of the leading polymer pipes and fittings manufacturers in India in terms of number of distributors *(Source: CRISIL Research Report)*. We market our products under two brand names: Prince Piping Systems; and Trubore. Due to our comprehensive product range, we are positioned as an end-to-end polymer piping systems solution provider. We have more than 30 years' experience in the polymer pipes segment.

We currently manufacture polymer pipes using four different polymers: UPVC; CPVC; PPR; and HDPE, and fittings using three different polymers: UPVC; CPVC; and PPR. As at October 31, 2019, we had a product range of 7,167 SKUs. Our products are used for varied applications in plumbing, irrigation, and soil, waste and rain water ("**SWR**") management. Our product range meets the requirements of both the rural and urban markets.

We have six strategically located manufacturing plants, which gives us a strong presence in North, West and South India. Our plants are located at the following locations: Athal (Union Territory of Dadra and Nagar Haveli); Dadra (Union Territory of Dadra and Nagar Haveli); Haridwar (Uttarakhand); Chennai (Tamil Nadu); Kolhapur (Maharashtra) and Jobner (Rajasthan). The total installed capacity of our six existing plants is 241,211 tonnes per annum as at October 31, 2019. We plan to expand the installed capacity at our plant in Jobner (Rajasthan) from 6,221 tonnes per annum as at at October 31, 2019 to 17,021 tonnes per annum by December 31, 2019 and to 20,909 tonnes per annum by the end of Fiscal 2020. We use five contract manufacturers, of which two are in Aurangabad (Maharashtra), one is in Guntur (Andhra Pradesh), one is in Balasore (Odisha) and one is in Hajipur (Bihar).

We plan to set up a new manufacturing plant in Sangareddy (Telangana), with a total estimated installed capacity of 51,943 tonnes per annum. We plan to commence production at the Telangana plant in Fiscal 2021.

We distribute our products from our six plants and 11 warehouses. Our warehouses are managed by clearing and forwarding agents.

We sell our Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. As at October 31, 2019, we sold our Prince Piping Systems products to 1,151 distributors in India. We sell our Trubore products directly to wholesalers and retailers. As at October 31, 2019, we sold our Trubore products to 257 wholesalers and retailers.

Our revenue from operations for Fiscals 2017, 2018 and 2019 was ₹ 13,300.15 million, ₹ 13,205.45 million and ₹ 15,718.69 million, respectively, representing a CAGR of 8.71%. Our revenue from operations for the three-month period ended June 30, 2019 was ₹ 3,797.66 million. Our profit before tax for Fiscals 2017, 2018 and 2019 was ₹ 959.08 million, ₹ 951.67 million and ₹ 1,114.68 million, respectively, representing a CAGR of 7.81%. Our profit before tax for the three-month period ended June 30, 2019 was ₹ 339.31 million. Our profit for the year for Fiscals 2017, 2018 and 2019 was ₹ 741.82 million, ₹ 727.66 million, ₹ 833.51 million, respectively, representing a CAGR of 6.00%. Our profit for the period for the three-month period ended June 30, 2019 was ₹ 266.69 million.

STRENGTHS

Strong brands in the pipes and fittings segment with over 30 years' experience and multiple industry awards and accolades

We have a strong legacy of more than three decades in the polymer pipes segment. We market our products under two brand names: Prince Piping Systems and Trubore. We believe that consumers have a strong loyalty to both our brands, which has enabled us to consistently grow our brands. We acquired the Trubore brand in October 2012.

We have an advantage of being one of the leading organised players in this highly fragmented market. We had a market share of approximately 5% in Fiscal 2019 and are amongst the top six organised players, which collectively have a total market share of 49% in Fiscal 2019. *(Source: CRISIL Research Report).*

The fittings segment typically earns higher margins due to the specialised nature and precision required vis-à-vis the pipes segment. *(Source: CRISIL Research Report).* We believe our strong brands enable us to increase our presence in the fittings segment.

We have been the recipient of numerous awards, including:

- Economic Times Polymers Award (Excellence in Plastics) for excellence in building and construction (plumbing) in the large enterprises' category – 2017;
- Outstanding Contribution to the Plumbing Industry – awarded by the Brihanmumbai Licensed Plumbers' Association – 2015; and
- Indian Manufacturing Excellence Award (Silver Certificate of Merit) by Frost & Sullivan – 2015.

Comprehensive product portfolio across polymers serving diverse end-use applications

Owing to our comprehensive product portfolio, we are positioned not just as a pipe manufacturer but also as an end-to-end piping systems supplier. We currently manufacture polymer pipes using four different polymers: UPVC; CPVC; PPR; and HDPE, and fittings using three different polymers: UPVC; CPVC; and PPR.

We have different SKUs for different products under each polymer type. We had 7,167 SKUs as at October 31, 2019. Our products are used for varied applications in the fields of plumbing, irrigation, and SWR management.

We have a product development team, which is responsible for introducing new products and variations of existing products. Our product development team regularly interacts with the plumbing consultants and contractors to understand the demand for new products and variations of existing products.

Strategically located manufacturing facilities with a core focus on quality

Due to the size of pipes, an important factor in their cost is transportation costs. Therefore, it is a competitive advantage to manufacture pipes as close as possible to the ultimate consumers.

We have established six manufacturing facilities, which are in: Athal (Union Territory of Dadra and Nagar Haveli); Dadra (Union Territory of Dadra and Nagar Haveli); Haridwar (Uttarakhand); Chennai (Tamil Nadu); Kolhapur (Maharashtra) and Jobner (Rajasthan). We use five contract manufacturers, of which two are in Aurangabad (Maharashtra), one is in Guntur (Andhra Pradesh), one is in Balasore (Odisha) and one is in Hajipur (Bihar).

Our multi-location facilities have assisted in market penetration and developing a strong presence in North, West and South India. For Fiscal 2019, our sales in North, South, West and East India represented 38.57%, 26.93%, 23.54% and 10.96% of our revenue from operations, respectively. For the three-month period ended June 30, 2019, our sales in North, South, West and East India represented 34.84%, 26.71%, 22.80% and 15.65% of our revenue from operations, respectively.

One of the major factors contributing to a player's success is the presence of its brands in regional markets and across India. *(Source: CRISIL Research Report).* Our manufacturing presence as compared to our competitors is shown in the table below.

Company	**Manufacturing base(3)**
Our Company(1)	Maharashtra, Tamil Nadu, Uttarakhand, Dadra and Nagar Haveli, Rajasthan
Supreme Industries(2)	Maharashtra, Madhya Pradesh, West Bengal, Uttar Pradesh
Finolex Industries(1)	Maharashtra, Gujarat
Astral Polytechnik (1)	Gujarat, Tamil Nadu, Rajasthan, Maharashtra, Uttarakhand
Jain Irrigation(1)	Maharashtra, Gujarat, Tamil Nadu, Rajasthan, Andhra Pradesh
Ashirvad Pipes(1)	Karnataka, Rajasthan

Note:

(4) Details are at company level.

(5) Details are for 'plastic piping products' segment only.

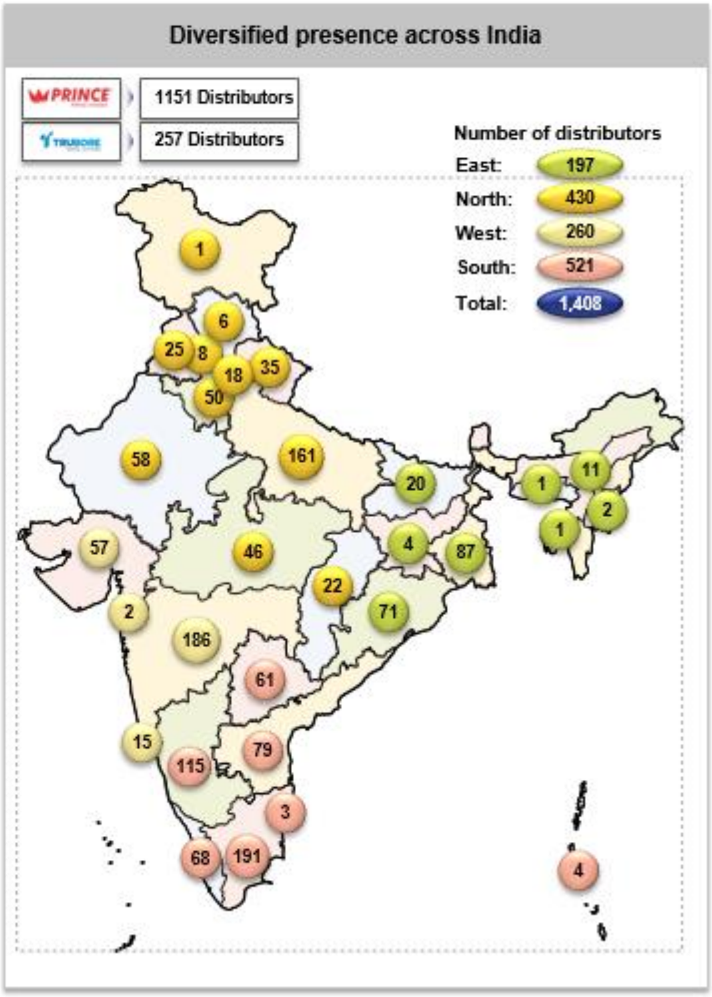
(6) Based on details available as of September 30, 2019.

(*Source: CRISIL Research Report*)

We have an ISO 9001:2008 certified manufacturing process for each of our plants, except for our Kolhapur and Rajasthan plants. We have an ISO 14001:2015 certification for our Haridwar, Dadra and Chennai plants and an EMS certification ISO 50001:2011 (relating to energy efficiency) for our Chennai, Athal, Dadra, Kolhapur and Haridwar plants. We have checks and testing systems in place, from the procurement of raw material to the manufactured product, for ensuring the quality of our products.

Large and growing distribution network

We sell our Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. We sell our Trubore products directly to wholesalers and retailers. We have a pan-India network of distributors for our Prince Piping Systems products and a network of wholesalers and retailers for our Trubore brand products in South India. As at March 31, 2017, 2018 and 2019 and October 31, 2019, we had 766, 955, 1,253 and 1,408 distributors and wholesalers and retailers buying directly from us, respectively, which represented an 83.81% increase from March 31, 2017 to October 31, 2019. Set forth below is a map showing our distribution network as at October 31, 2019.



Our technical collaboration with a reputed international player for almost the last five years, which has helped us to improve the quality of our products and our manufacturing efficiency

Since January 2015, Wavin Overseas B.V. ("**Wavin**"), a company headquartered in Zwolle in The Netherlands, has been providing us with the technology and know-how in the manufacture of our products to improve the quality thereof and to improve manufacturing efficiency. Pursuant to an agreement that expires on January 1, 2020, Wavin provides us with, among other things, (a) advice relating to management systems, such as quality control systems, costing systems and e-business, (b) product know-how, such as products design and jointing techniques; and (c) production technology, such as choice, formulations and quality requirements for raw materials, preparation technology and equipment, extrusion technology and equipment, injection moulding technology and equipment, and fabricated fittings technology and equipment. Wavin has a direct presence in over 25 countries with some 30 manufacturing sites, and is dedicated to supplying a range of plastic pipe systems for building and infrastructure projects, and licensing of know-how and intellectual property rights *(Source: https://www.wavin.com/en-en/About accessed September 21, 2018).*

As a result of our technical collaboration with Wavin, we have seen significant improvements in our production processes at our Athal and Dadra plants. The average number of breakdowns per week (availability) at our Athal plant decreased from 40 for Fiscal 2016 to 23 for the six months ended September 30, 2019 and the Athal plant's overall equipment efficiency increased from 86.5% for Fiscal 2016 to 91.2% for Fiscal 2019. The Athal's plant overall equipment efficiency decreased to 85.4% for the six months ended September 30, 2019 as a result of our trials on phasing out the use of lead stabilizers in PVC pipes and replacing it with tin-based compounds. As per the Order of the National Green Tribunal in the matter of Ajay Kumar Singh Vs Union of India & Others dated January 14, 2019 regarding notification of standards of lead to be used in PVC pipes and to phase out lead as stabilizer in PVC pipes, the tribunal directed the Ministry of Environment & Forest and Climate Change to furnish a status report on the matter within one month. As such expected, we expected the draft rules in relation to the same from the Ministry of Environment, Forest and Climate Change at any point of time thereafter and from April 2019 we began conducting trials to replace lead stabilizers with tin-based compounds in the manufacture of PVC pipes. The Ministry of Environment, Forest and Climate Change through a gazette notification dated September 12, 2019, issued draft rules regarding the phasing out of lead stabilizers. We are still in the transition phase of replacing lead stabilizers with tin-based compounds in the manufacturing of our PVC pipes and fittings. The average number of breakdowns per week (availability) at our Dadra plant has decreased from 50 for Fiscal 2016 to 11 for the six months ended September 30, 2019 and the Dadra plant's overall equipment efficiency has increased from 76.1% for Fiscal 2016 to 84.4% for the six months ended September 30, 2019. See the table below for more details.

Parameter	**Athal Plant**					**Dadra Plant**				
	Fiscal 2016	**Fiscal 2017**	**Fiscal 2018**	**Fiscal 2019**	**Six months ended September 30, 2019**	**Fiscal 2016**	**Fiscal 2017**	**Fiscal 2018**	**Fiscal 2019**	**Six months ended September 30, 2019**
Average number of breakdowns per week (availability)	40	28	27	21	23	50	37	11	8	11
Overall equipment efficiency (%)(1)	86.5	86.8	91.1	91.2	85.4	76.1	80.3	86.0	84.5	84.4

Note:

(1) Overall equipment effectiveness quantifies how well a manufacturing unit performs relative to its designed capacity during the periods when it is scheduled to run.

We are in discussions with Wavin about entering into a new agreement. However, if we do not end up entering into a new agreement with Wavin, we will continue to implement the technology and know-how in the manufacture of our products Wavin has already provided to us for almost five years,

Strong management team

We have a strong management team led by Jayant Shamji Chheda, our Chairman and Managing Director and one of our Promoters, who has more than three decades' experience in the pipes segment. He was awarded the Lifetime Achievement Award at the Vinyl India Conference in 2014 for his extensive contribution to the piping industry and the society. Parag Jayant Chheda, one of our executive Directors and one of our Promoters, has more than two decades' experience in the pipes and fittings segment. He was the recipient of the Inspiring Business Leader Award at the Economic Times Summit in the 'Business and Industry' category. Vipul Jayant Chheda, one of our executive Directors and one of our Promoters, has more than two decades' experience in the pipes and fittings segment. Shyam Kishanchand Sharda, our Chief Financial Officer, is a Chartered Accountant and has approximately two decades' experience in accounting, finance, and taxation.

We have a strong team of professionals to manage the core functional areas such as finance, procurement, manufacturing, logistics, sales and marketing, human resources, and information technology.

STRATEGIES

Continue to optimize our product mix to improve margins

We will continue to actively manage our product mix at each of our plants to ensure we are maximizing our profit margins. Our CPVC, PPR and HDPE products have higher margins than our UPVC products and our plumbing products have a higher margin than our other products. Our fittings have higher margins than our pipes and we endeavour to optimize our mix of pipes and fittings to maximize our margins.

Increase our sales of DWC pipes

Until the fourth quarter of Fiscal 2018, our focus for our Prince Pipes Systems brand was on products for application above ground, namely, plumbing, irrigation, and sewage disposal. We conducted a pan-India survey through an independent agency to estimate the potential demand of pipes for water supply and sanitation over the four-year period ending March 31, 2021, and based on the various government initiatives and the outcome of the market survey, we decided to enter into this segment with DWC pipes. In the fourth quarter of Fiscal 2017, we expanded the reach of our products for application in underground drainage by entering the HDPE segment with DWC pipes when our Haridwar plant began producing DWC pipes with one machine that has an installed capacity of 8,820 tonnes per annum. We have subsequently installed two machines to produce DWC pipes in our Chennai plant; one in July 2018 with an installed capacity of 8,820 tonnes per annum (as at October 31, 2019), and another in October 2018 with an installed capacity of 5,544 tonnes per annum (as at October 31, 2019). In addition, in October 2018 we installed a machine for manufacturing DWC pipes that has an installed capacity of 13,440 tonnes per annum in our Dadra plant. Our contract manufacturer in Aurangabad (Maharashtra) began production of DWC pipes for us in June 2018 using a machine owned by us that has an installed capacity of 5,544 tonnes per annum (as at October 31, 2019). For Fiscals 2018 and 2019 and the three-month period ended June 30, 2019, our Net Revenue from Sale of Products from sales of DWC pipes was ₹ 26.96 million, ₹ 467.06 million and ₹ 76.20 million, respectively, which represented 0.21%, 2.99% and 2.01% of our Net Revenue from Sale of Products for those periods, respectively. We believe our increased installed capacity for manufacturing DWC pipes will enable us to increase our sales of DWC pipes.

DWC pipes are pipes with full circular dual-wall cross-section, with an outer corrugated pipe wall and a smooth inner surface. DWC pipes are used in the irrigation sector, sewerage and drainage, city-gas distribution and in chemical and processing industries. HDPE pipes account for approximately 15% share in the total plastic pipes industry. These pipes have been gaining prominence over traditional metal and cement pipes, due to durability, low maintenance and longevity versus metal pipes. Government schemes, such as PMKSY, are expected by CRISIL Research to lend support to the segment. Consequently, CRISIL Research expects this segment to witness robust growth of 12-13% CAGR over the next five fiscal years (*i.e.*, from April 1, 2019, to March 31, 2024).

Increase sales of our Prince Piping Systems products by reaching out to more retailers and expanding our distribution network both in new areas as well as in areas where we already have a strong presence

We plan to increase sales of our Prince Piping Systems products by increasing the number of retailers who stock our products. We plan to expand the sale of our Prince Piping Systems products into cities where our products are not currently sold as well as consolidating our position in areas where we already have a strong presence. Our strategy is to focus on increasing the width and depth of our distribution network by increasing the number of distributors, and the frequency and quantity of our products purchased by retailers through our distributors. Our salespersons meet with prospective distributors and retailers who do not currently stock our products to encourage them to do so. As we do not sell our products directly to retailers, we connect each new retailer that wants to sell our products to one of our existing distributors. Our salespersons also meet with distributors in areas where we do not have a distributor to encourage them to stock our products.

Set up a new manufacturing plant in Telangana and expand capacity at our plant in Rajasthan

We plan to set up a new manufacturing plant in Sangareddy (Telangana), with a total estimated installed capacity of 51,943 tonnes per annum. We plan to commence production at the Telangana plant in Fiscal 2021. The opening of this new plant will improve our efficiency thus making us more competitive. Currently, our markets in South India are catered to by our plants in Athal and Haridwar. The opening of the Telangana plant will enable up to compete in these markets more effectively. For more details on this proposed new plant, see

“−*Manufacturing−Proposed New Plant*” on page 158.

We recently set up a new manufacturing plant in Jobner (Rajasthan), from which we began sales to third parties in September 2019. The plant’s installed capacity was 6,221 tonnes per annum as at October 31, 2019. The plant has been constructed so that the installed capacity can be increased to up to 40,621 tonnes per annum based on machines currently available in the market. We plan to increase the plant’s installed capacity to 17,021 tonnes per annum by December 31, 2019 and to 20,909 tonnes per annum by the end of Fiscal 2020. We plan to further increase the plant’s installed capacity based on market demand for our products. For more details on the plant, see “–*Manufacturing*” on page 157.

Expand the Trubore brand to new geographies

We acquired the Trubore brand in October 2012 and it is now our premium brand. Trubore brand products are currently sold in South India, primarily in Tamil Nadu. We plan to increase sales of our Trubore brand products by increasing our marketing efforts and the number of wholesalers and retailers for our Trubore brand products. We plan expand the presence of our Trubore brand initially in all other states in South India and then gradually expand in North, East and West India, thereby making our Trubore brand a pan-India brand in the next three or four years.

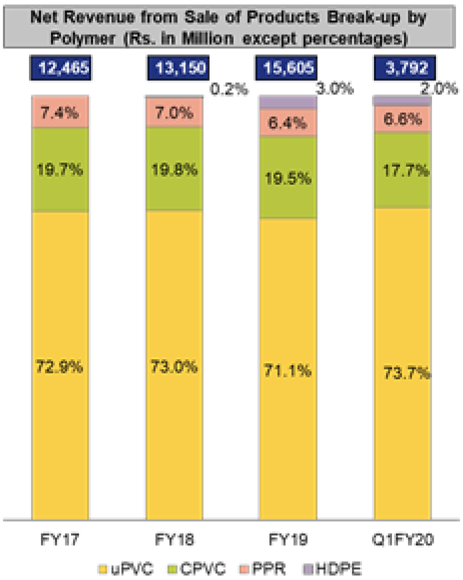
Brand building through major marketing initiatives

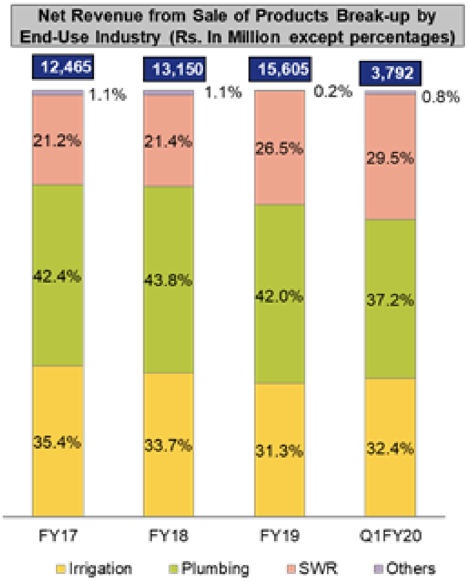
We plan to increase awareness of our brands through major marketing initiatives. For example, in November 2016, in an endeavour to differentiate our Prince Piping Systems brand from other brands, we launched a loyalty program called ‘Prince Udaan’ to connect with and reward our distributors, retailers, wholesalers, and plumbers. Under this loyalty program, buyers of Prince Piping Systems’ products who are enrolled in the loyalty program receive reward points on every purchase and they can then redeem the points against a number of gifts available. This loyalty program is currently operational in North India (except Madhya Pradesh), West India, South India, East India (only in Bihar, Jharkhand and West Bengal). We are in the process of rolling it out to other areas across India. For more details on this loyalty program, see *“-Sales and Marketing*” on page 161.

We plan to spend the majority of our below the line advertising budget on activities such as meetings with dealers, meetings with retailers, architects and consultants for informing them about our new products, meetings with plumbers to educate them about our products, meetings with consultants who specify brands for construction projects, giving away branded estimation/pocket pads and other branded gifts as sales promotion items, undertaking branding activities in rural areas and Tier II and Tier III towns, media event sponsorship and exhibiting our products at trade shows and exhibitions. We plan to spend the majority of our above the line advertising budget on television commercials, outdoor hoardings and wall paintings and transit media advertisement on trains, buses, autos, and magazines advertisements. We also plan to increase the visibility of our Prince Piping Systems’ products and brand by leveraging our celebrity brand ambassador for Prince Piping Systems through exposure across various touchpoints. For more details, see *“- Sales and Marketing – Brand Development and Media Strategy*” on page 161.

PRODUCTS

We sell our products under two brand names: Prince Piping Systems and Trubore. Due to our comprehensive product range, we are positioned as an end-to-end polymer piping systems solution provider. We currently manufacture polymer pipes using four different polymers: UPVC; CPVC; PPR; and HDPE, and fittings using three different polymers: UPVC; CPVC; and PPR. As at October 31, 2019, we had a product range of 7,167 SKUs. We currently manufacture polymer pipes and fittings for applications in plumbing, irrigation, and SWR management. Set forth below are charts showing the percentage of our Net Revenue from Sale of Products by type of polymer and by end-use for each of Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019.





Below is a table summarizing the products we sell under the Prince Piping Systems brand and the Trubore brand:

End Use	Polymer	Products	Brand
Plumbing	UPVC	RAINFIT – roof-water collection and disposal.	Prince Piping Systems
		EASYFIT – plumbing systems for easy installation.	
		UPVC Plumbing Systems – user-friendly for indoor and outdoor use in hot and cold water applications, in residential complexes and commercial buildings, public utilities and swimming pools, RO and DM water plants, and for concealed, down take and terrace looping.	Trubore
	CPVC	SMARTFIT – hot and cold plumbing systems.	Prince Piping Systems
		CPVC Plumbing Systems – all-weather plumbing systems for indoor and outdoor use in hot and cold water applications (from 0 C to 93 C only), in residential and commercial buildings, public utilities, swimming pools and industrial applications, RO and DM water plants, and for concealed, down take and terrace looping.	Trubore
	PPR	GREENFIT – for use in commercial buildings and industrial applications.	Prince Piping Systems
Irrigation	UPVC	SAFEFIT – borewell systems for groundwater extraction complement the irrigation piping systems.	Prince Piping Systems
		AQUAFIT – pressure and non-pressure piping systems for use in the agricultural sector.	
	UPVC	Agri Pressure and Non-Pressure Piping Systems – use in agricultural sector for water supply and distribution schemes, and irrigation; other uses – drinking water supply and distribution, cable ducting, ventilation pipe lines and slurry lines.	Trubore
	UPVC	Borewell Piping Systems – for safe extraction of ground water in farms and fields, and for connections to residential and commercial building, public places, etc.	
SWR management	UPVC	ULTRAFIT – Soil, waste and rain water (SWR) systems with world-class seals.	Prince Piping Systems
		SILENTFIT – low-noise SWR piping systems.	
		FOAMFIT – underground drainage pipes with solid PVC inner and outer layer to prevent disfiguration under heavy underground loads.	
		DRAINFIT – conventional underground UPVC drainage pipes.	
		UPVC Underground Drainage Pipes – underground drainage systems.	Trubore
	Others	DURAFIT – durable manhole and chamber covers.	Prince Piping Systems

End Use	Polymer	Products	Brand
	UPVC	SWR Piping Systems – for inside and outside building drainage systems including ventilation, rain water discharge and harvesting for residential buildings/complexes and commercial, and for application in industrial buildings and public utilities.	Trubore
	HPDE	CORFIT – DWC pipes for sewage disposal.	Prince Piping Systems

MANUFACTURING

Polymer pipes are manufactured using extrusion machines and fittings are manufactured using injection moulding machines.

We currently own six manufacturing plants and use five contract manufacturers.

The total installed capacity of our six existing plants is 241,211 tonnes per annum as at October 31, 2019. Set forth below is a table summarizing each of the manufacturing plants that we currently operate.

Parameter	Haridwar Plant	Dadra Plant	Chennai Plant	Kolhapur Plant	Athal Plant	Rajasthan Plant
Installed capacity as at October 31, 2019 (tonnes) (approx. p.a.)[(1)]	77,588	59,232	62,143	20,045	15,982	6,221
Production capacity as at October 31, 2019 (tonnes) (approx. p.a.)[(1)]	60,383	44,989	46,518	15,334	13,555	4,759
Year of establishment	2008	2000	2012[(2)]	2012[(2)]	1995	2019[(3)]
Products	Pipes and fittings	Pipes	Pipes	Pipes	Fittings	Pipes
Area of land on which plant is located (m^2)	67,630	71,569	35,402	14,300	19,905	68,796
Owned/leased	Owned	Owned	Owned	Owned	Owned	Owned

Notes:

1. *The production capacity varies with changes in size of the product produced, mould change and pressure requirements.*
2. *We acquired this plant in 2012.*
3. *The factory license is dated July 1, 2019. We began dispatching products to third parties from this plant on September 29, 2019. The plant has been constructed so that the installed capacity can be increased to up to 40,621 tonnes per annum based on machines currently available in the market. We plan to increase the plant's installed capacity to 17,021 tonnes per annum by December 31, 2019 and to 20,909 tonnes per annum by the end of Fiscal 2020. We plan to further increase the plant's installed capacity based on market demand for our products.*

The plants get electricity from the local electricity board and sufficient power back-up is available, if required. There are DG sets for power back-up at four of the plants: Chennai; Haridwar, Athal and Kolhapur. We obtain the water to operate the plants from borewells and from water facilities through local bodies.

The table below sets forth the total annual installed capacity and the total annual production capacity of the above plants as at the dates indicated below and the total capacity utilisation for each of the Fiscals 2017, 2018 and 2019 and the seven months ended October 31, 2019.

	As at March 31, 2017	As at March 31, 2018	As at March 31, 2019	As at October 31, 2019
Total installed capacity in tonnes per annum	179,849	230,900	231,775	241,211
Total production as a percentage of total installed annual capacity	53.14[(1)]	45.10[(2)]	50.71[(3)]	53.52[(4)]

	As at March 31, 2017	As at March 31, 2018	As at March 31, 2019	As at October 31, 2019
Total annual production capacity in tonnes per annum	142,985	177,691	178,306	185,539
Total production as a percentage of total annual production capacity	66.84(1)	58.60(2)	65.92(3)	69.58(4)

Notes:
(1) For Fiscal 2017.
(2) For Fiscal 2018.
(3) For Fiscal 2019.
(4) For the seven months ended October 31, 2019. The percentage has been annualised.

Our UPVC pipes are also manufactured by four contract manufacturers, namely: (i) Shree Chintamani Multilayer in Aurangabad (Maharashtra), (ii) Shree Tel-Fab Industries Pvt. Ltd. in Hajipur, Vaishali District (Bihar), (iii) Swetha PVC Industries in Guntur (Andhra Pradesh) and (iv) Ohm Pipes in Balasore (Odisha). Shree Chintamani Multilayer has been manufacturing our UPVC pipes since July 2014, Shree Tel-Fab Industries Pvt. Ltd. has been manufacturing our UPVC pipes since September 2014, Swetha PVC Industries has been manufacturing our UPVC pipes since July 2019 and Ohm Pipes has been manufacturing our UPVC pipes since October 2019. Shree Prabhu Petrochemical's Pvt. Ltd. in Aurangabad (Maharashtra) began manufacturing DWC pipes for us in June 2018 using a machine for manufacturing DWC pipes that we purchased and installed in its facility. For Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, our Net Revenue from Sale of Products from pipes produced by contract manufacturers represented 2.60%, 3.70%, 5.00% and 11.40% of our total Net Revenue from Sale of Products, respectively, and the pipes produced by contract manufacturers for us represented 4.94%, 6.19%, 6.04% and 6.92% of our total production (our own production and the production of contract manufacturers for us), respectively.

We utilize the services of four contract manufacturers to produce UPVC pipes and one contract manufacturer to produce DWC pipes for us. We have entered into agreements with each of Shree Chintamani Multilayer, Shree Tel-Fab Industries Pvt. Ltd., Shree Prabhu Petrochemical's Pvt. Ltd., Swetha PVC Industries Guntur and Ohm Pipes, which are renewable for further periods of one year on the mutual consent of the parties. Each agreement may be terminated by either party giving 60 days prior written notice to the other party. We supply all five contract manufacturers with the raw materials and they charge us an agreed amount per kilo to manufacture the pipes. One of our employees is stationed at each plant to check that our quality standards are maintained.

Proposed New Plant

As noted in "*–Strategies*" above, we plan to set up a new manufacturing plant in Sangareddy (Telangana). Set forth below is a table summarizing this proposed new manufacturing plant:

Parameter	Telangana Plant
Forecast installed capacity in tonnes per annum (approx.)	51,943
Number of machines	58
Products	UPVC pipes, CPVC pipes, DWC pipes, UPVC fittings, CPVC fittings
Area of land	183,241 m^2 (45 acres 11 guntas)
Area of land on which plant is to be located	99,390 m^2 (23 acres)
Planned commencement of operations	Fiscal 2021
Owned/leased	Owned
Estimated total cost (including the cost of land)	₹ 1,961.01 million

The estimated total cost for the setting up of the plant in Telangana is ₹ 1,961.01 million, out of which we have already paid ₹ 121.01 million for the land, including registration cost, stamp duty and other expenses. We plan to use ₹ 1,840.00 million of the Net Proceeds towards setting up the new plant in Telangana. For further details, see "*Objects of the Offer – Financing the project cost towards establishment of a new manufacturing facility*" on page 101.

The estimated total cost for the new Telangana plant is based on quotations received from vendors, as well as internal management estimates. The project has not been appraised by any bank or financial institution. We have not yet entered into any contracts for the construction of the plant and purchase, installation and commissioning of the plant and machinery. As a consequence of any increased costs, the actual costs to set up this new plant may be higher than our management's estimates.

We are yet to obtain certain consents and acknowledgements from various regulatory authorities in relation to setting up and operation of our proposed new Telangana plant. For details, see "*Government and other Approvals*" on page 349.

QUALITY ASSURANCE

Our manufacturing facilities are ISO 9001:2008 certified, except for our Kolhapur and Rajasthan plants. We have obtained a certificate from UL DQS Inc. (a member of the International Certification Network) confirming that we have implemented and maintained a Quality Management System, compliant with ISO 9001:2008 standards. We have an ISO 14001:2015 certification for our Haridwar, Dadra and Chennai plants and an EMS certification ISO 50001:2011 (relating to energy efficiency) for our Chennai, Athal, Dadra, Kolhapur and Haridwar plants.

We use techniques such as Kaizen, which refers to activities that continuously improve all functions and involve all employees from the top management to the production line workers. Total quality management helps us to ensure our products are of high quality and comply with applicable standards. We have checks and testing systems in place, from the procurement of raw material to the manufactured product, for ensuring the quality of our products. Additionally, we track multiple parameters, such as mean time between complaints, error repetition rate, customer complaint hit rate, cost of poor quality and percentage of wastage, so that we can take correctional measures to ensure the quality of our products.

We have certification marks licenses from the Bureau of Indian Standards ("**BIS**") for our range of Prince Piping System products that adhere to IS standards. The table below shows our Prince Piping Systems products and the standards they adhere to.

Prince Piping Systems Product	Standard
SMARTFIT pipes	IS:15778
GREENFIT pipes	IS:15801
ULTRAFIT pipes	IS:13592
ULTRAFIT fittings	IS:14735
FOAMFIT pipes	IS:16098
DRAINFIT pipes	IS:15328
AQUAFIT pipes	IS:4985
AQUAFIT fittings	IS:7834
SAFEFIT pipes	IS:12818
CORFIT DWC pipes	IS 16098 (Part-2)

Our SILENTFIT pipes are certified by Fraunhofer IBP, Germany.

Our Trubore brand products adhere to IS, ASTM and other quality standards. The table below shows our Trubore brand products and the standards they adhere to:

Trubore Brand Product	Standard
All-weather CPVC Plumbing Systems pipes	IS:15778
Agri Pressure and Non-Pressure Piping Systems pipes	IS:4985
Agri Pressure and Non-Pressure Piping Systems fittings	IS:7834
UPVC Underground Drainage pipes	IS:15328
SWR Piping Systems pipes	IS:13592
SWR Piping Systems fittings	IS:14735
Dinlock seals	EN1989
Borewell Piping Systems pipes	IS:12818

RAW MATERIALS

We currently use UPVC, CPVC, PPR, and HDPE resins to manufacture our products, prices of which are dependent on crude oil price movements, as well as other factors such as changes in the global demand supply scenario and import-export regulations. The price we pay in Rupees for our raw materials is also affected by changes in the exchange rate between the Rupee and the U.S. dollar. India currently relies completely on imports to meet its CPVC requirements. *(Source: CRISIL Research Report)*.

We have not entered into any long-term supply agreements for any of our raw materials. We procure our raw materials from the domestic market and from foreign companies.

TECHNICAL COLLABORATIONS

We aim to use latest technology and know-how to produce quality products. We have entered into a technology license agreement with Wavin dated December 10, 2014, which came into force on January 1, 2015 for a period of five years and expires on January 1, 2020. Wavin owns certain know-how with respect to the production of polymer pipes and fittings and we have entered into this collaboration to incorporate and use the latest technology and know-how in the manufacture of our products, to improve the quality of our products and the efficiency of the manufacture of our products as well as their sales. Wavin provides us with, among other things, (a) advice relating to management systems, such as quality control systems, costing systems and e-business: (b) product know-how, such as products design and jointing techniques; and (c) production technology, such as choice, formulations and quality requirements for raw materials, preparation technology and equipment, extrusion technology and equipment, injection moulding technology and equipment and fabricated fittings technology and equipment.

As a result of our technical collaboration with Wavin, we have seen significant improvements in our production processes at our Athal and Dadra plants. The average number of breakdowns per week (availability) at our Athal plant decreased from 40 for Fiscal 2016 to 23 for the six months ended September 30, 2019 and the Athal plant's overall equipment efficiency increased from 86.5% for Fiscal 2016 to 91.2% for Fiscal 2019. The Athal's plant overall equipment efficiency decreased to 85.4% for the six months ended September 30, 2019 as a result of our trials on phasing out the use of lead stabilizers in PVC pipes and replacing it with tin-based compounds. As per the Order of the National Green Tribunal in the matter of Ajay Kumar Singh Vs Union of India & Others dated January 14, 2019 regarding notification of standards of lead to be used in PVC pipes and to phase out lead as stabilizer in PVC pipes, the tribunal directed the Ministry of Environment & Forest and Climate Change to furnish a status report on the matter within one month. As such expected, we expected the draft rules in relation to the same from the Ministry of Environment, Forest and Climate Change at any point of time thereafter and from April 2019 we began conducting trials to replace lead stabilizers with tin-based compounds in the manufacture of PVC pipes. The Ministry of Environment, Forest and Climate Change through a gazette notification dated September 12, 2019, issued the draft Lead Stabilizer in Polyvinyl Chloride (PVC) Pipes and Fittings, Rules, 2019, regarding the phasing out of lead stabilizers. We are still in the transition phase of replacing lead stabilizers with tin-based compounds in the manufacturing of our PVC pipes and fittings. The average number of breakdowns per week (availability) at our Dadra plant has decreased from 50 for Fiscal 2016 to 11 for the six months ended September 30, 2019 and the Dadra plant's overall equipment efficiency has increased from 76.1% for Fiscal 2016 to 84.4% for the six months ended September 30, 2019. See the table below for more details.

Parameter	**Athal Plant**					**Dadra Plant**				
	Fiscal 2016	**Fiscal 2017**	**Fiscal 2018**	**Fiscal 2019**	**Six months ended September 30, 2019**	**Fiscal 2016**	**Fiscal 2017**	**Fiscal 2018**	**Fiscal 2019**	**Six months ended September 30, 2019**
Average number of breakdowns per week (availability)	40	28	27	21	23	50	37	11	8	11
Overall equipment efficiency (%)(1)	86.5	86.8	91.1	91.2	85.4	76.1	80.3	86.0	84.5	84.4

Note:
(1) Overall equipment effectiveness quantifies how well a manufacturing unit performs relative to its designed capacity during the periods when it is scheduled to run.

We are in discussions with Wavin about entering into a new agreement. However, if we do not end up entering into a new agreement with Wavin, we will continue to implement the technology and know-how in the manufacture of our products Wavin has already provided to us for almost five years.

INVENTORY MANAGEMENT

We have implemented a demand planning and inventory management system, including automated inventory tracking and auto replenishment at our warehouses based on norms. Each SKU is tagged with a minimum inventory quantity where the norms are linked to sales. Production planning is based on criticality of shortage based on norms. Depending on sales, auto orders are generated to maintain the desired stock and there is an automatic refill of stock at our warehouses managed by clearing and forwarding agents.

SALES AND MARKETING

We sell our Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. As at October 31, 2019, we sold our Prince Piping Systems products to 1,151 distributors in India.

We sell our Trubore products directly to wholesalers and retailers, thereby eliminating third party distributors from the distribution chain. As at October 31, 2019, we sold our Trubore products to 257 wholesalers and retailers.

Our products can be ordered using our in-house developed online portal, which we call ‘IMON’. Using IMON, our customers can order, track orders, see their account details and reports, process sale returns, and file complaints.

The process of order delivery commences with an order from the customer being fed through IMON. The order is routed to our head office where a credit check on the customer is performed. Upon approval, the order is sent to our warehouse, where the stock is checked against the order. If the stock is available, we plan for dispatch from such stock, material transfer planning is done, including determining truck availability, the material is loaded and then dispatched. However, if adequate stock for the order is not available, a plan of replenishment of stock is sent from the warehouse to the manufacturing plant, and the manufactured goods are transferred from the manufacturing plant to the warehouse. We introduced IMON in Fiscal 2016. IMON has reduced the turnaround time for processing orders as orders are now entered directly into our system, whereas previously our sales force had to manually take orders and then have their order inputted into the system.

As at October 31, 2019, we had 234 salespersons who meet with distributors, wholesalers, retailers and plumbers to market our products.

We regularly hold meetings with distributors, wholesalers, retailers and plumbers to educate them about our new products. We also participate in various events and exhibitions to promote our products.

As part of our sales promotional activities, customers earn points based on their order values and can redeem these points in IMON-FoC sales, wherein customers can order a PPR welding kit based on the points earned.

In November 2016, in an endeavour to differentiate our Prince Piping Systems brand from other brands, we launched a loyalty program called ‘Prince Udaan’ to connect with and reward our distributors, wholesalers, retailers, and plumbers. Buyers of Prince Piping Systems brand products who are enrolled in the program receive reward points on every purchase. The reward points can be redeemed for various things such as personal care items, hotel stays, travel, dinning, gift vouchers, among others. We have designed a new digitized model to track our channel partners buying behaviour trends. This entire activity is managed on a technology platform by Loyalty Program Partners. Prince Udaan is currently operational in North India (except Madhya Pradesh), West India, South India, East India (only in Bihar, Jharkhand and West Bengal). We are in the process of rolling it out to other areas across India.

We have recently introduced a toll-free telephone number for addressing the queries from customers.

Brand Development and Media Strategy

We plan on spending approximately 70% of our advertising budget for Fiscal 2020 on below the line advertising, as our primary target audience are influencers and channel partners. We plan on spending approximately 30% of our advertising budget for Fiscal 2020 on above the line advertising, along with in-film and co-branding movie associations. Our online and social media marketing strategy for the next five years is to popularize our brands by increasing our digital foot print, such as by developing separate websites for our Prince

Piping Systems and Trubore brands. As a part of our marketing strategy, we aim to focus on cost effective mediums, such as digital and mobile solutions, which increase our presence across popular social media platforms, such a Facebook, Instagram and Twitter, and associating with various e-commerce B2B portals for mapping our leads. We believe this helps our Prince Piping Systems brand and logo to gain better recall in the minds of distributors, retailers and plumbers. In this regard, we entered into an endorsement agreement dated February 9, 2018 with a celebrity and the company managing the celebrity.

LOGISTICS

We endeavour to deliver a full order quantity in the stipulated timeline by the customer. We have adopted an on time in full delivery strategy, pursuant to which we aim to ship out a complete order within 72 hours of it being made.

As part of our logistics policy, we have standard operating procedures for vehicle road safety; for instructions to be followed at the time of dispatch; for receipt of goods from the packing department and their storage in the allotted area; for loading goods in the vehicles safely, efficiently and accurately; and for accurate preparation of invoices and post-dispatch documents.

We generally sell our products on a consignee basis, which means the customer is required to arrange for and pay to pick up the products from our manufacturing plants or warehouses, as applicable.

Warehouses

We currently use 11 warehouses to store our products before they are shipped to our customers. These warehouses are located in: Bhubaneswar (Odisha); Ghaziabad (Uttar Pradesh); Tiruchirappalli (Tamil Nadu); Palakkad (Kerala); Hubli (Karnataka); Howrah (West Bengal); Siliguri (West Bengal); Vijayawada (Andhra Pradesh); Chennai (Tamil Nadu), Nagpur (Maharashtra) and Hyderabad. We lease each of these warehouses.

Clearing and Forwarding Operations

We have entered into agreements with clearing and forwarding agents to manage our warehouses. The clearing and forwarding agents carry out the operations of clearing and forwarding of all of our products, including the receipt of products, safe unloading of products, safe storage, maintenance and upkeep of warehouse, invoicing, and dispatch of products as per our requirements.

The clearing and forwarding agents have to verify whether the products are in good condition at the time of receiving the products. If any damage to the products is noticed, the clearing and forwarding agents have to promptly record their assessment of the damage, obtain signatures of the transporters and promptly communicate such damages to us. The clearing and forwarding agents are expected to promptly comply with instructions received from us for servicing of orders we receive from distributors, ensure that invoicing and dispatch of products is done on the same day as per orders received and in case of any loss caused to us (as determined by us) on account of default of these obligations, the clearing and forwarding agents will reimburse us or we will be entitled to deduct from the consideration payable to them. The clearing and forwarding agents are responsible for ensuring that at the time of billing of the products, the net outstanding does not exceed the credit limit of that particular customer, and billing in addition to the overdue to any customer will be done by the agents after obtaining due authorization from us.

While we insure our products stored in the warehouse covering risks of fire, riots, flood and theft, the clearing and forwarding agent is absolutely and solely responsible for any damages arising in the warehouse and from any of its operations in the warehouse or the conduct of its operations in the warehouse and/or on account of any act of negligence on the part of its employees or representatives. The clearing and forwarding agents are to immediately and correctly provide all information that is required by us when any claims are to be made for the purpose of claiming insurance.

Transportation

Our products are transported by trucks. We do not own any trucks and rely on third parties to transport our products. Our logistics team finalizes the selection of transporters and freight rates to undertake our logistics activities. The selected transporter works on an annual fixed rate contract/work order, based on defined terms and conditions. Freight/rate may change due to variations in fuel prices. Each route for the movement of goods normally has a minimum of two transporters/vendors to avoid monopoly and risk in service. The use of a sole transporter for any route is subject to the approval of the Head of Department and on a case-by-case basis.

The transporter indemnifies us against any loss, damage and cost that may arise on account of any act or omission on the part of the transporter or its representative.

We also enter into agreements for hiring vehicles and transportation of our goods in hired trucks/trailers.

While we directly enter into written agreements with the transporters in terms of load, lead-time, tariff, etc., the clearing and forwarding agent is responsible for monitoring deliveries and that proper loads are equally distributed to all transporters. The clearing and forwarding agents deliver the invoiced products to the transporters nominated by us, for dispatch to the distributors or customers we specify. The transporters utilized for this purpose, and the terms and conditions, including the terms of payment to be made to the transporters have to be specifically approved by us prior to hiring their services.

INFORMATION TECHNOLOGY

We have engaged NxtGen Datacenter & Cloud Technologies Private Limited to provide us with data centre services, including data centre infrastructure as a service on a hosted and on-premises mode and enterprise cloud services, which we utilize for hosting content

We have engaged Tikona Infinet Ltd. To provide us with access to the domestic MPLS and IP VPN services offered by Tikona Infinet Ltd on a 24-hour per day basis, seven days a week.

We offer an online ordering service, which we call 'IMON', to distributors to enable them to purchase our products. The front-end technology used for this comprises Microsoft Dynamics ERP (Navision 2016), O365 and Net Technologies.

To keep our IT systems secure, we have a disaster recovery site for all the virtual servers, which replicates every 15 minutes, backup for critical servers, local backup of databases on a different host, daily backup monitoring for disaster recovery replication and backup status reports, on-site backup for databases and we have a quarterly drill for disaster recovery and backup activities. In addition, access to applications are through secure socket layers, strict password policies, vulnerability assessment and penetration testing on the public IPs.

INTELLECTUAL PROPERTY

We seek to protect our intellectual property through trademarks and appropriate certifications, both in India and certain other countries.

India

We currently hold 46 trademarks registrations with respect to our brands TRUBORE, EASYFIT, SILENTFIT, FOAMFIT, PRINCE, SAFEFIT, RAINFIT, NOVOFIT, CORFIT, GREENFIT, AQUAFIT, ULTRAFIT, SMARTFIT, DRAINFIT and DURAFIT in India under various classes. This includes 10 trademarks (under various classes), including for the mark TRUBORE, that were assigned to us pursuant to a deed of assignment dated October 22, 2012 from Chemplast Sanmar Ltd. in our favour.

We hold a Certificate of Registration of Design for our floor drain trap, which is valid until the year 2024 and can be further extended until the year 2029, and for our double wall corrugated pipe coupler, which is valid until the year 2029 and can be extended until the year 2034. We have also applied to register our vent cowl on May 22, 2018.

We have applied for registration of the Prince Piping Systems' logo as a trademark. We have also applied for registering the Prince Piping Systems logo in Hindi, Assamese, Gujarati, Kannada, Oriya, Tamil and Telugu. However, there have been competing claims to it due to pending applications, involving our Company and another company with the word "Prince" in its name in this regard and objections have been raised in regard to our application.

Other Countries

We have registered the Prince Piping Systems logo as a trademark in Kenya and Bhutan.

We have applied for registration of the Prince Piping Systems logo as a trademark in Bangladesh, Nepal, Pakistan and Sri Lanka. A cautionary notice in relation to Prince Piping Systems' logo has been published for our trademark in the Maldives.

INSURANCE

We maintain standard fire and special perils insurance policy for each of our plants and our corporate office, vehicle insurance policies and an employee insurance compensation policy. Our insurance policies for staff personal accident and staff group mediclaim recently expired and we are in the process of renewing those policies. We have directors` and officers' liability insurance and public offering of securities liability insurance. The furniture and fixtures in our office in Dadar, Mumbai, are insured.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. However, we cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in future. Even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all.

COMPETITION

We face competition from other players in the plastic pipes and fittings segment as well as from manufacturers of alternative products to plastic pipes and fittings.

The organised segment accounts for a 60-65% share of India's plastic piping industry. However, depending on the plastic piping category, the share of organised players fluctuates accordingly. Our primary competitors in the organised segment and their share of the pipes and fittings market in India for Fiscal 2019 are as follows: Supreme Industries (11%); Finolex Industries (9%); Ashirvad Pipes (9%); Jain Irrigation (8%) and Astral Polytechnik (7%). Our share of this market was 5% for Fiscal 2019. *(Source: CRISIL Research Report).*

The success of players in the industry depends on: (i) pan-India presence; (ii) distribution network; (iii) product portfolio; (iv) end-use sectors they cater to and (v) presence in the pipes and fittings segment.

CRISIL Research expects the share of the organised segment in the industry to expand with the implementation of GST. Further, organised players' focus on marketing and distribution network expansion, and launching innovative and branded products will see their revenue grow faster vis-à-vis the unorganised segment.

Factors such as well-established brand presence, improving operating efficiency, expanding reach and distribution network (and thereby managing selling and distribution expenses) helps determine the profitability of the players. Moreover, raw material cost accounts for 65-70% of operating income. PE, PP and PVC are the key raw materials used, prices of which are dependent on crude oil prices. Therefore, management of raw material cost is also important. Organised players are able to better manage their cost components versus unorganised players and have greater ability to pass on the increase in raw material costs.

Owing to intense competition because of a large number of unorganised players, there has been pressure on revenues and margins of organised players. To mitigate this pressure, one of the strategies adopted by organised players is to expand their fittings capacity. Manufacture of fittings requires higher precision, thereby constraining the unorganised players to enter this space. Because of the specialised product nature, the fittings segment enjoys higher margins. This provides the opportunity for branded players to increase their revenues and margins. Hence, many branded players have aggressively expanded their fittings capacity and launched new products over the years to cater to the high demand in this segment.

In the past decade, one of the most important changes in the piping industry was the large-scale shift from metal- to polymer-based pipes in most applications. This was especially true in case of plumbing and piping applications in the construction industry. *(Source: CRISIL Research Report).*

For more details in relation to competition, see "*Industry Overview – Competitive Landscape*" on page 144.

WORKFORCE

As at October 31, 2019, we had 1,739 full-time employees and 960 contract labourers. As at October 31, 2019, 244 of our full-time employees working at our Athal plant are in a union. As at October 31, 2019, 118 of our full-time employees work at our corporate and registered offices, 1,143 of our full-time employees work at our plants and warehouses and 234 of our full-time employees are part of our sales force.

We have entered into agreements for job contracts with various contractors. We can engage the contractor to perform any of the following services: loading/unloading of goods and/or shifting of materials at premises of our establishment; providing house-keeping, sweeping, sanitation and upkeep of hygiene services in our premises; or undertaking and executing stacking, packaging of manufactured goods and handling of material including transportation within our premises. Some of the agreements are with respect to providing security services at our premises. In consideration of the jobs so performed/executed by the contractor, we agree to pay the contractor at the rate specified by the government under the Minimum Wages Act, 1948, per individual person engaged/employed by the contractor in connection with the job assigned to him by us. The contractor has to provide the required number of workers to be engaged for the execution of the work, solely supervise, direct and control the workforce engaged by him and also give necessary instructions to his contract labourers.

Employee Stock Option Scheme

To reward our employees and provide an incentive for their continuous contribution to our organisational success, our Board instituted ESOP 2017, pursuant to resolutions passed by our Board and our shareholders on August 21, 2017 and September 15, 2017 respectively. ESOP 2017 envisages the grant of such number of options that (together with exercised options) grants their eligible employee holders the right to apply for 900,158 Equity Shares. Each option under ESOP 2017, upon exercise, grants its holder the right to be allotted one Equity Share, upon payment of the exercise price. For more details on ESOP 2017, see "*Capital Structure– Employee Stock Option Scheme*" on page 93.

PROPERTIES

We own the following properties:

Description	Address	Area(1)	Seller	Date of Agreement
Commercial office, Mumbai	"Ruby House" situated lying and being at 4th floor, Dadar, Mumbai(2)	665 m^2 plus 4 car parking spaces	The Ruby Mills Limited	July 21, 2005
Industrial plot, Haridwar factory	Khasra No. 1549/2, Village Salempur Mehdood-2, Pargana Roorkee, Tehsil and District Haridwar	8,620 m^2	Shri Gaurav Bhatia	April 26, 2016
Industrial plot, Haridwar factory	Industrial Plot No. 17-A, Khasra Nos. 1547, 1545 and part of 1544, Village Salempur Mehdood-2, Pargana Roorkee, Tehsil and District Haridwar	2,024 m^2	Arrow Infrastructure Ltd.	January 3, 2009 (amended vide Instrument of correction dated April 29, 2009)
Industrial plot, Haridwar factory	Khasra No. 1548, Village Salempur Mehdood- Dwitiya Pargana Roorkee, Tehsil and Zila Haridwar	6,990 m^2	Shri Dinesh Jain	March 22, 2007
Industrial plot, Haridwar factory	Khasra No. 1549/4, Village Salempur Mehdood Dwitiya, Pargana Roorkee, Tehsil and Zila Haridwar	9,000 m^2	Narendra Explosives Ltd.	March 22, 2007
Industrial plot, Haridwar	Khasra No. 1549/5, Village Salempur Mehdood Dwitiya, Pargana Roorkee, Tehsil and Zila Haridwar	9,010 m^2	Doon Udyog Pvt. Ltd.	March 22, 2007

Description	Address	Area(1)	Seller	Date of Agreement
factory				
Industrial plot, Haridwar factory	Industrial Plot No. 17B in Industrial Park-II, lying in revenue Khasra Nos. 1542, 1543, 1543/2499 and 1544, Village-Salempur Mahdood, Pargana Roorkee, Tehsil and District Haridwar	23,355 m^2	Hero Realty Ltd. (earlier known as Arrow Infra Ltd.)	January 16, 2015
Industrial plot, Haridwar factory	Khasra No. 1541, Village-Salempur Mahdood, Pargana Roorkee, Tehsil and District Haridwar	3,268 m^2	Shri Ram Kishan	July 23, 2011
Industrial plot, Haridwar factory	Khasra No. 1549/1, Village-Salempur Mahdood, Pargana Roorkee, Tehsil and District Haridwar	5,370 m^2	Arrow Infrastructure Ltd.	September 16, 2010
Industrial plot, Kolhapur factory	Land bearing Survey Nos. 96/1 to 96/9 at Devarwadi Village, Shinoli Post, Taluka Chandgad, Kolhapur District	14,300 m^2	Chemplast Sanmar Limited	November 21, 2012
Land used for Chennai factory	Survey Nos. 190/1A1, 190/1A2, 190/1B2, 189/2A, 190/1A3B, 190/1B3B, 190/1B1, 189/1, 189/2B, 189/3 and 189/4, Village No. 106, Jagannathapuram-II, Irulipattu Village, Ponneri Taluk, Thiruvallur District within the Registration of Thiruvallur and Sub-Registration District of Arani, Chennai	28,536 m^2	Chemplast Sanmar Limited	October 22, 2012
Land used for Chennai factory	Survey Nos. 190/1A3 and Survey Nos. 190/1B3A	6,866 m^2	Uma Ramamoorthi	December 5, 2016
Industrial plot, Athal factory	Land bearing New Survey No. 132/1/1/3, Village Athal of Union Territory of Dadra and Nagar Haveli, Taluka Silvassa	19,905 m^2	M/s. Trimurti Developers	April 28, 1994
Land for commercial warehouse purposes, Dadra	Survey No. 55/2, Village Dadra of Union Territory of Dadra & Nagar Haveli	1,300 m^2	Shri Gaman alias Nathubhai Khandubhai Desai and Shri Rameshchandra Khandubhai Desai through their PoA-holder Shri Deepakbhai B. Desai	April 15, 2014
Land for commercial warehouse purposes, Dadra	Survey No. 56/1, Village Dadra of Union Territory of Dadra & Nagar Haveli	16,200 m^2	Smt. Vimal V. Vaid alias Smt. Surekha Shridhar Mohile and Smita Shridhar Mohile	April 28, 2008
Land for commercial cum warehousing purposes, Dadra	Survey No. 56/3, Village Dadra of Union Territory of Dadra & Nagar Haveli	2,000 m^2	Smt. Lilaben Mangubhai Patel	August 23, 2011
Land for commercial purpose, Dadra	Survey No. 57/1, Village Dadra of Union Territory of Dadra & Nagar Haveli	1,100 m^2	Shri Narendra H. Trivedi	June 17, 2011
Land for commercial-warehouse purpose, Dadra	Survey No. 68, Village Dadra of Union Territory of Dadra & Nagar Haveli	2,400 m^2	Shri Amrut Keshur Patel	May 23, 2008
Industrial plot, Dadra factory	Survey No. 53, Village Dadra of Union Territory of Dadra & Nagar Haveli	9,400 m^2	M/s. Cliff Apparels Pvt. Ltd.	November 22, 1999
Industrial	Survey No. 85, Village Dadra of Union Territory of	2,300 m^2	Shri Rashikbhai	May 29,

Description	Address	Area[1]	Seller	Date of Agreement
plot, Dadra factory	Dadra & Nagar Haveli		Chhotubhai Patel	2008
Industrial plot, Dadra factory	Survey No. 89, Village Dadra of Union Territory of Dadra & Nagar Haveli	3,800 m^2	Shri Amrut Keshur Patel	December 23, 2009
Industrial plot, Dadra factory	Survey No. 90, Village Dadra of Union Territory of Dadra & Nagar Haveli	2,700 m^2	Smt. Lilaben Mangubhai Patel	December 1, 2009
Industrial plot, Dadra factory	Survey No. 91, Village Dadra of Union Territory of Dadra & Nagar Haveli	3,300 m^2	Shri Amrut Keshur Patel	July 11, 2008
Industrial plot, Dadra factory	Survey No. 92/1, Village Dadra of Union Territory of Dadra & Nagar Haveli	10,869 m^2	Shri Chhotubhai Paragjibhai Desai	March 24, 2008
Industrial plot, Dadra factory	Survey No. 92/2, Village Dadra of Union Territory of Dadra & Nagar Haveli	8,700 m^2	Smt. Vasuben, widow of Lalubhai Merwanbhai	March 26, 2002
Industrial plot, Dadra factory	Survey No. 93/P, Village Dadra of Union Territory of Dadra & Nagar Haveli	7,500 m^2	Shri Maganlal Sugnchand Shah	December 7, 2006
Industrial plot, Telangana factory	Survey No. 159/E/E, 159/E6, 159/AA1, 69/AA, 69/AA2, 160/E, 161/A2/A, 161/A3, 161/E1, 160/AA1, 161, 161/AA1, 161/AA2 Village of Yenkepally, Sadashivpet Mandal, Sangareddy District, Telangana	124,744 m^2 (30 acres, 33 guntas[3])	Sri Namburi Kumara Swamy, Sri Machavarapu Ganapthi Rao, Sri Rakesh Nutakki and Smt Namburi Deepthi	August 31, 2017
Industrial plot, Telangana factory	Survey No. 161/E2 and 170 Village of Enkepalle Sadashivpet Mandal, Sangareddy District, Telangana	27,822 m^2 (6 acres, 35 guntas)	Smt Vemulapalli Vani Sree	January 19, 2018
Industrial plot, Telangana factory	Survey number 171/A1, 171/A2 and 171/E, Yenkepally (Village and G.P.) Sadashivpet, Registration Sub-district Sangareddy, District Sangareddy, Telangana.	30,655 m^2 (7 acres, 23 guntas)	Sri Golla Siddu, Smt Golla Swaroopa, Smt Golla Anjamma and Sri Golla (Alias) Manthuri Kistaiah	May 2, 2018
Agricultural plot, Rajasthan factory	Khasra No. 122, 124/1, 125, 126, 127/1, 131, 132, 1075, 1077/2, 144/2 Village-Asalpur, Tehsil-Sambhar lake, Jaipur, Rajasthan-303604. [4]	196,704 m^2	Salasar Buildcon and Complexes Pvt. Ltd.	June 5, 2018
Agricultural plot, Rajasthan factory	Khasra No. 102, 1708/103, 104,105, 106, 1709/107, 115/2, 116, 119, 120, 121, 124/4,145 Village-Asalpur, Tehsil-Sambhar lake, Jaipur, Rajasthan-303604.[4]	105,725 m^2	Salasar Buildcon and Complexes Pvt. Ltd.	February 23, 2018

Notes:

(1) *Rounded to the nearest whole number.*

(2) *Our Company owns office premises at "RUBY HOUSE", 4th Floor, 'B' Wing, Dadar (West), Mumbai. In lieu of this, the developer offered us alternate premises at 8th Floor, 'THE RUBY', Dadar (West), Mumbai, which we accepted. Though we have moved our office to the new premises in May 2013, the agreement for the same with the developer is pending registration.*

(3) *A gunta is equal to 101.17 square metres. 40 guntas is equal to one acre.*

(4) *We entered into two memorandums of understanding with Salasar Buildcon and Complexes Pvt. Ltd for the purchase of land totaling approximately 362,150 square metres in Jobner (Rajasthan). We have purchased and registered the sale of approximately 302,428 square metres of this land. In addition, we have paid ₹ 36.13 million as an advance towards the purchase price of ₹ 54.50 million for the remaining 59,722 square metres of land (the "**Remaining Land**"), but we have not yet entered into a deed of sale in connection with the purchase of the Remaining Land. We need to obtain an exemption from The Rajasthan Imposition of Ceiling on Agricultural Holding Act, 1973 before entering into the deed of sale for the Remaining Land. We have not applied for an exemption yet but we intend to do so soon. As more than 90 days have passed since dates of the memorandum of understanding and we have not entered into a deed of sale for the Remaining Land, under the terms of the memorandums of understanding, the other party is required to repay the advance to us and we have lost the right to buy the Remaining Land. However, as we still want to purchase the Remaining Land and the other party still wants to sell this land to us, we have not asked for the advance to be repaid. If we are unable to obtain an exemption from The Rajasthan Imposition of Ceiling on Agricultural Holding Act, 1973, we will require the other party to repay the advance. The amount of the advance is equivalent to*

the full purchase price for approximately 39,547 square metres of the Remaining Land. We do not require the Remaining Land in order to expand the total installed capacity of our Rajasthan plant to up to 40,621 tonnes per annum, so if we do not end up acquiring this land it will have no effect on our current plans for our Rajasthan plant.

We lease (i) our registered office in Goa, (ii) 11 warehouses (located in Ghaziabad, Bhubaneshwar, Nagpur, Hubli, Vijaywada, Palakkad Taluk District, Chennai, West Bengal, Jalpaiguri, Medchal-Malkajgiri District and Tiruchirappalli); and (iii) five marketing offices (located in Kolkata, Ahmedabad, Pune, Chennai and Bengaluru). We also lease three residential properties in Mumbai for use by certain Directors.

CORPORATE AND SOCIAL RESPONSIBILITY

We have a Corporate Social Responsibility ("**CSR**") Committee in place, whose mandate is to formulate and recommend to the Board a CSR policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, to recommend the amount of expenditure to be incurred on the above-mentioned activities and to do such other acts, deeds and things as may be required to comply with applicable laws. We did not spend the amount required on CSR activities under Section 135 of the Companies Act, 2013, calculated as per Section 198 of the Companies Act, 2013, for Fiscals 2019, 2017, 2016 and 2015. However, our expenses for CSR activities for Fiscal 2018 exceeded the amount we were required to spend on CSR activities under Section 135 of the Companies Act, 2013 for Fiscals 2018, 2017, 2016 and 2015 combined. The requirements under Section 135 under the Companies Act, 2013 came into effect from April 2014, so they were not applicable for Fiscal 2014. See "*Risk Factors – We did not spend the amount required on corporate social responsibility activities under Section 135 of the Companies Act, 2013, calculated as per Section 198 of the Companies Act, 2013, for certain Fiscals*" on page 39 for further details.

REGULATIONS AND POLICIES

Our Company is engaged primarily in the business of manufacturing polymer pipes and fittings in India. We are regulated by a number of central and state legislations. Additionally, our functioning requires the sanction of concerned authorities, at various stages, under relevant legislations and local by-laws.

The following is an overview of certain sector-specific Indian laws and regulations which are relevant to the operations of our Company. The information detailed in this chapter has been obtained from publications available in public domain. The description of laws and regulations set out below is not exhaustive but indicative, and is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Regulations pertaining to the business of our Company

Bureau of Indian Standards Act, 2016 ("BIS Act")

The BIS Act provides for the establishment of the Bureau of Indian Standards ("**BIS**") for the development of activities of standardisation, conformity assessment and quality certification of goods, articles, processes, systems and services. The BIS Act provides for the functions of the BIS which includes, among others (a) to publish, establish, promote and review Indian standards; (b) to adopt as Indian standard, any standard, established by any other institution in India or elsewhere, in relation to goods, articles, processes, systems or services; (c) to carry out functions necessary for promotion, monitoring and management of the quality of goods, articles, processes, systems and services and to protect the interests of consumers and other stake holders; and (d) undertake, support and promote research necessary for formulation of Indian standards. The BIS Act empowers the Central Government to order compulsory use of standard mark for any goods or article if it finds it expedient to do so in public interest, national security, protection of human, animal or plant health, safety of environment or prevention of unfair trade practices. The BIS Act also provides the penalties in case there is a contravention of the provisions of the BIS Act.

The Legal Metrology Act, 2009 ("Legal Metrology Act" and the Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology Act replaces the Standards of Weights and Measures Act, 1976. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number, and matters connected therewith or incidental thereto. The key features of the Legal Metrology Act are (a) appointment of Government approved test centres for verification of weights and measures; (b) permitting the establishments to nominate a person who will be held responsible for breach of provisions of the Legal Metrology Act; and (c) more stringent punishment for violation of provisions.

Consumer Protection Act, 1986

The Consumer Protection Act, 1986 came into effect on December 24, 1986. The Consumer Protection Act reinforces the interest and rights of consumers by laying down a mechanism for speedy grievance redressal. Any person to whom goods were delivered/intended to be delivered or services were rendered/ intended to be rendered, or a recognized consumer association, or numerous consumers having the same interest, or the Central/State Government may lodge a complaint before the district forum or any other appropriate forum under the Consumer Protection Act, *inter alia*, where:

a. an unfair trade practice or a restrictive trade practice has been adopted by a service provider;
b. the services availed or agreed to be availed suffer from any deficiency in any material aspect; and
c. the provision of services which are hazardous or likely to be hazardous to life and safety of the public when used are offered by the service provider which such person could have known with due diligence to be injurious to life and safety.

When a person against whom a complaint is made fails to or omits to comply with any order made by the forum/commission, such person shall be punishable with imprisonment for a term of not less than a month, but not exceeding three years, or a fine of not less than two thousand rupees, but not more than ten thousand rupees, or both. 161

The Consumer Protection Act, 2019 has been published in the e-gazette and will repeal the existing Consumer Protection Act, 1986 on such date as the Central Government may by notification appoint. The Consumer Protection Act, 2019 will, inter alia, introduce a Central Consumer Protection Council to promote, protect and enforce the rights of consumers executive agency to provide relief to a class of consumers. The Consumer Protection Act, 2019 will bring e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online marketplace or online auction sites. The Consumer Protection Act, 2019 will also provide for mediation cells for early settlement of the disputes between the parties.

Petroleum Act, 1934 ("Petroleum Act") and Petroleum Rules, 2002 ("Petroleum Rules")

The Petroleum Act regulates the import, transport and storage of petroleum. The Petroleum Rules require every person importing, transferring or storing petroleum to do so only in accordance with a license granted under the Petroleum Rules. Every person desiring to obtain a license to import and store petroleum is required to submit to the licensing authority an application for registration in the prescribed format within the specified time limit. On expiry of a license, the applicant is required to make an application for renewal of license. A license may be renewed by the authority empowered to grant such a license, provided that a license which has been granted by the Chief Controller may be renewed without alteration, by a Controller duly authorized by the Chief Controller. Pursuant to Section 23 of the Petroleum Act, whoever contravenes any of the provisions of the Petroleum Act, shall be punishable with simple imprisonment which may extend to one month, or with fine which may extend to ₹ 1,000 or with both.

Environmental laws and regulations

Environment Protection Act, 1986 ("Environment Act")

The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. The Environment Act empowers the Central Government to make rules for various purposes viz., to prescribe:

(i) the standards of quality of air, water or soil for various areas;
(ii) the maximum allowable limits of concentration of various environmental pollutants for different areas;
(iii) the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents.

Environment (Protection) Rules, 1986 ("Environment Rules")

In exercise of powers conferred under the Environment Act, the Central Government notified the Environment Rules. Pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or shall submit to the concerned Pollution Control Board ("**PCB**") an environmental statement for that financial year in the prescribed form.

***Air (Prevention and Control of Pollution) Act, 1981** ("**Air Act**")*

The Air Act requires any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions, apply in a prescribed form and obtain consent from the PCB prior to commencing any activity. The PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent.

***Water (Prevention and Control of Pollution) Act, 1974** (“**Water Act**”)*

The Water Act aims at prevention and control of water pollution as well as restoration of water quality through the establishment of a central PCB and state PCBs. Under the provisions of the Water Act, any individual, industry or institution discharging industrial or domestic wastewater or establishing any treatment or disposal system or the using of any new or altered outlet for the discharge of sewage is required to obtain the consent of the applicable state PCB, which is empowered to establish standards and conditions that are required to be complied with. The consent to operate is granted for a specific period after which the conditions stipulated at the time of granting consent are reviewed by the state PCB. Even before the expiry of the consent period, the state PCB is authorized to carry out random checks on any industry to verify if the standards prescribed are being complied with by the industry. In the event of non-compliance, the state PCB after serving notice to the concerned industry may close the mine or withdraw water supply to the industry or cause magistrates to pass injunctions to restrain such polluters.

***Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008** (“**Hazardous Wastes Rules**”)*

The Hazardous Wastes Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such waste in a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, *inter alia*, in the generation, processing, treatment, package, storage and destruction of hazardous waste is required to obtain an authorization from the relevant state PCB for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste.

Regulations regarding foreign investment

Foreign investment in Indian securities is governed by the provisions of the Foreign Exchange Management Act, 1999 (“**FEMA**”) read with the applicable FEMA Rules. FEMA replaced the erstwhile Foreign Exchange Regulation Act, 1973. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the government approval route, depending upon the sector in which foreign investment is sought to be made.

Laws relating to intellectual property

***Trade Marks Act, 1999 as amended** (“**Trademark Act**”)*

In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits registration of trademarks for goods and services. The Trademark Act statutorily protects trademarks and prevents use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trademark registration can be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future.

Applications for a trademark registration can be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. The mark lapses in ten years unless renewed. The Trademark (Amendment) Act, 2010 allows Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. The Trademark (Amendment) Act, 2010 has been enacted to amend the Trademark Act, which enables Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other jurisdictions. The amendment also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

Patents Act, 1970 as amended (“Patents Act”)

The Patents Act governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to recognise product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act stipulates that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is twenty years from the date of filing of the application for the patent.

Designs Act, 2000, as amended ("Designs Act")

Industrial designs have been accorded protection under the Designs Act. A 'Design' means only the features of shape, configuration, pattern, ornament or composition of lines or colour or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, Trademarks and Copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same under the Act before the Controller-General of Patents, Designs and Trade Marks. On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration, but in cases where claim to priority has been allowed the duration is ten years from the priority date. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

Laws relating to employment

The Factories Act, 1948 ("Factories Act")

The Factories Act seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of workers. It applies to industries in which 10 or more workers are employed on any day of the preceding 12 months in any manufacturing process carried on with the aid of power, or 20 or more workers are employed in the manufacturing process being carried out without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment, registration and licensing of factories. The Factories Act requires 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. The Factories Act also provides for fines to be paid and imprisonment of the manager of the factory in case of any contravention of the provisions of the Factories Act.

Other employment regulations

Certain other laws and regulations that may be applicable to our Company in India include the following:

(i) Apprentices Act, 1961;
(ii) Contract Labour (Regulation & Abolition) Act, 1970;
(iii) Employees Compensation Act, 1923;
(iv) Employees Provident Funds and Miscellaneous Provisions Act, 1952;
(v) Employees State Insurance Act, 1948;
(vi) Equal Remuneration Act, 1976, Minimum Wages Act, 1948, Payment of Bonus Act, 1965, Payment of Wages Act, 1936, and the Code on Wages, 2019, each to the extent in force or notified, as the case may be;
(vii) Public Liability Insurance Act, 1991;
(viii) Payment of Gratuity Act, 1972;
(ix) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
(x) The Industrial Disputes Act, 1947;
(xi) The Maternity Benefit Act, 1961;
(xii) Trade Unions Act, 1926;
(xiii) Workmen Compensation Act, 1923; and
(xiv) Child Labour (Prohibition and Abolition) Act, 1986.

In addition to the above employment law related regulations, the GoI is in process of tabling a bill consolidating existing legislations relating to industrial relations and payment of wages. The draft bill under consideration, envisages an increase in the amount of compensation to be paid at the time of retrenchment of a worker, amongst other provisions. Further, GoI has proposed an amendment to Indian contract labour legislation that will increase the minimum wage of contract labourers to ₹ 10,000 per month. Any such changes, if implemented, could adversely affect our operating margins, manufacturing operations, cash flows and results of operations. Enactment of this bill may lead to increase in the operating expenses of our Company, as and when it comes into force.

Laws relating to taxation

As per notice dated June 28, 2017 by the Ministry of Finance, with effect from July 1, 2017, Goods and Services Tax Laws (including Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, States Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017) are applicable to our Company.

In addition to the above, our Company is required to comply with the provisions of the Companies Act, 2013, the Competition Act, 2002 and different state legislations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as 'Prince Pipes and Fittings Private Limited' on November 13, 1987, at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956. Thereafter, pursuant to Section 43A(1A) of the Companies Act, 1956, our Company became a deemed public limited company with effect from July 1, 1998. Further, pursuant to Section 43A(2A) of the Companies Act, 1956, our Company converted back into a private company on May 18, 2001. Subsequently, upon conversion into a public limited company pursuant to a special resolution of our shareholders dated August 7, 2017, the name of our Company was changed to 'Prince Pipes and Fittings Limited', and a fresh certificate of incorporation was issued by the RoC on August 11, 2017.

Changes in the Registered Office

The details of changes in the registered office of our Company are as follows:

Effective Date	Details of change	Reasons
March 3, 1997	Registered office of our Company changed from 312, Churchgate Chambers, 5, New Marine Lines, Churchgate, Mumbai 400 020 to Prince Bhavan, Plot Number 95, Road No. 16, Marol, MIDC, Andheri (East), Mumbai 400 093.	For operational efficiency
August 23, 2004	Registered office of our Company changed from Prince Bhavan, Plot Number 95, Road No. 16, Marol, MIDC, Andheri (East), Mumbai 400 093 to Ruby House, 4th Floor, "B" Wing, J.K. Sawant Marg, Dadar (West), Mumbai 400 028.	For operational efficiency
January 13, 2010	Registered office of our Company changed from Ruby House, 4th Floor, "B" Wing, J.K. Sawant Marg, Dadar (West), Mumbai 400 028 to Plot Number 1, Honda Industrial Estate, Phase II, Honda Sattari, Honda, Goa 403 530.	For operational efficiency

Our main object

The main object of our Company as contained in our Memorandum of Association is:

"To carry on the business of manufacturing, buying, selling, importing, exporting and otherwise dealing with plastic tubes and pipes of all sizes and varieties, used in agricultural, engineering, electrical and mechanical and other industries, rust and corrosion presented tubes, valves, pipes and pipe fittings, flanges, laminated tubings, rods and pipes, exhaust systems in PVC, fibre-reinforced plastics, polypropylene, high density polyethylene and other plastics, PVC water pipes, tubes, electrical conduit pipes and filters, hose pipes, agricultural hose pipes, solid and welding rods, pumps, and also plumbing materials, water distribution systems, sanitary fittings and other building materials made out of plastics."

The main object clause and the objects incidental or ancillary to the main objects contained in the Memorandum and Articles of Association enable our Company to undertake its existing activities as well as to carry on the activities for which funds are being raised in the Offer.

Amendments to our Memorandum of Association

Since incorporation, the following amendments have been made to our Memorandum of Association.

Date of change/ shareholders' resolution	Nature of amendment
April 12, 1994	Clause V of our Memorandum of Association was amended to reflect an increase in the Authorized share capital of our Company from ₹5,000,000 comprising 500,000 Equity Shares of face value ₹ 10 each to ₹30,000,000 comprising 3,000,000 Equity Shares of face value ₹10 each.
March 28, 2000	Clause V of our Memorandum of Association was amended to reflect an increase in the Authorized share capital of our Company from ₹30,000,000 comprising 3,000,000 Equity Shares of face value ₹10 each to ₹120,000,000 comprising 12,000,000 Equity Shares of face value ₹10 each.

Date of change/ shareholders' resolution	Nature of amendment
February 23, 2009	Clause V of our Memorandum of Association was amended to reflect an increase in the Authorized share capital of our Company from ₹120,000,000 comprising 12,000,000 Equity Shares of face value ₹10 each to ₹150,000,000 comprising 15,000,000 Equity Shares of face value ₹10 each.
August 29, 2009*	Clause II of our Memorandum of Association was altered for shifting of our Registered Office from the state of Maharashtra to the state of Goa pursuant to the order dated January 13, 2010 passed by our Company Law Board, Mumbai Bench.
February 5, 2013	Clause V of our Memorandum of Association was amended to reflect an increase in the Authorized share of our Company from ₹150,000,000 comprising 15,000,000 Equity Shares of face value ₹10 each to ₹196,000,000 comprising 19,600,000 Equity Shares of face value ₹10 each pursuant to scheme of arrangement approved by the Bombay High Court through order dated January 13, 2012.
February 22, 2013	Clause V of our Memorandum of Association was amended to reflect an increase in the Authorized share capital of our Company from ₹196,000,000 comprising 19,600,000 Equity Shares of face value ₹10 each to ₹500,000,000 comprising 50,000,000 Equity Shares of face value ₹10 each.
July 4, 2017	Clause V of our Memorandum of Association was amended to reflect an increase in the Authorized share capital of our Company from ₹500,000,000 comprising 50,000,000 Equity Shares of face value ₹10 each to ₹1,500,000,000 comprising 150,000,000 Equity Shares of face value ₹10 each.
August 7, 2017	Clause I of our Memorandum of Association was altered to delete the word 'Private' from the name of our Company.
November 25, 2019	Clause V of our Memorandum of Association was amended to reflect the Authorized share capital of our Company, that is, ₹1,500,000,000 is divided into 144,035,000 Equity Shares of face value ₹10 each and 596,500 CCPS of face value of ₹100 each.

* *with effect from January 13, 2010*

Awards and accreditations

The table below sets forth some of the awards and accreditations received by our Company:

Calendar Year	Accreditations
2010	Award for outstanding quality contribution in the pipe sector at the Infrastructure & Construction Industry Awards – EPC World Awards, 2010
2015	National Awards for Excellence in Learning & Development
	a) Best Talent – Best Learning Partnership
	b) Best Practices – Best Coaching Mentor Training Programme
	c) Best Practices – Best Leadership Training Programme
2015	Silver certificate of merit at the Frost & Sullivan Indian Manufacturing Excellence Awards 2015
2015	Award from the Brihanmumbai Licensed Plumbers Association in recognition of our Company's outstanding contribution to the plumbing industry
2016	Digital Transformation Awards 2016 – Transformation with Cloud Networking by Citrix
2016	Award in recognition of our contribution to the 17th Mega Property Exhibition of CREDAI-Builders' Association of Navi Mumbai
2016	Certificate of appreciation for active association at the Gujarat Premier 10th Mega Industrial Exhibition VCCI Global Trade Show 2016
2017	The Economic Times Polymers Awards 2017 – for Excellence in Building and Construction (Plumbing) Large Enterprises

Major events and milestones

The table below sets forth some of the major events and milestones in the history of our Company:

Calendar Year	Details
1987	Incorporated as a private limited company
1995	Set up a large scale plastic injection moulding and extrusion unit in Athal, Dadra and Nagar Haveli
2000	New plant set up at Dadra for pipe manufacturing
2008	New plant set up at Haridwar for manufacturing pipes and pipe fittings
2012	Acquisition of plants in Chennai and Kolhapur of Trubore Piping System, a division of Chemplast Sanmar Limited

Calendar Year	Details
2013	Merger of Kenson Manufacture Private Limited into our Company
2017	Conversion from a private limited company to a public limited company
2019	Investment by South Asia Growth Fund II Holdings LLC and South Asia EBT Trust

Other details about our Company

For a description of our activities, services, products, marketing, capacity/facility creation, plants, market segments, the growth of our Company, foreign operations, exports, the standing of our Company with reference to prominent competitors in connection with our products, management, major suppliers and customers, environmental issues, geographical segment, technology, market, capacity build-up etc., see the sections titled "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", *"Government and Other Approvals"* and "*Outstanding Litigation and Material Developments*" on pages 150, 309, 349 and 340, respectively.

For details of the management of our Company and its managerial competence, see the section titled "*Our Management*" on page 181.

As on the date of this Red Herring Prospectus, our Company has 39 shareholders. For further details on the shareholding of our Company, see the section titled "*Capital Structure*" on page 81.

Changes in activities of our Company during the last five years

There have been no changes in the activities of our Company during the last five years, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

Capital raising (Equity/ Debt)

Our equity issuances in the past and outstanding debts as on October 31, 2019, have been provided in sections titled "*Capital Structure*" and "*Financial Indebtedness*" on pages 81 and 337, respectively. Further, our Company has not undertaken any public offering of debt instruments since its inception.

Strike and lock-outs

Except as stated below, we have not faced any strikes or lock-outs in our operations since our incorporation:

In 2011, our factory in Athal, Silvassa experienced a brief interruption in operations due to an incident involving the workers and management. For further details, see the sections titled "*Outstanding Litigation and Material Developments*" and "*Risk Factors - Work stoppages or increased wage demands by our workforce or any other kind of disputes with our workforce could adversely affect our business and results of operations*" on pages 340 and 33.

Time/cost overrun

We have not encountered any time and cost overruns in respect of our business.

Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by our Company

There are no defaults or rescheduling of borrowings with financial institutions, banks, or conversion of loans into equity in relation to our Company.

Injunctions or restraining order against our Company

There are no injunctions or restraining orders against our Company.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets

Except as disclosed below, our Company has not undertaken any merger, amalgamation or revaluation of assets.

Scheme of amalgamation between Kenson Manufacture Private Limited ("KMPL") and our Company ("2012 Scheme")

KMPL was a company in the business of manufacturing poly-vinyl chloride pipes and fittings. As sanctioned by the Bombay High Court at Panaji, Goa, on January 13, 2012, the 2012 Scheme provided for the transfer of the entire undertaking and business of KMPL, including all its movable and immovable properties as well as other assets, investments, powers, authorities, allotments, approvals, consents, licenses, contracts, engagements, arrangements, rights, intellectual property rights, titles, interests, benefits and advantages of all nature and all debts, liabilities, contingent liabilities, duties and obligations belonging to, granted or vested in favour of or enjoyed by KMPL to our Company. Further, the 2012 Scheme, *inter alia* provided for the manner of vesting and transfer of the contracts, deeds, bonds, agreements and other instruments of whatsoever nature of KMPL to our Company, as well as for the transfer of benefits including tax exemptions, deductions, concession, subsidies, permits, rights, and approvals, under the Income Tax Act 1961, Gujarat Value Added Tax Act, 2003, Central Sales Tax Act, 1956, Central Excise Act, 1944 and under section 94 of the Finance Act, 1994 enjoyed by KMPL. Furthermore, suits, appeals and other proceedings of whatever nature by or against KMPL, as well as the employees, staff and workmen engaged by KMPL were transferred to our Company in accordance with the 2012 Scheme. KMPL stood dissolved on February 5, 2013, that being the date that the RoC took on record the order of the Bombay High Court sanctioning the scheme.

By way of consideration, the 2012 Scheme provided for an exchange ratio of one Equity Share for every 3,000 equity shares of KMPL. Accordingly, the authorised share capital of our Company increased from ₹150,000,000 to ₹196,000,000.

The 2012 Scheme laid down various benefits in relation to the amalgamation including: (a) strengthening and consolidation of the position of our Company; (b) capacity for resource mobilization and financial consolidation necessary in a competitive environment; (c) greater leverage for our Company in operations planning and process optimization, and enhanced flexibility for product state; and (d) synergy and stability of operations for our Company, that will aid in achieving economies of scale through efficient utilization of resources and facilities.

Acquisition of Trubore and manufacturing units at Chennai and Kolhapur from Chemplast Sanmar Limited

Through a deed of assignment dated October 22, 2012, ("**Deed of Assignment**") our Company acquired the legal and proprietary rights (including common law rights), title, interest, property, and benefit in and to certain of the trademarks of Chemplast Sanmar Limited ("**Chemplast**"). Such rights in the trademark have been vested in perpetuity in the Deed of Assignment. Separately, through sale deeds dated November 21, 2012 and October 22, 2012, our Company acquired two manufacturing plants in Kolhapur and Chennai, respectively, from Chemplast.

Acquisition of Watsun Infrabuild Private Limited from Continuum Wind Energy (India) Private Limited

Through share purchase and shareholders agreement dated March 13, 2019, our Company has agreed to acquire up to 120,000 equity shares of Watsun Infrabuild Private Limited ("**Watsun**"), such that our Company will hold not more than 0.31% of the share capital of Watsun on a fully diluted basis for a consideration of ₹10 per equity share. As on date, our Company holds 104,000 equity shares in Watsun.

Material Agreements

A. Share Purchase and Shareholders' Agreements

Share Subscription Agreement ("SSA") and Shareholders' Agreement ("SHA"), each dated November 20, 2019, entered into between our Company, South Asia Growth Fund II Holdings LLC ("Investor 1") and South Asia EBT Trust ("Investor 2", and collectively with Investor 1, "Investors") and the Promoters (collectively, "Parties")

Pursuant to the SSA, the Investors hold 5,965,000 Equity Shares of our Company as on the date of this Red Herring Prospectus. The Investors initially subscribed to 596,500 CCPS for an aggregate consideration of ₹1,061,770,000 which were converted into 5,965,000 Equity Shares at an issue price of ₹ 178 per Equity Share on December 9, 2019**.**

Further, the SHA, *inter alia*, sets out the rights and obligations amongst the Parties thereto, and provides certain rights, subject to certain terms and conditions, to the Investors including, *inter alia*, the following:

(i.) Tag – along rights in respect of the Equity Shares proposed to be transferred by the Promoters, subject to certain terms and conditions ("**Tag Rights**").

(ii.) Pre-emptive rights in case of issue of any Equity Shares, membership interests, or other ownership interests, or any securities convertible into, or exercisable or exchangeable for, Equity Shares, membership interests, or other ownership interests in our Company, subject to certain terms and conditions.

(iii.) Drag-along right, in respect of the Equity Shares required to be transferred by the Promoters upon identification of a purchaser by the Investors, subject to certain terms and conditions ("**Drag Rights**"). Further, the Investors have the right to (a.) require the Promoters to purchase the Equity Shares held by them ("**Put Option**"), subject to certain terms and conditions; and (b.) require the Company to buyback the Equity Shares held by them ("**BuyBack**"), subject to certain terms and conditions.

(iv.) The Company shall approve or undertake certain matters ("**Reserved Matters**"), certain of which are subject to the Investors holding at least 5% of the equity share capital of our Company, only after having received the prior written consent of the Investors, which includes, *inter alia*, (a.) change in composition of the Board of our Company or any changes to the key managerial personnel of our Company as identified under the SHA; (b.) appointment or removal of the Independent Director(s) of our Company; (c.) any amendment to the Memorandum of Association and Articles of Association of our Company; (d.) withdrawal of the Offer or variation of the terms on which the Offer is undertaken; and (e.) filing of the updated draft red herring prospectus and the red herring prospectus with the governmental authorities in relation to this Offer.

(v.) The Investors shall have the right to nominate up to one Director ("**Investor Nominee Director**"), so long as that the Investors directly or indirectly hold at least 5% of the total share capital of the Company on a fully diluted basis, and alternatively the right to nominate one observer on the Board and on all committees of our Company, irrespective of the extent of the Investors shareholding in the Company on a fully diluted basis (together the "**Nomination Rights**").

(vi.) The quorum for all meetings of our Board shall require the presence of the Investor Nominee Director, if appointed and provided the office is not vacant for any reason whatsoever (unless waived by him/ her in writing in respect of himself / herself).

Pursuant to the SHA, the Articles of Association was amended to reflect the above and in accordance with the terms of the SHA, the special rights available to Investors under the SHA will automatically terminate upon receipt of the final listing and trading approvals from the Stock Exchanges in relation to the Offer, except for the Nomination Rights, subject to ratification of the appointment of such Director or observer, as applicable, by the Shareholders through a special resolution in the first general meeting of our Company held after the listing of the Equity Shares on the Stock Exchanges.

Additionally, pursuant to the SSA and the SHA, our Company has executed a letter of undertaking dated November 20, 2019 ("**Undertaking**") to adhere to the specific environmental, social, labour, health and safety or security and environmental measures, as mutually agreed between the Investors and the Promoters, and prior to receipt of the final listing and trading approval from the Stock Exchanges, the Undertaking shall be converted into a policy and will be adopted by our Board to be adhered to by our Company.

B. Other Agreements

Pledge Agreement ("PA") dated March 30, 2019, entered into between our Company, the Promoters, Jayant Shamji Chheda HUF (one of the members of the Promoter Group), and IDBI Trusteeship Services Limited ("Bond Trustee", and collectively "Parties")

Pursuant to the PA, certain Promoters and one of the Promoter Group entities, Jayant Shamji Chheda HUF, had pledged such number of Equity Shares held by them in our Company ("**Pledged Shares**") as is equivalent to 35% of the Equity Share capital of our Company on a fully diluted basis, i.e. 31,505,536 Equity Shares, in favour of the Bond Trustee, for the benefit of the persons holding the bonds to be issued by one of the Promoter

Group entities, Express Infra Projects LLP, ("**Bond Holders**") until the date of repayment of the debt in full (as notified by the Bond Trustee in writing) ("**Final Settlement Date**"). Pursuant to the allotment of the CCPS and the letter dated November 20, 2019 executed by our Company, the Pledged Shares, in favor of the Bond Trustee, were agreed to be increased to 33,593,286 Equity Shares, such that in terms of the PA, the number of Pledged Shares were 35% of the Equity Share capital of our Company, on a fully diluted basis, at the time of creation of such additional pledge. Additionally, the PA, *inter alia*, sets out the rights and obligations amongst the Parties thereto, and provides certain rights subject to certain terms and conditions, to Bond Trustee (for the benefit of the Bond Holders), including the drag – along right and non-disposal undertaking in respect of such number of Equity Shares as held by the Promoters, Parag Jayant Chheda and Vipul Jayant Chheda (and any other shareholder holding the shares jointly with them), as is equivalent to 16% of the Equity Share capital of our Company on a fully diluted basis ("**DR Shares**", and such right "**DR Right**"), until the Final Settlement Date.

Pursuant to a letter dated November 29, 2019 from the Bond Trustee to our Company, our Promoter, Jayant Shamji Chheda HUF and Express Infra Projects LLP, the pledge as well as the non-disposal undertaking were released prior to the filing of this Red Herring Prospectus, subject to terms and conditions. However, in the event the Promoter Selling Shareholders are unable to fully *repay* the outstanding amounts for these bonds from the proceeds of the Offer for Sale within 2 business days of (i) the credit of proceeds of the Offer in the public offer account opened in relation to the Offer; or (ii) the receipt of the final listing and trading approval for the Equity Shares from the stock exchange, whichever is later, they are required to, subject to applicable law, (i) create first ranking exclusive security interest over certain immovable properties of the Promoters for the benefit of the Bond Holders, such that the ratio of the market value of such immovable properties to the aggregate amounts outstanding in relation to the Bonds is at least 2.5:1; (ii) re-create the pledge and provide the non-disposal undertaking (including making relevant filings with the depository) over such number of Equity Shares and in such form and manner as may be satisfactory to the Bond Holders; and (iii) execute such further documentation as may be required. For further details, please see "*Risk Factors - In relation to certain bonds issued by one of our Promoter Group entities, Express Infra Projects LLP, our Promoters and one of our Promoter Group Entities may be required to pledge certain Equity Shares held by them. Additionally, certain of our Promoters may be required to undertake additional obligations, including providing a non-disposal undertaking with respect to certain of their Equity Shares. In the event they are required to create such encumbrance and if such encumbrance is enforced, there may be a dilution of the shareholding of our Promoters and Promoter Group and we may face certain impediments in taking decisions on certain key strategic matters involving our Company. As a result, we may not be able to conduct our business or implement our strategies as currently planned, which may adversely affect our business, financial condition and results of operations. Further, any rapid sale of Equity Shares by such third parties may adversely affect the price of the Equity Shares.*" on page 20.

In accordance with the PA, our Company has provided certain undertakings to the Bond Trustee, including, *inter alia,* (a) to not amend or vary authorized or issued share capital of our Company; and (b) to not amend Memorandum of Association or Articles of Association of our Company.

Investment Framework Agreement ("IFA") dated November 20, 2019, entered into between our Company, the Investors, the Bond Trustee, Express Infra Projects LLP (one of the members of the Promoter Group) and the Promoters (collectively "Parties")

The IFA reconciles the rights of the Bond Holders pursuant to the Pledge Agreement and the rights of the Investors pursuant to the SHA by providing for, *inter alia,* (a.) the Investors' Tag Rights pursuant to SHA, shall not be applicable to any transfer of the Pledged Shares on account of enforcement of pledge or on transfer of DR Shares (on exercise of DR Right) pursuant to the PA; and (b) the Investors' exercise of Drag Rights pursuant to SHA so long as the bonds have not been paid in full, is subject to the Parties ensuring at least such number of Equity Shares held by the Promoters are sold as a result of the exercise of the Investors' Drag Right as are sufficient to repay the debt in full (to the satisfaction of the Bond Trustee acting on the instructions of the Bond Holders).

For details of agreements in relation to the business and operations of our Company, see the section titled "*Our Business*" on page 150.

Holding Company

Our Company does not have a holding company.

Subsidiaries of our Company

Our Company does not have any subsidiaries.

Strategic and financial partnerships

Our Company does not have any strategic or financial partners.

Guarantees given by the Promoter Selling Shareholders

1. Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda (the "**Guarantors**") have provided personal guarantees amounting to ₹6,129.70 million as at October 31, 2019 to our lenders in relation to the outstanding loans availed by our Company, as detailed in the section titled "*Financial Indebtedness*" on page 337. In accordance with loan documents for the aforementioned facility, the period of guarantee subsists during the tenure of the facility. Any default or failure by our Company to repay this loan in a timely manner, or at all, could trigger repayment obligations on the part the Guarantors. For details see "*"Three of our Promoters have given personal guarantees in relation to certain debt facilities obtained by our Company. Certain of our Promoters have given personal guarantees and/or acted as co-borrowers in relation to certain loans and a debt facility obtained by our Group Companies, Promoter Group Companies and/or other Promoters. In the event our Company, Group Companies, Promoter Group Companies or other Promoters default on any of these loan obligations, these personal guarantees may be invoked by the lenders or the co-borrowed amount may be called for repayment, as applicable, thereby adversely affecting these Promoters' ability to manage the affairs of our Company and this in turn could adversely affect our business, prospects, financial condition and results of operations."* and "*Financial Indebtedness*" on pages 20 and 337 respectively.

Except as stated herein, our Promoter Selling Shareholders have not provided any guarantees on behalf of our Company to third parties which are currently outstanding.

OUR MANAGEMENT

Under our Articles, our Company is required to have not less than three Directors and not more than 14 Directors. Our Company currently has eight Directors on its Board, including four Independent Directors. Our Board currently has one woman Director.

Our Board

The following table sets forth the details regarding our Board as on the date of this Red Herring Prospectus:

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
Jayant Shamji Chheda *Designation*: Chairman and Managing Director *Address*: Room no. 1001, 10th floor, Mont Blanc, Plot no. 550, Jame Jamshed Road, Matunga C.Rly, Mumbai, Maharashtra-400019 *Occupation*: Industrialist *Nationality*: Indian *Term*: Appointed as a Chairman and Managing Director with effect from August 21, 2017 and is liable to retire by rotation.* *DIN*: 00013206	73	• Accord Infra Projects Private Limited • Pinnacle Realty Projects Private Limited
Parag Jayant Chheda *Designation*: Executive Director *Address:* Room no.1002, 10th floor, Mont Blanc, Plot no. 550, Jame Jamshed Road, Matunga C.Rly, Mumbai, Maharashtra-400019 *Occupation*: Industrialist *Nationality*: Indian *Term:* Appointed as Executive Director for a term of three years with effect from August 21, 2017 and is liable to retire by rotation. *DIN*: 00013222	48	• Accord Infra Projects Private Limited • Ace Polyplast Private Limited • Pinnacle Realty Projects Private Limited
Vipul Jayant Chheda *Designation*: Executive Director *Address*: 1004, 10th Floor, Bombay Dyeing Spring Mill Compound, Dadar (East) Mumbai 400014. *Occupation*: Industrialist *Nationality:* Indian *Term*: Appointed as Executive Director for a term of three	44	• Pinnacle Realty Projects Private Limited

years with effect from August 21, 2017 and is liable to retire by rotation. *DIN:* 00013234		
Rajesh R. Pai *Designation*: Non-executive Director *Address*: C-22 Mangirish Soc, L.J. Road, Mahim, Mumbai – 400 016, Maharashtra, India *Occupation*: Professional *Nationality*: US citizen *Term*: Not liable to retire by rotation *DIN*: 02930658	48	• Rishabh Instruments Private Limited • Concord Enviro Systems Private Limited • ESDS Software Solution Private Limited
Ramesh Chandak *Designation*: Independent Director *Address:* 1202, Shrushti Towers, Old Prabhadevi Road, Prabhadevi, Mumbai-400025 *Occupation*: Advisory and consulting *Nationality*: Indian *Term:* Appointed as Independent Director for a term of three years with effect from September 16, 2017. *DIN:* 00026581	72	• Anand Rathi Wealth Services Limited • IndiaNivesh Fund Managers Private Limited • KEC International Limited • Parag Milk Foods Limited • Ram Ratna Wires Limited • Summit Securities Limited
Mohinder Pal Bansal *Designation*: Independent Director *Address:* 1403/B, Casa Grande Tower-1, Opp. Peninsula Complex, Senapati Bapat Marg, Lower Parel, Mumbai, Maharasthra-400013 *Occupation*: Business *Nationality:* Indian *Term:* Appointed as Independent Director for a term of three years with effect from September 16, 2017. *DIN*: 01626343	62	• Allcargo Logistics Limited • Allnet Financial Services Private Limited • Avvashya CCI Logistics Private Limited • Blacksoil Capital Private Limited • Blacksoil Asset Management Private Limited • Hindustan Cargo Limited • K12 Techno Services Private Limited • Navneet Education Limited • Transindia Logistic Park Private Limited • Girik Wealth Advisors Private Limited
Dilip Deshpande *Designation*: Independent Director *Address*: Kumar Peninsula, A Building, Flat 301, Baner Pashan Link Road, Pashan Pune-411021, Maharashtra, India. *Occupation:* Professional	68	• Hultec India Private Limited

Nationality: Indian *Term*: Appointed as Independent Director for a term of three years with effect from June 29, 2019. *DIN*: 08488986		
Name: Uma Mandavgane *Designation*: Independent Director *Address*: 504, Sai Sharan, N.C. Kelkar Road, Dadar (West), Mumbai-400028 *Occupation:* Service *Nationality:* Indian *Term*: Appointed as Independent Director for a term of three years with effect from September 16, 2017. *DIN*: 03156224	52	• Bloom System Private Limited • Quantum Asset Management Company Private Limited • Zee Media Corporation Limited

**Term as approved by the Board of Directors on November 28, 2019 and subject to Shareholders' approval.*

Brief profiles of our Directors

Jayant Shamji Chheda, aged 73 years, is the Chairman and Managing Director of our Company. He has been associated with our Company since incorporation as a Director. He has passed the Senior Secondary Certificate Examination. He has over three decades of experience in the plastic industry. He was awarded the 'Lifetime Achievement Award' at the Vinyl India Conference, 2014.

Parag Jayant Chheda, aged 48 years, is an Executive Director of our Company. He has been associated with our Company since April 27, 1996 as a Director. He holds an associate degree in business administration from Oakland Community College. He has over 21 years of experience in the piping industry. He was awarded the 'Inspiring Business Leader Award' at the Economic Times Summit, 2016 for the 'Business and Industry' sector.

Vipul Jayant Chheda, aged 44 years, is an Executive Director of our Company. He has been associated with our Company since March 11, 1997 as a Director. He holds a higher secondary certificate from the Maharashtra State Board of Secondary and Higher Secondary Education. He has over 20 years of experience in the piping industry.

Rajesh R. Pai, aged 48 years, is a Non-executive Director of our Company. He was appointed to our Board on November 26, 2019. He holds a master's degree in business administration from the University of Chicago and a master's degree in computer science from Arizona State University. He has a bachelor's degree in computer engineering from the University of Bombay. He has several years of experience in private equity.

Ramesh Chandak, aged 72 years, is an Independent Director of our Company. He was appointed to our Board on September 16, 2017. He holds a master's degree in commerce from Nagpur University and is also a fellow of the Institute of Chartered Accountants of India since May 12, 1976. He has also completed the program on leading change and organizational renewal from Harvard Business School. He has been honoured with the CA Business Leader Corporate Award by ICAI in the year 2008. He is a former president of Indian Electrical and Electronics Manufacturers' Association. He has over four decades of experience as a chartered accountant.

Mohinder Pal Bansal, aged 62 years, is an Independent Director of our Company. He was appointed to our Board on September 16, 2017. He holds a bachelor's degree in Commerce from Punjab University and he is also a fellow of the Institute of Chartered Accountants of India. He has over three decades of experience as a chartered accountant.

Dilip Deshpande, aged 68 years, is an Independent Director of our Company. He was appointed to our Board on June 29, 2019. He holds a bachelor's degree in science and technology (petro-chemical technology) from Nagpur University. He has several years of experience in polymers and plastics processing industries.

Uma Mandavgane, aged 52 years, is an Independent Director of our Company. She was appointed to our Board on September 16, 2017. She holds a bachelor's degree in commerce from the University of Bombay. She is an associate of the Institute of Chartered Accountants of India and is qualified as a Certified Information Systems Auditor from ISACA, USA. She has 22 years of experience in industry and consulting.

Relationship between Directors

Except as stated below, none of our Directors are related to each other.

Name of the Directors	Name of Related Director	Relationship
Jayant Shamji Chheda	Parag Jayant Chheda	Son
	Vipul Jayant Chheda	Son
Parag Jayant Chheda	Jayant Shamji Chheda	Father
	Vipul Jayant Chheda	Brother
Vipul Jayant Chheda	Jayant Shamji Chheda	Father
	Parag Jayant Chheda	Brother

Terms of appointment of Executive Directors

Jayant Shamji Chheda

Pursuant to a resolution of our Board dated September 25, 2017 and a resolution of our shareholders dated September 26, 2017, Jayant Shamji Chheda was appointed as our Chairman and Managing Director.

Pursuant to resolutions of our Board dated September 25, 2017, and a shareholders' resolution dated September 26, 2017 and agreements dated September 26, 2017 and November 27, 2019 between our Company and Jayant Shamji Chheda governing his terms of appointment, he is entitled to the following remuneration:

Particulars	Details
Salary*	₹1.20 million per month.
Perquisites	Includes rent free accommodation, value of furniture, electricity expenses, motor car including driver, and gratuity.
Commission	Remuneration by way of commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of our Company in a particular financial year, as may be determined by the Board of our Company at the end of each financial year, subject to the overall ceilings stipulated in Sections 197 and 198 of the Act. The specific amount payable to the Managing Director will be based on performance as evaluated by the Board or a Committee thereof duly authorized in this behalf and will be payable annually after the Annual Accounts have been approved by the Board.

**Annual increments will be decided by the Board and will be based on merit as well as Company's performance*

Parag Jayant Chheda

Pursuant to a resolution of our Board dated September 25, 2017 and a resolution of our shareholders dated September 26, 2017, Parag Jayant Chheda was re-appointed as our Executive Director for a term of three years.

Pursuant to resolutions of our Board dated September 25, 2017, and a shareholders' resolution dated September 26, 2017 and agreements dated September 26, 2017 and November 27, 2019 between our Company and Parag Jayant Chheda governing his terms of appointment, he is entitled to the following remuneration:

Particulars	Details

Particulars	Details
Salary*	₹1.00 million per month.
Perquisites	Includes rent free accommodation, value of furniture, electricity expenses, motor car including driver, and gratuity.
Commission	Remuneration by way of commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of our Company in a particular financial year, as may be determined by the Board of our Company at the end of each financial year, subject to the overall ceilings stipulated in Sections 197 and 198 of the Act. The specific amount payable to the Whole-time Director will be based on performance as evaluated by the Board or a Committee thereof duly authorized in this behalf and will be payable annually after the Annual Accounts have been approved by the Board.

Annual increments will be decided by the Board and will be based on merit as well as Company's performance

Vipul Jayant Chheda

Pursuant to a resolution of our Board dated September 25, 2017 and a resolution of our shareholders dated September 26, 2017, Vipul Jayant Chheda was re-appointed as our Executive Director for a term of three years.

Pursuant to resolutions of our Board dated September 25, 2017 and a shareholders' resolution dated September 26, 2017 and agreements dated September 26, 2017 and November 27, 2019 between our Company and Vipul Jayant Chheda governing his terms of appointment, he is entitled to the following remuneration:

Particulars	Details
Salary*	₹0.90 million per month.
Perquisites	Includes rent free accommodation, value of furniture, electricity expenses, motor car including driver, and gratuity.
Commission	Remuneration by way of commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of our Company in a particular financial year, as may be determined by the Board of our Company at the end of each financial year, subject to the overall ceilings stipulated in Sections 197 and 198 of the Act. The specific amount payable to the Whole-time Director will be based on performance as evaluated by the Board or a Committee thereof duly authorized in this behalf and will be payable annually after the Annual Accounts have been approved by the Board.

Annual increments will be decided by the Board and will be based on merit as well as Company's performance

Sitting Fees/ Remuneration details of our Directors

(1) Remuneration details of our Executive Directors

Name of Director	Remuneration and commission paid in Fiscal Year 2019 (in ₹million)
Jayant Shamji Chheda	13.67
Parag Jayant Chheda	11.27
Vipul Jayant Chheda	10.07
Heena Parag Chheda*	6.28

* *Heena Parag Chheda has resigned as executive director, with effect from, November 28, 2019.*

(2) Details of sitting fees paid to our Independent Directors

Name of Director	Sitting fees paid in Fiscal Year 2019 (in ₹ million)
Ramesh Chandak	0.08

Name of Director	Sitting fees paid in Fiscal Year 2019 (in ₹ million)
Mohindar Pal Bansal	0.05
Dilip Deshpande	Nil*
Sundar Parthasarathy**	0.03
Uma Mandavgane	0.08

**Appointed as a Director of our Company after March 31, 2019 and hence there was no sitting fees paid to him in Fiscal Year 2019.*
***Sundar Parthasarathy has resigned as Independent Director, with effect from May 13, 2019.*

(3) Remuneration or sitting fees payable to our Non-executive Director

Rajesh R. Pai, our Non-executive Director, is not entitled to payment of any remuneration or sitting fees by our Company.

Bonus or profit sharing plan for our Directors

Our Company does not have a bonus or profit sharing plan for our Directors.

Shareholding of our Directors in our Company

Our Articles do not require our Directors to hold any qualification shares.

Except as stated in the sub-section titled "*Shareholding of our Promoters and other members of our Promoter Group*" in the section titled *"Capital Structure"* on page 81, our Directors do not have any other interest in our Company.

Service contracts with Directors

There are no service contracts entered with any of our Directors which provide for benefits upon termination of employment.

Interest of Directors

All of our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them.

Further, our Executive Directors may also be regarded as interested in the Equity Shares held by them or that may, pursuant to this Offer, be subscribed by or Allotted to them, their relatives, or to the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters.

Our Executive Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them.

Our Executive Directors are also directors and/or promoters of certain of our Group Companies and may be deemed to be interested to the extent of transactions made between our Company and the Group Companies, if any.

Interest in promotion of our Company

Except as stated in the section titled "*Promoter and Promoter Group*" on page 200, our Directors have no interest in the promotion of our Company as of the date of this Red Herring Prospectus, except in the ordinary course of business.

Interest in property

Except as stated below, our Directors have no interest in any property acquired by our Company within the two years preceding the date of this Red Herring Prospectus, or proposed to be acquired by our Company or in any transaction for acquisition of land, construction of buildings and supply of machinery, etc:

1. Leave and license agreement between Jayant Shamji Chheda, Tarla Jayant Chheda and our Company for lease of the premises situated at Flat No. 10-A, 10th Floor, "Mont Blanc" Building, 550, Jam e-Jamshed Road, Matunga, Mumbai – 400 019 measuring approximately 1,271.77 square feet for a period of five years from March 1, 2013 to February 28, 2018. The agreement was renewed for a period of five years from March 1, 2018 to February 28, 2023. In terms of the renewed lease agreement, our Company is required to pay ₹ 0.19 million per month to Jayant Shamji Chheda and ₹ 0.19 million per month to Tarla Jayant Chheda starting from March 1, 2018. The rent is subject to an annual increase of five percent.

2. Leave and license agreement between Parag Jayant Chheda and our Company for lease of the premises situated at Flat No. 10-B, 10th Floor, "Mont Blanc" Building, 550 Jam e-Jamshed Road, Matunga, Mumbai – 400019 measuring approximately 1,049.81 square feet for a period of five years from March 1, 2013 to February 28, 2018. The agreement was renewed for a period of five years from March 1, 2018 to February 28, 2023. In terms of the renewed lease agreement, our Company is required to pay ₹0.38 million per month to Parag Jayant Chheda starting from March 1, 2018. The rent is subject to an annual increase of five percent.

3. Leave and license agreement between Vipul Jayant Chheda, Ashwini Vipul Chheda and our Company for lease of the premises situated at Flat No. 1004-A, 1004-B, 1004-C, 10th Floor, Springs I, Bombay Dyeing Spring Mill Compound/New Island City Centre, Dadar (East), Mumbai – 400014 measuring approximately 2,400.69 square feet for a period of five years from March 1, 2013 to February 28, 2018. The agreement was renewed for a period of five years from March 1, 2018 to February 28, 2023. In terms of the renewed lease agreement, our Company is required to pay ₹ 0.38 million per month to Vipul Shamji Chheda and ₹ 0.38 million per month to Ashwini Vipul Chheda starting from March 1, 2018. The rent is subject to an annual increase of five percent.

   With respect to 1, 2 and 3 above, the rental amount was determined based on enquiries from real estate brokers providing services in the abovementioned localities. For further details, please see "*Risk Factors - Some of our Promoters and their relatives may have interest in us other than normal remuneration benefits or reimbursements of expenses incurred.*" on page 29.

4. Memorandum of understanding entered between Prince Marketing and our Company for the premises situated on the 8th floor of The Ruby, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400028. The partners of Prince Marketing are Jayant Shamji Chheda, Parag Jayant Chheda, Vipul Jayant Chheda, Tarla Jayant Chheda, Heena Parag Chheda and Ashwini Vipul Chheda. In terms of the memorandum of understanding, Prince Marketing agreed to sell the premises to our Company for a total consideration of ₹ 545.50 million, towards which ₹ 400.00 million has been remitted as an advance by our Company, as of June 30, 2019 ("**Advance Amount**"). However, the conveyance of the premises has not been completed between our Company and Prince Marketing and accordingly, pursuant to the agreement dated November 26, 2019 entered into between our Company, our Promoters and Prince Marketing, Prince Marketing has undertaken to repay the Advance Amount no later than the expiry of twenty four months from the date on which our Company has allotted the CCPS to the Investors ("**Expiration Date**"). In the event, Prince Marketing fails to repay the Advance Amount before the Expiration Date, the Promoters shall, on behalf of Prince Marketing, settle the outstanding amounts equivalent to Advance Amount with our Company within seven business days from the Expiration Date ("**Promoter Paying Date**"). In case of any delay in settlement of the Advance Amount by the Promoter, they will also be liable to pay an interest of 12% per annum from the Promoter Paying Date till the date of repayment. The purchase price for the property was determined based on a valuation report as on December 24, 2016, which was ₹440.40 million, and accounting for appreciation of the property value due to passage of time. For further details, please see "*Risk Factors - Some of our Promoters and their relatives may have interest in us other than normal remuneration benefits or reimbursements of expenses incurred.*" on page 29.

5. Leave and license agreement between Albright Aluminium Industries (through its partner Vipul Jayant Chheda) ("**Lessor**"), a firm forming part of our Promoter Group, and our Company for lease of our Registered Office for a period of nine years from August 1, 2009 to July 31, 2018 for a consideration of ₹2,500 per month, including utility charges, which was waived by the Lessor by way of a letter dated October 6, 2018. The agreement was renewed for a period of five years from August 1, 2018 to July 31, 2023. In terms of the renewed lease agreement, our Company is required to pay ₹ 2,000 per month to the Lessor, excluding any applicable goods and service tax.

For further details, please see "*Related Party Transactions*" on page 210.

Payment of benefits (non-salary related)

Except as disclosed above, no non-salary related amount or benefits were paid or given within the two years preceding the date of this Red Herring Prospectus or intended to be paid or given to our Directors.

Appointment of relatives to a place of profit

Except as stated above in "*Relationship between Directors*", none of the relatives of our Directors have been appointed to an office or place of profit with our Company, except for Ashwini Vipul Chheda, in her capacity as Head, Administration, Heena Parag Chheda, in her capacity, as Vice President - Finance and Nihar Parag Chheda in his capacity as Assistant Vice President - Strategy.

Business interest

Except as stated in this section and the sections titled "*Financial Statements – Annexure G – Note 36 - Restated Statement of Related Party Transactions*" on page 266, our Directors do not have any other interest in our Company.

Confirmations

None of our Directors have been identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

No consideration either in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested, by any person, either to induce him to become, or to qualify him as a director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

Except as stated in the section titled "*Financial Statements – Annexure G – Note 36 - Restated Statement of Related Party Transactions*" on page 266, none of our sundry debtors are related to our Directors in any manner.

Our Directors are not, and have not, been on the board of any listed company, during the five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on BSE or NSE.

Except as stated below, none of our Directors have been or are directors on the board of listed companies which have been or were delisted from any stock exchange(s):

Ramesh Chandak

S.No.	Details	Particulars
1.	Name of the company:	KEC International Limited ("**KEC**")
2.	Listed on:	BSE, NSE and MCX Stock Exchange Limited ("**MCX**")
3.	Date of delisting on the stock exchange(s):	March 20, 2015 from MCX
4.	Compulsory or voluntary delisting:	Voluntary
5.	Whether relisted:	KEC has not been relisted
6.	Reasons for delisting:	Limited trading on MCX of the shares of KEC
7.	Term (along with relevant dates) of directorship in the above company/ies:	December 26, 2005 till date

For details of our Directors' association with the securities market, see the section titled "*Other Regulatory and Statutory Disclosures*" on page 356.

Our Company has not provided any loans to our Directors.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Red Herring Prospectus are as follows:

Name of Director	Date of change	Reasons
Jayant Shamji Chheda	August 21, 2017	Appointed as Chairman and Managing Director
Parag Jayant Chheda	August 21, 2017	Re-appointment as Executive Director
Vipul Jayant Chheda	August 21, 2017	Re-appointment as Executive Director
Ramesh Chandak	September 16, 2017	Appointment as Independent Director (Additional)*
Mohinder Pal Bansal	September 16, 2017	Appointment as Independent Director (Additional)*
Anup Pravin Shah	September 16, 2017	Appointment as Independent Director (Additional)*
Uma Mandavgane	September 16, 2017	Appointment as Independent Director (Additional)*
Anup Pravin Shah	May 28, 2018	Resignation as Independent Director (Additional)
Sundar Parthasarthy	June 6, 2018	Appointment as Independent Director (Additional)*
Sundar Parthasarthy	May 13, 2019	Resignation as Independent Director
Dilip Deshpande	June 29, 2019	Appointment as Independent Director (Additional) **
Rajesh R Pai	November 26, 2019	Appointment as Non-executive Director (Additional)***
Heena Parag Chheda	November 28, 2019	Resignation as Executive Director

* *The appointments and terms of the Independent Directors were regularised at the Annual General Meeting of our Company held on August 20, 2018.*
** *The appointment and term of the Independent Director was regularised at the Annual General Meeting of our Company held on September 27, 2019.*
*** *The appointment and term of the Non-executive Director was regularised at the Extra-ordinary General Meeting of our Company held on November 28, 2019.*

Borrowing powers

Pursuant to a resolution of the shareholders of our Company passed March 20, 2017, our Board has been authorized to borrow in any manner, from time to time, any sum or sums of monies as may be required at its discretion on such terms and conditions as the Board may deem fit, notwithstanding that the monies to be borrowed by our Company together with the monies already borrowed (apart from temporary loans obtained from our Company's bankers in the ordinary course of business), whether secured or unsecured, will or may exceed the aggregate of the paid up capital and free reserves of our Company, that is to say, reserves not set apart for any specific purpose, provided that the total amount of monies so borrowed and outstanding at any time shall not exceed **₹** 20,000.00 million at any one time.

Corporate governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges.

Currently, our Board has eight Directors. We have four Independent Directors, in addition to one Managing Director and two Executive Directors, out of which one is a woman Director, and one Non-executive Director. Further, at least two-thirds of our Directors, other than our Independent Directors are liable to retire by rotation. Our Company is in compliance with corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, particularly, in relation to appointment of independent directors to our Board and constitution of board level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements under the SEBI Listing Regulations and the Companies Act, 2013.

Board-level committees

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholder's Relationship Committee;
4. Corporate Social Responsibility Committee and

5. IPO Committee.

Audit Committee

Our Audit Committee was constituted by a resolution of our Board dated September 16, 2017, and reconstituted on June 29, 2019 in compliance with Section 177 of the Companies Act, 2013 and SEBI Listing Regulations. The Committee currently consists of:

Name	Position in the committee	Designation
Mohinder Pal Bansal	Chairman	Independent Director
Ramesh Chandak	Member	Independent Director
Uma Mandavgane	Member	Independent Director
Parag Jayant Chheda	Member	Executive Director

Our Company Secretary is the secretary to the Audit Committee.

Scope and terms of reference:

The role of the Audit Committee shall be as follows:

(a) oversee our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) provide recommendation for appointment, remuneration and terms of appointment of auditors of our Company;

(c) approve payment to statutory auditors for any other services rendered by them;

(d) review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

  (i) matters required to be included in the Director's Responsibility Statement to be included in the board of directors report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;

  (ii) changes, if any, in accounting policies and practices and reasons for the same;

  (iii) major accounting entries involving estimates based on the exercise of judgment by the management of our Company;

  (iv) significant adjustments made in the financial statements arising out of audit findings;

  (v) compliance with listing and other legal requirements relating to financial statements;

  (vi) disclosure of any related party transactions; and

  (vii) modified opinion(s) in the draft audit report.

(e) review, with the management, the quarterly and any other partial year- period financial statements before submission to the board of directors for their approval;

(f) review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to our board of directors to take up steps in this matter;

(g) review and monitor the auditor's independence and performance, and effectiveness of audit process;

(h) approve or subsequently modify transactions of our Company with related parties;

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(i) scrutinize inter-corporate loans and investments;

(j) provide valuation of undertakings or assets of our Company, wherever it is necessary;

(k) evaluate internal financial controls and risk management systems;

(l) review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(m) review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(n) discuss with internal auditors of any significant findings and follow up there on;

(o) review 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;

(p) discuss 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;

(q) 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;

(r) to review the functioning of the whistle blower mechanism;

(s) approve the appointment of the Chief Financial Officer of our Company (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(t) oversee the vigil mechanism established by our Company and the chairman of audit committee shall directly hear grievances of victimisation of employees and directors, who use vigil mechanism to report genuine concerns; and

(u) carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the board of directors of our Company or specified/provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority."

Further, the audit committee shall mandatorily review the following:

(a) management discussion and analysis of financial condition and results of operations;

(b) statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of our Company;

(c) management letters / letters of internal control weaknesses issued by the statutory auditors of our Company;

(d) internal audit reports relating to internal control weaknesses;

(e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

(f) statement of deviations in terms of the SEBI Listing Regulations:

(i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and

(ii) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice."

The powers of the Audit Committee shall include the following:

(a) to investigate any activity within its terms of reference;

(b) to seek information from any employee of our Company;

(c) to obtain outside legal or other professional advice; and

(d) to secure attendance of outsiders with relevant expertise, if it considers necessary.

Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was constituted by a resolution of our Board dated September 16, 2017 and reconstituted on June 6, 2018, in compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. The Committee currently consists of:

Name	Position in the committee	Designation
Ramesh Chandak	Chairman	Independent Director
Uma Mandavgane	Member	Independent Director
Mohinder Pal Bansal	Member	Independent Director

Our Company Secretary is the secretary to the Nomination and Remuneration Committee.

Scope and terms of reference:

The role of the Nomination and Remuneration Committee shall be as follows:

(i) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board of directors their appointment and removal and carry out evaluation of every director's performance (including that of independent directors);

(ii) formulate the criteria for determining qualifications, positive attributes and independence of a director;

(iii) devise a policy on diversity of the Board;

(iv) determine whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;

(v) perform such functions as are required to be performed by the Compensation Committee under the SEBI ESOP Regulations including the following:

(a) administering the ESOP 2017;

(b) determining the eligibility of employees to participate under the ESOP 2017;

(c) granting options to eligible employees and determining the date of grant;

(d) determining the number of options to be granted to an employee;

(e) determining the exercise price under of the ESOP 2017; and

(f) construing and interpreting the ESOP 2017 and any agreements defining the rights and obligations of our Company and eligible employees under the ESOP 2017, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP 2017.

(vi) recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals.

(vii) frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.

(viii) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other applicable law or regulatory authority.

Stakeholders Relationship Committee

Our Stakeholders Relationship Committee was constituted by a resolution of our Board dated September 16, 2017, reconstituted on November 28, 2019, in compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. The Committee currently consists of:

Name	Position in the committee	Designation
Ramesh Chandak	Chairman	Independent Director
Parag Jayant Chheda	Member	Executive Director
Vipul Jayant Chheda	Member	Executive Director

Our Company Secretary is the secretary to the Stakeholders Relationship Committee.

Scope and terms of reference:

The role of the Stakeholders Relationship Committee shall be as follows:

(i) The powers of the Stakeholders Relationship Committee shall be as follows:

(a) redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;

(b) giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(c) overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services; and

(d) carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or SEBI Listing Regulations, or by any other regulatory authority."

Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee was constituted by a resolution of our Board dated September 16, 2017, in compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. The Committee currently consists of:

Name	Position in the committee	Designation
Jayant Shamji Chheda	Chairman	Chairman and Managing Director
Parag Jayant Chheda	Member	Executive Director
Uma Mandavgane	Member	Independent Director

Our Company Secretary is the secretary to the Corporate Social Responsibility Committee.

Scope and terms of reference:

The role of the Corporate Social Responsibility Committee shall be as follows:

(a) To formulate and recommend to the board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;

(b) To recommend the amount of expenditure to be incurred on the activities referred to in (a);

(c) To monitor the Corporate Social Responsibility Policy of the company from time to time;

(d) To do such other acts, deeds and things as may be required to comply with the applicable laws; and

(e) To perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority."

IPO Committee

Our IPO Committee was constituted by a resolution of our Board dated September 16, 2017 and reconstituted on June 6, 2018. The Committee currently consists of:

Name	Position in the committee	Designation
Parag Jayant Chheda	Chairman	Executive Director
Jayant Shamji Chheda	Member	Chairman and Managing Director
Mohinder Pal Bansal	Member	Independent Director

Our Company Secretary is the secretary to the IPO Committee.

Scope and terms of reference:

The role of the IPO Committee shall be as follows:

(i) to decide, in consultation with the BRLMs, on the IPO size (including any reservation for employees, and/or any other reservations or firm allotments as may be permitted, green shoe option and/ or any rounding off in the event of any oversubscription), timing, pricing (price band, issue price, including to anchor investors etc.) and all other terms and conditions of the IPO, including the price, premium, discount (as permitted under Applicable Laws) and to make any amendments, modifications, variations or alterations thereto;

(ii) to make applications to the Stock Exchanges for in-principle approval for listing of its equity shares and file such papers and documents, including a copy of the DRHP filed with Securities and Exchange Board of India, as may be required for the purpose;

(iii) to take all actions as may be necessary or authorized, in connection with the Offer for Sale, including taking on record the approval of the Offer for Sale, extending the Bid/Offer period, revision of the Price Band, allow revision of the Offer for Sale portion in case any Selling Shareholder decides to revise it, in accordance with the Applicable Laws;

(iv) to invite the existing shareholders of our Company to participate in the IPO to offer for sale Equity Shares held by them at the same price as in the IPO;

(v) authorisation of any director or directors of our Company or other officer or officers of our Company, including by the grant of power of attorney, to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares;

(vi) giving or authorising any concerned person to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time;

(vii) to appoint and enter into arrangements with the BRLMs, underwriters, syndicate members, brokers, advisors, escrow collection banks, registrars, refund banks, public issue account banks, monitoring agency, legal counsel, advertising agencies and any other agencies or persons or intermediaries to the IPO and to negotiate and finalise the terms of their appointment;

(viii) to seek, if required, the consent of the lenders to our Company and/or the lenders to the subsidiaries of our Company, industry data providers, parties with whom our Company has entered into various commercial and other agreements including without limitation customers, suppliers, strategic partners of our Company, any concerned government and regulatory authorities in India or outside India, and any other consent, approval or waiver that may be required in connection with the IPO, if any;

(ix) to approve the list of 'group companies' of our Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and the Prospectus;

(x) to make applications to, seek clarifications and obtain approvals from, if necessary, the RBI, the SEBI or any other statutory or governmental authorities in connection with the IPO and, wherever necessary, incorporate such modifications/ amendments/ alterations/ corrections as may be required in the DRHP, the RHP and the Prospectus;

(xi) to negotiate, finalise, settle, execute and deliver or arrange the delivery of the BRLMs' mandate or engagement letter, the offer agreement, registrar agreement, syndicate agreement, underwriting agreement, cash escrow agreement, share escrow agreement and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever, including any amendment(s) or addenda thereto , including with respect to the payment of commissions, brokerages and fees, with the BRLMs, registrar to the IPO, legal advisors, auditors, Stock Exchanges and any other agencies/intermediaries in connection with the IPO with the power to authorise one or more officers of our Company to negotiate, execute and deliver all or any of the aforestated documents;

(xii) to open and operate any bank account(s) required of our Company for the purposes of the IPO and the Pre-IPO Placement, including the cash escrow account, the public issue account as may be required.

(xiii) deciding the pricing and all other related matters regarding the Pre-IPO Placement, including the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with Applicable Laws;

(xiv) approving the DRHP, RHP and the Prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient) and the preliminary and final international wrap for the IPO together with any addenda, corrigenda and supplement thereto as finalised in consultation with the BRLMs, in accordance with all applicable laws, rules, regulations, notifications, circulars, orders and guidelines and take all such actions as may be necessary for filing of these documents including incorporating such alterations/corrections/modifications as may be required by and to submit undertakings/certificates or provide clarifications to SEBI or any other relevant governmental and statutory authority;

(xv) seeking the listing of the Equity Shares on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;

(xvi) to issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of our Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices, regulations and applicable law, including listing on one or more Stock Exchanges, with power to authorise one or more officers of our Company to sign all or any of the aforestated documents;

(xvii) to make applications for listing of the Equity Shares on the Stock Exchange for listing of the Equity Shares of our Company and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;

(xviii) accept and appropriate proceeds of the Fresh Issue in accordance with the Applicable Laws;

(xix) to do all such deeds and acts as may be required to dematerialise the Equity Shares of our Company and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of our Company to execute all or any of the aforestated documents;

(xx) to authorise and approve the incurring of expenditure and payment of fees, commissions, remuneration and expenses in connection with the IPO;

(xxi) to withdraw the DRHP or the RHP or to decide not to proceed with the IPO at any stage in accordance with the SEBI ICDR Regulations and applicable laws;

(xxii) to do all such acts, deeds, matters and things and execute all such other documents, etc. as it may, in consultation with the BRLMs, deem necessary or desirable for the IPO, including without limitation, determining the anchor investor portion and allocation to Anchor Investors, finalizing the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with Applicable Laws and any documents or instruments so executed and delivered or acts and things done or caused to be done by committee shall be conclusive evidence of the authority of the committee in so doing;

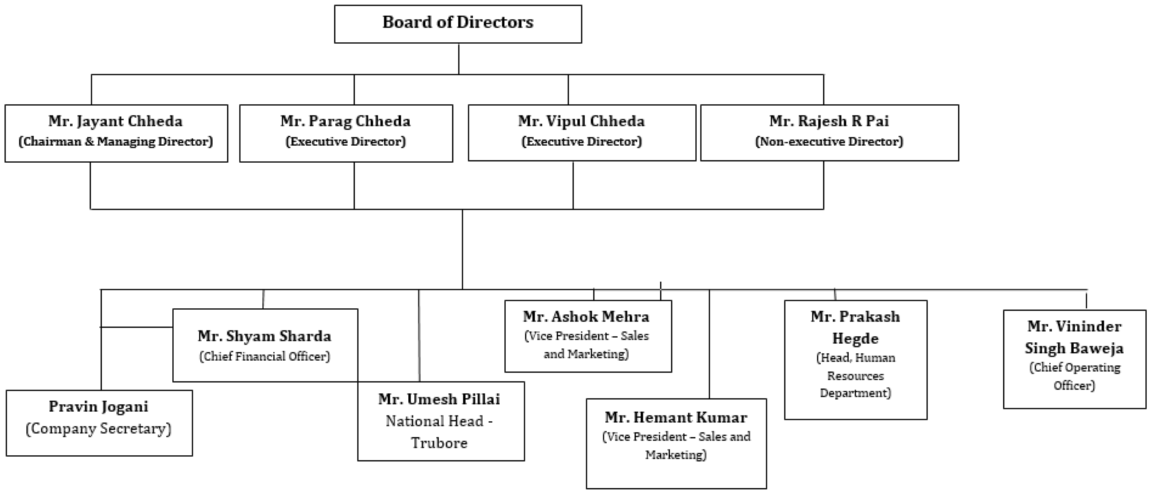
(xxiii) to settle all questions, remove any difficulties or doubts that may arise from time to time in regard to the IPO, including with respect to the issue, offer or allotment of the Equity Shares, terms of the IPO, utilisation of the IPO proceeds, appointment of intermediaries for the IPO and such other issues as it may, in its absolute discretion deem fit;

(xxiv) to take such action, give such directions, as may be necessary or desirable as regards the IPO and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the IPO, as are in the best interests of our Company;

(xxv) to negotiate, finalise, settle, execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or things as may be deemed necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the IPO. Any documents or instruments so executed and delivered or acts and things done or caused to be done by the Board shall be conclusive evidence of the authority of the Board in so doing; and

(xxvi) to delegate any of the powers mentioned in (i) to (xxv) to such persons as the IPO Committee may deem necessary.

Management Organization Chart



Key Management Personnel

Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda, our Executive Directors are also Key Management Personnel of our Company as per Section 2(51) of the Companies Act, 2013. For a brief profile of our Executive Directors, see "- *Brief Profiles of our Directors*" on page 183.

The details of our other Key Management Personnel as of the date of this Red Herring Prospectus are as follows:

Shyam Kishanchand Sharda, aged 48 years, is our Chief Financial Officer. He has been employed with our Company since January 21, 2015. He has a bachelor's degree in commerce from Jodhpur (Rajasthan) University. He is also an associate of the Institute of Chartered Accountants of India. He has previously worked with S. Kumar Nationwide Limited as senior vice-president-finance & group accounts, United Phosphorus Limited as deputy general manager-finance. He has approximately 20 years of experience in the field of finance, accounts and taxation. He received a gross remuneration of ₹ 7.91 million in Fiscal Year 2019.

Pravin Jogani, aged 35 years, is our Company Secretary and Compliance Officer. He joined our Company on December 2, 2019 as a Senior Manager (Secretarial). He has passed the bachelor of management studies degree examination held by University of Mumbai and bachelor's degree in law examination held by University of Mumbai. He is a fellow member of the Institute of Company Secretaries of India. He has previously worked with NRB Industrial Bearings Limited, Raymond Limited and L&T Finance Limited. He has over 8 years of experience in the field of secretarial and compliance. Since he was appointed in Fiscal 2020, he did not receive any remuneration for Fiscal 2019.

Hemant Kumar, aged 61 years, is our Vice President – Sales and Marketing. He has been employed with our Company since April 17, 2006. He holds a bachelor's degree in science from University of Poona and a diploma in marketing management from the Symbiosis Institute of Management. He has previously worked with Varsha Agro Plast Private Limited as a sales manager. He has several years of experience in the field of marketing. He received a gross remuneration of ₹ 6.20 million in Fiscal Year 2019.

Ashok Mehra, aged 53 years, is the Vice President – Sales and Marketing of our Company. He has been employed with our Company since April 6, 2017. He holds a bachelor's degree in engineering (mechanical) and a master's degree in marketing management from Mumbai University. He has previously worked with Jaquar & Company Private Limited as a general manager, Pidilite Industries Limited as team head, Sherwin-Williams Paints India Private Limited as director-sales, and Birla Yamaha Limited as area sales manager. He has several years of experience in the field of sales & marketing. He received a gross remuneration of ₹ 5.87 million in Fiscal Year 2019.

Prakash Hegde, aged 51 years, is our Head, Human Resources Department. He has been employed with our Company since June 3, 2013. He holds a diploma degree in labour law (honours) from Bharatratna Dr. Babasaheb Ambedkar Institute of Management and Legal Research and a postgraduate certificate in human resource management from Xavier School of Management. He has completed the part-time executive programme in human resource management from Indian Institute of Management, Lucknow. He holds a master's degree in of social work from Shivaji University, Kolhapur. He has previously worked with TBZ Limited as group head- H.R & admin and Bharat Gears Limited as group head- H.R and P&A. He has several years of experience in the field of HR and administration functions. He received a gross remuneration of ₹ 6.31 million in Fiscal Year 2019.

Umesh Pillai, aged 45 years, is National Head – Trubore of our Company. He has been employed with our Company since June 3, 2019. He holds a post graduate diploma in business management from SVKM'S NMIMS (deemed to be University), Mumbai, and bachelor's degree in electrical engineering from Sambalpur University. He has previously worked with PPG Asian Paints Private Limited, and Godrej and Boyce Mfg. Co. Ltd. He has several years of experience in the field of sales and marketing. Since he was appointed in Fiscal 2020, he did not receive any remuneration for Fiscal 2019.

Vininder Singh Baweja, aged 39 years, is the Chief Operating Officer of our Company. He has been employed with our Company since July 26, 2019. He holds a bachelor of engineering degree from Punjab Technical University and master of business administration degree from Indian Institute of Technology, Roorkee. He has previously worked with Eicher Motors Limited as Deputy Manager – IT and with Hindustan Unilever Limited as Head GCo Big Rocks Programme. He has over 16 years of experience in the field of information technology (IT). Since he was appointed in Fiscal 2020, he did not receive any remuneration for Fiscal 2019.

All the Key Management Personnel are permanent employees of our Company.

Relationship among Key Management Personnel

Except as disclosed in "- *Relationship between Directors*" on page 184, none of our Key Management Personnel are related to each other.

Bonus or profit sharing plan for the Key Management Personnel

There is no bonus or profit sharing plan for our Key Management Personnel.

Shareholding of Key Management Personnel in our Company

Except as disclosed in "-*Shareholding of our Directors*" on page 186, none of our Key Management Personnel hold Equity Shares as on the date of this Red Herring Prospectus.

Service contracts with Key Management Personnel

Our Company has not entered into any service contracts, pursuant to which its officers, including its Directors and Key Management Personnel, are entitled to benefits upon termination of employment.

Except statutory benefits upon termination of their employment with our Company or superannuation, no officer of our Company including Directors or Key Management Personnel, are entitled to any benefit upon termination of employment or superannuation.

Interest of Key Management Personnel

Except as disclosed above in "- *Interest of Directors*" on page 186, none of our Key Management Personnel have any interest in our Company except to the extent of their shareholding in our Company, remuneration, benefits and reimbursement of expenses incurred by them in the ordinary course of business.

Contingent and deferred compensation payable to our Directors or Key Management Personnel

There is no contingent or deferred compensation payable to our Directors or Key Management Personnel which does not form part of their remuneration.

Changes in Key Management Personnel during the last three years

For details of changes in our Executive Directors during the last three years, see "- *Changes in our Board during the last three years*" on page 188.

The changes in our Key Management Personnel during the three years immediately preceding the date of this Red Herring Prospectus are as follows:

Name	Date of change	Reason
Ashok Mehra	April 6, 2017	Appointment as National Head-Sales and Marketing
Shailesh Bhaskar	April 24, 2017	Appointment as Company Secretary
Ram Manohar Prasad	March 16, 2018	Resignation as Head of Manufacturing
Shailesh Bhaskar	May 10, 2019	Resignation as Company Secretary
Umesh Pillai	June 3, 2019	Appointment as National Head – Trubore
Vininder Singh Baweja	July 26, 2019	Appointment as Chief Operating Officer
Aayushi Kishan Poddar	November 7, 2019	Appointment as Company Secretary
Aayushi Kishan Poddar	December 2, 2019	Resignation as Company Secretary
Pravin Jogani	December 9, 2019	Appointment as Company Secretary

Employee stock option and stock purchase schemes

We do not have any employee stock options or stock purchase schemes except for the ESOP 2017, which was approved pursuant to resolutions of our Board dated August 21, 2017, and a shareholders' resolution dated September 15, 2017. For details of the ESOP 2017, see the section titled "*Capital Structure*" on page 81.

Payment of non-salary related benefits to officers of our Company

Except as disclosed in this section, there is no benefit paid or given to any officer of our Company in the two years preceding the date of filing of this Red Herring Prospectus or is proposed to be paid, other than in the ordinary course of their employment.

Arrangements and understanding with major shareholders, customers, suppliers or others

Pursuant to the SHA, Investors have nominated Rajesh R. Pai as the Non-executive Director to our Board. For details, please see the section titled "*History and Certain Corporate Matters – Material Agreements*".

Pursuant to the SSA, our Company has entered into corresponding employment agreements dated November 27, 2019, with each of our Executive Directors. For details, please see the section titled *"Our Management - Terms of appointment of Executive Directors".*

Further, pursuant to the SSA, our Company has also entered into corresponding employment agreements dated November 26, 2019 and November 27, 2019, with two of our Key Management Personnel, namely, Shyam Kishanchand Sharda and Prakash Hegde, respectively. For details, please see the section titled "*Our Management - Key Management Personnel".*

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are:

1. Jayant Shamji Chheda;
2. Tarla Jayant Chheda;
3. Parag Jayant Chheda;
4. Vipul Jayant Chheda; and
5. Heena Parag Chheda.

For details of the build-up of our Promoters' shareholding in our Company, see the section titled "*Capital Structure – Notes to Capital Structure*" on page 81.

The details of our Promoters are as follows:

Jayant Shamji Chheda

Identification Particulars	Details
Voter ID Number	ZHS4525838
Driving License Number	MH0120100026414
Address	1001, 10th floor, Mont Blanc, Plot no. 550, Jame Jamshed Road, Matunga C. Rly, Mumbai 400 019, Maharashtra, India

Jayant Shamji Chheda, aged 73 years, one of our Promoters, is the Chairman and Managing Director of our Company. For further details see the section titled "*Our Management*" on page 174.

Tarla Jayant Chheda

Identification Particulars	Details
Voter ID Number	ZHS4525846
Driving License Number	No driving license
Address	1001, 10th floor, Mont Blanc, Plot no. 550, Jame Jamshed Road, Matunga C. Rly, Mumbai 400 019, Maharashtra, India

Tarla Jayant Chheda, aged 72 years, is one of our Promoters. She is a homemaker and is not involved in the day to day management of our Company. She has completed her matriculation from Premier School, Dadar, Mumbai.

Parag Jayant Chheda

Identification Particulars	Details
Voter ID Number	ZHS4525853
Driving License Number	MH01 19940029446
Address	1002, 10th floor, Mont Blanc, Plot no. 550, Jame Jamshed Road, Matunga C. Rly, Mumbai 400 019, Maharashtra, India

Parag Jayant Chheda, aged 48 years, one of our Promoters, is an Executive Director of our Company. For further details, see the section titled "*Our Management*" on page 174.

Vipul Jayant Chheda

Identification Particulars	Details
Voter ID Number	ZHS4525812
Driving License Number	MH01 20130002373
Address	1004, 10th Floor, Bombay Dyeing Spring Mill Compound, Dadar (East) Mumbai 400 014, Maharashtra, India.

Vipul Jayant Chheda, aged 44 years, one of our Promoters, is an Executive Director of our Company. For further details see the section titled "*Our Management*" on page 174.

Heena Parag Chheda

Identification Particulars	Details
Voter ID Number	ZHS4525861
Driving License Number	MH01 19900022560
Address	1002, 10th floor, Mont Blanc, Plot no. 550, Jame Jamshed Road, Matunga C. Rly, Mumbai 400 019, Maharashtra, India

Heena Parag Chheda, aged 48 years, is one of our Promoters. She is the Vice President – Finance of our Company. She has been associated with Prince Marketing, a member of the Promoter Group, since 2004, and with our Company as Vice President – Finance and Accounts from 2009 - 2016 and she was a Director in our Company from October 1, 2016 to November 28, 2019. She holds a bachelor's degree in commerce from the University of Bombay. She has over 14 years of experience in the piping industry.

We confirm that the details of the PAN, bank account numbers and passport numbers of our Promoters have been submitted with the Stock Exchanges at the time of submission of the Draft Red Herring Prospectus with the Stock Exchanges.

Interest of Promoters

Interest of Promoters in the promotion of our Company

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings and/or directorships in our Company, leave and license agreements entered into with our Company and the dividend declared and due, if any, by our Company. For further details, see the section titled *"Capital Structure"* and *"Our Management"* on pages 81 and 174, respectively.

Interest of Promoters in the property of our Company

Except as stated in the section "*Our Management*" on page 174, our Promoters do not have any interest in any property acquired by our Company within two years preceding the date of the Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction for acquisition of land, construction of buildings and supply of machinery etc.

Interest of Promoters in our Company other than as a Promoters

Except as stated in the sections titled "*Our Business*", "*Our Management*", "*History and Certain Corporate Matters*", "*Financial Indebtedness*" and *"Related Party Transactions"* on pages 150, 181, 174, 337 and 210, respectively, our Promoters do not have any interest in our Company other than as promoters.

Interest of Promoters in Intellectual Property

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Other ventures of our Promoters

Our Promoters are not involved with any other ventures, except as disclosed in this Red Herring Prospectus. Further, our Promoters are not involved in any venture that is in the same line of activity or business as that of our Company.

Payment of amounts or benefits to our Promoters or Promoter Group during the last two years

Except as stated in the sections titled "*Related Party Transactions*", "*Our Management – Interest of Directors – Interest in Property*", and "*History and Certain Corporate Matters*" on pages 210, 161, and 174 respectively, no amount or benefit has been paid or given by our Company to our Promoters or members of our Promoter Group in the two years preceding the date of the Draft Red Herring Prospectus or intended to be paid or given by our Company to our Promoters or members of our Promoter Group.

Related party transactions

Except as stated in the section titled *"Related Party Transactions"* on page 210, our Company has not entered into any related party transactions with our Promoters.

Guarantees

Except as stated in the section titled *"Risk Factor - Three of our Promoters have given personal guarantees in relation to certain debt facilities obtained by our Company. Certain of our Promoters have given personal guarantees and/or acted as co-borrowers in relation to certain loans and a debt facility obtained by our Group Companies, Promoter Group Companies and/or other Promoters. In the event our Company, Group Companies, Promoter Group Companies or other Promoters default on any of these loan obligations, these personal guarantees may be invoked by the lenders or the co-borrowed amount may be called for repayment, as applicable, thereby adversely affecting these Promoters' ability to manage the affairs of our Company and this in turn could adversely affect our business, prospects, financial condition and results of operations."* on page 20**,** our Promoters have not provided any guarantees to third parties**.**

Confirmations

Our Company has not made any payments in cash or otherwise to our Promoters or to the 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.

None of our sundry debtors are related to our Promoters in any manner.

There has been no change in control of our Company in the last five years.

Disassociation by Promoters in the last three years

Our Promoters have not disassociated themselves from any company or firm in the three years preceding the date of the Draft Red Herring Prospectus.

Outstanding litigation

Except as disclosed in the section titled "*Outstanding Litigation and Material Developments – Litigation Involving our Promoters*" on page 344, there is no litigation or legal action pending or taken by a ministry, department of the government or statutory authority during the last five years preceding the date of this Red Herring Prospectus against our Promoters.

Promoter Group

(a) Natural persons

The natural persons who are part of our Promoter Group (being the immediate relatives of our Promoters), apart from our Promoters mentioned above, are as follows:

S. No.	Name	Relation with Promoters
1.	Arvind Shamji Chheda	Brother of Jayant Shamji Chheda

S. No.	Name	Relation with Promoters
2.	Ashwini Vipul Chheda	Wife of Vipul Jayant Chheda
3.	Bharti Navin Shah	Mother-in-law of Vipul Jayant Chheda
4.	Dhairya Vipul Chheda	Son of Vipul Jayant Chheda
5.	Fenila Perin Gala	Sister-in-law of Vipul Jayant Chheda
6.	Gunvanti Jayantilal Gada	Mother of Heena Parag Chheda
7.	Gresha Vipul Chheda	Daughter of Vipul Jayant Chheda
8.	Jayantilal Kalyanji Gada	Father of Heena Parag Chheda
9.	Kishore Shamji Chheda	Brother of Jayant Shamji Chheda
10.	Madhuriben Harakhchand Gala	Sister of Jayant Shamji Chheda
11.	Manjula Pravin Chheda	Sister of Tarla Jayant Chheda
12.	Mansukh Kooverji Shah	Brother of Tarla Jayant Chheda
13.	Mulchand Shamji Chheda	Brother of Jayant Shamji Chheda
14.	Navin Umarshi Shah	Father-in-law of Vipul Jayant Chheda
15.	Nihar Parag Chheda	Son of Parag Jayant Chheda and Heena Parag Chheda
16.	Prabha Shantilal Gada	Sister of Tarla Jayant Chheda
17.	Surendra Kooverji Gala	Brother of Tarla Jayant Chheda
18.	Vaishali Hitesh Shah	Daughter of Jayant Shamji Chheda and Tarla Jayant Chheda, Sister of Parag Jayant Chheda and Vipul Jayant Chheda
19.	Vijay Navin Shah	Brother-in-law of Vipul Jayant Chheda
20.	Vimal Jayantilal Gada	Brother of Heena Parag Chheda
21.	Viral Parag Nandu	Sister of Heena Parag Chheda

(b) Companies and entities

The companies and entities that form part of our Promoter Group are as follows:

S. No.	Name of Promoter Group Entity
Companies	
1.	Ace Polyplast Private Limited
2.	Accord Infra Projects Private Limited
3.	Arena Realty Private Limited
4.	Growth Avenues Asset Advisors Private Limited
5.	Nehal Imports Private Limited
6.	Pinnacle Realty Projects Private Limited
7.	Prince Containers Private Limited
8.	Prince Multiplast Private Limited
9.	Rashmi Shelter Private Limited
Firms	
10.	Aditya Developers
11.	Albright Aluminium Industries
12.	Amar Plastics
13.	Amardeep Udyog
14.	Arena Developers
15.	Arena Enterprise
16.	Arena Realty
17.	Ashvi Ventures LLP
18.	Bharti Enterprise
19.	Ellora Chemical Works
20.	Express Infra Projects LLP
21.	First Place Trading LLP
22.	Gayatri Associates
23.	Hermana Ventures LLP
24.	JSC Ventures LLP
25.	Nihar Investment
26.	Nirag Ventures LLP
27.	Parshwanath Corporation
28.	Prince Infra Ventures LLP
29.	Prince Marketing
30.	Vijay Associates
HUFs	

S. No.	Name of Promoter Group Entity
31.	Arvind Shamji Chheda HUF
32.	Jayantilal Kalyanji Gada HUF
33.	Jayant Shamji Chheda HUF
34.	Kalyanji Kunverji Gada HUF
35.	Mulchand Shamji Chheda HUF
36.	Navin Umarshi Shah HUF
37.	Parag Jayant Chheda HUF
38.	Vimal Jayantilal Gada HUF
39.	Vipul Jayant Chheda HUF
Trusts	
40.	Jayant Shamji Chheda Charitable Trust
41.	Prince Foundation
42.	VS Family Trust

Shareholding of the Promoter Group in our Company

For details of the shareholding of our Promoter Group, please see the section titled "*Capital Structure – Notes to Capital Structure*" on page 81.

Other Confirmations

Our Promoters and members of our Promoter Group have not been prohibited or debarred from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. Further, there have been no violations of securities laws committed by any of them in the past or are currently pending against them.

Our Promoters, relatives of our Promoters and members of our Promoter Group have not been declared as Wilful Defaulters.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, for the purpose of identification of 'group companies', our Company has considered companies covered under applicable accounting standards in the Restated Financial Statements; and other companies as considered material by our Board. Pursuant to a resolutions of our Board dated September 24, 2018 and November 28, 2019 for the purpose of disclosure in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus, a company shall be considered material if: (i) it is a member of the promoter group in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations, and has entered into one or more transactions with our Company in the most recent financial year and any stub period (in respect of which restated financial statements are included in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus) that cumulatively exceed 10.00% of the total revenue of our Company for the preceding financial year, as covered in the Restated Financial Statements; or (ii) it is not disclosed as a related party in the Restated Financial Statements for the period covered therein ("**Relevant Period**"), but would, for a period subsequent to the Relevant Period, require disclosure in the financial statements of our Company for such subsequent period, as a related party, as per the definition specified under applicable accounting standards.

It is clarified that companies which, subsequent to the Relevant Period have ceased to be related parties of our Company in terms of applicable accounting standards shall not be considered as 'Group Companies'.

Based on the foregoing, and pursuant to the IPO Committee resolution dated November 28, 2019, our Group Companies, in descending order of their turnover, are as follows:

(i) Ace Polyplast Private Limited;
(ii) Pinnacle Realty Projects Private Limited; and
(iii) Accord Infra Projects Private Limited.

The details of our Group Companies are provided below.

(i) Ace Polyplast Private Limited

Ace Polyplast Private Limited ("**Ace**") was originally incorporated on December 3, 2007 under the Companies Act, 1956, with the Registrar of Companies, Maharashtra, Mumbai. Subsequently, the registered office was shifted to Goa with effect from January 18, 2011 under the Registrar of Companies, Goa, Daman and Diu. Its CIN is U17210GA2007PTC006572 and its registered office is situated at Plot number 1, Honda Industrial Estate, Phase II, Honda Sattari, Honda, Goa 403 530, India.

Ace is enabled under its objects to carry on the business of, *inter alia*, processing, texturing, crimping, spinning, twisting, weaving, knitting, testing, throwing, reeling etc of yarn, cloth and fabrics made from wastes, cotton, and wool. Ace is also enabled to manufacture, import, export, process and deal in natural and synthetic resins, rubber, moulding powders, adhesive, paints colours, varnish, enamels and spirit in all its objects. Ace is currently engaged in the business of trading of raw materials like PVC resin, polypropylene, CPVC resin, compound and plastic chemicals.

Our Promoters, Parag Jayant Chheda and Heena Parag Chheda are directors on the board of Ace.

Shareholding pattern

The shareholding pattern of Ace, based on its issued capital as of the date of this Red Herring Prospectus is as follows:

S. No	Name of shareholder	Number of equity shares	Percentage of equity capital (%)
1.	Jayant Shamji Chheda	220,022	8.52
2.	Parag Jayant Chheda	976,322	37.81
3.	Vipul Jayant Chheda	625,500	24.23
4.	Heena Parag Chheda	760,000	29.44
Total		**2,581,844**	**100.00**

Interest of the Promoters

Except to the extent of their shareholding and/or directorship as detailed above and related party transactions between Ace and our Company as disclosed in the section "*Related Party Transactions*" on page 210, our Promoters have no other interest in Ace.

Financial information

The following information has been derived from the audited financial statements of Ace for the last three Financial Years.

(*in ₹ million*)

Particulars	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017
Equity capital	25.82	25.82	25.82
Reserves and surplus (excluding revaluation reserves)	52.11	50.49	39.39
Sales/Turnover	56.28	1,244.36	1,569.28
Profit/(Loss) after tax	1.67	11.10	13.91
Basic EPS (in ₹	0.63	4.30	5.39
Diluted EPS (in ₹)	0.63	4.30	5.39
Net asset value per share (in ₹)	30.18	29.55	25.26

There are no significant notes of the auditors in relation to the aforementioned financial statements.

(ii) Pinnacle Realty Projects Private Limited

Pinnacle Realty Projects Private Limited ("**Pinnacle**") was originally incorporated on May 18, 1999 as "Pinnacle Electronics Private Limited" under the Companies Act, 1956, with the Registrar of Companies, Goa, Daman and Diu. Pinnacle subsequently underwent a change in name from "Pinnacle Electronics Private Limited" to "Pinnacle Realty Private Limited" with effect from March 28, 2007. Its CIN is U31300DD1999PTC0002689 and its registered office is situated at Plot number 68/10(2), Somnath Kachigam Road, near Dabhel Sub-station, Nani, Daman 396 210.

Pinnacle is enabled under its objects to carry on the business of, *inter alia*, buying, leasing, or otherwise acquiring or disposing any land, house, buildings or other property, with or without machinery. Pinnacle is currently engaged in the business of buying, selling, leasing of properties.

Our Promoters Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda are directors on the board of Pinnacle.

Shareholding pattern

The shareholding pattern of Pinnacle, based on its issued capital as of the date of this Red Herring Prospectus is as follows:

S. No	Name of shareholder	Number of equity shares	Percentage of equity capital (%)
1.	Jayant Shamji Chheda	16,500	9.82
2.	Tarla Jayant Chheda	16,500	9.82
3.	Parag Jayant Chheda	16,500	9.82
4.	Vipul Jayant Chheda	16,400	9.76
5.	Heena Parag Chheda	26,000	15.48
6.	Ashwini Vipul Chheda	26,600	15.83
7.	Jayant Shamji Chheda HUF	16,500	9.82
8.	Parag Jayant Chheda HUF	16,500	9.82
9.	Vipul Jayant Chheda HUF	16,500	9.82
Total		168,000	100.00

Interest of the Promoters

Except to the extent of their shareholding and/or directorship as detailed above, guarantees to the extent of ₹ 200.00 million given by all our Promoters, on behalf of Pinnacle for certain of its borrowings and related party transactions between Pinnacle and our Company as disclosed in the section "*Related Party Transactions*" on page 210, our Promoters have no other interest in Pinnacle.

Financial information

The following information has been derived from the audited financial statements of Pinnacle for the last three Financial Years.

(*in ₹ million*)

Particulars	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017
Equity capital	1.68	1.68	1.68
Reserves and surplus (excluding revaluation reserves)	41.29	49.53	68.09
Sales/Turnover	Nil	221.46	17.92
Profit/(Loss) after tax	(8.24)	(18.57)	75.19
Basic EPS (in ₹)	(49.04)	(110.51)	447.57
Diluted EPS (in ₹)	(49.04)	(110.51)	447.57
Net asset value per share (in ₹)	255.76	304.80	415.30

There are no significant notes of the auditors in relation to the aforementioned financial statements.

(iii) Accord Infra Projects Private Limited

Accord Infra Projects Private Limited ("**Accord**") was originally incorporated on November 29, 2007 under the Companies Act 1956, with the Registrar of Companies, Mumbai. Its CIN is U45203MH2007PTC176301 and its registered office is situated at Ruby House, B- Wing, 4th Floor, J. K. Sawant Marg, Dadar (West), Mumbai, Maharashtra-400028 India.

Accord is enabled under its objects to carry on the business of *inter alia* purchasing or otherwise acquiring or leasing of lands, houses, buildings, sheds and other fixtures. Accord is currently engaged in the business of purchasing, leasing of properties.

Our Promoters Jayant Shamji Chheda and Parag Jayant Chheda are directors on the board of Accord.

Shareholding pattern

The shareholding pattern of Accord, based on its issued capital as of the date of this Red Herring Prospectus is as follows:

S. No	Name of shareholder	Number of equity shares	Percentage of equity capital (%)
1.	Jayant Shamji Chheda	45,822	82.05
2.	Parag Jayant Chheda	10,022	17.95
Total		**55,844**	**100.00**

Interest of the Promoters

Except to the extent of their shareholding and/or directorship as detailed above and related party transactions between Accord and our Company as disclosed in the section "*Related Party Transactions*" on page 210, our Promoters have no other interest in Accord.

Financial information

The following information has been derived from the audited financial statements of Accord for the last three Financial Years.

(*in ₹ million*)

Particulars	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017
Equity capital	0.56	0.56	0.56
Reserves and surplus (excluding revaluation reserves)	(0.58)	(0.56)	(0.55)
Sales/Turnover	Nil	Nil	Nil
Profit/(Loss) after tax	(0.023)	(0.004)	(0.02)
Basic EPS (in ₹)	(0.40)	(0.07)	(0.34)
Diluted EPS (in ₹)	(0.40)	(0.07)	(0.34)
Net asset value per share (in ₹)	(0.04)	0.02	0.09

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Interest of Group Companies in our Company

(a) ***Interest in the promotion of our Company and other interests***

Except as disclosed in the section titled "*Related Party Transactions*" on page 210, none of our Group Companies have any interest in the promotion or any business interest or other interests in our Company.

(b) ***In the properties acquired by our Company in the past two years preceding the filing of the Draft Red Herring Prospectus with SEBI or proposed to be acquired by it***

None of our Group Companies are interested in the properties acquired by our Company in the two years preceding the filing of the Draft Red Herring Prospectus with SEBI or proposed to be acquired by it.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery etc.***

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery etc.

Common Pursuits between the Group Companies and our Company

There are no common pursuits between any of our Group Companies and our Company.

Related business transactions within the Group Companies and significance on the financial performance of our Company

See the section titled "*Related Party Transactions*" on page 210.

Sale/Purchase between Group Companies and our Company

Except as stated in the section titled "*Related Party Transactions*" on page 210 with respect to Ace Polyplast Private Limited, none of our Group Companies are involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Defunct Group Companies

None of our Group Companies are defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of the Draft Red Herring Prospectus.

Sick Group Companies

None of our Group Companies fall under the definition of sick industrial companies under Sick Industrial Companies (Special Provisions) Act, 1985, or declared insolvent or bankrupt. Further no winding up, insolvency or bankruptcy proceedings have been initiated against them.

Loss making Group Companies

Except for Pinnacle and Accord, none of our Group Companies have incurred losses in the preceding three Fiscal Years. See the section titled "*Risk Factors – Some of our Group Companies have incurred losses in the past three fiscal years. Further, one of our Group Companies had a negative net worth as at March 31, 2019.*" on page 38.

Other confirmations

None of the Group Companies are listed or have failed to list on any stock exchange in any recognised stock exchange in India or abroad or have made any public or rights issue of securities in preceding three years.

Except for Accord, none of the Group Companies had a negative net worth in the past three Fiscal Years. For further details, please the section titled "*Risk Factors - Some of our Group Companies have made losses in the past three Fiscal Years. Further, one of our Group Companies had a negative net worth as at March 31, 2016.*" on page 38.

None of the Group Companies have been debarred from accessing the capital market for any reason by the SEBI or any other authorities.

None of the Group Companies have been identified as Wilful Defaulters

None of the Group Companies have committed any violations of securities laws in the past and no proceedings in relation to violations of securities laws is pending against them.

RELATED PARTY TRANSACTIONS

For details of the related party transactions of our Company during the last five Fiscal Years, as per the requirements under Indian Accounting Standard 24 "*Related Party Disclosures*", see the section titled "*Financial Statements – Annexure G – Note 36 - Restated Statement on Related party disclosure as per Ind AS 24*" on page 266.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans of our Company and capital requirements, profit earned during the fiscal year, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see the section titled "*Financial Indebtedness*" on page 337.

The dividends declared by our Company on the Equity Shares in each of the Fiscal Years 2014, 2015, 2016, 2017, 2018 and 2019, as per our Restated Financial Statements are given below:

Particulars	**Financial Performance (For the Fiscal Year)**					
	2014	**2015**	**2016**	**2017**	**2018**	**2019**
Face value per share (in ₹)	10	10	10	10	10	10
Dividend (in ₹ million)	Nil	Nil	Nil	Nil	Nil	Nil
Dividend per share (in ₹)	Nil	Nil	Nil	Nil	Nil	Nil
Rate of dividend (%)	Nil	Nil	Nil	Nil	Nil	Nil
Dividend Distribution Tax (%)	Nil	Nil	Nil	Nil	Nil	Nil

Our Company does not have a formal dividend policy. The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amounts, if any, in the future. For details in relation to the risks involved, see the section titled "*Risk Factors*" on page 17.

SECTION V – FINANCIAL INFORMATION
FINANCIAL STATEMENTS

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To
The Board of Directors,
Prince Pipes and Fittings Limited
Plot No.1,
Honda Industrial Estate,
Phase II,
Honda Sattari Honda
Goa 403 530

Date: November 22, 2019

Dear Sirs,

1. We have examined, the attached Restated Financial Information of Prince Pipes and Fittings Limited (the "Company"), which comprise the Restated Summary Statements of Assets and Liabilities as at June 30, 2019, March 31, 2019, 2018, 2017, 2016, 2015 and 2014, the Restated Summary Statements of Profit and Loss (including other comprehensive income) and Restated Summary Statements of changes in equity for the three months ended June 30, 2019 and each of the years ended March 31, 2019, 2018, 2017, 2016 and the Restated Summary Statements of Profit and Loss for the years ended March 31, 2015 and 2014 and Restated Summary Statements of Cash Flows for the three months ended June 30, 2019 and for each of the years ended March 31, 2019, 2018, 2017, 2016, 2015 and 2014 and the Summary of Significant Accounting Policies read together with the annexures and notes thereto and other restated financial information explained in paragraph 4 and 5 below (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on November 22, 2019 for the purpose of inclusion in the Offer Documents prepared by the Company in connection with its proposed initial public offer of equity shares by way of a fresh issue and an offer for sale by certain of the existing shareholders (the "Offer").

   The Restated Financial Information is prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");

   b) Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the ICDR Regulations") as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992; and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI") as amended from time to time ("the Guidance Note").

2. The preparation of the Restated Financial Information is the responsibility of the management of the Company ("Management") for the purpose set out in paragraph 9 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note. Our responsibility is to examine the Restated Financial Information and confirm whether such Restated Financial Information comply with the requirements of the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Financial Information taking into consideration:

   a) The terms of reference and terms of our engagement agreed upon with the Company in accordance with our engagement letter dated August 01, 2017 and addendum thereon dated November 15, 2019 in connection with the proposed Offer;

   b) The Guidance Note;

   c) The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information. This Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

   d) The requirements of Section 26(1)(b) of the Act read with applicable provisions within Rule 4 to 6 of the Rules and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Financial Information have been compiled by the Management as follows:

   a) As at and for the three months ended June 30, 2019: from the audited financial statements of the Company as at and for the three months ended June 30, 2019 prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, which have been approved by the Board of Directors at their meeting held on October 25, 2019 and audited by us and on which we issued our report dated October 25, 2019;

   b) As at and for the year ended March 31, 2019: from the audited financial statements of the Company as at and for the year ended March 31, 2019 prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, which have been approved by the Board of Directors at their meeting held on June 29, 2019 and audited by us and on which we issued our report dated June 29, 2019;

   c) As at and for the year ended March 31, 2018: from the audited financial statements of the Company as at and for the year ended March 31, 2018 prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, which have been approved by the Board of Directors at their meeting held on June 06, 2018 and audited by us and on which we issued our report dated June 06, 2018;

d) As at and for the year ended March 31, 2017: from the audited special purpose financial statements of the Company as at and the year ended March 31, 2017, prepared in accordance with Ind AS as prescribed under section 133 of the Companies Act, which have been approved by the Board of Directors at its meeting held on June 06, 2018 and audited by us and on which we issued our report dated June 06, 2018;

e) As at and for the year ended March 31, 2016: from the audited financial statements of the Company as at and for the year ended March 31, 2016, prepared in accordance with Accounting Standards (Indian GAAP) prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the other relevant provisions of the Act, which has been approved by the Board of Directors at their meeting held on September 10, 2016 and audited by us and on which we issued our report dated September 10, 2016. The audited financial statements of the Company as at and for the year ended March 31, 2016 have been converted into Ind AS to align accounting policies, exemptions and disclosures as adopted for the preparations of the first Ind AS financial statements for the year ended March 31, 2018. The Restated Financial Information as at and for the year ended March 31, 2016 is referred to as "the Proforma Ind AS Restated Financial Information";

f) As at and for the year ended March 31, 2015: from the audited financial statements of the Company as at and for the year ended March 31, 2015, prepared in accordance with Accounting Standards (Indian GAAP) prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the other relevant provisions of the Act, which have been approved by the Board of Directors at their meeting held on September 21, 2015 and audited by us and on which we issued our report dated September 21, 2015; and

g) As at and for the year ended March 31, 2014: from the audited financial statements of the Company as at and for the year ended March 31, 2014, prepared in accordance with Accounting Standards (Indian GAAP) prescribed under Section 211 (3C) of the Companies Act, 1956 read with the Companies Accounting Standard Rules (2006), which have been approved by the Board of Directors at their meeting held on September 05, 2014 and audited by us and on which we issued our report dated September 05, 2014.

5. Based on our examination and in accordance with the requirements of the Act, the ICDR Regulations and the Guidance Note and terms of our engagement agreed with you, we report that:

a) The Restated Summary Statement of Assets and Liabilities of the Company, as at June 30, 2019, March 31, 2019, 2018, 2017 and 2016 under Ind AS as set out in Annexure A and as at March 31, 2015 and 2014 under Indian GAAP as set out in Annexure I, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure F and V respectively – Statement on Material Adjustments to prepare restated financial information.

b) The Restated Summary Statement of Profit and Loss (including other comprehensive income) of the Company, for the three months ended June 30, 2019 and for each of the years ended March 31, 2019, 2018, 2017 and 2016 under Ind AS, as set out in Annexure B and The Restated Summary Statement of Profit and Loss for the years ended March 31, 2015 and 2014 under Indian GAAP, as set out in Annexure II, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in

Annexure F and V respectively – Statement on Material Adjustments to prepare restated financial information.

c) The Restated Summary Statement of changes in equity of the Company, for the three months ended June 30, 2019 and for each of the years ended March 31, 2019, 2018, 2017 and 2016 under Ind AS, as set out in Annexure D, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure F – Statement on Material Adjustments to prepare restated financial information.

d) The Restated Summary Statement of Cash Flows of the Company, for the three months ended June 30, 2019 and for each of the years ended March 31, 2019, 2018, 2017 and 2016 under Ind AS, as set out in Annexure C, and for the years ended March 31, 2015 and 2014 under Indian GAAP, as set out in Annexure III have been arrived at after making adjustments and regrouping / reclassifications as in our opinion were appropriate and more fully described in Annexure F and V respectively – Statement on Material Adjustments to prepare restated financial information.

e) Based on the above and according to the information and explanations given to us, we further report that the Restated Financial Information:

   i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting years;

   ii) have been made after incorporating adjustments and regroupings for the material amounts in the respective financial years to which they relate; and

   iii) do not contain any extra-ordinary items that need to be disclosed separately other than those presented in the Restated Financial Information in the respective financial year and do not contain any qualification requiring adjustments.

6. We have also examined the following restated financial information of the Company as at and for the three months ended June 30, 2019 and each of the years ended March 31, 2019, 2018, 2017 and 2016 set out in the Annexures A to K, which has been prepared by the Management and approved by the Board of Directors on November 22, 2019:

a)	Annexure F	–	Statement on Material Adjustment to prepare Restated Financial Information
b)	Annexure G (note 1)	–	Restated statement of Property, Plant and Equipment, Capital Work in Progress, Right of Use Assets, Intangible Assets
c)	Annexure G (note 2)	–	Restated statement of Investments
d)	Annexure G (note 3)	–	Restated statement of Loans
e)	Annexure G (note 4)	–	Restated statement of Income tax Assets
f)	Annexure G (note 5)	–	Restated statement of Other Financial Assets
g)	Annexure G (note 6)	–	Restated statement of Other Assets
h)	Annexure G (note 7)	–	Restated statement of Inventories
i)	Annexure G (note 8)	–	Restated statement of Trade Receivables
j)	Annexure G (note 9)	–	Restated statement of Cash and Cash Equivalents

k)	Annexure G (note 10)	–	Restated statement of Other Bank Balances
l)	Annexure G (note 11)	–	Restated statement of Asset classified as Held For Sale
m)	Annexure G (note 12a)	–	Restated statement of Equity Share Capital
n)	Annexure G (note 12b)	–	Restated statement of Other Equity
o)	Annexure G (note 13)	–	Restated statement of Non-Current Borrowings
p)	Annexure G (note 14)	–	Restated statement of Current Borrowings
q)	Annexure G (note 15)	–	Restated statement of Other Financial Liabilities
r)	Annexure G (note 16)	–	Restated statement of Provisions
s)	Annexure G (note 17)	–	Restated statement of Lease Liabilities
t)	Annexure G (note 18)	–	Restated statement of Deferred Tax Liabilities
u)	Annexure G (note 19)	–	Restated statement of Trade Payables
v)	Annexure G (note 20)	–	Restated statement of Current Tax Liabilities
w)	Annexure G (note 21)	–	Restated statement of Other Liabilities
x)	Annexure G (note 22)	–	Restated statement of Revenue From operations
y)	Annexure G (note 23)	–	Restated statement of Other Income
z)	Annexure G (note 24)	–	Restated statement of Cost of Materials Consumed
aa)	Annexure G (note 25)	–	Restated statement of Purchase of Stock-in-trade
bb)	Annexure G (note 26)	–	Restated statement of Changes in inventories of Finished Goods, Work-in-Progress and Stock in Trade
cc)	Annexure G (note 27)	–	Restated statement of Employee Benefit Expenses
dd)	Annexure G (note 28)	–	Restated statement of Finance cost
ee)	Annexure G (note 29)	–	Restated statement of Other Expenses
ff)	Annexure G (note 1)	–	Restated statement of Depreciation and Amortization Expenses
gg)	Annexure G (note 28)	–	Restated statement of Other Expenses
hh)	Annexure G (note 30)	–	Restated statement of Capital Management (Ind AS 1)
ii)	Annexure G (note 31)	–	Restated statement of Financial Risk Management Objective
jj)	Annexure G (note 31A)	–	Restated statement of Classification of Financial Assets and Liabilities
kk)	Annexure G (note 32)	–	Restated statement of Fair Value Measurement
ll)	Annexure G (note 33)	–	Restated statement of Contingent Liabilities and Commitments
mm)	Annexure G (note 34)	–	Restated statement of Employee Benefits
nn)	Annexure G (note 35)	–	Restated statement of First Time Adoption of Ind AS
oo)	Annexure G (note 36)	–	Restated statement of Related Party Disclosures
pp)	Annexure G (note 37)	–	Restated statement of Share Based Payments
qq)	Annexure G (note 38)	–	Restated statement of Income Taxes
rr)	Annexure G (note 38)	–	Restated statement of Assets Held for Disposal
ss)	Annexure G (note 40)	–	Restated statement of Operating Segments
tt)	Annexure G (note 41)	–	Restated statement of Earnings Per Share
uu)	Annexure G (note 42)	–	Restated statement of Leases
vv)	Annexure G (note 43)	–	Restated statement of Dues to Micro, Small and Medium Enterprises
ww)	Annexure G (note 44)	–	Restated statement of Government Grants
xx)	Annexure G (note 45)	–	Restated statement of Revenue

yy)	Annexure G (note 46)	–	Restated statement of Share Issue Expenses
zz)	Annexure G (note 47)	–	Restated statement of Corporate Social Responsibility
aaa)	Annexure G (note 48)	–	Restated statement of Pending Litigations
bbb)	Annexure G (note 49)	–	Restated statement of Note on GST
ccc)	Annexure H	–	Statement of Capitalization
ddd)	Annexure I	–	Statement of Dividend
eee)	Annexure J	–	Restated Statement of Accounting Ratios
fff)	Annexure K	–	Restated Statement of Tax Shelter

According to the information and explanations given to us, in our opinion, the Restated Financial Information and the above restated financial information contained in Annexures A to K accompanying this report, read with Summary of Significant Accounting Policies disclosed in Annexure E , are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. We have also examined the following restated financial information of the Company as at and for the years ended March 31, 2015 and 2014 set out in the Annexures I to VII prepared by the Management and approved by the Board of Directors on November 22, 2019.

a)	Annexure V	–	Statement on Material adjustment to prepare restated financial information
b)	Annexure VA (note 1)	–	Restated statement of Share capital
c)	Annexure VA (note 2)	–	Restated statement of Reserves & Surplus
d)	Annexure VA (note 3)	–	Restated statement of Long Term Borrowing
e)	Annexure VA (note 4)	–	Restated statement of Deferred Tax Liabilities
f)	Annexure VA (note 5)	–	Restated statement of Other Long Term Liabilities
g)	Annexure VA (note 6)	–	Restated statement of Long Term Provision
h)	Annexure VA (note 7)	–	Restated statement of Short Term Borrowings
i)	Annexure VA (note 8)	–	Restated statement of Trade Payables
j)	Annexure VA (note 9)	–	Restated statement of Other Current Liabilities
k)	Annexure VA (note 10)	–	Restated statement of Short Term Provision
l)	Annexure VA (note 11)	–	Restated statement of Property, Plant and Equipment, Capital Work in Progress and Intangible Assets
m)	Annexure VA (note 12)	–	Restated statement of Non-Current Investments
n)	Annexure VA (note 13)	–	Restated statement of Long-Term Loans & Advances
o)	Annexure VA (note 14)	–	Restated statement of Other Non-Current Assets
p)	Annexure VA (note 15)	–	Restated statement of Inventories
q)	Annexure VA (note 16)	–	Restated statement of Trade Receivables
r)	Annexure VA (note 17)	–	Restated statement of Cash & Bank balances
s)	Annexure VA (note 18)	–	Restated statement of Short-Term Loans & Advances
t)	Annexure VA (note 19)	–	Restated statement of Other Current Assets
u)	Annexure VA (note 20)	–	Restated statement of Revenue of operations
v)	Annexure VA (note 21)	–	Restated statement of Other Income
w)	Annexure VA (note 22)	–	Restated statement of Cost of Material consumed

x)	Annexure VA (note 23)	–	Restated statement of Purchase of Stock-in-trade
y)	Annexure VA (note 24)	–	Restated statement of Changes in inventories of Finished goods
z)	Annexure VA (note 25)	–	Restated statement of Employee Benefit Expenses
aa)	Annexure VA (note 26)	–	Restated statement of Finance cost
bb)	Annexure VA (note 27)	–	Restated statement of Depreciation and amortization expenses
cc)	Annexure VA (note 28)	–	Restated statement of Other Expenses
dd)	Annexure VA (note 29)	–	Restated statement of Contingent liabilities & commitments
ee)	Annexure VA (note 30)	–	Restated statement of Segment Reporting
ff)	Annexure VA (note 31)	–	Restated statement of Leases
gg)	Annexure VA (note 32)	–	Restated statement of Value of Import on CIF basis
hh)	Annexure VA (note 33)	–	Restated statement of value of imported and indigenous raw Materials
ii)	Annexure VA (note 34)	–	Restated statement of Expenses in foreign currency during the year
jj)	Annexure VA (note 35)	–	Restated statement of Earning in foreign currency
kk)	Annexure VA (note 36)	–	Restated statement of Dues to Micro, small and Medium Enterprises
ll)	Annexure VA (note 37)	–	Restated statement of Related Party disclosure as per AS 18
mm)	Annexure VA (note 38)	–	Restated statement of Derivative Instruments
nn)	Annexure VA (note 39)	–	Restated statement of Earnings per share
oo)	Annexure VA (note 40)	–	Restated statement of Expenditure towards Corporate Social Responsibility activities
pp)	Annexure VA (note 41)	–	Restated statement of Employee Benefits
qq)	Annexure VI	–	Restated Statement of Accounting Ratios
rr)	Annexure VII	–	Restated Statement of Tax Shelter

According to the information and explanations given to us, in our opinion, the Restated Financial Information and the above restated financial information contained in Annexures I to VII accompanying this report, read with the Summary of Significant Accounting Policies disclosed in Annexure IV, are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

9. This report should not in any way be construed as a reissuance or re-dating 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 statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for use of the Management and for inclusion in the offer documents to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited and Registrar of Companies, Goa, Daman & Diu in connection with the proposed Offer. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For **Khimji Kunverji & Co LLP**
(Formerly Khimji Kunverji & Co. FRN – 105146W)
Chartered Accountants

Gautam V Shah
Partner (F-117348)
ICAI UDIN: 19117348AAAACP1472
Place: Mumbai

Prince Pipes and Fittings Limited

Annexure-A

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

Particulars	Note No	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
ASSETS						
Non-Current Assets						
Property, plant and equipment	1	3,601.26	3,595.11	3,323.72	2,636.91	2,313.83
Capital Work in Progress	1	765.85	615.08	146.77	180.32	141.26
Right-of-Use Assets	1	58.39	62.37	78.30	10.63	22.22
Goodwill	1	2.96	2.96	2.96	2.96	2.96
Other Intangible Assets	1	34.56	35.55	41.52	34.76	36.33
Financial Assets						
Investments	2	9.06	7.77	7.36	7.25	5.14
Loans	3	79.72	74.22	73.43	51.49	53.77
Other Financial Assets	5	86.78	86.78			
Other Non-Current Assets	6	622.55	582.19	692.25	14.47	25.66
Total Non-Current Assets		**5,261.13**	**5,062.03**	**4,366.31**	**2,938.79**	**2,601.17**
Current Assets						
Inventories	7	2,186.58	2,010.56	2,415.17	1,742.40	1,005.18
Financial Assets						
Investments	2	-	-	-	-	9.93
Trade Receivables	8	1,904.77	2,503.61	2,393.93	2,367.37	2,389.93
Cash and Cash Equivalents	9	2.54	88.90	2.31	27.18	0.45
Other Balances with Banks	10	127.60	134.25	93.98	96.50	85.28
Loans	3	2.32	2.33	2.59	3.66	3.82
Other Financial Assets	5	2.57	1.32	2.62	0.94	3.40
Income Tax Assets (net)	4	-	5.22	-	24.34	14.69
Other Current Assets	6	657.06	595.91	451.08	403.87	419.15
		4,883.44	**5,342.10**	**5,361.68**	**4,666.26**	**3,931.83**
Assets classified as held for sale	11	-	-	70.78	-	-
Total Current Assets		**4,883.44**	**5,342.10**	**5,432.46**	**4,666.26**	**3,931.83**
Total Assets		**10,144.57**	**10,404.13**	**9,798.77**	**7,605.05**	**6,533.00**
EQUITY AND LIABILITIES						
Equity						
Equity Share Capital	12a	900.16	900.16	900.16	450.08	480.08
Other Equity	12b	3,378.40	3,107.51	2,265.63	1,975.36	1,361.67
Total Equity		**4,278.56**	**4,007.67**	**3,165.79**	**2,425.44**	**1,841.75**
Liabilities						
Non-Current Liabilities						
Financial liabilities						
Borrowings	13	981.82	1,057.69	1,461.86	1,057.62	894.63
Lease Liabilities	17	39.87	43.95	60.59	-	8.90
Other Financial Liabilities	15	160.80	160.29	162.04	154.51	139.75
Provisions	16	84.92	78.16	68.83	45.47	43.13
Deferred Tax liabilities (Net)	18	114.18	135.49	127.49	117.25	109.14
Other Liabilities	21	-	-	5.10	-	-
Total Non-Current Liabilities		**1,381.59**	**1,475.58**	**1,885.91**	**1,374.85**	**1,195.55**
Current Liabilities						
Financial liabilities						
Borrowings	14	1,609.34	1,456.78	1,698.33	1,887.64	1,858.87
Lease Liabilities	17	16.42	16.64	17.50	8.90	10.53
Trade Payables - MSME	19	32.63	46.11	50.03	67.79	49.86
Trade Payables - Other than MSME	19	1,671.18	2,105.52	1,919.98	953.40	941.56
Other Financial Liabilities	15	1,033.72	1,114.69	963.83	744.36	557.98
Provisions	16	11.28	16.47	12.05	24.12	21.34
Current tax Liabilities	20	28.59	-	27.39	-	-
Other Liabilities	21	81.26	164.68	57.96	118.54	55.56
Total Current Liabilities		**4,484.42**	**4,920.89**	**4,747.07**	**3,804.75**	**3,495.70**
Total Liabilities		**5,866.01**	**6,396.47**	**6,632.98**	**5,179.60**	**4,691.25**
Total Equity and Liabilities		**10,144.57**	**10,404.13**	**9,798.77**	**7,605.05**	**6,533.00**

Note

The above statement should be read with the Notes to Restated Summary Statements of Assets and Liabilities, Profits and Losses and Cash Flows as appearing in Annexure E, Statement of Material Adjustments to prepare Restated Financial Information as appearing in Annexure F.

As per our report attached

For Khimji Kunverji & Co LLP

(formerly Khimji Kunverji & Co - FRN 105146W)

Chartered Accountants

Gautam V. Shah

Partner (F-117348)

Place : Mumbai

Date : November 22, 2019

For and on behalf of Board of Directors

Jayant S. Chheda
Managing Director
(DIN NO : 00013206)

Parag J. Chheda
Director
(DIN NO : 00013222)

Shyam K. Sharda
Chief Financial Officer

Aayushi K. Poddar
Company Secretary

Prince Pipes and Fittings Limited

Annexure-B

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(₹ in millions)

Particulars	Note No	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
Revenue from Operations	22	3,797.66	15,718.69	13,205.45	13,300.15	10,810.57
Other Income	23	4.26	71.26	60.26	24.80	5.61
Total Revenue		**3,801.92**	**15,789.95**	**13,265.71**	**13,324.95**	**10,816.18**
Expenses:						
Cost of Materials Consumed	24	2,789.92	10,728.59	8,938.14	8,364.74	7,047.06
Purchase of Stock-in-Trade	25	62.62	340.84	461.74	1,075.44	327.43
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	(163.51)	204.18	(185.60)	(549.58)	87.24
Excise duty (Refer Note 49)		-	-	55.05	835.19	736.89
Employee Benefit Expense	27	197.83	783.31	725.61	609.56	527.22
Finance Cost	28	73.85	364.00	361.08	363.74	334.97
Depreciation and Amortization Expenses	1	118.23	451.64	380.88	328.29	296.84
Other Expenses	29	383.67	1,802.71	1,577.14	1,338.49	1,088.54
Total Expenses		**3,462.61**	**14,675.27**	**12,314.04**	**12,365.87**	**10,446.19**
Profit before exceptional items and tax		**339.31**	**1,114.68**	**951.67**	**959.08**	**369.99**
Exceptional Items		**-**	**-**	**-**	**-**	**-**
Profit before tax		**339.31**	**1,114.68**	**951.67**	**959.08**	**369.99**
Tax expense						
Current tax		94.18	272.43	214.54	208.96	81.84
Deferred tax		(21.56)	8.74	9.47	8.30	(7.20)
(Excess) / Short Provision for tax adjustments in respect of earlier years (Net)		-	-	-	-	-
Total Tax Expense		**72.62**	**281.17**	**224.01**	**217.26**	**74.64**
Profit for the period		**266.69**	**833.51**	**727.66**	**741.82**	**295.35**
Other Comprehensive Income						
Items that will not be reclassified to Profit or Loss		0.97	(2.39)	2.10	(0.33)	(2.80)
Income tax relating to items that will not be reclassified to profit or loss		(0.24)	0.74	(0.77)	0.18	0.93
Items that will be reclassified to Profit or Loss		1.63	0.61	4.18	(10.29)	-
Income tax relating to items that will be reclassified to profit or loss						
Total Other Comprehensive Income		**2.36**	**(1.04)**	**5.51**	**(10.44)**	**(1.87)**
Total Comprehensive Income for the year		**269.05**	**832.47**	**733.17**	**731.38**	**293.48**
Earning per equity share (Face Value per Share Rs 10 each) (Not Annualised)	41					
Basic (in ₹)		2.96	9.26	8.08	7.85	3.18
Diluted (in ₹)		2.96	9.26	8.08	7.85	3.18

Note

The above statement should be read with the Notes to Restated Summary Statements of Assets and Liabilities, Profits and Losses and Cash Flows as appearing in Annexure E, Statement of Material Adjustments to prepare Restated Financial Information as appearing in Annexure F.

As per our report attached

For Khimji Kunverji & Co LLP

(formerly Khimji Kunverji & Co - FRN 105146W)

Chartered Accountants

Gautam V. Shah

Partner (F-117348)

Place : Mumbai

Date : November 22, 2019

For and on behalf of Board of Directors

Jayant S. Chheda
Managing Director
(DIN NO : 00013206)

Parag J. Chheda
Director
(DIN NO : 00013222)

Shyam K. Sharda
Chief Financial Officer

Aayushi K. Poddar
Company Secretary

Prince Pipes and Fittings Limited

Annexure-C

RESTATED SUMMARY OF CASH FLOWS

(₹ in millions)

Particulars	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit/ (Loss) Before Tax	339.31	1,114.68	951.67	959.08	369.99
Adjustments					
Depreciation and Amortisation Expenses	118.23	451.64	380.88	328.29	296.84
Provision for Gratuity and Leave Encashment	1.56	13.75	13.51	4.53	(0.04)
Interest paid	64.69	330.27	320.87	321.55	303.89
Provision for Doubtful Debts	6.71	4.93	20.92	8.16	-
Bank Commission and Charges paid	8.92	30.99	37.96	37.03	28.61
Employee Stock Compensation for Option granted	1.83	9.41	7.18	-	
Unrealised Foreign Exchange Difference	16.53	(33.00)	23.63	(11.66)	(7.13)
Mark to Market loss/ (gain) on Derivatives	5.73	6.03	(15.34)	11.07	2.83
(Gain)/ Loss on fair valuation of Investments through P&L	(0.26)	(0.69)	(0.93)	(1.84)	0.26
(Profit)/Loss on sale of Property,Plant and Equipment	6.66	(28.87)	7.65	5.69	2.19
(Profit)/Loss on sale of investments	-	-	-	(3.61)	-
Dividend Received	-	(0.05)	(0.05)	(0.03)	(0.06)
Operating Profit before Working Capital Changes	**569.91**	**1,899.09**	**1,747.95**	**1,658.26**	**997.38**
Adjustments for					
Decrease/(Increase) in Inventories	(176.02)	404.61	(672.78)	(727.69)	120.46
Decrease/(Increase) in Trade & Other Receivables	541.25	(294.80)	(195.99)	34.56	(444.16)
Increase/(Decrease) in Trade & Other Payables	(571.93)	501.04	906.03	221.68	295.39
Cash Generated from Operations	**363.21**	**2,509.94**	**1,785.21**	**1,186.81**	**969.07**
Taxes paid (net)	(60.33)	(305.04)	(162.82)	(218.61)	(75.02)
Net Cash Flow from Operating Activities (A)	**302.88**	**2,204.90**	**1,622.39**	**968.20**	**894.05**
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Property,Plant and Equipment	(229.11)	(917.98)	(1,118.99)	(684.70)	(509.50)
Sale of Property,Plant and Equipment	1.05	84.38	82.42	1.73	12.80
Capital Advances paid	(89.93)	(217.03)	(666.79)	(9.53)	(20.81)
Purchase of Non-Current Investment	(1.04)	-	-	(1.60)	(11.59)
Sale of Non-Current Investment	-	-	0.68	15.13	-
Dividend Received	-	0.05	0.05	0.03	0.06
Net Cash Flow from Investing Activities (B)	**(319.03)**	**(1,050.58)**	**(1,702.63)**	**(678.94)**	**(529.04)**
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Non-Current/Current (Net) Borrowings	7.69	(688.97)	424.63	254.26	(21.02)
Net Lease impacts	(4.82)	(18.47)	(17.58)	(16.74)	(15.93)
Proceeds on buyback of shares	-	-	-	(147.68)	-
Bank Commission and Charges paid	(8.92)	(30.99)	(37.96)	(37.03)	(28.61)
Interest paid excluding Lease	(64.16)	(329.30)	(313.73)	(315.34)	(299.38)
Net Cash Flow from Financing Activities (C)	**(70.21)**	**(1,067.73)**	**55.37**	**(262.53)**	**(364.94)**
D. Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	**(86.36)**	**86.59**	**(24.87)**	**26.73**	**0.07**
Cash and Cash Equivalents at the beginning of the year	88.90	2.31	27.18	0.45	0.38
Cash and Cash Equivalents at the end of the year	2.54	88.90	2.31	27.18	0.45
Net Increase/(Decrease) in Cash & Cash Equivalents	**(86.36)**	**86.59**	**(24.87)**	**26.73**	**0.07**
Components of Cash and Cash Equivalents :					
-Cash on hand	0.84	0.52	0.62	0.29	0.36
-Cheques on hand	-	-	-	-	-
-Balances with Banks					
-on current account	1.70	88.38	1.69	26.89	0.09

Note

1. The previous year's figures have been regrouped wherever necessary.

2. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS)-7 on Statement of Cash Flow

3. The above statement should be read with the Notes to Restated Summary Statements of Assets and Liabilities, Profits and Losses and Cash Flows as appearing in Annexure E, Statement of Material Adjustments to prepare Restated Financial Information as appearing in Annexure F.

As per our report attached	**For and on behalf of Board of Directors**	
For Khimji Kunverji & Co LLP		
(formerly Khimji Kunverji & Co - FRN 105146W)		
Chartered Accountants	**Jayant S. Chheda**	**Parag J. Chheda**
	Managing Director	Director
	(DIN NO : 00013206)	(DIN NO : 00013222)
Gautam V. Shah		
Partner (F-117348)		
Place : Mumbai	**Shyam K. Sharda**	**Aayushi K. Poddar**
Date : November 22, 2019	Chief Financial Officer	Company Secretary

Prince Pipes and Fittings Limited

Annexure-D

RESTATED SUMMARY STATEMENT OF CHANGES IN EQUITY

Equity Share Capital (₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Balance at the beginning of the year	900.16	900.16	450.08	480.08	480.08
Changes during the year (Refer note 12)	-	-	450.08	(30.00)	-
Balance at the end of the year	**900.16**	**900.16**	**900.16**	**450.08**	**480.08**

Annexure G - Notes to Restated Financial Information

Note No : 12b : Other Equity

For the Three month ended 30th June,2019 (₹ in millions)

Particulars	Reserves and Surplus					Effective Portion of Cash Flow Hedging	FVOCI-Equity Instruments	Total
	Capital Reserve	Capital Redemption	General Reserve	Stock Option Outstanding	Retained Earnings			
Balance as at 1st April, 2019	**48.37**	**30.00**	**-**	**16.59**	**3,018.06**	**(5.50)**	**(0.01)**	**3,107.51**
Profit for the Year (1)	-	-	-	-	266.69	-	-	**266.69**
Remeasurement of the net defined benefit liability/asset, net of tax effect (2)	-	-	-	-	0.72	-	-	**0.72**
Marked to Market of effective portion of cash flow hedging instruments (3)	-	-	-	-	-	1.63		**1.63**
Equity instruments through other comprehensive income (4)	-	-	-	-	-		0.01	**0.01**
Total Comprehensive Income (1+ 2 + 3 + 4)	**-**	**-**	**-**	**-**	**267.41**	**1.63**	**0.01**	**269.05**
Transfer to Reserves	-	-	-			-		**-**
Net Employee Stock Compensation for Option granted (Net off Deferred Employees Stock Option Rs.27.30 million)	-	-	-	3.06	-	-	-	**3.06**
Less : Options forfeited during the period	-	-	-	(1.22)	-	-	-	**(1.22)**
Balance at 30th June 2019	**48.37**	**30.00**	**-**	**18.43**	**3,285.47**	**(3.87)**	**-**	**3,378.40**

For the year ended 31st March, 2019 (₹ in millions)

Particulars	Reserves and Surplus					Effective Portion of Cash Flow Hedging	FVOCI-Equity Instruments	Total
	Capital Reserve	Capital Redemption	General Reserve	Stock Option Outstanding	Retained Earnings			
Balance as at 1st April, 2018	**48.37**	**30.00**	**-**	**7.18**	**2,185.95**	**(6.11)**	**0.24**	**2,265.63**
Profit for the Year (1)	-	-	-	-	833.51	-	-	**833.51**
Remeasurement of the net defined benefit liability/asset, net of tax effect (2)	-	-	-	-	(1.37)	-	-	**(1.37)**
Marked to Market of effective portion of cash flow hedging instruments (3)	-	-	-	-	-	0.61	-	**0.61**
Equity instruments through other comprehensive income (4)	-	-	-	-	-	-	(0.28)	**(0.28)**
Total Comprehensive Income (1+ 2 + 3 + 4)	**-**	**-**	**-**	**-**	**832.14**	**0.61**	**(0.28)**	**832.47**
Transfer to Reserves	-	-	-		(0.03)	-	0.03	**-**
Net Employee Stock Compensation for Option granted (Net off Deferred Employees Stock Option Rs.20.02 million)	-	-	-	10.44	-	-	-	**10.44**
Less : Options forfeited during the period	-	-	-	(1.03)	-	-	-	**(1.03)**
Balance at 31st March, 2019	**48.37**	**30.00**	**-**	**16.59**	**3,018.06**	**(5.50)**	**(0.01)**	**3,107.51**

For the year ended 31st March, 2018 (₹ in millions)

Particulars	Reserves and Surplus					Effective Portion of Cash Flow Hedging	FVOCI-Equity Instruments	Total
	Capital Reserve	Capital Redemption	General Reserve	Stock Option Outstanding	Retained Earnings			
Balance as at 1st April, 2017	**48.37**	**30.00**	**64.65**	**-**	**1,842.27**	**(10.29)**	**0.36**	**1,975.36**
Profit for the Year (1)	-	-	-	-	727.66	-	-	**727.66**
Remeasurement of the net defined benefit liability/asset, net of tax effect (2)	-	-	-	-	1.45	-	-	**1.45**
Marked to Market of effective portion of cash flow hedging instruments (3)	-	-	-	-	-	4.18	-	**4.18**
Equity instruments through other comprehensive income (4)	-	-	-	-	-	-	(0.12)	**(0.12)**
Total Comprehensive Income (1+ 2 + 3 + 4)	**-**	**-**	**-**	**-**	**729.11**	**4.18**	**(0.12)**	**733.17**
Transfer to General Reserves	-	-	385.43		(385.43)	-	-	**-**
Utilisation on bonus shares issue	-	-	(450.08)	-	-	-	-	**(450.08)**
Net Employee Stock Compensation for Option granted (Net off Deferred Employees Stock Option Rs.30.46 million)	-	-	-	9.35	-	-	-	**9.35**
Less : Options forfeited during the period	-	-	-	(2.17)	-	-	-	**(2.17)**
Balance at 31st March, 2018	**48.37**	**30.00**	**-**	**7.18**	**2,185.95**	**(6.11)**	**0.24**	**2,265.63**

Prince Pipes and Fittings Limited

Annexure-D

RESTATED SUMMARY STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2017 (₹ in millions)

Particulars	Reserves and Surplus					Effective Portion of Cash Flow Hedging	FVOCI-Equity Instruments	Total
	Capital Reserve	Capital Redemption	General Reserve	Stock Option Outstanding	Retained Earnings			
Balance as at 1st April, 2016 (Proforma Ind AS)	**48.37**	**-**	**64.65**	**-**	**1,248.51**	**-**	**0.14**	**1,361.67**
Profit for the year (1)	-	-	-	-	741.82	-	-	**741.82**
Remeasurement of the net defined benefit liability/asset, net of tax effect (2)	-	-	-	-	(0.38)	-		**(0.38)**
Marked to Market of effective portion of cash flow hedging instruments (3)	-	-	-	-	-	(10.29)		**(10.29)**
Equity instruments through other comprehensive income (4)	-	-	-	-	-	-	0.22	**0.22**
Total Comprehensive Income (1+ 2 + 3 + 4)	**-**	**-**	**-**	**-**	**741.44**	**(10.29)**	**0.22**	**731.37**
Reserves created on buyback of shares	-	30.00	-	-	-	-	-	**30.00**
Utilisation on buyback of shares	-	-	-	-	(120.00)	-	-	**(120.00)**
Tax on income distributed to shareholders	-	-	-	-	(27.68)	-	-	**(27.68)**
Balance at 31st March, 2017	**48.37**	**30.00**	**64.65**	**-**	**1,842.27**	**(10.29)**	**0.36**	**1,975.36**

For the year ended 31st March, 2016 (₹ in millions)

Particulars	Reserves and Surplus					Effective Portion of Cash Flow Hedging	FVOCI-Equity Instruments	Total
	Capital Reserve	Capital Redemption	General Reserve	Stock Option Outstanding	Retained Earnings			
Balance as at 1st April, 2015 (Proforma Ind AS)	**48.37**	**-**	**64.65**	**-**	**952.96**	**-**	**0.27**	**1,066.25**
Profit for the year (1)	-	-	-	-	295.35	-	-	**295.35**
Remeasurement of the net defined benefit liability/asset, net of tax effect (2)	-	-	-	-	(1.74)	-	-	**(1.74)**
Equity instruments through other comprehensive income (3)	-	-	-	-	-	-	(0.13)	**(0.13)**
Total Comprehensive Income (1 + 2 + 3)	**-**	**-**	**-**	**-**	**293.61**	**-**	**(0.13)**	**293.48**
Transitional reserves due to adjustment of IND AS 116 with deferred tax impact					1.94			**1.94**
								-
Balance at 31st March, 2016 (Proforma Ind AS)	**48.37**	**-**	**64.65**	**-**	**1,248.51**	**-**	**0.14**	**1,361.67**

Note

a) Capital Reserve : The company has created capital reserves out of merger approval of Kenson Manufacture Pvt Ltd by the. Capital Reserves are mainly created during business combination for gain on bargain purchase on account of merger of Kenson Manufacture Private Limited in the year ended March 31, 2013.

b) Capital Redemption Reserve : These reserves are created by way of buyback of shares by the Company in year ended March 31, 2017.

c) General Reserves : General reserve is created by way of transfer of profits from retained earnings for appropriation purposes.

d) Stock outstanding account: The Company has share option scheme under which option to subscribe for the Company's share have been granted to certain employees. These reserves is used to recognise the value of such equity settled share based payments.

e) Retained Earnings: These reserves are created by the company for net profits earned after reducing all appropriations and transfers.

f) Effective portion of cash flow hedges: The Company has designated cross currency swap as cash flow hedge and any effective portion of cash flow hedge is maintained in the said reserve. In case hedging becomes ineffective the amount is recognised in statement of Profit and Loss.

g) The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

As per our report attached
For Khimji Kunverji & Co LLP
(formerly Khimji Kunverji & Co - FRN 105146W)
Chartered Accountants

Gautam V. Shah
Partner (F-117348)

Place : Mumbai
Date : November 22, 2019

For and on behalf of Board of Directors

Jayant S. Chheda
Managing Director
(DIN NO : 00013206)

Parag J. Chheda
Director
(DIN NO : 00013222)

Shyam K. Sharda
Chief Financial Officer

Aayushi K. Poddar
Company Secretary

Prince Pipes and Fittings Limited

Annexure E - Notes to Restated Summary Statements of Assets and Liabilities , Profits and Losses and Cash Flows

1. Corporate Information

Prince Pipes and Fittings Limited (" the Company") (formerly known as Prince Pipes and Fittings Private Limited) is a limited company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was converted into public company with effect from 11 August 2017 and consequently the name of the Company has changed from Prince Pipes and Fittings Private Limited to Prince Pipes and Fittings Limited. The Company's operation comprises manufacturing and selling of plastic pipes and fittings.

2. Significant Accounting Policies:

2.1 Basis of Preparation and Presentation:

The Restated Statement of Assets and Liabilities of The Prince Pipes and Fittings Limited (hereinafter referred as "the Company") as at 30th June,2019, March 31, 2019, March 31, 2018 , March 31, 2017 and March 31, 2016 and the Restated Statement of Profit and Loss and the Restated Statement of Cash Flows for the three months ended 30th June, 2019 and for the year ended March 31, 2019, March 31, 2018 , March 31, 2017 and March 31, 2016 (hereinafter collectively referred as "Restated Financial Information") have been prepared specifically for inclusion in the Offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed initial public offering of its equity shares.

The Restated Financial Information for the period ended June 30,2019 and for the year ended March 31, 2019 and March 31, 2018 have been prepared by the by the Management from the audited statements of the Company as at and for the three months ended June 30, 2019, for the year ended March 31, 2019 and March 31, 2018 prepared in accordance with Indian Accounting Standards (IND AS) prescribed under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, which have been approved by the Board of Directors.

The Restated Financial Information for the year ended March 31, 2017 have been prepared by the by the Management from the audited special purpose financial statements of the Company for the year ended March 31, 2017 prepared in accordance with IND AS prescribed under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, which have been approved by the Board of Directors.

The Proforma Financial Information of the Company as at and for the year ended March 31, 2016, is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/4 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date (i.e. April 1,2016) while preparing proforma financial information for the FY 2015-16 and accordingly suitable restatement adjustments in the accounting heads have been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2016.

In accordance with Ind AS 101 First- time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of restated financial information under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS for shareholders' Fund as at March 31, 2017 and March 31, 2016 and of the total comprehensive income for the year ended March 31, 2017 and year ended March 31,2016.

These Restated Financial Information have been prepared to comply in all material respects with the requirements of Part I of Chapter III to the Companies Act, 2013 on Prospectus and Allotment of Securities and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (" the SEBI Regulations") as amended from time to time.

The Financial Statements have been extracted by the Management from the Audited Financial Statements and:
• there were no audit qualifications on these financial statements,
• there were no changes in accounting policies during the years of these financial statements except on account of adoption of new IND AS 115 Revenue from contracts with customers and IND AS 116 Leases ,
• material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,
• adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Financial Statements of the Company as at and for the period ended June 30, 2019 and the requirements of the SEBI Regulations, and
• the resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years and the impact of current tax in respect of short/excess income tax arising out of assessments, appeals, revised income tax returns, etc., has been adjusted in the current tax of respective years to which they relate.

These Restated Financial Information were approved by the Board of Directors of the Company on November 22, 2019.

The restated financial information have been prepared on the historical cost basis except for following assets and liabilities:
(i) Derivative Financial Instruments measured at fair value.
(ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), and,
(iii) Employee's Defined Benefit Plan as per actuarial valuation.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristic into account when pricing the asset or liability at the measurement date.
Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transaction that are within the scope of Ind AS 102 Share-based Payment, leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair valued such as net realizable value in Ind AS 2 or value in use in Ind AS 36 Impairment of assets.

Functional and Presentation Currency:
The financial statements are presented in Indian Rupees, which is the functional currency of the company and currency of primary economic environment in which company operates.

Operating Cycle :
The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.
An asset is treated as current when it is:
(i) Expected to be realized or intended to be sold or consumed in normal operating cycle;
(ii) Held primarily for the purpose of trading, or
(iii) Expected to be realized within twelve months after the reporting period, or
(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:
(i) It is expected to be settled in normal operating cycle.
(ii) It is held primarily for the purpose of trading,
(iii) It is due to be settled within twelve months after the reporting period, or
(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.
All other liabilities are classified as non-current.

2.2 Property, plant and equipment (PPE) :

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Subsequent expenditures related to an item of Property, plant and equipment assets are added to its book value only if they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

If significant part of an item of PPE have different useful life, then they are accounted for as seperate items of PPE.

2.3 Depreciation:

Depreciable amount for PPE is the cost of an PPE less its estimated residual value. Depreciation on PPE are charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013 or as per technical assessment.
Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.
In certain classes of PPE, the Company uses different useful lives than than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the PPE on the management's estimation of obtaining economic benefits from those classes of assets.

I Assets where useful life is same as Schedule II :-

Assets	Useful Life as Prescribed by Schedule II to the Companies Act, 2013
Factory Building including Compounding Wall	30 years
Other Building	60 years
RCC Roads	10 years
Office Equipment	5 years
Vehicles - Two Wheeler	10 years
Vehicles - Four Wheeler	8 years
Furniture & Fixtures	10 years
Computer Hardware (Servers)	6 years
Computer Hardware (Others)	3 years

II Assets where useful life differ from Schedule II :-

Assets	Estimated Useful Life
Buildings (Temporary structures)	5 years
Plant & Machinery (including Double and Triple Shift)	7.5 years - 10 years
Plant & Machinery (Screw & Barrel)	3 years
Moulds & Dies	7.5 years
Electrical Installation	15 years
Stores & Spares in the nature of PPE	10 years

Residual value of Plant and Machinery and building is considered as 5% of the cost and for other assets as Rs.100

2.4 Intangible assets :

Intangible assets acquired separately

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognized in the statement of profit and loss when the asset is derecognized.

Internally generated Intangible assets (Research and Development expenditure)

Expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

Useful lives of intangible assets are as under:

Assets	Estimated Useful Life
Computer Software	6 years
Brands/Trademarks	10 years

2.5 Impairment of Non-Financial Assets :

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.6 Non-current assets (or disposal groups) classified as held for disposal :

Non-current assets are classified as held for disposal if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Such assets are measured at lower of their carrying amount and fair value less costs to sell

To classify any asset as "Asset held for disposal" the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale is highly probable. Also, Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within a year from the date of classification. Once classified as held for disposal, intangible assets and PPE are no longer amortised or depreciated.

2.7 Inventories :

Raw materials, fuel, stores & spare parts and packing materials:

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on first-in-first-out (FIFO) basis. The cost of inventory comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Employee Benefits :

Employee benefits include Gratuity, Provident Fund, Employee Family Pension, Employee State Insurance Scheme and Compensated Absences.

Defined benefit plans:

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

(i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
(ii) net interest expense or income; and
(iii) re-measurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Defined Contribution Plan:

The Company's contribution to Provident Fund and Pension Fund is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. Company has no further obligation beyond its contributions

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits:

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Employee Share based payment:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date.
The fair value determined at the grant date of the equity settled share based payments is amortised on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.
At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.9 Borrowing costs :

Borrowing cost (General and Specific) includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.
Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.
All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

2.10 Foreign Currencies :

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for, exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

2.11 Revenue Recognition :

a Revenue from manufacturing and trading activities

Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue from contract with customer are recognised when goods are dispatched and the control over the goods sold are transferred to customers.

Revenue is measured at the fair value of consideration received or receivable for the goods supplied and services rendered, net of returns, discounts and incentives to customers. Revenue excludes amount collected on behalf of third parties viz. Goods and Service Tax (GST).

Variable consideration includes discounts and incentives provided to the customers. It is estimated at contract inception considering the terms of contract with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Generally, the Company receives short-term advances from its customers. The Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceeds one year. Hence, the Company does not adjust revenue for the time value of money.

b Revenue from turnkey project activities

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or services to customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards the same which is based on the completion of milestone as per the terms of the contract. The Company measures the progress using the output method.

Other Income

(i) Dividend Income is accounted for when the right to receive the income is established.
(ii) Interest income is recognized on time proportion basis taking into account the amount outstanding on effective interest rate.
(iii) Difference between the sale price and carrying value of investment is recognised as profit or loss on sale / redemption on investment on trade date of transaction.

2.12 Government Grants :

Government Grants, related to assets, are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.
Government grants related to income are recognised in the Statement of Profit and Loss in the period in which they become receivable.
Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

2.13 Leases:

The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has chosen not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

2.14 Income Taxes:

Tax expense represents the sum of the current tax and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement Profit and Loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

2.15 Earnings per share :

A basic earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.
Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

2.16 Provisions, Contingent Liabilities and Contingent Assets and Commitments :

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligations. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material).
When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
Contingent liabilities and Contingent assets are not recognized in the financial statements.

2.17 Financial Instruments:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:
(i) the entity's business model for managing the financial assets and
(ii) the contractual cash flow characteristics of the financial asset.

Amortised Cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:
(i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
(ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:
(i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
(ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Where the Company has elected to present the fair value gain on equity instruments in other comprehensive income, there is no subsequent classification of fair value gain or losses to profit and loss account. Dividend from such instruments is recognized in profit and loss account as other income where right to receive is established.

Fair Value through Profit or Loss

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For financial assets at fair value through profit or loss, net gain or losses, including any interest or dividend income are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method. Interest expense (based on effective interest method), foreign exchange gains and losses and any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of the asset or if, the Company has neither transferred nor retained substantially all risk and reward of the asset, but has transferred control of the asset to another party.

On derecognition of a financial asset, other than investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of equity investments classified as FVOCI, accumulated gains or loss recognised in OCI is transferred to retained earnings.

Financial liabilities and equity instruments:

(i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

2.18 Cash and cash equivalents :

Cash and cash equivalents in the Balance Sheet comprise cash at bank, Cheques and Cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

2.19 Derivative financial instruments :

The Company enters into derivative financial instruments viz. foreign exchange forward contracts and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes.
Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately excluding derivatives designated as cash flow hedge.

2.20 Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk and interest rate risk price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in other comprehensive income and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

2A. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful lives of property, plant and equipment :

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Defined benefit obligation :

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iii) Fair value measurement of Financial Instruments :

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(iv) Income taxes :

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(v) Revenue :

The Company uses the percentage of completion method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made.

(vi) Leases :

The Company considers all the extension-options under the commercial contract for determining the lease-term which forms the basis for the measurement of right-of-use asset and the corresponding lease-liability.

(vii) Share-based payments :

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 37.

Prince Pipes and Fittings Limited

Annexure F - Statement on Material Adjustments to prepare Restated Financial Information

I. Below mentioned is the summary of results of adjustments made in the Audited Financial Statements of the respective years and its impact on the restated summary statement of profit and loss and restated summary statement of assets and liabilities:

(₹ in millions)

	Particulars	Note	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
I.	**Total Comprehensive Income**		**267.72**	**820.28**	**740.54**	**641.34**	**311.97**
II.	**Restatement adjustments:**						
	Exceptional item adjustment	Note 1	-	-	-	110.17	-
	Lease Accounting adjustment	Note 2	1.22	1.57	(1.52)	(1.06)	(0.16)
	Rates and taxes adjustment	Note 1	-				(41.03)
	Total		**1.22**	**1.57**	**(1.52)**	**109.11**	**(41.19)**
III.	**Tax adjustments**	Note 3	0.10	10.62	(5.85)	(19.07)	22.69
IV.	**Total Adjustments (II + III)**		**1.32**	**12.19**	**(7.37)**	**90.04**	**(18.49)**
V	**Restated Total Comprehensive Income for the year (I + IV)**		**269.05**	**832.47**	**733.17**	**731.38**	**293.48**

II Adjustment made in the opening balance of surplus in the statement of profit and loss as on 01 April, 2015

Particulars	Note	(₹ in millions)
Other Equity as on April 01, 2015		1,126.05
Adjustment on account of Restatements:-		
a) Provision for EPCG	Note 1	(69.14)
b) Tax Adjustments of earlier years	Note 3	9.34
Total		(59.80)
Other Equity as per Restated Financial Information as at April 1, 2015		**1,066.25**

Notes to A & B :

1 **Exceptional Item**

This represents adjustment of contingent liability in respective year which got materialised in FY 16-17

Restatement Adjustment

a. Liability pertaining to FY 13-14 : (Rs.23.62 million)
b. Liability pertaining to FY 14-15 : (Rs.45.52million)
c. Liability pertaining to FY 15-16 : (Rs.41.03million)
Adjustment to exceptional item FY 16-17 : (Rs. 110.17 million)

2 **Change in Accounting Policy**

There have been no changes in the accounting policies of the Company during the last four financial years, except for with respect to Ind AS 115 "Revenue from Contracts with Customers" effective from April 1, 2018, which did not have a material impact on our restated financial statements, and Ind AS 116, which the Company adopted with the date of initial application of April 1, 2019

IND AS 116 Leases

On March 30, 2019, the Ministry of Company Affairs ("MCA") notified that IND AS 116 would be effective for accounting periods beginning on or after April 1, 2019. The Company has adopted IND AS 116 'Leases' with the date of initial application being April 1, 2019, but giving effect to the adoption of IND AS 116 from April 1, 2015. The IND AS 116 replaces IND AS 17 - Leases and related interpretation and guidance. The standard sets out principles for recognition,measurement,presentation and disclosure of leases.
IND AS 116 requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

(₹ in millions)

Particulars	For the period ended 30-06-2019	2018-19	2017-18	2016-17	2015-16
Increase in Depreciation and Amortisation Expenses*		(15.92)	(11.95)	(11.59)	(11.59)
Increase in Finance Cost#	1.22	(0.96)	(7.14)	(6.21)	(4.51)
Decrease in Rent and Maintenance Expenses@		18.46	17.58	16.74	15.94
Net Adjustment	**1.22**	**1.57**	**(1.52)**	**(1.06)**	**(0.16)**

*It represents depreciation on Right-of-Use Assets, pertaining to lease arrangements recognised pursuant to implementation of Ind AS 116 "Leases". The Right-of-Use assets are depreciated over the 'lease term' as defined under Ind AS 116 "Leases" or economic life, whichever is lower.
It represents interest element recognised on lease liabilities pursuant to implementation of Ind AS 116 "Leases". Interest is measured using incremental borrowing rate.
@ Lease rentals pertaining to lease arrangements accounted in accordance to erstwhile Ind AS 17 "Leases", now reversed

3 **Tax adjustments**

This represents income tax (current tax + deferred tax) adjustment on account of excess/ short provision pertaining to earlier year which has been now adjusted in respective year and tax adjustment on account of restatement of financial information and impacts of taxation due to lease accounting as per IND AS 116.

III Auditor's Comments in Company Auditor's Report Order : Non - Adjusting Items :-

Statutory Auditors have made the following comments in terms with the requirements of Companies (Auditor's Report) Order, 2016 for Financial Year 2018-19 and 2017-18 and the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies act, 2013 of India for Financial Year 2016-17, 2015-16 and 2014-15.

FY 2018-19

Clause (vii) (a)

The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, excise duty, custom duty, Goods and Service Tax, cess and other material statutory dues applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, value added tax, excise duty, custom duty, Goods and Service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Clause (vii) (b)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax which have not been deposited as on March 31, 2019 on account of disputes are given below :

Nature of the Statute	Nature of the Dues	₹ in millions	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Addition to Income under Income Tax	0.66	AY 1998-99	CIT (Appeals), Mumbai
		4.44	AY 2001-02	Mumbai High Court
		2.29	AY 2004-05	Mumbai High Court
		1.80	AY 2006-07	Mumbai High Court
		3.34	AY 2007-08	Mumbai High Court
		3.15	AY 2010-11	Mumbai High Court
		0.09	AY 2013-14	CIT (Appeals), Mumbai
		2.01	AY 2013-14	CIT (Appeals), Mumbai
		7.76	AY 2014-15	DCIT, Mumbai

Annexure F - Statement on Material Adjustments to prepare Restated Financial Information

FY 2017-18

Clause (vii) (a)

The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, excise duty, custom duty, Goods and Service Tax, cess and other material statutory dues applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, value added tax, excise duty, custom duty, Goods and Service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Clause (vii) (b)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Goods and Service Tax, Duty of Excise and Value Added Tax which have not been deposited as on March 31, 2018 on account of disputes are given below :

Nature of the Statute	Nature of the Dues	₹ in millions	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Addition to Income under Income Tax	0.66	AY 1998-99	CIT (Appeals), Mumbai
		4.44	AY 2001-02	Mumbai High Court
		2.29	AY 2004-05	Mumbai High Court
		1.80	AY 2006-07	Mumbai High Court
		3.34	AY 2007-08	Mumbai High Court
		3.15	AY 2010-11	Mumbai High Court
		0.09	AY 2013-14	CIT (Appeals), Mumbai
		2.01	AY 2013-14	CIT (Appeals), Mumbai
		7.76	AY 2014-15	DCIT, Mumbai
Central Excise Act, 1944	Disallowance of Cenvat credit	0.02	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.15	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.00	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.06	F.Y. 2015-16	Superintendent of C.Excise, Range - V, Silvassa
		0.10	F.Y. 15-16	Superintendent of C.Excise, Range - V, Silvassa
		0.02	F.Y. 16-17	Superintendent of C.Excise, Range - V, Silvassa

FY 2016-17

Clause (vii) (a)

The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, excise duty, custom duty, cess and other material statutory dues applicable to it though there has been a slight delay in a few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, value added tax, excise duty, custom duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Clause (vii) (b)

According to the records of the Company, the disputed outstanding dues of income-tax, sales tax, service tax, duty of custom, excise duty and value added tax, are as follows:

Nature of the Statute	Nature of the Dues	₹ in millions	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Addition to Income under Income Tax	0.66	AY 1998-99	CIT (Appeals), Mumbai
		4.44	AY 2001-02	Mumbai High Court
		2.29	AY 2004-05	Mumbai High Court
		1.80	AY 2006-07	Mumbai High Court
		3.34	AY 2007-08	Mumbai High Court
		3.15	AY 2010-11	Mumbai High Court
		0.09	AY 2013-14	CIT (Appeals), Mumbai
		7.76	AY 2014-15	DCIT, Mumbai
Central Excise Act, 1944	Disallowance of Cenvat credit	1.81	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.09	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.38	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.02	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.15	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.00	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.06	F.Y. 2015-16	Superintendent of C.Excise, Range - V, Silvassa
		1.10	F.Y. 2009-10 to F.Y. 2010-11	Custom Central Excise Service tax Appellate tribunal (CESTAT)
		0.17	F.Y. 2011-12	Custom Central Excise Service tax Appellate tribunal (CESTAT)
		0.93	F.Y. 2009-10 to F.Y. 2013-14	Custom Central Excise Service tax Appellate tribunal (CESTAT)
		0.12	F.Y. 2013-14	Custom Central Excise Service tax Appellate tribunal (CESTAT)
		0.10	F.Y. 15-16	Superintendent of C.Excise, Range - V, Silvassa

Annexure F - Statement on Material Adjustments to prepare Restated Financial Information

FY 2015-16

Clause (vii) (a)

The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, excise duty, custom duty, cess and other material statutory dues applicable to it though there has been a slight delay in a few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, value added tax, excise duty, custom duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Clause (vii) (b)

According to the records of the Company, the disputed outstanding dues of income-tax, sales tax, service tax, duty of custom, excise duty and value added tax, are as follows:

Nature of the Statute	Nature of the Dues	₹ in millions	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Addition to Income under Income Tax	0.66	AY 1998-99	CIT (Appeals), Mumbai
		4.44	AY 2001-02	Mumbai High Court
		2.29	AY 2004-05	Mumbai High Court
		1.80	AY 2006-07	Mumbai High Court
		3.34	AY 2007-08	Mumbai High Court
		3.15	AY 2010-11	Mumbai High Court
Central Excise Act, 1944	Disallowance of Cenvat credit	1.81	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.09	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.38	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.02	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.10	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.15	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.00	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.06	F.Y. 2015-16	Superintendent of C.Excise, Range - V, Silvassa
		1.13	F.Y. 2009-10 to F.Y. 2010-11	Joint Commissioner of C.E. & Customs, Commissionerate - Vapi
		0.17	F.Y. 2011-12	Additional Commissioner of C.E. & Customs, Commissionerate - Vapi
		0.96	F.Y. 2009-10 to F.Y. 2013-14	Joint Commissioner of C.E. & Customs, Commissionerate - Vapi
		0.12	F.Y. 2013-14	Joint Commissioner of C.E. & Customs, Commissionerate - Vapi

IV Other Adjustments

Adjustments for Audit Qualifications: None

V Material Regrouping

Appropriate adjustments have been made in the Restated Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities, receipts and payments in order to bring them in line with the groupings as per the audited financial statement of the Company as at and for the period ended 30th June 2019.

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 1 : Restated Statement of Property Plant & Equipment, Capital Work In Progress, Right of Use Assets and Intangible Assets

(₹ in millions)

Sr. No.	Particulars	Gross Block (Cost / Deemed Cost)				Depreciation				Net Block
		Opening Balance as on 01-04-2019	Additions	Deletion/ Transfer/ Adjustment	Closing Balance as on 30-06-2019	Opening Balance as on 01-04-2019	Depreciation on Deletion/ Transfer/ Adjustment	Depreciation for the year	Closing Balance as on 30-06-2019	As on 30-06-2019
A	**Tangible Assets**									
1	Freehold Land	578.32	-	-	**578.32**	-	-	-	**-**	**578.32**
2	Building	866.02	1.68	0.50	**867.20**	97.96	0.06	9.33	**107.23**	**759.97**
3	Plant & Machinery	2,160.18	72.56	12.28	**2,220.46**	631.42	5.72	67.02	**692.72**	**1,527.74**
4	Electrical Installation	112.51	0.06	0.97	**111.60**	21.47	0.27	2.17	**23.37**	**88.23**
5	Computer	24.39	-	0.00	**24.39**	13.03	0.00	0.95	**13.98**	**10.41**
6	Moulds & Dies	744.37	48.83	-	**793.20**	223.19	-	26.91	**250.10**	**543.10**
7	Office Equipments	21.37	0.09	-	**21.46**	11.12	-	0.95	**12.07**	**9.39**
						-				
8	Furniture & Fixtures	109.41	2.26	0.04	**111.63**	41.10	0.02	3.47	**44.55**	**67.08**
9	Vehicles	25.25	-	-	**25.25**	7.41	-	0.82	**8.23**	**17.02**
	Total	**4,641.81**	**125.49**	**13.79**	**4,753.51**	**1,046.70**	**6.07**	**111.62**	**1,152.25**	**3,601.26**
B	**Capital Work in Progress**									**765.85**
C	**Right-of-Use Assets**	79.62	-	-	**79.62**	**17.25**	-	3.98	**21.23**	**58.39**
	Total	**79.62**	-	-	**79.62**	**17.25**	**-**	**3.98**	**21.23**	**58.39**
D	**Goodwill**	2.96	-	-	**2.96**	-	-	-	**-**	**2.96**
	Total	**2.96**	-	-	**2.96**	**-**	-	**-**	**-**	**2.96**
D	**Other Intangible Assets**									
1	Computer Software	35.92	1.64	-	**37.56**	14.77	-	1.62	**16.39**	**21.17**
2	Brands/Trademark	26.52	-	-	**26.52**	12.12	-	1.01	**13.13**	**13.39**
	Total	**62.44**	**1.64**	-	**64.08**	**26.89**	-	**2.63**	**29.52**	**34.56**
	Total Assets (A+B+C+D)	**4,786.83**	**127.13**	**13.79**	**4,900.17**	**1,090.84**	**6.07**	**118.23**	**1,203.00**	**4,463.02**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to the restated financial information as appearing in Annexure-G

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 1 : Restated Statement of Property Plant & Equipment, Capital Work In Progress, Right of Use Assets and Intangible Assets

(₹ in millions)

Sr. No.	Particulars	Gross Block (Cost / Deemed Cost)				Depreciation				Net Block
		Opening Balance as on 01-04-2018	Additions	Deletion/ Transfer/ Adjustment	Closing Balance as on 31-03-2019	Opening Balance as on 01-04-2018	Depreciation on Deletion/ Transfer/ Adjustment	Depreciation for the year	Closing Balance as on 31-03-2019	As on 31-03-2019
A	**Tangible Assets**									
1	Freehold Land	556.58	21.74	-	**578.32**	-	-	-	**-**	**578.32**
2	Building	835.43	56.09	25.50	**866.02**	62.46	1.06	36.56	**97.96**	**768.06**
3	Plant & Machinery	1,762.68	433.78	36.28	**2,160.18**	391.45	17.16	257.13	**631.42**	**1,528.76**
4	Electrical Installation	99.92	12.62	0.03	**112.51**	12.97	0.01	8.51	**21.47**	**91.04**
5	Computer	23.10	1.91	0.63	**24.39**	9.02	0.56	4.57	**13.03**	**11.36**
6	Moulds & Dies	550.51	207.37	13.51	**744.37**	131.67	5.79	97.31	**223.19**	**521.18**
7	Office Equipments	18.66	2.82	0.11	**21.37**	7.37	0.11	3.86	**11.12**	**10.25**
									-	
8	Furniture & Fixtures	98.40	15.00	3.99	**109.41**	27.03	0.13	14.20	**41.10**	**68.31**
9	Vehicles	26.32	1.28	2.35	**25.25**	5.91	2.07	3.57	**7.41**	**17.84**
							-			
	Total	**3,971.60**	**752.61**	**82.40**	**4,641.81**	**647.88**	**26.89**	**425.71**	**1,046.70**	**3,595.11**
B	**Capital Work in Progress**									**615.08**
C	**Right-of-Use Assets**	**79.62**	-	-	**79.62**	**1.33**	-	15.92	**17.25**	**62.37**
	Total	**79.62**	-	-	**79.62**	**1.33**	**-**	**15.92**	**17.25**	**62.37**
C	**Goodwill**	2.96	-	-	**2.96**	-	-	-	**-**	**2.96**
	Total	**2.96**	-	-	**2.96**	**-**	-	**-**	**-**	**2.96**
D	**Other Intangible Assets**									
1	Computer Software	31.88	4.04	-	**35.92**	8.80	-	5.97	**14.77**	**21.15**
2	Brands/Trademark	26.52	-	-	**26.52**	8.08	-	4.04	**12.12**	**14.40**
	Total	**58.40**	**4.04**	-	**62.44**	**16.88**	-	**10.01**	**26.89**	**35.55**
	Total Assets (A+B+C+D)	**4,112.58**	**756.65**	**82.40**	**4,786.83**	**666.09**	**26.89**	**451.64**	**1,090.84**	**4,311.07**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to the restated financial information as appearing in Annexure-G

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 1 : Restated Statement of Property Plant & Equipment, Capital Work In Progress, Right of Use Assets and Intangible Assets

(₹ in millions)

		Gross Block (Cost / Deemed Cost)				Depreciation				Net Block
Sr. No.	**Particulars**	**Opening Balance as on 01-04-2017**	**Additions**	**Deletion/ Transfer/ Adjustment/Asset held for disposal**	**Closing Balance as on 31-03-2018**	**Opening Balance as on 01-04-2017**	**Depreciation on Deletion/ Transfer/ Adjustment/Asset held for disposal**	**Depreciation for the year**	**Closing Balance as on 31-03-2018**	**As on 31-03-2018**
A	**Tangible Assets**									
1	Freehold Land	355.76	201.35	0.53	556.58	-	-	-	-	556.58
2	Building	720.84	182.95	68.36	835.43	31.07	4.88	36.27	62.46	772.97
3	Plant & Machinery	1,264.69	525.38	27.39	1,762.68	184.96	11.60	218.09	391.45	1,371.23
4	Electrical Installation	77.32	24.73	2.13	99.92	6.28	0.38	7.07	12.97	86.95
5	Computer	16.54	6.56	0.00	23.10	4.08	-	4.94	9.02	14.08
6	Moulds & Dies	383.08	167.78	0.35	550.51	59.76	0.20	72.11	131.67	418.84
7	Office Equipments	12.07	6.59	0.00	18.66	3.53	-	3.84	7.37	11.29
8	Furniture & Fixtures	96.50	8.93	7.03	98.40	14.26	1.51	14.28	27.03	71.37
9	Vehicles	17.08	12.87	3.63	26.32	3.03	0.79	3.67	5.91	20.41
	Total	**2,943.88**	**1,137.14**	**109.42**	**3,971.60**	**306.97**	**19.36**	**360.27**	**647.88**	**3,323.72**
B	**Capital Work in Progress**									**146.77**
C	**Right-of-Use Assets**	22.22	79.62	-	101.84	11.59	-	11.95	23.54	78.30
	Total	**22.22**	**79.62**	-	**101.84**	**11.59**	**-**	**11.95**	**23.54**	**78.30**
D	**Goodwill**	2.96	-	-	2.96	-	-	-	-	2.96
	Total	**2.96**	-	-	**2.96**	**-**	-	**-**	**-**	**2.96**
D	**Other Intangible Assets**									
1	Computer Software	16.46	15.42	-	31.88	4.18	-	4.62	8.80	23.08
2	Brands/Trademark	26.52	-	-	26.52	4.04	-	4.04	8.08	18.44
	Total	**42.98**	**15.42**	-	**58.40**	**8.22**	-	**8.66**	**16.88**	**41.52**
	Total Assets (A+B+C+D)	**3,012.04**	**1,232.18**	**109.42**	**4,134.81**	**326.78**	**19.36**	**380.88**	**688.30**	**3,593.27**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to the restated financial information as appearing in Annexure-G

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 1 : Restated Statement of Property Plant & Equipment, Capital Work In Progress, Right of Use Assets and Intangible Assets

(₹ in millions)

Sr. No.	Particulars	Gross Block (Cost / Deemed Cost)				Depreciation				Net Block
		Opening Balance as on 01-04-2016	Additions	Deletion/ Transfer/ Adjustment	Closing Balance as on 31-03-2017	Opening Balance as on 01-04-2016	Depreciation on Deletion/ Transfer/ Adjustment	Depreciation for the year	Closing Balance as on 31-03-2017	As on 31-03-2017
A	**Tangible Assets**									
1	Freehold Land	334.00	21.76	-	355.76	-	-	-	-	355.76
2	Building	698.09	22.75	-	720.84	-	-	31.07	31.07	689.77
3	Plant & Machinery	886.54	386.37	8.22	1,264.69	-	1.37	186.33	184.96	1,079.73
4	Electrical Installation	69.49	7.91	0.08	77.32	-	0.00	6.28	6.28	71.04
5	Computer	9.63	6.91	0.00	16.54	-	-	4.08	4.08	12.46
6	Moulds & Dies	211.70	171.86	0.48	383.08	-	0.10	59.86	59.76	323.32
7	Office Equipments	8.25	3.87	0.05	12.07	-	0.03	3.56	3.53	8.54
8	Furniture & Fixtures	84.50	12.09	0.09	96.50	-	0.01	14.27	14.26	82.24
9	Vehicles	11.63	5.45	0.00	17.08	-	-	3.03	3.03	14.05
	Total	**2,313.83**	**638.97**	**8.92**	**2,943.88**	**-**	**1.51**	**308.48**	**306.97**	**2,636.91**
B	**Capital Work in Progress**									**180.32**
C	**Right-of-Use Assets**	22.22			22.22	-	**-**	11.59	11.59	10.63
	Total	**22.22**	-	-	**22.22**	**-**	**-**	**11.59**	**11.59**	**10.63**
D	**Goodwill**	2.96	-	-	2.96	-	-	-	-	2.96
	Total	**2.96**	-	-	**2.96**	**-**	-	**-**	**-**	**2.96**
D	**Other Intangible Assets**									
							-			
1	Computer Software	9.81	6.65	-	16.46	-	-	4.18	4.18	12.28
2	Brands/Trademark	26.52	-	-	26.52	-	-	4.04	4.04	22.48
	Total	**36.33**	**6.65**	**-**	**42.98**	**-**	**-**	**8.22**	**8.22**	**34.76**
	Total Assets (A+B+C+D)	**2,375.34**	**645.62**	**8.92**	**3,012.04**	**-**	**1.51**	**328.29**	**326.78**	**2,865.58**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to the restated financial information as appearing in Annexure-G

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 1 : Restated Statement of Property Plant & Equipment, Capital Work In Progress, Right of Use Assets and Intangible Assets

(₹ in millions)

		Gross Block (Cost / Deemed Cost)				Depreciation				Net Block
Sr. No.	Particulars	Opening Balance as on 01-04-2015	Additions	Deletion/ Transfer/ Adjustment	Closing Balance as on 31-03-2016	Opening Balance as on 01-04-2015	Depreciation on Deletion/ Transfer/ Adjustment	Depreciation for the year	Closing Balance as on 31-03-2016	As on 31-03-2016
A	**Tangible Assets**									
1	Freehold Land	302.22	36.67	4.89	334.00	-	-	-	-	334.00
2	Building	645.50	79.39	-	724.89	-	-	26.80	26.80	698.10
3	Plant & Machinery	883.05	185.96	14.31	1,054.70	-	1.65	169.81	168.16	886.53
4	Electrical Installation	58.49	16.22	(0.05)	74.76	-	-	5.26	5.26	69.49
5	Computer	7.09	4.32	(2.10)	13.51	-	-	3.89	3.89	9.63
6	Moulds & Dies	201.24	61.76	-	263.00	-	-	51.30	51.30	211.70
7	Office Equipments	8.86	2.60	0.05	11.41	-	-	3.16	3.16	8.24
8	Furniture & Fixtures	80.63	18.07	-	98.70	-	-	14.20	14.20	84.50
9	Vehicles	14.52	1.11	0.89	14.74	-	0.12	3.23	3.11	11.63
	Total	**2,201.60**	**406.10**	**17.99**	**2,589.71**	**-**	**1.77**	**277.65**	**275.88**	**2,313.83**
B	**Capital Work in Progress**									**141.26**
C	**Right-of-Use Assets**	33.81	-	-	33.81	-	-	11.59	11.59	22.22
	Total	**33.81**	-	-	**33.81**	**-**	-	**11.59**	**11.59**	**22.22**
C	**Goodwill**	3.41	-	-	3.41	-	-	0.45	0.45	2.96
	Total	**3.41**	-	-	**3.41**	**-**	-	**0.45**	**0.45**	**2.96**
D	**Other Intangible Assets**									
1	Computer Software	8.07	6.95	2.10	12.92	-	-	3.11	3.11	9.81
2	Brands/Trademark	30.56	-	-	30.56	-	-	4.04	4.04	26.52
	Total	**38.63**	**6.95**	**2.10**	**43.48**	**-**	**-**	**7.15**	**7.15**	**36.33**
	Total Assets (A+B+C+D)	**2,277.45**	**413.05**	**20.09**	**2,670.41**	**-**	**1.77**	**296.84**	**295.07**	**2,516.60**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company

2.The above statement should be read with the notes to the restated financial information as appearing in Annexure-G

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note

1 The Company is owning Office Premises at "RUBY HOUSE", 4th Floor, 'B' Wing, Dadar (West), Mumbai. In lieu of this, the Developer has offered alternate premises at 8th Floor, 'THE RUBY', Dadar (West), Mumbai. Though the Company has shifted its Office in new premises in May 2013, the agreement for the same with the Developer is pending for registration.

2 The Company has availed the deemed cost exemption in relation to PPE on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 01,2015 under the previous the GAAP.

(₹ in millions)

Particulars	Gross Block	Accumulated Depreciation	Net block considered as Deemed Cost
Tangible Assets			
Freehold Land	302.22	-	302.22
Building	796.30	150.80	645.50
Plant and Machinery	1,605.81	722.76	883.05
Electrical Installation	111.96	53.47	58.49
Computers	24.14	17.05	7.09
Moulds and Dies	540.56	339.32	201.24
Office Equipments	21.70	12.84	8.86
Furnitures and Fixtures	120.40	39.77	80.63
Vehicles	25.66	11.14	14.52
Total Tangible Assets	**3,548.75**	**1,347.15**	**2,201.60**
Goodwill	**4.52**	1.11	**3.41**
Other Intangible Assets			
Computer Softwares	25.40	17.33	8.07
Brands and Trade Marks	40.43	9.87	30.56
Total	**65.83**	**27.20**	**38.63**
Total Assets	**3,619.10**	**1,375.46**	**2,243.64**

The Proforma financial information of the Company as at and for the year ended March 31,2016, is prepared in accordance with requirments of SEBI Circular SEBI/ HO/ CFD/ DIL/ CIR/ P/2016/47 dated March 31,2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 16) as intially adopted on its Ind AS transition date (i.e April 2016) while preparing proforma financial information for the FY 2015-16 and accordingly suitable restatement adjustments in the accounting heads has been made in the proforma finanical information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31,2016 as described in this Note, accordingly difference would arise in the opening balance of Property, Plant and Equipment as at April 01, 2016.

3 The Net Block of Tangible assets are charged as security against Term Loans, Vehicle Loans and Working Capital/Demand Loans (Refer 13 and 14).

4 Project related cost included in capital work in progress is as follows:-

(₹ in millions)

Particulars	For the three months ended 30-06-2019	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
Finance cost	43.41	32.43	9.29	-
Legal & Professional charges	44.10	33.75	3.86	-
Salary and wages	14.23	12.97	2.47	-
Miscellaneous Expenses	3.32	2.52	0.67	-
Material consumed	0.23	0.23	0.23	
Land Under Development	14.38	12.87	-	-
Total	**119.67**	**94.77**	**16.52**	**-**

5 The above statement should be read with the notes to restated summary statements of assets and liabilities as appearing in Annexure-E

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 2 : Restated Statement of Investments

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Non-Current Investments					
Quoted Investments Fair Value through profit or loss					
7,750 Equity shares of Rs 2 each fully paid-up in Adani Ports & Special Eco Zone Ltd	3.18	2.93	2.75	2.64	1.92
(As at 31.03.19 - 7,750 shares, As at 31.03.18 - 7,750 shares, As at 31.03.17 - 7,750 shares, As at 31.03.16 - 7,750 shares)					
3,200 Equity shares of Rs 2 each fully paid-up in Navneet Education Ltd	0.34	0.35	0.46	0.52	0.27
(As at 31.03.19 - 3,200 shares, As at 31.03.18 - 3,200 shares, As at 31.03.17 - 3,200 shares, As at 31.03.16 - 3,200 shares)					
777 Equity shares of Rs 2 each fully paid-up in Supreme Industries Ltd	0.89	0.87	0.93	0.85	0.57
(As at 31.03.19 - 777 shares, As at 31.03.18 - 777 shares, As at 31.03.17 - 777 shares, As at 31.03.16 - 777 shares)					
1,000 Equity shares of Rs 10 each fully paid-up in Kisan Mouldings Ltd	0.03	0.05	0.15	0.09	0.02
(As at 31.03.19 - 1,000 shares, As at 31.03.18 - 1,000 shares, As at 31.03.17 - 1,000 shares, As at 31.03.16 - 1,000 shares)					
1,000 Equity shares of Rs 1 each fully paid-up in Astral Polytechnik Ltd	1.32	1.16	0.90	0.55	0.42
(As at 31.03.19- 1,000 shares, As at 31.03.18 - 1,000 shares, As at 31.03.17 - 1,000 shares, As at 31.03.16 - 1,000 shares)					
1,400 Equity shares of Rs 5 each fully paid-up in Reliance Industries Ltd	1.75	1.91	1.24	0.93	0.73
(As at 31.03.19 - 1,400 shares, As at 31.03.18 - 700 shares, As at 31.03.17 - 700 shares, As at 31.03.16 - 700 shares)					
1,000 Equity shares of Rs 10 each fully paid-up in Finolex Industries Ltd	0.51	0.50	0.65	0.58	0.36
(As at 31.03.19 - 1,000 shares, As at 31.03.18 - 1,000 shares, As at 31.03.17 - 1,000 shares, As at 31.03.16 - 1,000 shares)					
Unquoted Investments Fair Value through OCI					
41,500 Equity shares of Ramkrishna Finance Ltd	-	-	-	-	-
(As at 31.03.19 - 41,500 shares, As at 31.03.18 - 41,500 shares, As at 31.03.17 - 41,500 shares, As at 31.03.16 - 41,500 shares)					
1,85,000 Equity shares of Sibar Media & Entertainment Ltd	-	-	-	-	-
(As at 31.03.19 - 1,85,000 shares, As at 31.03.18 - 1,85,000 shares, As at 31.03.17 - 1,85,000 shares, As at 31.03.16 - 1,85,000 shares)					
Nil Equity shares of Chemplast Sanmar Ltd	-	-	-	0.68	0.68
(As at 31.03.18 - 66,750 shares, As at 31.03.17 - 66,750 shares, As at 31.03.16 - 66,750 shares)					
1,04,000 Equity shares of WATSUN Infrabuild Pvt Ltd	1.04	-	-	-	-
(As at 31.03.19 - NIL shares, As at 31.03.18 - NIL shares, As at 31.03.17 - NIL shares, As at 31.03.16 - NIL shares)					
NIL Equity shares of Pinnacle Realty Projects Pvt Ltd		-	0.28	0.41	0.17
(As at 31.03.19 - 600 shares, As at 31.03.18 - 600 shares, As at 31.03.17 - 600 shares, As at 31.03.16 - 600 shares)					
Total	**9.06**	**7.77**	**7.36**	**7.25**	**5.14**
Aggregate Market Value of Quoted investments	8.02	7.77	7.08	6.14	4.29
Aggregate Book Value of Quoted investments	8.02	7.77	7.08	6.14	4.29
Aggregate Book Value of Unquoted investments	1.04	-	0.28	1.09	0.85
Current Investments					
Quoted Investments Fair Value through profit or loss					
Nil units Investment in Liquid Bees*	-	-	-	-	9.93
(As at 31.03.19-Nil, As at 31.03.18-Nil, As at 31.03.17-Nil, As at 31.03.2016-9930 shares)					
Total	**-**	**-**	**-**	**-**	**9.93**
* Amount held as collateral in favour of NSCCL against margin requirement					
Aggregate Market Value of Quoted investments	-	-	-	-	9.93
Aggregate Book Value of Quoted investments	-	-	-	-	9.93
Aggregate Book Value of Unquoted investments	-	-	-	-	-

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E

Note 3 : Restated Statement of Loans

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Non-Current (Unsecured, considered good)					
Security Deposits	79.72	74.22	73.43	51.49	53.77
Total	**79.72**	**74.22**	**73.43**	**51.49**	**53.77**
Current (Unsecured, considered good)					
Loans to Staff & Workers	2.32	2.33	2.59	3.66	3.74
Security Deposits	-	-	-	-	0.08
Total	**2.32**	**2.33**	**2.59**	**3.66**	**3.82**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company

2.The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure-E

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 4 : Restated Statement of Income Tax Assets

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Advance Income Tax (Net of Provision for Income Tax Rs 916.12 million as at 31.03.19, Rs 518.86 million as at 31.03.17 and Rs 309.90 million as at 31.03.16)	-	5.22	-	24.34	14.69
Total	**-**	**5.22**	**-**	**24.34**	**14.69**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E

Note 5 : Restated Statement of Other Finanical Assets

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Non - Current Finanical Assets					
Subsidy receivable (Refer Note 44)	86.78	86.78			
	86.78	**86.78**	**-**	**-**	**-**
Current Finanical Assets					
Interest Accrued on Margin Money Deposits	1.40	0.85	1.62	0.92	1.00
Derivative Assets	1.17	0.47	0.53	-	-
Other Receivables	-	-	0.47	0.02	2.40
Total	**2.57**	**1.32**	**2.62**	**0.94**	**3.40**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E

Note 6 : Restated Statement of Other Assets

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Other Non-Current Assets (Unsecured, considered good)					
Capital Advances	618.04	576.89	666.79	9.53	20.81
Prepaid Expenses	4.29	5.08	25.24	4.73	4.74
Balance with government and other authorities	0.22	0.22	0.22	0.21	0.11
Total	**622.55**	**582.19**	**692.25**	**14.47**	**25.66**
Other Current Assets (Unsecured, considered good)					
Advances for Expenses	28.61	39.26	31.20	1.03	0.93
Prepaid Expenses	28.90	26.04	19.84	17.32	18.49
Advances to Suppliers	103.27	115.30	95.10	223.04	281.75
Balances with Government Authorities	308.80	291.27	241.98	142.22	117.98
Share Issue Expenses (Refer Note 46)	100.54	99.22	62.75	-	-
Contract Asset (Refer Note 45)	59.10	-	-	-	-
Other Receivables	27.84	24.82	0.21	20.26	-
Total	**657.06**	**595.91**	**451.08**	**403.87**	**419.15**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E

Note 7 : Restated Statement of Inventories

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
(Valued at lower of cost or NRV unless otherwise stated)					
Raw Materials (includes in transit ₹ 198.26 million as on June 30,2019, ₹230.26 million as on March 31,2019,₹182.68 million as on March 31, 2018, ₹ NIL as on March 31, 2017, ₹ 11.84 million as on March 31, 2016)	1,069.67	1,065.51	1,255.04	771.21	588.89
Work in Progress	47.05	32.09	24.20	19.28	43.02
Finished Goods	941.75	792.45	1,026.05	857.09	302.54
Trading Goods	98.73	99.48	77.95	66.23	47.46
Stores & Spares (at cost)	29.38	21.03	31.93	28.59	23.27
Total	**2,186.58**	**2,010.56**	**2,415.17**	**1,742.40**	**1,005.18**

Note

1.The Company follows a suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory.

2.The figures disclosed above are based on the restated summary statement of assets and liabilities.

3.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 8 : Restated Statement of Trade Receivables

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Considered good, unsecured	1,904.77	2,503.61	2,393.93	2,367.37	2,389.93
Significant increase in Credit Risk	48.92	42.21	37.28	16.37	8.21
Total	1,953.69	2,545.82	2,431.21	2,383.74	2,398.14
Less : Allowances for credit losses	(48.92)	(42.21)	(37.28)	(16.37)	(8.21)
Total	**1,904.77**	**2,503.61**	**2,393.93**	**2,367.37**	**2,389.93**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Note 9 : Restated Statement of Cash and Cash Equivalents

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Balances with Banks in current accounts	1.70	88.38	1.69	26.89	0.09
Cash on Hand	0.84	0.52	0.62	0.29	0.36
Total	**2.54**	**88.90**	**2.31**	**27.18**	**0.45**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Note 10 : Restated Statement of Bank Balances other than Cash and Cash Equivalents

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Balances with Banks in deposit accounts*	127.60	134.25	93.98	96.50	85.28
Total	**127.60**	**134.25**	**93.98**	**96.50**	**85.28**

***** Amount held as margin money in favour of various Government authorities/banks

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Note 11 : Restated Statement of Assets Classified as Held for Sale

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Property, plant and equipment held for sale (Refer Note 39)	-	-	70.78	-	-
Total	**-**	**-**	**70.78**	**-**	-

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 12a : Restated Statement of Equity Share Capital

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Authorised					
15,00,00,000 Equity Shares of ₹ 10 each	1,500.00	1,500.00	1,500.00	500.00	500.00
(As at 31.03.2019 - 15,00,00,000 shares, As at 31.03.2018 - 5,00,00,000 shares, As at 31.03.2017 - 5,00,00,000 shares, As at 31.03.2016 - 5,00,00,000 shares)					
Total	**1,500.00**	**1,500.00**	**1,500.00**	**500.00**	**500.00**
Issued, Subscribed and Paid up					
9,00,15,816 Equity Shares of ₹ 10 each, fully paid up	900.16	900.16	900.16	450.08	480.08
(As at 31.03.2019 - 9,00,15,816 shares, As at 31.03.2018 - 9,00,15,816 shares, As at 31.03.2017 - 4,50,07,908 shares, As at 31.03.2016 - 4,80,07,908 shares)					
Total	**900.16**	**900.16**	**900.16**	**450.08**	**480.08**

a. Reconciliation of the number of Equity shares					
Balance at the beginning of the year	9,00,15,816	9,00,15,816	4,50,07,908	4,80,07,908	4,80,07,908
Add : Bonus shares issued	-	-	4,50,07,908	-	-
Less : Shares bought back	-	-	-	30,00,000	-
Balance as at the end of the year	**9,00,15,816**	**9,00,15,816**	**9,00,15,816**	**4,50,07,908**	**4,80,07,908**
b. Reconciliation of the amount of Equity share capital outstanding					
Balance at the beginning of the year	900.16	900.16	450.08	480.08	480.08
Add : Bonus shares issued	-	-	450.08	-	-
Less : Shares bought back	-	-	-	30.00	-
Balance as at the end of the year	**900.16**	**900.16**	**900.16**	**450.08**	**480.08**

c. Aggregate number of bonus shares, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceeding the reporting date

Equity Shares

The company has allotted 2,40,03,954 shares, 4,80,07,908 shares and 9,00,15,816 shares as fully paid up bonus shares in F.Y. 2012-13, F.Y. 2013-14 and F.Y. 2017-18 respectively.

The company has bought back 30,00,000 shares in F.Y. 2016-2017.

d. Details of Equity Shareholders holding more than 5% shares in the company					
Mr. Jayant Shamji Chheda					
No of shares (in million)	7.68	7.68	7.68	3.84	3.84
% of shares held	8.53	8.53	8.52	8.53	8.00
Mrs. Tarla Jayant Chheda					
No of shares (in million)	24.78	24.78	28.20	15.31	15.31
% of shares held	27.53	27.53	31.29	34.02	31.89
Mr. Parag Jayant Chheda					
No of shares (in million)	25.80	25.80	25.80	12.90	14.40
% of shares held	28.66	28.66	28.63	28.66	29.99
Mr. Vipul Jayant Chheda					
No of shares (in million)	25.80	25.80	25.80	12.90	14.40
% of shares held	28.66	28.66	28.63	28.66	30.00
e. Equity shares reserved for issue under ESOS - Refer note 37					
f. Terms and rights attached to equity shares					

The company has only one class of equity shares having a face value of Rs 10/- per share. Each shareholder is eligible for one vote per share held.In case of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 13 : Restated Statement of Non-Current Borrowings

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Ind AS)
Secured					
Rupee Term Loan from Banks	870.67	926.05	1,260.84	792.26	893.80
Foreign Currency Term Loan From Banks	103.53	123.18	189.40	261.43	-
Vehicle Loan	7.62	8.46	11.62	3.93	0.83
Total	**981.82**	**1,057.69**	**1,461.86**	**1,057.62**	**894.63**

(₹ in millions)

Particulars	Note	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 Ind AS	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 Ind AS
		Non Current					Current^				
a) Rupee Term Loan From Bank											
Term loan from Bank of India	13.1	-	-	-	57.50*	117.50*	-	-	57.50*	60.00*	52.50*
Term loan from Bank of India	13.2	-	-	-	214.29*	300.00*	-	-	-	85.71*	85.71*
Term loan from Bank of India	13.3,13.23	30.00*	37.50*	67.50*	97.50*	127.50*	30.00*	30.00*	30.00*	30.00*	30.00*
Term loan from Bank of India	13.4		-	-	112.50*	137.50*		-	-	25.00*	12.50*
Term loan from State Bank of India	13.5.13.24		-	128.57*	-	-		-	85.71*	-	-
Term loan from State Bank of India	13.6,13.25		-	87.50*	-	-		-	18.75*	-	-
Term loan from ICICI Bank Ltd.	13.7,13.26	7.41*	12.96*	35.19*	57.41*	79.63*	22.22*	22.22*	22.22*	22.22*	20.37*
Term loan from ICICI Bank Ltd.	13.8,13.27	66.67*	71.67*	91.67*	111.67*	131.67*	20.00*	20.00*	20.00*	20.00*	18.33*
Term loan from IDFC Bank Ltd.	13.9,13.28	293.10*	317.52*	359.54*	-	-	97.70*	97.70*	50.00*	-	-
Term loan from Federal Bank Ltd.	13.10,13.29	-	15.00*	185.09*	141.39*	-	-	100.00*	100.00*	-	-
Term loan from Federal Bank Ltd.	13.11,13.30	43.45*	51.79*	-	-	-	16.67*	8.33*			
Term loan from Federal Bank Ltd.	13.12,13.31	262.50*	275.00*	305.78*	-	-	50.00*	50.00*	25.00*	-	-
Term loan from Indusind Bank Ltd	13.13,13.32	167.54*	144.61*	-	-	-	68.18*	45.45*			
Total(a)		**870.67**	**926.05**	**1,260.84**	**792.26**	**893.80**	**304.77**	**373.70**	**409.18**	**242.93**	**219.41**

^Amounts disclosed under the head "Other Financial Liabilities"

Effective Cost for the Three months ended June 30,2019 are in the range of 10.05-11.40% per annum.

Effective Cost for the year 2018-19 are in the range of 10.05-11.40% per annum.

Effective Cost for the year 2017-18 are in the range of 10.50-11.75% per annum.

Effective Cost for the year 2016-17 are in the range of 10.50-11.75% per annum.

Effective Cost for the year 2015-16 are in the range of 11.15-13.50% per annum.

(₹ in millions)

Particulars	Note	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Ind AS)	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Ind AS)
		Non Current					Current^				
b) Foreign Currency Term Loans from Banks											
ECB from Standard Chartered Bank.	13.14	103.53*	123.18*	189.40*	261.43*	-	77.65*	77.80*	73.32*	30.40*	-
Total(b)		**103.53**	**123.18**	**189.40**	**261.43**	**-**	**77.65**	**77.80**	**73.32**	**30.40**	**-**

^Amounts disclosed under the head "Other Financial Liabilities"

Effective Cost for the three months ended June 30,2019 are in the range of 4-5% per annum without considering hedging cost.

Effective Cost for the year 2018-19 are in the range of 4-5% per annum without considering hedging cost.

Effective Cost for the year 2017-18 are in the range of 3-4% per annum without considering hedging cost.

Effective Cost for the year 2016-17 are in the range of 3-4% per annum without considering hedging cost.

Effective Cost for the year 2015-16 are in the range of 2-3% per annum.

(₹ in millions)

Particulars	Note	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Ind AS)	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Ind AS)
		Non Current					Current^				
c) Vehicle Loans											
Vehicle Loan from Kotak Mahindra Prime Ltd.	13.15	-	-	-	0.31**	0.61**	-	-	0.31**	0.30**	0.27**
Vehicle Loan from Axis Bank Ltd.	13.16	1.00**	1.15**	1.71**	2.22**	-	0.57**	0.56**	0.51**	0.47**	-
Vehicle Loan from Toyota Financial Services India Ltd.	13.17	-	-	-	-	0.22**	-	-	-	0.22**	0.25**
Vehicle Loan from Axis Bank Ltd	13.18	1.52**	1.70**	2.36**	-	-	0.68**	0.66**	0.61**	-	-
Vehicle Loan from Axis Bank Ltd	13.19	0.37**	0.41**	0.55**	-	-	0.14**	0.14**	0.13**	-	-
Vehicle Loan from Axis Bank Ltd	13.2	1.05**	1.15**	1.55**	-	-	0.41**	0.40**	0.37**	-	-
Vehicle Loan from Axis Bank Ltd	13.21	3.04**	3.32**	4.36**	-	-	1.07**	1.04**	0.96**	-	-
Vehicle Loan from HDFC Bank Ltd.	13.22	-	-	-	-	-	-	-		-	0.53**
Vehicle Loan from ICICI Bank Ltd.	13.23,13.33	0.32**	0.36**	0.54**	0.70**	-	0.18**	0.17**	0.16**	0.14**	-
Vehicle Loan from ICICI Bank Ltd.	13.24,13.34	0.32**	0.37**	0.55**	0.70**	-	0.18**	0.18**	0.16**	0.15**	-
Total(c)		**7.62**	**8.46**	**11.62**	**3.93**	**0.83**	**3.23**	**3.15**	**3.21**	**1.28**	**1.05**

^Amounts disclosed under the head "Other Financial Liabilities"

Effective Cost for the three months ended June 30,2019 are in the range of 8.26-9.25% per annum.

Effective Cost for the year 2018-19 are in the range of 8.26-9.25% per annum.

Effective Cost for the year 2017-18 are in the range of 9-13% per annum.

Effective Cost for the year 2016-17 are in the range of 9-13% per annum.

Effective Cost for the year 2015-16 are in the range of 9-13% per annum.

Terms of Repayment

13.1 Repayable in 28 quarterly installments, last installment falling due on 28-02-2019.
13.2 Repayable in 28 equal quarterly installments, last installment falling due on 31-07-2020. However, the same was fully repaid on 13-04-2017.
13.3 Repayable in 28 equal quarterly installments, last installment falling due on 29-06-2021.
13.4 Repayable in 24 equal quarterly installments, last installment falling due on 01-07-2022. However, the same was fully repaid on 13-04-2017.
13.5 Repayable in 28 equal quarterly installments, last installment falling due on 31-07-2020. However, the same was fully repaid on 12-03-2019.
13.6 Repayable in 24 equal quarterly installments, last installment falling due on 01-07-2022. However, the same was fully repaid on 12-03-2019.

Terms of Repayment

13.7 Repayable in 54 equal monthly installments, last installment falling due on 22-10-2020.
13.8 Repayable in 90 equal monthly installments, last installment falling due on 25-10-2023.
13.9 Repayable in 20 equal quarterly installments, last installment falling due on 30-06-2023.
13.10 Repayable in 9 equal quarterly installments, last installment falling due on 16-04-2020. However, the same was fully repaid on 03-06-2019.
13.11 Repayable in 8 equal quarterly installments, last installment falling due on 06-11-2021.
13.12 Repayable in 28 equal quarterly installments, last installment falling due on 15-09-2025.
13.13 Repayable in 22 equal quarterly installments, last installment falling due on 12-03-2025.
13.14 Repayable in 16 equal quarterly installments, last installment falling due on 28-12-2021.
13.15 Repayable on monthly basis. Repayable by February 2019.
13.16 Repayable on monthly basis. Repayable by February 2022.

13.17 Repayable on monthly basis. Repayable by January 2018.
13.18 Repayable on monthly basis. Repayable by June 2022.
13.19 Repayable on monthly basis. Repayable by October 2022.
13.20 Repayable on monthly basis. Repayable by September 2022.
13.21 Repayable on monthly basis. Repayable by December 2022.
13.22 Repayable on monthly basis. Repayable by February 2017.
13.23 Repayable on monthly basis. Repayable by January 2022.
13.24 Repayable on monthly basis. Repayable by January 2022.

Terms of Re-Reshedulement,Prepayment,Penalties and Default

13.23 Outstanding Rupee term loan from Bank of India of Rs. 30.00 million as on 30 June 2019: Penal Interest of 2% p.a on account of overdue amount, Penal interest @ 1% p.a on failure of compliance with the terms of sanction letter and Penal interest of 2% p.a for Default in payment of interest and repayment of principal.

13.24 Outstanding Rupee term loan from State Bank of India of Rs. NIL million as on 30 June 2019: On account of Overdue amount or Failure of compliance with the term of sanction letter Penal Interest/ charges as applicable, at the rate circulated from time to time , over and above normal interest applicable in the account.

13.25 Outstanding Rupee term loan from State Bank of India of Rs. NIL million as on 30 June 2019: On account of Overdue amount or Failure of compliance with the term of sanction letter Penal Interest/ charges as applicable, at the rate circulated from time to time , over and above normal interest applicable in the account.

13.26 Outstanding Rupee term loan from ICICI Bank Ltd of Rs. 7.41 million as on 30 June 2019: Prepayment Premium -Nil, Penal interest of 6% p.a payable monthly over documented rate for Default.

13.27 Outstanding Rupee term loan from ICICI Bank Ltd of Rs. 66.67 million as on 30 June 2019: Prepayment Premium -Nil, Penal interest of 6% p.a payable monthly over documented rate for Default.

13.28 Outstanding Rupee term loan from IDFC Bank Ltd of Rs. 293.10 million as on 30 June 2019: Prepayment Premium -2% on amount being prepaid, Penal interest of 2% plus applicable rate of interest due on non payment interest /Principal or any other amount on the due date or breach of terms and condition of loan agreement.

13.29 Outstanding Rupee term loan from Federal Bank Ltd of Rs. NIL million as on 30 June 2019: Penal interest of 2% p.a for Default in payment of interest and repayment of principal and default in delay in submission of receivable statement.

13.30 Outstanding Rupee term loan from Federal Bank Ltd of Rs. 43.45 million as on 30 June 2019: Penal interest of 2% p.a for Default in payment of interest and repayment of principal and 1% p.a. on default in delay in submission of receivable statement and noncompliance of term and condition of sanction letter.

13.31 Outstanding Rupee term loan from Federal Bank Ltd of Rs.262.50 million as on 30 June 2019: Penal interest of 2% p.a for Default in payment of interest and repayment of principal and 1% p.a. on default in delay in submission of receivable statement and noncompliance of term and condition of sanction letter.

13.32 Outstanding Rupee term loan from IndusInd Bank Ltd of Rs. 167.54 million as on 30 June 2019: Penal interest of 2% p.a for Default in payment of interest and repayment of principal and 2% p.a. on default in delay in submission of receivable statement and noncompliance of term and condition of sanction letter.

13.33 Outstanding Vehicle loan from ICICI Bank Ltd. of Rs.0.32 million as on 30 June 2019 ,Prepayment Charges: 5% p.a of the principal outstanding till 24 months and Nil pre-payment after 24 months, The Interest outstanding for the unexpired period of the loan.

13.34 Outstanding Vehicle loan from ICICI Bank Ltd. of Rs.0.32 million as on 30 June 2019 ,Prepayment Charges: 5% p.a of the principal outstanding till 24 months and Nil pre-payment after 24 months, The Interest outstanding for the unexpired period of the loan.

Security Details

* Secured by first pari passu charge over the Company's present and future Fixed Assets (movable & immovable) located at Athal Plant, Dadra Plant, Haridwar Plant, Chennai Plant & Kolhapur Plant and company's office premises at Ruby House,Dadar. Second pari passu charge on Company's Current Assets and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

** Security is the Hypothecation of the specific asset financed by them.

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Annexure G - Notes to Restated Financial Information

Note 14 : Restated Statement of Current-Borrowings

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Secured					
Working Capital/Demand Loans From Banks	1,286.26	1,209.77	1,378.47	1,307.37	1,452.97
Unsecured					
Short Term Loans	323.08	247.01	319.86	580.27	405.90
Total	**1,609.34**	**1,456.78**	**1,698.33**	**1,887.64**	**1,858.87**

Security Details

14.1 Working Capital/Demand Loans from Bank of India Rs. 34.45 millions (Rs. 33.81 millions as on 31.03.19, Rs. 5.14 millions as on 31.03.18, Rs 386.46 millions as on 31.03.17 and Rs. 440.05 millions as on 31.03.16) are secured by first pari passu charge by way of joint hypothecation in favour of Lenders of all present and future current Assets of the Borrower, entire stocks of raw materials, semi-finished and finished goods, stores & spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present & future and also by second pari passu charge in favour of the lenders on all the movable & immovable fixed assets situated at Athal, Plant, Dadra Plant, Haridwar Plant, Kolhapur Plant, Chennai Plant & office premises at 4th Floor, Ruby House, Dadar, Mumbai and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

14.2 Working Capital/Demand Loans from ICICI Bank Ltd Rs. 148.24 millions (Rs.78.00 millions as on 31.03.19, Rs.119.47 millions as on 31.03.18, Rs 264.91 millions as on 31.03.17 and Rs. 294.03 millions as on 31.03.16) are secured by first pari passu charge by way of joint hypothecation in favour of Lenders of all present and future current Assets of the Borrower, entire stocks of raw materials, semi-finished and finished goods, stores & spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present & future and also by second pari passu charge in favour of the lenders on all the movable & immovable fixed assets situated at Athal, Plant, Dadra Plant, Haridwar Plant, Kolhapur Plant, Chennai Plant & office premises at 4th Floor, Ruby House, Dadar, Mumbai and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

14.3 Working Capital/Demand Loans from Standard Chartered Bank Rs. 399.93 millions (Rs. 400.00 millions as on 31.03.2019, Rs. 493.70 millions as on 31.03.2018, Rs 400.00 millions as on 31.03.17 and Rs. 400.00 millions as on 31.03.16) are secured by first pari passu charge by way of joint hypothecation in favour of Lenders of all present and future current Assets of the Borrower, entire stocks of raw materials, semi-finished and finished goods, stores & spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present & future and also by second pari passu charge in favour of the lenders on all the movable & immovable fixed assets situated at Athal, Plant, Dadra Plant, Haridwar Plant, Kolhapur Plant, Chennai Plant & office premises at 4th Floor, Ruby House, Dadar, Mumbai and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

14.4 Working Capital/Demand Loans from Federal Bank Rs. 258.74 millions (Rs. 267.31 millions as on 31.03.19, Rs. 271.92 millions as on 31.03.18, Rs.256.00 millions as on 31.03.17 and Rs. NIL as on 31.03.16) are secured by first pari passu charge by way of joint hypothecation in favour of Lenders of all present and future current Assets of the Borrower, entire stocks of raw materials, semi-finished and finished goods, stores & spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present & future and also by second pari passu charge in favour of the lenders on all the movable & immovable fixed assets situated at Athal, Plant, Dadra Plant, Haridwar Plant, Kolhapur Plant, Chennai Plant & office premises at 4th Floor, Ruby House, Dadar, Mumbai and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

14.5 Working Capital/Demand Loans from State Bank of India Rs. million (Rs. NIL million as on 31.03.19, Rs. 488.24 millions as on 31.03.18, Rs. NIL as on 31.03.17 and Rs. NIL as on 31.03.16) are secured by first pari passu charge by way of joint hypothecation in favour of Lenders of all present and future current Assets of the Borrower, entire stocks of raw materials, semi-finished and finished goods, stores & spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present & future and also by second pari passu charge in favour of the lenders on all the movable & immovable fixed assets situated at Athal, Plant, Dadra Plant, Haridwar Plant, Kolhapur Plant, Chennai Plant & office premises at 4th Floor, Ruby House, Dadar, Mumbai and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

14.6 Working Capital/Demand Loans from Indian Overseas Bank Rs. NIL (Rs. NIL as on 31.03.19, Rs. NIL as on 31.03.18, Rs. NIL as on 31.03.17 and Rs.318.89 millions as on 31.03.16 are secured by first pari passu charge on Company's Current Assets, Second pari passu charge over the Company's Fixed Assets located at Athal Plant, Dadra Plant, Haridwar Plant, Bhuj Plant, Chennai Plant & Kolhapur Plant and company's office premises at Ruby House, Dadar and by personal guarantee of the directors.

14.7 Working Capital/Demand Loans from DBS Bank Rs 383.58 million (Rs. 400.65 millions as on 31.03.19, Rs. NIL as on 31.03.18, Rs. NIL as on 31.03.17 and Rs. NIL as on 31.03.16) are secured by first pari passu charge by way of joint hypothecation in favour of Lenders of all present and future current Assets of the Borrower, entire stocks of raw materials, semi-finished and finished goods, stores & spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present & future and also by second pari passu charge in favour of the lenders on all the movable & immovable fixed assets situated at Athal, Plant, Dadra Plant, Haridwar Plant, Kolhapur Plant, Chennai Plant & office premises at 4th Floor, Ruby House, Dadar, Mumbai and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

14.8 Working Capital/Demand Loans from Yes Bank Rs 30.73 million (Rs 30.00 million as on 31.03.19, Rs. NIL as on 31.03.18, Rs. NIL as on 31.03.17 and Rs. NIL as on 31.03.16) are secured by first pari passu charge by way of joint hypothecation in favour of Lenders of all present and future current Assets of the Borrower, entire stocks of raw materials, semi-finished and finished goods, stores & spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present & future and also by second pari passu charge in favour of the lenders on all the movable & immovable fixed assets situated at Athal, Plant, Dadra Plant, Haridwar Plant, Kolhapur Plant, Chennai Plant & office premises at 4th Floor, Ruby House, Dadar, Mumbai and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

14.9 Working Capital/Demand Loans from Indus Bank Rs 30.53 million (Rs NIL million as on 31.03.19, Rs NIL million as on 31.03.18, Rs NIL million as on 31.03.17 and Rs NIL million as on 31.03.16) are secured by first pari passu charge by way of joint hypothecation in favour of Lenders of all present and future current Assets of the Borrower, entire stocks of raw materials, semi-finished and finished goods, stores & spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present & future and also by second pari passu charge in favour of the lenders on all the movable & immovable fixed assets situated at Athal, Plant, Dadra Plant, Haridwar Plant, Kolhapur Plant, Chennai Plant & office premises at 4th Floor, Ruby House, Dadar, Mumbai and by Personal Guarantees of three Directors of the company viz. Mr. Jayant S. Chheda, Mr. Parag J. Chheda and Mr. Vipul J. Chheda.

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 15 : Restated Statement of Other Financial Liabilities

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Non-Current Financial Liabilities					
Security Deposits	160.80	160.29	162.04	154.51	139.75
Total	**160.80**	**160.29**	**162.04**	**154.51**	**139.75**
Current Financial Liabilities					
Current Maturities of Long Term Debt					
Rupee Loans From Banks	304.77	373.70	409.19	242.94	219.42
Foreign Currency Loans From Banks	77.65	77.80	73.32	30.40	-
Rupee Loans From Others	3.23	3.15	3.20	1.28	1.05
Interest Accrued but not due on Borrowings	8.82	1.33	8.64	8.34	2.41
Interest Accrued and due on Borrowings	-	-	-	3.45	-
Interest payable to MSMED	0.09	0.07	0.27	0.08	0.07
Creditors for Capital Goods	50.14	63.43	43.65	14.45	20.88
Employee Related Liabilities	126.07	119.76	94.72	64.68	57.01
Derivative Liability	11.23	5.50	13.89	35.52	6.24
Other Current Liabilities	451.72	469.95	316.95	343.22	250.90
Total	**1,033.72**	**1,114.69**	**963.83**	**744.36**	**557.98**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E

Note 16 : Restated Statement of Provisions

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Non-Current					
Provision for Employee Benefits	84.92	78.16	68.83	45.47	43.13
Total	**84.92**	**78.16**	**68.83**	**45.47**	**43.13**
Current					
Provision for Employee Benefits	11.28	16.47	12.05	24.12	21.34
Total	**11.28**	**16.47**	**12.05**	**24.12**	**21.34**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E

Note 17 : Restated Statement of Lease Liabilities

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Non-Current					
Lease Liabilities	39.87	43.95	60.59	-	8.90
Total	**39.87**	**43.95**	**60.59**	**-**	**8.90**
Current					
Lease Liabilities	16.42	16.64	17.50	8.90	10.53
Total	**16.42**	**16.64**	**17.50**	**8.90**	**10.53**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E

Note 18 : Restated Statement of Deferred Tax Liabilities

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Deferred Tax Liabilities/(Assets) attributed to:					
Property, Plant and Equipments	149.30	179.88	165.90	143.59	131.54
Others (Primarily include financial assets, employee benefit and expense disallowances)	(35.12)	(44.39)	(38.41)	(26.34)	(22.40)
Total	**114.18**	**135.49**	**127.49**	**117.25**	**109.14**

Note : Deferred Tax Liabilities/(Assets) in relation to : **(₹ in millions)**

Particulars	Property, Plant & Equipment	Others including Financial Assets
Balance as at April 1, 2015	**140.10**	**(23.86)**
Charged / (credited)		
- To Profit and Loss	(8.56)	2.39
- To OCI	-	(0.93)
Balance as at March 31, 2016	**131.54**	**(22.40)**
Charged / (credited)		
- To Profit and Loss	12.05	(3.76)
- To OCI	-	(0.18)
Balance as at March 31, 2017	**143.59**	**(26.34)**
Charged / (credited)		
- To Profit and Loss	22.31	(12.84)
- To OCI	-	0.77
Balance as at March 31, 2018	**165.90**	**(38.41)**
Charged / (credited)		
- To Profit and Loss	13.98	(5.24)

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- To OCI		(0.74)
Balance as at March 31, 2019	**179.88**	**(44.39)**
Charged / (credited)		
- To Profit and Loss	(30.58)	9.03
- To OCI		0.24
Balance as at June 30, 2019	**149.30**	**(35.12)**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E .

Note 19 : Restated Statement of Trade Payables

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Trade Payables - Outstanding to Micro, Small and Medium Enterprises	32.63	46.11	50.03	67.79	49.86
Trade Payables - Other than Micro, Small and Medium Enterprises (Refer Note 43)	1,671.18	2,105.52	1,919.98	953.40	941.56
Total	**1,703.81**	**2,151.63**	**1,970.01**	**1,021.19**	**991.42**

Note

1.Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

2.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Note 20 : Restated Statement of Current Tax Liabilities

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Provision for Income Tax (Net of Advance Tax Rs 981.67 million as at 30.06.19 and Rs 706.02 million as at 31.03.18)	28.59	-	27.39	-	-
Total	**28.59**	**-**	**27.39**	**-**	-

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Note 21 : Restated Statement of Other Liabilities

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Non Current					
Capital Advances received	-	-	5.10	-	-
Total	**-**	**-**	**5.10**	-	**-**
Current					
Statutory Dues	55.76	148.39	40.57	91.16	45.91
Advances received from Customers	25.50	16.29	17.39	27.38	9.65
Total	**81.26**	**164.68**	**57.96**	**118.54**	**55.56**

Note

1.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 22 : Restated Statement of Revenue From Operations (Refer Note 45)

(₹ in millions)

Particulars	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
Sale of Products					
Finished Goods	3,707.35	15,118.31	12,624.95	12,136.92	10,452.11
Traded Goods	85.11	487.60	529.25	1,124.79	329.97
Total	**3,792.46**	**15,605.91**	**13,154.20**	**13,261.71**	**10,782.08**
Other Operating Revenue					
Scrap Sales	4.10	21.38	32.88	32.70	27.58
Compensation	-	0.50	16.50	-	-
GST Claim (Refer Note 44)	-	86.78	-	-	-
Duty Drawback	-	0.67	-	-	0.40
Profit on Sale of Import Licenses	1.10	3.45	1.87	5.74	-
Labour Charges	-	-	-	-	0.51
	5.20	**112.78**	**51.25**	**38.44**	**28.49**
Total	**3,797.66**	**15,718.69**	**13,205.45**	**13,300.15**	**10,810.57**

Note

1.The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Note 23 : Restated Statement of Other Income

(₹ in millions)

Particulars	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
Interest	4.00	8.94	11.62	9.16	3.31
Dividend	-	0.05	0.05	0.03	0.06
Profit on Sale of Investments (Net)	-	-	-	3.61	-
Profit on Sale of Property, Plant and Equipment (Net)	-	28.87	-	-	-
Gain on fair valuation of Investments through Profit and loss	0.26	0.69	0.93	1.84	-
Foreign Currency Exchange Difference (Net)	-	18.18	-	10.09	-
Mark to Market gain on Derivatives	-	-	15.34	-	-
Commission Income	-	-	29.76	-	-
Rent Income	-	4.13	2.51	-	-
Balances written back	-	10.40	-	-	0.29
Miscellaneous Income	-	-	0.05	0.07	1.95
Total	**4.26**	**71.26**	**60.26**	**24.80**	**5.61**

Note

1.The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 24 : Restated Statement of Cost of Materials Consumed

(₹ in millions)

Particulars	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
Inventory at the beginning of the year	1,065.51	1,255.04	771.21	588.89	622.12
Add : Purchases	2,794.08	10,539.06	9,421.97	8,547.06	7,013.83
	3,859.59	**11,794.10**	**10,193.18**	**9,135.95**	**7,635.95**
Less : Inventory at the end of the year	1,069.67	1,065.51	1,255.04	771.21	588.89
Total	**2,789.92**	**10,728.59**	**8,938.14**	**8,364.74**	**7,047.06**

Note	**73.46%**	**68.25%**	**67.69%**	**62.89%**	

1.The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Note 25 : Restated Statement of Purchase of Stock in Trade

(₹ in millions)

Particulars	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
Trading Purchases	62.62	340.84	461.74	1,075.44	327.43
Total	**62.62**	**340.84**	**461.74**	**1,075.44**	**327.43**

Note

1.The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Note 26 : Restated Statement of Changes in Inventories of Finished goods, Work-In-Progress and Stock-in- Trade

(₹ in millions)

Particulars	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
Stock at the end of the year					
Traded goods	98.73	99.48	77.95	66.23	47.46
Work in Progress	47.05	32.09	24.20	19.28	43.02
Finished Goods - Pipes & Fittings	941.75	792.45	1,026.05	857.09	302.54
A	**1,087.53**	**924.02**	**1,128.20**	**942.60**	**393.02**
Stock at the beginning of the year					
Traded goods	99.48	77.95	66.23	47.46	18.79
Work in Progress	32.09	24.20	19.28	43.02	40.25
Finished Goods - Pipes & Fittings	792.45	1,026.05	857.09	302.54	421.22
B	**924.02**	**1,128.20**	**942.60**	**393.02**	**480.26**
(Increase)/Decrease in Stocks (B-A)	**(163.51)**	**204.18**	**(185.60)**	**(549.58)**	**87.24**

Note

1.The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Prince Pipes and Fittings Limited

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Note 27 : Restated Statement of Employee Benefit Expenses

(₹ in millions)

Particulars	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
Remuneration to Directors	10.32	41.27	41.27	32.90	18.60
Salary, Wages and Bonus	169.12	664.14	609.98	523.27	461.89
Contribution to Provident Fund and other Fund	10.81	44.38	44.92	32.22	25.06
Staff Welfare	5.75	24.11	22.26	21.17	21.67
Employee Compensation Expenses (ESOP 2017)	1.83	9.41	7.18	-	-
Total	**197.83**	**783.31**	**725.61**	**609.56**	**527.22**

Note

1.The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Note 28 : Restated Statement of Finance Cost

(₹ in millions)

Particulars	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
Interest					
On Working Capital from Banks	37.34	153.90	156.24	163.83	176.12
On Term Loans	26.59	167.48	156.36	148.09	123.29
Others	0.47	10.67	3.38	8.58	2.44
on Lease Liability	0.53	0.96	7.14	6.21	4.51
	64.93	**333.01**	**323.12**	**326.71**	**306.36**
Bank Commission and Charges	8.92	30.99	37.96	37.03	28.61
Total	**73.85**	**364.00**	**361.08**	**363.74**	**334.97**

Note

1.The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Note 29 : Restated Statement of Other Expenses

(₹ in millions)

Particulars	For the Three months ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
Consumption of Stores and Spares	14.65	112.54	125.49	106.05	80.53
Power and Fuel Expenses	100.87	385.69	340.76	338.14	299.31
Labour Charges	67.89	250.75	289.12	260.21	187.49
Repairs Expenses					
-Repairs to Machinery	3.76	16.87	16.03	19.04	13.95
-Repairs to Building	-	-	-	-	5.96
-Repairs to Others	1.54	10.74	14.61	13.18	11.76
Factory Maintenance Expenses	7.93	33.06	40.13	37.04	23.91
Miscellaneous Expenses	3.68	18.92	21.58	22.96	12.39
Computer Expenses	5.36	17.77	16.85	14.35	7.99
Loss on fair valuation of Investments through Profit and loss	-	-	-	-	0.26
Brokerage and Commission	0.27	27.52	4.16	10.83	0.50
Printing and Stationery	0.77	4.38	4.78	4.46	4.20
Telephone and Internet Charges	1.58	8.56	9.00	9.43	6.41
Rates and Taxes	0.94	0.07	22.04	35.44	69.67
Insurance Premium	3.47	10.08	7.11	5.22	3.63
Foreign Currency Exchange Difference (Net)	8.42	-	24.19	-	48.73
MTM Losses on Derivatives	5.73	6.03	-	11.07	3.87
Legal and Professional Fees	7.84	33.18	45.07	43.27	39.53
Director's Sitting Fees	0.05	0.23	0.08	-	-
Transport, Freight and Octroi Charges	47.98	232.40	135.78	101.46	66.34
Advertisement and Sales Promotion Expenses	36.56	432.79	201.95	150.24	122.99
Rent and Maintenance Expenses	23.56	89.00	92.91	55.89	16.83
Travelling and Conveyance Expenses	24.47	92.58	86.98	69.80	50.50
Bad Debts	0.00	-	0.87	0.76	-
Provision for Doubtful Debts	6.71	4.93	20.92	8.16	-
Loss on sale of Property, Plant and Equipment (Net)	6.66	-	7.65	5.69	2.19
Donation	1.80	10.44	6.35	12.62	6.45
Corporate Social Responsibility Expenditure (Refer Note 47)	-	0.06	38.18	-	-
Electricity Expenses	0.53	1.52	2.24	1.24	1.69
Payment to Auditors					
-Audit Fees	0.65	2.50	2.00	1.50	1.40
-Reimbursement of expenses	-	0.05	0.01	0.02	0.02
-Others	-	0.05	0.30	0.42	0.04
Total	**383.67**	**1,802.71**	**1,577.14**	**1,338.49**	**1,088.54**

Note

1.The figures disclosed above are based on the restated summary statement of profit and loss of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure-E.

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 30 : Capital Management (Ind AS 1):

The Company's objectives when managing capital are to:
i) maximise shareholder's value and provide benefits to other stakeholders and,
ii) maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of issued capital, share premium and all other equity reserves attributable to the equity holders. The company's risk management committee reviews the capital structure of the company. The Company monitors capital using debt-equity ratio, which is debt divided by equity.

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Debt*	2,976.81	2,969.12	3,645.89	3,219.87	2,973.95
Equity	4,278.56	4,007.67	3,165.79	2,425.44	1,841.75
Debt to Equity	**0.70**	**0.74**	**1.15**	**1.33**	**1.61**

*Debt is defined as non-current borrowings, current borrowings and current maturities of long term borrowings excluding lease liabilities, as described in notes 13,14 and 15 .

In addition the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

Note 31 : Financial Risk Management Objectives (Ind AS 107)

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. These are primarily represents liabilities from operations and financial liabilities to finance the company's operations. The company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's overall risk management focuses on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the Company. The company uses derivative financial instruments, such as foreign exchange forward contracts, cross currency swaps that are entered to hedge foreign currency risk exposure and hedge variable interest rate exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which the company is exposed to and their management is given below:

Risk	Exposure Arising From	Measurement	Management
A. Market Risk			
1) Foreign Exchange Risk	Committed commercial transaction	Cash Flow Forecasting	Forward foreign exchange contracts and cross currency swap
	Financial Instruments not denominated in INR	Sensitivity Analysis	
2) Interest Rate	Long Term Borrowings at variable rates	Sensitivity Analysis, Interest rate movements	Cross currency swap, monitoring of limits of fund based and non fund based facitilites, diversification of borrowing portfolio
3) Commodity Price Risk	Movement in prices of commodities	Sensitivity Analysis, Commodity price tracking	Active inventory management, Sales Price linked to purchase price
B. Credit Risk	Trade receivables, Investments, Derivative financial instruments, loans	Ageing analysis, Credit Rating	Credit limit and credit worthiness monitoring, Criteria based approval process
C. Liquidity Risks	Borrowings and Other Liabilities and Liquid investments	Rolling cash flow forecasts	Monitoring of credit lines and borrowing limits, channel finance arrangement

The Company has policies, procedures and authorisation matrix for utilisation of funds, which ensures deployment of fund in prudent manner and the availability of funding through an adequate amount of credit facilities to meet obligation when due. Compliances of these policies and procedures are reviewed by internal auditors on periodical basis.

The Company's treasury team updates Senior management on periodical basis about implementation and execution of above policies. It also updates senior management on periodical basis about various risk to the business and status of various activities planned to mitigate the risk.

A. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

1) Foreign Currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to import of raw materials, capital expenditure and exports. When a derivative is entered for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and procedures. It uses derivative instruments like foreign currency forwards and cross currency swaps to hedge exposure to foreign currency risk.

(in millions)

Outstanding foreign currency exposure	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Financial Liabilities					
Trade Payables					
USD	14.40	20.54	15.16	9.01	4.93
Euro	0.43	0.21	0.02	-	0.02
AED	-	-	-	-	1.11
Borrowing					
USD	2.63	2.91	4.03	8.18	0.94
Others					
USD	0.02	0.03	-	-	-
Financial Assets					
Trade Receivables					
USD	0.01	0.00	0.02	0.01	0.00
Others					
USD	0.05	0.00	0.29	0.13	0.01
Euro	0.02	0.02	0.21	0.05	-
AED	0.81	0.81	0.91	-	-

Foreign Currency sensitivity on unhedged exposure

Gain / (Loss) in rupees due to increase in foreign exchange rates by 100 bps

(₹ in millions)

Particular	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
USD	(11.73)	(1.96)	(8.43)	(2.49)	(1.75)
EURO	(0.32)	(0.15)	0.15	0.04	(0.02)
AED	0.15	0.15	0.16	-	(0.20)

Note: If rate is increased by 100 bps profit before tax will decrease by an equal amount.

2) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's term loans and short term borrowing with floating interest rate. For foreign currency loan with floating rate, the risk of variation in interest rate is mitigated through cross currency swap. The company constantly moniters the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Interest Rate exposure

(₹ in millions)

Particular	Total Borrowing	Floating Rate Borrowing
INR	2,795.63	2,795.63
USD	181.18	181.18
Total as at June 30, 2019	**2,976.81**	**2,976.81**
INR	2,768.15	2,768.15
USD	200.98	200.98
Total as at March 31, 2019	**2,969.13**	**2,969.13**
INR	3,383.18	3,383.18
USD	262.72	262.72
Total as at March 31, 2018	**3,645.89**	**3,645.89**
INR	2,928.05	2,928.05
USD	291.83	291.83
Total as at March 31, 2017	**3,219.87**	**3,219.87**
INR	2,973.96	2,973.96
USD	-	-
Total as at March 31, 2016	**2,973.96**	**2,973.96**

Interest rate sensitivities for unhedged exposure

Gain / (Loss) due to increase in interest rates by 100 bps

(₹ in millions)

Particular	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
INR	(29.77)	(29.69)	(36.46)	(32.20)	(30.36)

Note: If the rate is decreased by 100 bps profit before tax will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings are outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for unhedged floating rate borrowing have been done on the INR value of foreign currency borrowing.

Forward exchange and Cross Currency Swaps Contracts:

(a) Derivatives for hedging currency and interest rates, outstanding are as under:

Particular	Purpose	Currency	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Forward Contracts	Imports	USD (in million)	15.37	17.74	1.92	6.04	2.29
Forward Contracts	Buyers Credit	USD (in million)	-	-	-	2.67	0.94
Cross Currency Swap	ECB*	USD (in million)	2.63	2.91	4.03	4.50	-

* External Commercial Borrowings

(b) Cash Flow Hedges

The Company has raised foreign currency external commercial borrowings and to mitigate the risk of foreign currency and floating interest rates the Company has taken Cross Currency Swaps. The Company is following hedge accounting for the foreign currency borrowings raised based on qualitative approach.

The Company assesses hedge effectiveness based on following criteria:

(i) an economic relationship between the hedged item and the hedging instrument;

(ii) the effect of credit risk; and

(iii) assessment of the hedge ratio

The Company designates the Cross currency swaps to hedge its currency risk and interest rate risk and applies a hedge ration 1:1.

Foreign currency cash flow

Particular	As at	Foreign Currency USD Million
Buy currency for External Commercial Borrowings (USD)	30-06-2019	-
Buy currency for External Commercial Borrowings (USD)	31-03-2019	-
Buy currency for External Commercial Borrowings (USD)	31-03-2018	-
Buy currency for External Commercial Borrowings (USD)	31-03-2017	4.50

Cross Currency Swaps

Particular	As at	Nominal Amount USD Million
2 to 5 years	30-06-2019	2.63
2 to 5 years	31-03-2019	2.91
2 to 5 years	31-03-2018	4.03
2 to 5 years	31-03-2017	4.50

Recognition of gains/(losses) under interest rates swaps contracts designated under cash flow hedges:

Particular	As at 30-06-2019 (Ind AS)		As at 31-03-2019 (Ind AS)		As at 31-03-2018 (Ind AS)		As at 31-03-2017 (Ind AS)	
	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million	₹ in million
	Effective hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective hedge (OCI)	Ineffective Hedge (Profit and
Gain/(Loss)	1.63	-	0.61	-	4.18	-	(10.29)	-

3) Commodity Price Risk

Commodity price risk for the Company is mainly related to fluctuations in raw material prices linked to various external factors, which can affect the production cost of the Company. To manage this risk, the Company monitors factors affecting prices, identifies new sources of supply of raw material, monitors inventory level, etc. Additionally, processes and policies related to such risks are reviewed and controlled by senior management and monitored by the procurement department.

B. Credit Risk Management

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing / investing activities, including deposits with banks, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty.

Trade Receivables

Trade receivables are consisting of a large number of customers / distributors. The Company has credit evaluation policy for each customer / distributor and based on the evaluation credit limit of each customer / distributor is defined. The Company's marketing team are responsible for monitoring receivable on periodical basis. Wherever the Company assesses the credit risk as high, the exposure is backed by security deposits and post dated cheques.

Total trade receivables as on June 30,2019 is Rs. 1,904.77 million (March 31, 2019 is Rs . 2,503.61 million, March 31 , 2018 is Rs. 2,393.93 million, March 31 , 2017 is Rs. 2,367.37 million, March 31, 2016 is Rs. 2,389.93 million.)

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk. The policy for creating provision for credit losses on trade receivables is as per following provision matrix:-

Particulars	Provision Matrix
0 to 1 year	Nil
Above one year and less than two years	20%
Above two year and less than three years	40%
Above three year and less than four years	80%
More than four year	100%

Further, in addition to the provisions as per provision matrix, the Company also provides for credit allowances on specific identification basis.

Movement of expected credit loss allowance on trade receivables: **(₹ in millions)**

Particular	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Opening Provision	42.21	37.28	**16.37**	**8.21**	**-**
Add: Provision during the year	6.71	4.93	21.79	8.91	8.33
Less: Utilised during the year	-	-	(0.87)	(0.76)	(0.12)
Closing Provision	**48.92**	**42.21**	**37.28**	**16.37**	**8.21**

Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit:

Credit Risk on cash and cash equivalent, deposits with the banks / financial institutions is generally low as the said deposits have been made with the banks / financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Annexure G - Notes to Restated Financial Information

B. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments held for managing the risk at the reporting date based on contractual undiscounted payments.

(₹ in millions)

For the three months ended 30-06-2019 (Ind AS)	Less than 1 year	1 to 5 years	More than 5 years	Total
Term Loan (Including current maturities of Long term Loans)	385.65	981.82	-	1,367.47
Short term loan	1,609.34	-	-	1,609.34
Trade Payable	1,703.81	-	-	1,703.81
Interest accrued but not due on borrowing	8.82	-	-	8.82
Other financial liabilities	628.02	160.80	-	788.82
Lease Liability	16.42	39.87		56.29
Derivative Liability	11.23	-	-	11.23

(₹ in millions)

As at 31-03-2019 (Ind AS)	Less than 1 year	1 to 5 years	More than 5 years	Total
Term Loan (Including current maturities of Long term Loans)	454.65	1,057.69	-	1,512.34
Short term loan	1,456.78	-	-	1,456.78
Trade Payable	2,151.63	-	-	2,151.63
Interest accrued but not due on borrowing	1.33	-	-	1.33
Other financial liabilities	653.21	160.29	-	813.50
Lease Liability	16.64	43.95	-	60.59
Derivative Liability	5.50	-	-	5.50

(₹ in millions)

As at 31-03-2018 (Ind AS)	Less than 1 year	1 to 5 years	More than 5 years	Total
Term Loan (Including current maturities of Long term Loans)	485.70	1,461.87	-	1,947.57
Short term loan	1,698.33	-	-	1,698.33
Trade Payable	1,970.01	-	-	1,970.01
Interest accrued but not due on borrowing	8.64	-	-	8.64
Other financial liabilities	455.59	-	-	455.59
Lease Liability	17.50	60.59	-	78.09
Derivative Liability	-	13.89	-	13.89

(₹ in millions)

As at 31-03-2017 (Ind AS)	Less than 1 year	1 to 5 years	More than 5 years	Total
Term Loan (Including current maturities of Long term Loans)	274.62	1,044.28	13.33	1,332.24
Short term loan	1,887.64	-	-	1,887.64
Trade Payable	1,021.19	-	-	1,021.19
Interest accrued but not due on borrowing	8.34	-	-	8.34
Other financial liabilities	425.88	-	-	425.88
Lease Liability	-	-	-	-
Derivative Liability	15.11	20.42	-	35.52

(₹ in millions)

As at 31-03-2016 (Proforma Ind AS)	Less than 1 year	1 to 5 years	More than 5 years	Total
Term Loan (Including current maturities of Long term Loans)	220.46	894.63	-	1,115.09
Short term loan	1,858.87	-	-	1,858.87
Trade Payable	991.42	-	-	991.42
Interest accrued but not due on borrowing	2.41	-	-	2.41
Other financial liabilities	161.68	-	-	161.68
Lease Liability	-	-	-	-
Derivative Liability	4.13	2.11	-	6.24

Note 31A : Classification of Financial Assets and Liabilities (Ind AS 107)

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Financial Assets at amortised cost					
Trade receivable	1,904.77	2,503.61	2,393.93	2,367.37	2,389.93
Loans	82.04	76.55	76.02	55.15	57.59
Cash and cash equivalents	2.54	88.90	2.31	27.18	0.45
Other Balances with Banks	127.60	134.25	93.98	96.50	85.28
Other Financial Assets	88.19	87.64	2.09	0.94	3.40
Financial Assets at fair value through profit or loss					
Investment	8.02	7.77	7.07	6.14	14.22
Derivative Asset	1.17	0.47	0.53	-	-
Financial Assets at fair value through other comprehensive income					
Investments	1.04	-	0.28	1.09	0.84
Total	**2,215.36**	**2,899.19**	**2,576.20**	**2,554.37**	**2,551.71**
Financial Liabilities at amortised cost*					
Term Loans from Banks (including current maturities of long term borrowing)	1,367.47	1,512.34	1,947.56	1,332.23	1,115.09
Working Capital loans/ Cash credits	1,609.34	1,456.78	1,698.32	1,887.64	1,858.87
Trade Payable	1,703.81	2,151.63	1,970.01	1,021.19	991.42
Lease Liabilities	56.29	60.59	78.09	-	-
Other Financial Liabilities	797.64	814.82	626.26	588.73	360.84
Fair Value Hedging Instruments					
Derivative Liability	11.23	5.50	13.89	35.52	6.24
Total	**5,545.78**	**6,001.67**	**6,334.14**	**4,865.32**	**4,332.46**

*** Considering the nature of financial assets and financial liabilities fair value is same as amortised cost.**

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information
Note 32 : Fair Value measurements (Ind AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques. The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all quoted investments which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. Unquoted investments are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(₹ in millions)

Particulars	Fair Value				
	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Financial Assets at fair value through profit or loss					
Investments-Level 1	8.02	7.77	7.08	6.14	14.22
Fair Value hedging instruments					
Derivative Assets- level 2	1.17	0.47	0.53	-	-
Financial Assets at fair value through other comprehensive income					
Investment- Level 2	1.04	-	0.28	1.09	0.84
Total	**10.22**	**8.24**	**7.89**	**7.23**	**15.06**
Fair Value hedging instruments					
Derivative liability- level 2	11.23	5.50	13.89	35.52	6.24
Total	**11.23**	**5.50**	**13.89**	**35.52**	**6.24**

The management assessed that cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:
(a) The fair values of the quoted investments are based on market price/net asset value at the reporting date.
(b) The fair value of unquoted investments is based on closing Net Assets Value.
(c) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
(d) The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.
(e) The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 33 : Contingent Liability and Commitments not provided for in respect of ;

i) Claims against the company not acknowledged as debt

(₹ in millions)

Particulars	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
Income Tax	25.54	25.54	25.54	15.77	15.68
Excise Duty	0.38	0.38	0.36	5.69	5.71
Labour Cases	-	-	-	1.10	1.10
Other Cases	1.10	1.10	1.10	1.10	1.10

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

ii) Guarantees

a) Guarantees given by Banks on behalf of the Company to Government and Semi Government Authorities upto Rs. 23.12 million (March 31,2019 Rs. 19.49 million, March 31,2018 Rs.8.09 million, March 31,2017 Rs. 10.61 million , March 31, 2016 Rs.11.54 million).

b) Corporate Guarantee given by the Company on behalf of its Group Company M/s Pinnacle Realty Projects Pvt Ltd. to the Kotak Mahindra Bank Ltd. on Sanctioned Facilities of Rs. NIL (March 31,2019 Rs. NIL, March 31,2018 Rs. NIL, March 31,2017 Rs. 63.15 million, March 31,2016 Rs.100.06 million)

iii) Others

The Company has availed benefit of EPCG Scheme on import of capital goods. Duty obligation contingent on achievement of future exports is Rs Nil (March 31,2019 Rs. Nil, March 31,2018 Rs. Nil, March 31,2017 Rs.Nil, March 31,2016 Rs.57.46 millions) and other commitments Rs. 671.19 millions (March 31,2019 Rs. 677.13 million, March 31,2018 Rs.242.00 millions, March 31,2017 Rs.31.89 millions and March 31, 2016 Rs Nil).

iv) Commitments

Estimated amount of Contracts remaining to be executed on Capital account and not provided for are Rs. 353.57 million (March 31,2019 Rs 450.70 millions, March 31,2018 Rs.451.43 millions, March 31,2017 Rs.75.85 millions, March 31, 2016 Rs.1,20.74 millions)

v) The Hon'ble Supreme Court of India by their order dated February 28, 2019, has clarified the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Pending directions or clarification from the EPFO, the quantification of impact, if any, is not ascertainable and consequently no effect has been given in the accounts.

Note 34 : Employee Benefits

The disclosures required under IND AS 19 " Employee Benefits" are given below :

A Defined Contribution Plans:

Amount recognized as an expense and included in Note 27 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss Rs. 12.92 million (March 31,2019 Rs.32.73 millions, March 31,2018 Rs.31.39 millions, March 31, 2017 Rs.27.29 millions, March 31,2016 of Rs.24.84 millions)

B Defined Benefit Plans:

Gratuity:

The Company operates a defined benefit plan covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment. The Gratuity scheme of the company is funded for certain employees and non funded for the remaining employees.

Compensated Absences :

The Company allows privilege leave and sick leave to its employees. Privilege leave and sick leave are accumulated and can be availed during the period of employment or encashed at the time of resignation, retirement or termination of employment.

i) Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation:

(₹ in millions)

Particulars	For the period ended 30-06-2019			For the year ended 31-03-2019			For the year ended 31-03-2018			For the year ended 31-03-2017			For the year ended 31-03-2016		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded	
Present Value of obligations at the beginning of the year	2.21	47.94	46.69	2.01	39.89	40.99	1.25	35.82	33.78	0.89	28.96	35.50	0.98	20.82	41.04
Interest Cost	0.04	0.92	0.89	0.16	3.11	3.20	0.09	2.45	2.31	0.06	2.23	2.76	0.07	1.56	3.10
Past Service Cost	-	-	-	-	-	-	-	0.76	-	-	-	-	-	-	-
Current Service Cost	0.09	1.61	3.02	0.34	6.19	12.10	0.37	5.45	10.68	0.44	6.27	19.42	0.30	5.46	22.49
Benefits paid	-	(0.88)	-	(1.13)	(3.36)	(3.00)	(0.21)	(2.36)	(3.02)	(0.22)	(2.22)	(2.03)	(0.29)	(1.53)	(2.52)
Actuarial (gain)/ loss on obligation	(0.00)	(0.96)	(3.04)	0.83	2.11	(6.60)	0.52	(2.23)	(2.75)	0.08	0.58	(21.88)	(0.17)	2.65	(28.61)
Present Value of obligations at the end of the year	**2.34**	**48.63**	**47.56**	**2.21**	**47.94**	**46.69**	**2.02**	**39.89**	**40.99**	**1.25**	**35.82**	**33.78**	**0.90**	**28.96**	**35.50**

ii) Statement showing changes in the fair value of plan assets

(₹ in millions)

Particulars	For the period ended 30-06-2019			For the year ended 31-03-2019			For the year ended 31-03-2018			For the year ended 31-03-2017			For the year ended 31-03-2016		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded	
Fair Value of plan assets at the beginning of the year	2.62	-	-	3.06	-	-	3.04	-	-	2.68	-	-	2.53	-	-
Actual Return on Plan Assets	-	-	-	0.22	-	-	0.23	-	-	0.22	-	-	0.20	-	-
Contributions	-	0.88	-	0.00	3.36	3.00	-	2.36	3.02	0.36	2.22	2.03	0.23	1.53	2.52
Benefits paid	-	(0.88)	-	(0.66)	(3.36)	(3.00)	(0.21)	(2.36)	(3.02)	(0.22)	(2.22)	(2.03)	(0.29)	(1.53)	(2.52)
Fair Value of Plan Assets at the end of the year	**2.62**	**-**	**-**	**2.62**	**-**	**-**	**3.06**	**-**	**-**	**3.04**	**-**	**-**	**2.68**	**-**	**-**

iii) Amount to be recognised in the Balance Sheet

(₹ in millions)

Particulars	For the period ended 30-06-2019			For the year ended 31-03-2019			For the year ended 31-03-2018			For the year ended 31-03-2017			For the year ended 31-03-2016		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded	
Present Value of obligation	2.33	48.63	47.57	2.21	47.94	46.69	2.01	39.89	40.99	1.25	35.82	33.78	0.89	28.96	35.50
Fair Value of Plan Assets	2.62	-	-	2.62	-	-	3.06	-	-	3.04	-	-	2.68	-	-
Funded Status	0.30	(48.63)	(47.57)	0.42	(47.94)	(46.69)	1.05	(39.89)	(40.99)	1.79	(35.82)	(33.78)	1.79	(28.96)	(35.50)
Unrecognized Actuarial gain/ (loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Asset/(Liability) recognised in the Balance Sheet*	**0.30**	**(48.63)**	**(47.57)**	**0.42**	**(47.94)**	**(46.69)**	**1.05**	**(39.89)**	**(40.99)**	**1.79**	**(35.82)**	**(33.78)**	**1.79**	**(28.96)**	**(35.50)**

* Asset related to funded gratuity is not recognised in the books of accounts

iv) Expenses recognised in the Profit and Loss Statement

(₹ in millions)

Particulars	For the period ended 30-06-2019			For the year ended 31-03-2019			For the year ended 31-03-2018			For the year ended 31-03-2017			For the year ended 31-03-2016		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded	
Current Service Cost	0.09	1.61	3.02	0.34	6.19	12.10	0.37	5.45	10.68	0.44	6.27	19.42	0.30	5.46	22.49
Interest Cost	(0.01)	0.92	0.89	(0.08)	3.11	3.20	0.09	2.45	2.31	0.06	2.23	2.76	0.07	1.56	3.10
Expected Return on Plan Assets	-	-	-	-	-	-	(0.21)	-	-	(0.22)	-	-	(0.23)	-	-
Past Service cost	-	-	-	-	-	-	-	0.76	-	-	-	-	-	-	-
Net Actuarial gain/ (loss) recognised in the year	-	-	(3.04)	-	-	(6.60)	-	-	(2.75)	-	-	(21.88)	-	-	(28.61)
Expenses recognised in the Profit and Loss Statement	**0.08**	**2.53**	**0.87**	**0.26**	**9.30**	**8.70**	**0.25**	**8.66**	**10.23**	**0.27**	**8.50**	**0.30**	**0.14**	**7.02**	**(3.01)**

v) Re-Measurement recognised in OCI

(₹ in millions)

Particulars	For the period ended 30-06-2019			For the year ended 31-03-2019			For the year ended 31-03-2018			For the year ended 31-03-2017			For the year ended 31-03-2016		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded	
Changes in Financial Assumptions	0.09	1.70	-	0.14	(1.85)	-	(0.92)	3.82	-	(0.10)	(2.35)	-	0.01	0.32	-
Changes in Demographic Assumptions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Experience Adjustment	(0.09)	(2.66)	-	(0.97)	(0.26)	-	0.41	(1.59)	-	0.02	1.77	-	0.15	(2.97)	-
Actual return on Plan Assets less interest on plan assets	-	-	-	-	-	-	-	-	-	(0.00)	-	-	(0.02)	-	-
Expenses recognised in OCI	**(0.00)**	**(0.96)**	**-**	**(0.83)**	**(2.11)**	**-**	**(0.51)**	**2.23**	**-**	**(0.08)**	**(0.58)**	**-**	**0.14**	**(2.65)**	**-**

vi) Maturity Profile of Defined Benefit Obligation

(₹ in millions)

Particulars	For the period ended 30-06-2019			For the year ended 31-03-2019			For the year ended 31-03-2018			For the year ended 31-03-2017			For the year ended 31-03-2016		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded	
Within next 12 month	0.37	9.12	6.79	0.43	9.37	6.38	0.35	9.48	5.74	0.25	8.42	4.96	0.19	7.54	4.47
Between 1 and 5 year	2.21	48.32	27.88	1.80	37.33	21.82	2.18	43.73	26.79	1.57	36.42	18.26	1.36	31.43	16.12
Between 5 and 10 year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Year and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

vii) Sensitivity Analysis for significant assumption

(₹ in millions)

Particulars	For the period ended 30-06-2019			For the year ended 31-03-2019			For the year ended 31-03-2018			For the year ended 31-03-2017			For the year ended 31-03-2016		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded	
0.5% Increase in discount rate	(0.07)	(1.50)	(1.58)	(0.19)	(3.19)	(3.76)	(0.02)	(0.22)	(0.28)	(0.01)	(0.17)	(0.19)	(0.01)	(0.18)	(0.25)
0.5% decrease in discount rate	0.08	1.59	1.68	0.29	3.53	4.20	0.02	0.23	0.28	0.01	0.17	0.19	0.01	0.18	0.25
0.5% Increase in salary escalation clause	0.08	1.64	1.71	0.30	3.67	4.31	0.01	0.09	0.17	0.00	0.08	0.09	0.00	0.07	0.10

0.5% Decrease in salary escalation clause	(0.08)	(1.56)	(1.62)	(0.20)	(3.34)	(3.88)	(0.01)	(0.09)	(0.17)	(0.00)	(0.08)	(0.09)	(0.00)	(0.07)	(0.10)

* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

viii) Major Categories of Plan Assets as Percentage of Total Plan

Particulars	For the period ended 30-06-2019			For the year ended 31-03-2019			For the year ended 31-03-2018			For the year ended 31-03-2017			For the year ended 31-03-2016		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded	
Funds managed by insurer (LIC)	100%	-	-	100%	-	-	100%	-	-	100%	-	-	100%		

ix) Principal actuarial assumptions at the Balance Sheet date

Particulars	For the period ended 30-06-2019			For the year ended 31-03-2019			For the year ended 31-03-2018			For the year ended 31-03-2017			For the year ended 31-03-2016		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded	
Discounted Rate	7.07%	7.07%	7.07%	7.65%	7.65%	7.65%	7.80%	7.80%	7.80%	6.84%	6.84%	6.84%	8.00%	8.00%	8.00%
Expected Return on Plan Assets	-	-	-	-	-	-	7.65%	-	-	8.15%	-	-	9.00%	-	-
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Rate of increase in compensation	3.00%	3.00%	8.00%	3.00%	3.00%	8.00%	3.00%	3.00%	8.00%	3.00%	3.00%	* refer note	3.00%	3.00%	* refer note
Withdrawal Rates	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Retirement Age	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs	60 yrs

* Note : The rate of increase in compensation for privilege leave encashment is 3% and for sick leave encashment it is 8%.

x)

Particulars	For the period ended 30-06-2019			For the year ended 31-03-2019			For the year ended 31-03-2018			For the year ended 31-03-2017			For the year ended 31-03-2016		
	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences	Gratuity		Compensated Absences
	Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded		Funded	Non Funded	
Weighted average duration of defined benefit obligation	6.69	11.05	NA	6.44	12.09	NA	5.44	11.11	NA	4.20	11.13	NA	3.44	11.17	NA

xi) Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

xii) The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.

xiii) **Asset Liability matching strategy:**

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested for funded gratuity plan. The trustees of the such plan have outsourced the investment management of the fund to an Insurance Company. The Insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulation. Due to the restriction in the type of investment that can be held by the fund,it is not possible to explicitly follow an asset libility matching strategy. There is no compulsion on the part of the Company to fully prefund the liability of the Plan.

xiv) The Company's expected contribution during next year is Rs. 12.67 millions (March 31, 2019 Rs . 22.73 millions, March 31,2018 Rs.20.23 millions, March 31, 2017 of Rs.26.47 millions, March 31,2016 of Rs.27.74 millions)

Note 35 : Disclosure as required by Ind AS 101 "First Time Adoption of Ind AS"

The Financial Statements, for the three months ended June 30,2019 and for the year ended 31st March, 2019 are prepared in accordance with Ind AS and Financial statements, for the year ended 31st March, 2018 are the first Ind AS Financial Statements, which the Company has prepared in accordance with Ind AS. For the period upto and including the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act, 2013, read together with para 7 of the Companies (Accounts) rules, 2014 (Indian GAAP).

The Proforma Financial Information of the Company as at and for the year ended March 31, 2016, is prepared in accordance with requirements of SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/4 dated March 31, 2016 ("SEBI Circular"). As envisaged by the SEBI Circular, the Company has followed the same accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on its Ind AS transition date while preparing proforma financial information for the FY 2015-16 and accordingly suitable restatement adjustments in the accounting heads have been made in the proforma financial information. This proforma Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2016.

This note explains the principles adjustments made by the Company in restating its Indian GAAP restated financial information, including the restated financial information as at and for the year ended 31st March, 2017 and 31st March, 2016.

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions and exceptions:

A. Deemed cost for property, plant and equipment

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of 1st April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date

B. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimate were in error.
Ind AS estimate as at 1st April, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimate for following items in accordance with Ind AS as the date of transition as these were not required under previous GAAP.

• Investment in equity instruments carried at FVTPL or FVTOCI;
• Investment in debt instruments carried at FVTPL and Impairment of financial assets based on expected credit loss model.

Disclosure as required by Ind AS 101 First time adoption of Ind AS

(₹ in millions)

Particulars	Note	As at		
		31-03-2017	31-03-2017	31-03-2017
		IGAAP	Adjustments	Ind AS
ASSETS				
Non-Current Assets				
Property, plant and equipment		2,636.91	-	2,636.91
Capital Work in Progress		180.34	-	180.34
Goodwill	A	2.51	0.45	2.96
Other Intangible Assets		34.76	-	34.76
Financial Assets				
Investments	B	3.25	4.00	7.25
Loans		51.49	-	51.49
Other Non-Current Assets	C	11.24	3.23	14.47
Total Non-Current Assets		**2,920.50**	**7.68**	**2,928.18**
Current Assets				
Inventories		1,742.40	-	1,742.40
Financial Assets		-	-	
Investments		-	-	-
Trade Receivables		2,367.37	-	2,367.37
Cash and Cash Equivalents		27.18	-	27.18
Other Balances with Banks		96.50	-	96.50
Loans		3.66	-	3.66
Other Financial Assets		0.94	-	0.94
Income Tax Assets (net)		30.41	-	30.41
Other Current Assets	C	402.64	1.23	403.87
			-	
Assets classified as held for sale			-	
Total Current Assets		**4,671.10**	**1.23**	**4,672.33**
Total Assets		**7,591.60**	**8.91**	**7,600.51**

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

(₹ in millions)

Particulars	Note	As at		
		31-03-2017	31-03-2017	31-03-2017
		IGAAP	Adjustments	Ind AS
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		450.08	-	450.08
Other Equity	A,B,C,D	1,973.22	7.10	1,980.32
Total Equity		**2,423.30**	**7.10**	**2,430.40**
Liabilities				
Non-Current Liabilities				
Financial liabilities				
Borrowings		1,057.62	-	1,057.62
Other Financial Liabilities		154.51	-	154.51
Provisions		45.47	-	45.47
Deferred Tax liabilities (Net)	H	114.95	1.71	116.66
Other Liabilities		-	-	-
Total Non-Current Liabilities		**1,372.55**	**1.71**	**1,374.26**
Current Liabilities				
Financial liabilities				
Borrowings		1,887.64	-	1,887.64
Trade Payables - MSME		67.79	-	67.79
Trade Payables - Other than MSME		953.40	-	953.40
Other Financial Liabilities	D	744.26	0.10	744.36
Provisions		24.12	-	24.12
Current tax Liabilities		-	-	-
Other Liabilities		118.54	-	118.54
Total Current Liabilities		**3,795.75**	**0.10**	**3,795.85**
Total Liabilities		**5,168.30**	**1.81**	**5,170.11**
Total Equity and Liabilities		**7,591.60**	**8.91**	**7,600.51**

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Disclosure as required by Ind AS 101 First time adoption of Ind AS

(₹ in millions)

Particulars	Note	As at		
		31-03-2016	31-03-2016	31-03-2016
		IGAAP	Adjustments	Ind AS (Proforma)
ASSETS				
Non-Current Assets				
Property, plant and equipment		2,313.84	-	2,313.84
Capital Work in Progress		141.27	-	141.27
Goodwill	A	2.96	-	2.96
Other Intangible Assets		36.33	-	36.33
Financial Assets				
Investments	B	3.22	1.92	5.14
Loans		53.77	-	53.77
Other Non-Current Assets	C	23.93	1.73	25.66
Total Non-Current Assets		**2,575.32**	**3.65**	**2,578.97**
Current Assets				
Inventories		1,005.18	-	1,005.18
Financial Assets		-	-	-
Investments		9.93	-	9.93
Trade Receivables		2,389.93	-	2,389.93
Cash and Cash Equivalents		0.45	-	0.45
Other Balances with Banks		85.28	-	85.28
Loans		3.82	-	3.82
Other Financial Assets		3.40	-	3.40
Income Tax Assets (net)		15.56	-	15.56
Other Current Assets	C	418.76	0.39	419.15
Assets classified as held for sale		-	-	-
Total Current Assets		**3,932.31**	**0.39**	**3,932.70**
Total Assets		**6,507.63**	**4.04**	**6,511.67**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		480.08	-	480.08
Other Equity	A,B,C,D, F	1,357.58	3.15	1,360.73
Total Equity		**1,837.66**	**3.15**	**1,840.81**
Liabilities				
Non-Current Liabilities				
Financial liabilities				
Borrowings		894.63	-	894.63
Other Financial Liabilities		139.75	-	139.75
Provisions		43.13	-	43.13
Deferred Tax liabilities (Net)	H	107.50	0.68	108.18
Other Liabilities		-	-	-
Total Non-Current Liabilities		**1,185.01**	**0.68**	**1,185.69**
Current Liabilities				
Financial Liabilities				
Borrowings		1,858.87	-	1,858.87
Trade Payables - MSME		49.86	-	49.86
Trade Payables - Other than MSME		941.56	-	941.56
Other Financial Liabilities	D	557.78	0.20	557.98
Provisions		21.34	-	21.34
Current tax Liabilities		-	-	-
Other Liabilities		55.56	-	55.56
Total Current Liabilities		**3,484.97**	**0.20**	**3,485.17**
Total Liabilities		**4,669.98**	**0.88**	**4,670.86**
Total Equity and Liabilities		**6,507.63**	**4.03**	**6,511.67**

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Disclosure as required by Ind AS 101 First time adoption of Ind AS

(₹ in millions)

Particulars	Note	Year ended		
		31-03-2017	31-03-2017	31-03-2017
		IGAAP	Adjustments	Ind AS
REVENUE				
Revenue from Operations	E	12,625.80	674.35	13,300.15
Other Income	B	22.96	1.84	24.80
Total Revenue		**12,648.76**	**676.19**	**13,324.95**
EXPENSES				
Cost of Materials Consumed		8,364.74	-	8,364.74
Purchase of Stock-in-Trade		1,075.44	-	1,075.44
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	E	(515.97)	(33.61)	(549.58)
Excise duty	E	-	835.19	835.19
Employee Benefit Expense	F	610.14	(0.58)	609.56
Finance Cost	C	359.88	(2.35)	357.53
Depreciation and Amortization Expenses	A	317.15	(0.45)	316.70
Other Expenses	D, E	1,482.56	(127.33)	1,355.23
Total Expenses		**11,693.94**	**670.87**	**12,364.81**
Profit before exceptional items and tax		**954.82**	**5.31**	**960.13**
Exceptional Items		-	-	-
Profit before tax		**954.82**	**5.31**	**960.13**
Tax expense				
Current tax		203.76	-	203.76
Deferred tax	H	7.46	1.20	8.66
(Excess) / Short Provision for tax adjustments in respect of earlier years (Net)		-	-	-
Total Tax Expense		**211.22**	**1.20**	**212.42**
Profit for the year		**743.60**	**4.11**	**747.71**
Other Comprehensive Income				
Items that will not be reclassified to Profit or Loss	F,B	(0.00)	(0.33)	(0.33)
Income tax relating to items that will not be reclassified to profit or loss	H	-	0.18	0.18
Items that will be reclassified to Profit or Loss	G	-	(10.29)	(10.29)
Income tax relating to items that will be reclassified to profit or loss		-	-	-
Total Other Comprehensive Income		**(0.00)**	**(10.44)**	**(10.44)**
Total Comprehensive Income for the year		**743.60**	**(6.33)**	**737.27**

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Disclosure as required by Ind AS 101 First time adoption of Ind AS

(₹ in millions)

Particulars	Note	Year ended 31-03-2016 IGAAP	31-03-2016 Adjustments	31-03-2016 Ind AS (Proforma)
REVENUE				
Revenue from Operations	E	10,089.86	720.71	10,810.57
Other Income	B	5.61	-	5.61
Total Revenue		**10,095.47**	**720.71**	**10,816.18**
EXPENSES				
Cost of Materials Consumed		7,047.06	-	7,047.06
Purchase of Stock-in-Trade		327.43	-	327.43
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	E	73.10	14.13	87.24
Excise duty	E	0.01	736.88	736.89
Employee Benefit Expense	F	529.87	(2.65)	527.22
Finance Cost	C	332.57	(2.11)	330.46
Depreciation and Amortization Expenses	A	285.25	-	285.25
Other Expenses	D, E	1,134.33	(29.84)	1,104.48
Total Expenses		**9,729.62**	**716.41**	**10,446.03**
Profit before exceptional items and tax		**365.85**	**4.30**	**370.15**
Exceptional Items			-	
Profit before tax		**365.85**	**4.30**	**370.15**
Tax expense				
Current tax		80.97	-	80.97
Deferred tax	H	(8.74)	1.58	(7.16)
(Excess) / Short Provision for tax adjustments in respect of earlier years (Net)		-	-	-
Total Tax Expense		**72.23**	**1.58**	**73.81**
Profit for the year		**293.62**	**2.72**	**296.34**
Other Comprehensive Income				
Items that will not be reclassified to Profit or Loss	F,B	-	(2.80)	(2.80)
Income tax relating to items that will not be reclassified to profit or loss	H	-	0.93	0.93
Items that will be reclassified to Profit or Loss	G	-	-	-
Income tax relating to items that will be reclassified to profit or loss		-	-	-
Total Other Comprehensive Income		**-**	**(1.87)**	**(1.87)**
Total Comprehensive Income for the year		**293.62**	**0.85**	**294.47**

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Disclosure as required by Ind AS 101 First time adoption of Ind AS

(₹ in millions)

<table>
<tr><th rowspan="2">Note</th><th rowspan="2">Particulars</th><th colspan="2">Increase / (Decrease) in retained earnings</th><th colspan="2">Increase / (Decrease) in Total Comprehensive Income</th></tr>
<tr><th>As at 31-03-2017 (Ind AS)</th><th>As at 31-03-2016 (Proforma)</th><th>For year ended 31-03-2017 (Ind AS)</th><th>For year ended 31-03-2016 (Proforma)</th></tr>
<tr><td>A</td><td>Intangible Assets (Ind AS 38 and Ind AS 101)
The Company has purchased goodwill on account of amalgamation. As per Ind AS, The Acquirer measures goodwill at amount recognised at the acquisition dates less any accumulated impairment losses. Hence goodwill is never amortised and annually tested for impairment. As per Indian GAAP, Goodwill was amortised over a period of 10 years. Such goodwill is not required to be amortised under Ind AS.</td><td>0.45</td><td>-</td><td>0.45</td><td>-</td></tr>
<tr><td>B</td><td>Financial Instruments: Equity Investments (Ind AS 109)
The company has designated its Quoted investments at Fair value through Profit and Loss (FVTPL) and its unquoted investments at Fair value through Other comprehensive income(FVOCI). As per Ind AS FVTPL and FVOCI investments needs to be measured at fair value. At the date of transition to Ind AS, difference between the fair value of the investments and carrying amount as per IGAAP has been recognised in retained earnings and OCI reserves respectively.</td><td>4.00</td><td>1.92</td><td>2.08</td><td>(0.41)</td></tr>
<tr><td>C</td><td>Finance Cost (Ind AS 109)
Under IGAAP, Loan Processing fees incurred in raising the borrowings is amortised over the tenure of the borrowings. As per Ind AS, Loan processing fees is amortised as per effective interest rate. Hence, effective interest cost as per Ind AS, is adjusted against prepaid expenses.</td><td>4.46</td><td>2.11</td><td>2.35</td><td>2.11</td></tr>
<tr><td>D</td><td>Financial Instruments: Forward Contracts (Ind AS 109)
The company uses derivative financial instruments, such as forward contracts to hedge its foreign currency risk. As per Ind AS, forward exchange contracts are accounted as derivative intrument measured at FVTPL. Gain or loss on account of changes in fair value of such forward exchange contract is recognised in statement of profit and loss. Hence, The Company fair values forward contracts and recognise any changes on account of such fair valuation in statement of profit and loss / retained earnings.</td><td>(0.10)</td><td>(0.20)</td><td>(0.10)</td><td>(0.20)</td></tr>
<tr><td>E</td><td colspan="5">Revenue from operations (Ind AS 18)
i) Under IGAAP, sales promotion expenses directly attributable to sales was recognised as a part of other expenses. Under Ind AS 18, revenue from sale of products is measured at the fair value of consideration received or receivable. Hence, Commission on sales and some part of Advertisement & Sales Promotion Expenses, being nature of fair value of consideration of sales of goods, will be netted off against Revenue rather than being presented as part of other expenses.

ii) As per Ind AS, amounts collected on behalf of third party such as sales taxes, goods and services taxes and value added taxes are not economic benefits which flow to the entity and do not results in increase in equity. Therefore, they are excluded from revenue. Hence Excise duty will be presented as part of expenses.</td></tr>
<tr><td>F</td><td colspan="5">Remeasurements of post-employment benefit obligation (Ind AS 19 and Ind AS 1)
Both under IGAAP and Ind AS, the company recognised costs related to its post employement defined benefit plan on an acturial basis. Under IGAAP, the entire cost, including acturial gain and losses, are charged to Statement of Profit and loss. Under Ind AS, remeasurements on account of acturial gain losses pertaining to gratuity are recognised immediately in the balance sheet with a correcsponding debit or credit to retained earnings through OCI.</td></tr>
<tr><td>G</td><td colspan="5">Other Comprehensive Income (OCI) (Ind AS 1)
In accordance with Ind AS, movement in OCI includes effective portion of gains and loss on hedging instruments in a cash flow hedge and remeasurements on defined benefit liability which was charged to Statement of Profit and Loss as per IGAAP.</td></tr>
<tr><td>H</td><td colspan="5">Deferred Tax (Ind AS 12 and Ind AS 1)
IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.
The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP. In Addition, deferred tax adjustments is also done for transitional adjustments wherever they results in timing differences by corresponding adjustments to retained earnings or profit and loss account. Deferred Tax relating to items recognised directly in OCI or equity is recognised in OCI or Equity and not in the Statement of Profit and Loss.</td></tr>
</table>

Note 36 : Related Party Disclosures

a)

Name of Related Party	For the period ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
M/S Prince Marketing	SI *	SI *	SI *	SI *	SI *
M/s Pinnacle Realty Projects Pvt. Ltd.	SI *	SI *	SI *	SI *	SI *
M/s Ace Polyplast Pvt. Ltd.	SI *	SI *	SI *	SI *	SI *
Prince Foundation	SI *	SI *	SI *	SI *	SI *
Jayant S. Chheda Charitable Trust	SI *	SI *	SI *	SI *	SI *
Mrs. Tarla J. Chheda (Wife of Director)	Relatives ***	Relatives ***	Relatives ***	Relatives ***	Relatives ***
Mrs. Ashwini V. Chheda (Wife of Director)	Relatives ***	Relatives ***	Relatives ***	Relatives ***	Relatives ***
Jayant S. Chheda (HUF) (Relative)	Relatives ***	Relatives ***	Relatives ***	Relatives ***	Relatives ***
Mrs. Vaishali H. Shah (Relative)	Relatives ***	Relatives ***	Relatives ***		
Mrs. Heena P. Chheda (Relative till 30th September, 2016)	Relatives ***	Relatives ***	Relatives ***	Relatives ***	Relatives ***
Mrs. Heena P. Chheda (Director w.e.f 1st October, 2016)	KMP **	KMP **	KMP **	KMP **	-
Mr. Jayant S. Chheda (Managing Director)	KMP **	KMP **	KMP **	KMP **	KMP **
Mr. Parag J. Chheda (Director)	KMP **	KMP **	KMP **	KMP **	KMP **
Mr. Vipul J. Chheda (Director)	KMP **	KMP **	KMP **	KMP **	KMP **
Mr. Nihar P. Chheda (Associate Vice President)	Relatives ***	Relatives ***			
Mr. Ramesh Chandak (Independent Director)	KMP **	KMP **	KMP **		
Mr. Mohinder Pal Bansal (Independent Director)	KMP **	KMP **	KMP **		
Mr. Sundar Parthasarathy (Independent Director)	KMP **	KMP **			
Mr. Dilip Deshpande (Independent Director)	KMP **				
Mr. Anup Pravin Shah (Independent Director)			KMP **		
Mrs. Uma Mandavgane (Independent Director)	KMP **	KMP **	KMP **		

* SI represents Enterprises over which Key Managerial Personnel have significant influence as defined in Ind AS 24
** KMP represents Key Managerial Personnel as defined in Ind AS 24
*** Relatives represents Relatives of Key Managerial Personnel as defined in Ind AS 24

b) **Transactions carried out with related parties referred above, in the ordinary course of business:** **(₹ in millions)**

Name of the transacting related party	Nature of Transactions	For the period ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
M/S Prince Marketing	Sale of Goods	-	146.81	-	162.40	31.89
M/s Ace Polyplast Pvt. Ltd.	Sale of Goods	-	-	-	594.50	78.98
M/S Prince Marketing	Purchase of Goods	-	36.43	641.80	1,038.76	978.82
M/s Ace Polyplast Pvt. Ltd.	Purchase of Goods	193.24	66.41	1,275.92	1,645.77	1,004.10
M/S Prince Marketing	Advance against Property	-	54.58	345.42	-	-
M/S Prince Marketing	Rent paid	-	-	-	0.14	0.23
Jayant S. Chheda	Rent paid	0.60	2.31	2.20	2.08	1.98
Parag J. Chheda	Rent paid	1.21	4.62	4.39	4.17	3.97
Vipul J. Chheda	Rent paid	1.21	4.62	4.39	4.17	3.97
Tarla J. Chheda	Rent paid	0.60	2.31	2.20	2.08	1.98
Ashwini V. Chheda	Rent paid	1.21	4.62	4.39	4.17	3.97
Jayant S. Chheda	Remuneration and Commission	3.42	13.67	12.53	12.00	7.20
Parag J. Chheda	Remuneration and Commission	2.82	11.27	10.33	10.50	6.00
Vipul J. Chheda	Remuneration and Commission	2.52	10.07	9.23	9.30	5.40
Heena P. Chheda (w.e.f from 1st October, 2016)	Remuneration and Commission	1.57	6.28	5.75	3.30	-
Heena P. Chheda (Paid till 30th September, 2016)	Professional Fees	-	-	-	1.80	3.60
Ashwini V. Chheda	Salary	0.19	0.81	0.83	0.83	0.72
Nihar P. Chheda	Salary	0.31	0.82	-	-	-
Ashwini V. Chheda	Sale of Shares	0.01	-	-	-	-
Vaishali H. Shah	Salary	0.07	0.29	1.04	-	-
Prince Foundation	Donation	1.58	5.88	6.18	8.05	5.10
Jayant S. Chheda Charitable Trust	Donation	-	-	-	-	0.05
Mr. Ramesh Chandak (Independent Director)	Sitting fees	0.03	0.08	0.03	-	-
Mr. Mohinder Pal Bansal (Independent Director)	Sitting fees	-	0.05	0.03	-	-
Mr. Sundar Parthasarathy (Independent Director)	Sitting fees	-	0.03	-	-	-
Mrs. Uma Mandavgane (Independent Director)	Sitting fees	0.03	0.08	-	-	-
Mr. Anup Pravin Shah (Independent Director)	Sitting fees	-	-	0.03	-	-

c) **Outstanding balances:** **(₹ in millions)**

Name of the transacting related party	Nature of Transaction	As at 30-06-2019 (Ind AS)	As at 31-03-2019 (Ind AS)	As at 31-03-2018 (Ind AS)	As at 31-03-2017 (Ind AS)	As at 31-03-2016 (Proforma Ind AS)
M/s Ace Polyplast Pvt. Ltd.	Trade Receivables	-	146.81	-	83.66	-
M/S Prince Marketing	Trade Payables	-	-	73.67	177.52	53.43
M/s Ace Polyplast Pvt. Ltd.	Trade Payables	-	-	164.73	-	83.49
M/s Ace Polyplast Pvt. Ltd.	Advances for Trade Payables	-	37.19	-	-	-
M/S Prince Marketing	Advance against Property	400.00	400.00	345.42	-	-
M/S Prince Marketing	Rent paid	-	-	-	-	-
Jayant S. Chheda	Rent paid	1.14	-	-	-	0.30
Parag J. Chheda	Rent paid	0.94	-	-	-	-
Vipul J. Chheda	Rent paid	0.84	-	-	-	-
Tarla J. Chheda	Rent paid	-	-	-	-	0.15
Jayant S. Chheda	Remuneration and Commission Payable	-	1.14	1.14	1.20	0.60
Parag J. Chheda	Remuneration and Commission Payable	-	0.94	0.94	1.00	0.50
Vipul J. Chheda	Remuneration and Commission Payable	-	0.84	0.84	0.90	0.45
Jayant S. Chheda	Deposit given	1.35	1.35	1.35	1.35	1.98
Parag J. Chheda	Deposit given	2.70	2.70	2.70	2.70	3.97
Vipul J. Chheda	Deposit given	2.70	2.70	2.70	2.70	3.97
Tarla J. Chheda	Deposit given	1.35	1.35	1.35	1.35	1.98
Ashwini V. Chheda	Deposit given	2.70	2.70	2.70	2.70	3.97
Heena P. Chheda (w.e.f from 1st October, 2016)	Remuneration and Commission Payable	0.52	0.52	0.52	0.55	-
Vaishali H. Shah	Salary Payable	0.04	0.04	0.04	-	-
Nihar P. Chheda	Salary Payable	0.10	0.10	-	-	-
Ashwini V. Chheda	Sale of shares	0.01				
Ashwini V. Chheda	Salary Payable	0.06	0.08	0.08	0.08	0.06

The above mentioned related parties are identified by the management and the same has been relied upon by the auditors

Note 37 : Share Based Payments (Ind AS 102)

The Company has granted 900158 options to its eligible employees in various ESOP Schemes, details are as under:

i) No of Option granted will be 900158

ii) Exercise price of options will be Rs 200 per share

iii) Date of grant 15th September 2017

iv) Period within which options will vest unto the participant:

End of 1 year from the date of grant of options:	10%
End of 2 year from the date of grant of options:	20%
End of 3 year from the date of grant of options:	30%
End of 4 year from the date of grant of options:	40%

v) Maximum term of options granted is 4 years

vi)Method of settlement is equity settled

Employee stock option activity under Scheme 2017 is as follows:

Particulars	For the period ended 30-06-19		For the year ended 31-03-19		For the year ended 31-03-18		For the year ended 31-03-17		For the year ended 31-03-16	
	No of shares	WAEP	No of shares	WAEP	No of shares	WAEP	No of shares	WAEP	No of shares	WAEP
Outstanding at beginning of the year	7,29,004		8,51,160	-	-	-	-	-	-	-
Granted during the year	-		-	-	9,00,158	-	-	-	-	-
Forfeited during the year	22,400		1,22,156	-	48,998	-	-	-	-	-
Cancelled during the year	-		-	-	-	-	-	-	-	-
Exercised during the year	-		-	-	-	-	-	-	-	-
Outstanding at the end of the year	7,06,604		7,29,004	-	8,51,160	-	-	-	-	-
Options Unvested at the end of the year	7,06,604		7,29,004	-	8,51,160	-	-	-	-	-
Vested and exercisable at the end of the year	-		-	-	-	-	-	-	-	-

The Company has accounted for the above as compensation cost following the Guidance Note issued by the Institute of Chartered Accountants of India relating to Employee Share Based Payment

Fair Valuation:

The fair value of option have been done by an independent firm on the date of grant using the Black-Scholes Model

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

Variables	Grant Date: September 15, 2017			
	Vest 1	Vest 2	Vest 3	Vest 4
Fair Market Value	200	200	200	200
Volatility	0.00%	0.00%	0.00%	0.00%
Risk free Rate	6.20%	6.34%	6.48%	6.60%
Exercise Price	200	200	200	200
Expected Life	2	3	4	5
Dividend yield	0	0	0	0
Option Fair Value	22.66	33.67	44.42	54.73
Vesting schedule	0.1	0.2	0.3	0.4
Weighted average fair value	44.22			

Details of Liabilities arising from the share based payment were as follows:

Variables	As at 30-06-19	As at 31-03-19	As at 31-03-18	As at 31-03-17	As at 31-03-16
Total Carrying Amount (in million)	18.42	16.58	7.18	-	-

Note 38 : Income Taxes (Ind AS 12)

Reconciliation of Effective Tax Rate

(₹ in millions)

Particulars	For the period ended 30-06-19	For the year ended 31-03-19	For the year ended 31-03-18	For the year ended 31-03-17	For the year ended 31-03-16
Profit before Tax	339.31	1,114.68	951.67	959.08	369.99
Tax Expense	72.62	281.17	224.01	217.26	74.64
Effective Tax Rate (in %)	21.40%	25.22%	23.54%	22.65%	20.17%
Effect of Non-Deductible / Deductible expenses (in %)	3.76%	-1.92%	11.03%	11.52%	13.88%
Effect of MAT credit utilised (in %)	-	11.64%	0.77%	0.89%	1.33%
Interest under Section 234B & 234C (in %)	-	-	-0.73%	-0.45%	-0.78%
Applicable Tax Rate (in %)	25.17%	34.94%	34.61%	34.61%	34.61%

During the period ended June 30, 2019, the Company have elected an option of reduced income tax rate of 22% available under section 115BAA which is made effective vide Taxation Laws (Amendment) Ordinance 2019 from assessment year beginning on or after the April 01, 2020. Pursuant to election of above option, the Companies have reduced the deferred tax liabilities amounting to Rs. 49.94 million due to reduction in effective income tax rate to 25.17%.

Prince Pipes and Fittings Limited

Annexure G - Notes to Restated Financial Information

Note 39 : Assets held for Disposals (Ind AS 105)

During the year ended March 31, 2018, The Company has identified certain assets to be disposed off like land, buiding, machinery and electrical fittings which are not in use by the Company. The Company has received advance from potential buyer and expects the same to be disposed off with in next twelve months.

Note 40 :

The Company is engaged in the business manufacturing and selling of PVC pipes and fittings primarily in India. As per Ind AS 108 “Operating Segments”, specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company

Note 41 : Disclosure pertaining to Ind AS-33 Earnings Per Share

Earnings per share (EPS) is calculated as under :

(₹ in millions)

Sr No	Particulars	For the period ended 30-06-19*	For the year ended 31-03-19	For the year ended 31-03-18	For the year ended 31-03-17	For the year ended 31-03-16
1	Profit for the year attributable to owners of the company (A)	266.69	833.51	727.66	741.82	295.35
2	Weighted average number of equity shares for Basic and Diluted EPS (B)	90.02	90.02	90.02	94.52	93.02
3	Basic / Diluted EPS (A/B)	2.96	9.26	8.08	7.85	3.18
4	Nominal Value of Share	10.00	10.00	10.00	10.00	10.00

* Not Annualised

Note 42 : Disclosure pertaining to Ind AS 116 Lease is as under

Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company has applied Ind AS 116 , under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2015.

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics. The Company has treated the leases with remaining lease term of less than 12 months as if they were "short term leases". The Company has not applied the requirements of Ind AS 116 for leases of low value assets.

The effect of implementing standard is as under

(₹ in millions)

Particulars	As at 30-06-19	As at 31-03-19	As at 31-03-18	As at 31-03-17	As at 31-03-16
Right-of-Use Assets - Properties					
Opening Balance	62.37	78.29	10.62	22.22	-
Reclassified on account of adoption of IND AS 116	-	-	-	-	33.81
Additions	-	-	79.62	-	-
Deletions	-	-	-	-	-
Depreciation	3.98	15.92	11.95	11.59	11.59
Closing Balance	**58.39**	**62.37**	**78.29**	**10.62**	**22.22**

The following is the movement in lease liabilities :-

(₹ in millions)

Particulars	As at 30-06-19	As at 31-03-19	As at 31-03-18	As at 31-03-17	As at 31-03-16
Lease Liabilities					
Opening Balance	60.59	78.09	8.90	19.43	-
Reclassified on account of adoption of IND AS 116	-	-	-	-	30.86
Additions	-	-	79.62	-	
Finance Costs accrued	0.53	0.96	7.14	6.21	4.51
Payment of Lease Liabilities	4.83	18.46	17.58	16.74	15.94
Closing Balance	**56.29**	**60.59**	**78.09**	**8.90**	**19.43**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis are :

(₹ in millions)

Particulars	For the period ended 30-06-19	For the year ended 31-03-19	For the year ended 31-03-18	For the year ended 31-03-17	For the year ended 31-03-16
Less than one year	19.63	19.39	18.46	16.05	16.74
One to five years	57.15	62.22	81.61	-	16.05
TOTAL	**76.78**	**81.61**	**100.07**	**16.05**	**32.78**

Rental expenses recorded for short term leases was Rs 12.92 million (2018-19 : Rs 44.96 million, Rs 2017-18: Rs.43.86 million, 2016-17: Rs.25.14 million , 2015-16: Rs.9.13 million)

Note 43 : Information as per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in millions)

Sr No	Particulars	As at 30-06-19	As at 31-03-19	As at 31-03-18	As at 31-03-17	As at 31-03-16
a (i)	The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	32.63	46.11	50.03	67.79	49.86
a (ii)	Interest due on above and unpaid interest	0.09	0.07	0.27	0.08	0.07
	Total (i+ii)	**32.73**	**46.18**	**50.30**	**67.88**	**49.93**
b	The amount of interest paid by the buyer in terms of section 16 of the Act	-	-	-	-	-
c	The amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-	-	-	-
d	The amounts of interest accrued and remaining unpaid at the end of financial year	0.09	0.07	0.27	0.08	0.07
e	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act	-	-	-	-	-
f	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-	-

The identification of suppliers as micro, small and medium enterprise defined under " The Micro, Small and Medium Enterprises Development Act, 2006" was done on the basis of information to the extent provided by the suppliers of the Company

Note 44 : Government Grants (IND AS 20)

Other Operating Revenues includes Incentives under Budgetary Support Scheme in Uttarakhand of Rs 86.78 million.

Note 45 : Revenue (IND AS 115)

a. Revenue from manufacturing and trading activities

The Company is primarily in the Business of manufacture and sale of plastic pipes and fittings. All sales are made at a point in time and revenue from contract with customer are recognised when goods are dispatched and the control over the goods sold are transferred to customers. The Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceeds one year. Hence, the Company does not adjust revenue for the time value of money.

In compliance with Ind AS 115, discounts and incentives provided to customers are now treated as variable components of consideration and have been recognised as revenue deductions instead of other expenses. Such discount were recognized as deduction from revenue in previous period also.

Revenue recognised from Contract liability (Advances from Customers):

(₹ in millions)

Particulars	As at 30-06-19	As at 31-03-19	As at 31-03-18	As at 31-03-17	As at 31-03-16
Closing Contract Liability	25.50	16.29	17.39	27.38	9.65

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the previous years.

Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

(₹ in millions)

Particulars	For the period ended 30-06-19	For the year ended 31-03-19	For the year ended 31-03-18	For the year ended 31-03-17	For the year ended 31-03-16
Revenue as per Contract price	3,974.73	15,933.51	13,380.30	13,673.07	11,062.03
Less: Discounts and incentives	182.27	327.60	226.11	411.36	279.95
Revenue as per statement of profit and loss	**3,792.46**	**15,605.91**	**13,154.20**	**13,261.71**	**10,782.08**

b. Revenue from turnkey project activities

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or services to customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards the same which is based on the completion of milestone as per the terms of the contract. The Company measures the progress using the output method.

Revenue recognised from Contract liability (Advances from Customers):

(₹ in millions)

Particulars	As at 30-06-19	As at 31-03-19	As at 31-03-18	As at 31-03-17	As at 31-03-16
Closing Contract Liability	-	-	-	-	-

Revenue recognised from Contract Asset (Project Inventory):

(₹ in millions)

Particulars	As at 30-06-19	As at 31-03-19	As at 31-03-18	As at 31-03-17	As at 31-03-16
Closing Contract Asset	59.10	-	-	-	-

Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

(₹ in millions)

Particulars	For the period ended 30-06-19	For the year ended 31-03-19	For the year ended 31-03-18	For the year ended 31-03-17	For the year ended 31-03-16
Revenue as per Contract price	-	-	-	-	-
Less: Discounts and incentives	-	-	-	-	-
Revenue as per statement of profit and loss	**-**	**-**	**-**	**-**	**-**

Note 46 :

During the year ended March 31,2019 the Company has filed Draft Red Herring Prospectus and is in the process of filing offer documents, in connection with the proposed issue of Equity Shares of the Company by way of fresh issue and an offer for sale by the existing shareholders. Accordingly, expenses incurred by the Company aggregating to Rs. 100.54 million (including payment to auditors' Rs. 7.30 million) in connection with filing of Draft Red Herring Prospectus have been shown under Other Current Assets. The same will be partly adjusted towards the securities premium account and partly recoverable from the existing shareholders (to the extent of shares offered for sale by existing shareholders, the expenses incurred by the Company for the proposed issue are recoverable from them) as per the provisions of the Companies Act, 2013. However, the actual number/ proportion of shares to be offered for sale being not known to the Company as at June 30, 2019 the same has not been bifurcated and is included in Other Current Assets.

Note 47 :

Corporate Social Responsibility:

The amount required to be spent under section 135 of the Companies Act,2013 for the year ended March 31,2019 is Rs. 16 million (March 31,2018 is Rs.10.83 million, March 31,2017 is Rs.7.65 million, March 31,2016 is Rs 7.22 million) i.e. 2% of average net profits for last three financials years, calculated as per section 198 of the Companies Act, 2013.
The expenditure incurred on Corporate Social Responsibility acitivities in the Statement of Profit and Loss for the three months ended June 30,2019 is Rs. NIL million (March 31,2019 is Rs. 0.06 million, March 31,2018 is Rs. 38.18 million, March 31,2017 is Rs. Nil, March 31,2016 is Rs. Nil).

Note 48 :

The Company's pending litigations comprise of claims by or against the Company primarily by the workers/employees/customers/suppliers etc, and proceedings pending with tax and other government authorities. The Company has reviewed its pending litigations and proceedings and has adequately provided for where Provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made adequate provision in the financial statements and appropriate disclosure for contingent liabilities is given in Note No 33.

Note 49 :

Effective July 01, 2017, sales are recorded net of GST whereas earlier sales were recorded gross of excise duty which formed part of expenses. Hence revenue from operations for the year ended March 31, 2018, March 31, 2017 and March 31, 2016 are not comparable with the previous year corresponding figures.

Note 50 :

Figures of previous years have been regrouped and re-arranged wherever necessary.

As per our report attached

For Khimji Kunverji & Co LLP

(formerly Khimji Kunverji & Co - FRN 105146W)

Chartered Accountants

Gautam V. Shah

Partner (F-117348)

Place : Mumbai

Date : November 22, 2019

For and on behalf of the Board

Jayant S. Chheda	**Parag J. Chheda**
Managing Director	Director
(DIN NO : 00013206)	(DIN No : 00013222)
Shyam K. Sharda	**Aayushi K. Poddar**
Chief Financial Officer	Company Secretary

Prince Pipes and Fittings Limited

Annexure H - Statement of Capitalisation

(₹ in millions)

Particulars	Pre-Issue as at 30-06-2019 (Ind AS)
Debts	
Short Term Debts	1,609.34
Current maturities of Long Term Debts	385.65
Long Term Debts	981.82
Total Debts	**2,976.81**
Shareholder's Funds*	
Share Capital	900.16
Other Equity (as restated)**	3,382.27
Total Shareholders' Funds	**4,282.43**
Total Debts / Total Shareholders' Funds	70%
Long Term Debts / Total Shareholders' Funds	23%

*Shareholders fund post issue can be calculated only on the conclusion of the book building process

** Other Equity = Capital Reserve + Capital Redemption Reserve + General Reserve + Stock Options Outstanding + Retained Earnings

Note

1.The aforesaid Statement of Capitalisation has been prepared as per summary statement of assets and liabilities and profits and losses of the Company.

2.The above statement should be read with the notes to the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure-E.

Prince Pipes and Fittings Limited

Annexure I - Statement of Dividend

Our Company has not declared any dividends for the three months ended June 30 ,2019, and Financial Years ended March 31, 2019, March 31, 2018, March 31,2017, March 31,2016 and March 31,2015.

Prince Pipes and Fittings Limited

Annexure J - Statement of Accounting Ratios

(₹ in millions)

Particulars		For the period ended 30-06-2019 (Ind AS)*	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For year ended 31-03-2016 (Proforma Ind AS)
Net Profit after Tax, as Restated	A	266.69	833.51	727.66	741.82	295.35
Total number of shares outstanding at the end of the period	B	90.02	90.02	90.02	45.01	48.01
Weighted average number of equity Shares outstanding during the period	C	90.02	90.02	90.02	94.52	93.02
Weighted average number of diluted equity shares outstanding during the period	D	90.02	90.02	90.02	94.52	93.02
Basic Earnings per share (Rs.)	A/C	2.96	9.26	8.08	7.85	3.18
Diluted Earnings per share (Rs.)	A/D	2.96	9.26	8.08	7.85	3.18
Return on Net-worth (%)		6.34%	21.18%	23.52%	31.47%	16.47%
Net asset value per equity share		46.70	43.71	34.36	52.37	37.36

* Not annualised

Note:

1.The Ratios have been computed as below:

a) Basic Earnings per share before adjusting exceptional item = $\frac{\text{Net Profit after tax (As restated)}}{\text{Weighted average number of equity shares outstanding during the year}}$

b) Diluted Earnings per share before adjusting exceptional item = $\frac{\text{Net Profit after tax (As restated)}}{\text{Weighted average number of diluted shares outstanding during the year}}$

c) Return on net worth (%) = $\frac{\text{Net profit after tax (As restated)}}{\text{Net worth at the end of the year}}$

d) Net asset value per share (Rs.) = $\frac{\text{Net worth at the end of the year (As restated)}}{\text{Total number of equity shares outstanding at the end of the year}}$

2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year

3. Earnings per share calculations are done in accordance with Ind AS 33 ‘Earnings Per Share’ issued by the Institute of Chartered Accountants of India.

4. The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows as appearing in Annexure VA

5. The figures / ratios disclosed above are based on Restated Summary Statements of the Company

6. **Net worth** = Equity share capital + Reserves and surplus (includes General Reserve and surplus in Profit and Loss Account) in accordance with Section 2 (57) of The Companies Act 2013

Calculation of Net Worth:

(₹ in millions)

Net worth	For the period ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For year ended 31-03-2016 (Proforma Ind AS)
Paid Up Share Capital	900.16	900.16	900.16	450.08	480.08
Other Equity (as restated)**	3,303.90	3,034.64	2,193.12	1,906.92	1,313.30
Net worth	**4,204.06**	**3,934.79**	**3,093.28**	**2,357.00**	**1,793.38**

** Other Equity = General Reserve + Stock Options Outstanding + Retained Earnings

Note:

1.The aforesaid Statement of Accounting Ratios has been prepared as per the summary statement of assets and liabilities and profits and losses of the Company.

2.The above statement should be read with the notes to restated summary statements of assets and liabilities,profits and losses and cash flows as appearing in Annexure E and F

Prince Pipes and Fittings Limited

Annexure K - Restated Statement of Tax Shelter

(₹ in millions)

Particulars		For the period ended 30-06-2019 (Ind AS)	For the year ended 31-03-2019 (Ind AS)	For the year ended 31-03-2018 (Ind AS)	For the year ended 31-03-2017 (Ind AS)	For the year ended 31-03-2016 (Proforma Ind AS)
Restated profit before taxes	A	339.31	1,114.68	951.67	959.08	369.99
Tax rate (%)	B	25.168%	34.944%	34.608%	34.608%	34.608%
Tax Expense	C	85.40	389.52	329.35	331.92	128.05
Adjustments						
Permanent Difference						
Disallowance U/s 14A		-	0.04	0.00	0.02	0.01
Interest on TDS & VAT		0.08	0.30	0.23	0.03	0.02
Penalties		0.13	0.46	0.95	-	0.01
Interest & Penalty on EPCG		-	-	-	-	41.03
Deduction u/s 80IC of Income Tax Act,1961		-	-	(312.45)	(317.08)	(176.60)
Donation Disallowed		0.90	5.28	41.36	6.46	3.22
Interest to Micro,Small & Medium Enterprises		0.09	0.07	0.27	0.08	0.07
Interest for Channel Financing		6.71	6.77	-	-	-
(Gain)/ Loss on fair valuation of Investments through Profit and loss		(0.26)	(0.69)	-		
Marked to market forex derivative loss		-	-	-	-	0.57
Interest on Lease Liability		0.53	0.96	7.14	6.21	4.51
Dividend Income		-	(0.05)	(0.05)	(0.03)	(0.06)
Total	D	**8.18**	**13.15**	**(262.54)**	**(304.31)**	**(127.21)**
Temporary Difference						
Difference between book depreciation and tax depreciation		14.49	53.98	(90.46)	(41.04)	10.71
(Profit)/Loss on Sale of Fixed Assets		6.66	(28.87)	7.65	5.69	2.19
Differences on account of expenses disallowable u/s 43B of the Income Tax Act, 1961						
Provision for gratuity and leave encashment		3.67	11.65	11.30	5.13	2.61
Rent		(4.83)	(18.46)	(17.58)	(16.74)	(15.94)
Provision for doubtful debts		6.71	4.93	20.92	8.16	-
Total	E	**26.71**	**23.22**	**(68.16)**	**(38.80)**	**(0.43)**
Net Adjustments (D+E)	F	**34.89**	**36.37**	**(330.70)**	**(343.12)**	**(127.64)**
Tax Expenses/ (Savings) thereon (F*B)	G	8.78	12.71	(114.45)	(118.75)	(44.17)
Current Tax (C+G)	H	94.18	402.23	214.90	213.17	83.87
Calculation of MAT						
Taxable Income (Book Profits) as per MAT	I	346.02	1,119.57	972.54	959.05	369.94
MAT Rate (%)	J	21.55%	21.55%	21.34%	21.34%	21.34%
Tax Liability as per MAT (I*J)	K	74.56	241.25	207.56	204.68	78.95
Current Tax (Higher of H & K)	L	**94.18**	**402.23**	**214.90**	**213.17**	**83.87**
Interest under Section 234B & 234C (As per income tax returns & orders)			-	6.98	4.29	2.89
Deferred Tax charge/(income)	M	(21.56)	8.74	9.47	8.30	(7.20)
MAT Credit Utilised	O	-	129.80	7.35	8.50	4.92
Total Tax Expense as per restated statement of profit and loss (L+M+N-O)		**72.62**	**281.17**	**224.00**	**217.26**	**74.64**

Notes

1. The aforesaid Statement of Tax Shelter has been prepared as per the summary statement of assets and liabilities and profits and losses of the Company.

2. During the period ended June 30, 2019, the Company have elected an option of reduced income tax rate of 22% available under section 115BAA which is made effective vide Taxation Laws (Amendment) Ordinance 2019 from assessment year beginning on or after the April 01, 2020. Pursuant to election of above option, the Companies have reduced the deferred tax liabilities amounting to Rs. 49.94 million due to reduction in effective income tax rate to 25.17%.

3. The above statement should be read with the notes to the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – V

As per our attached report on even date
For Khimji Kunverji & Co LLP
(formerly Khimji Kunverji & Co - FRN 105146W)
Chartered Accountants

Gautam V. Shah
Partner (F-117348)

Place : Mumbai
Date : November 22, 2019

For and on behalf of the Board

Jayant S. Chheda
Managing Director
(DIN No : 00013206)

Parag J. Chheda
Director
(DIN No : 00013222)

Shyam K. Sharda
Chief Financial Officer

Aayushi K. Poddar
Company Secretary

Prince Pipes and Fittings Limited

Annexure I

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

	Particulars	Note No.	As at 31-03-2015	As at 31-03-2014
I.	**EQUITY & LIABILITIES**			
1	**Shareholders funds**			
	Share Capital	1	480.08	480.08
	Reserves and Surplus	2	1,064.06	910.79
2	**Non-Current Liabilities**			
	Long term Borrowings	3	714.14	883.56
	Deferred Tax Liabilities	4	116.24	135.56
	Other Long Term Liabilities	5	137.88	112.72
	Long Term Provisions	6	41.84	22.56
3	**Current Liabilities**			
	Short Term Borrowings	7	2,061.40	2,440.04
	Trade Payables			
	- Micro, Small and Medium Enterprises	8	57.96	45.38
	- Others		705.33	408.24
	Other Current Liabilities	9	551.41	495.61
	Short Term Provisions	10	20.22	13.31
	Total		**5,950.56**	**5,947.85**
II.	**ASSETS**			
1	**Non-Current Assets**			
	Property, Plant & Equipment	11	2,199.63	2,193.29
	Intangible assets		42.07	49.19
	Capital Work in Progress		43.52	26.35
	Non Current Investments	12	1.57	3.93
	Long Term Loans and Advances	13	4.05	6.90
	Other Non-Current Assets	14	50.33	48.75
2	**Current Assets**			
	Inventories	15	1,125.64	1,291.98
	Trade Receivables	16	2,120.36	2,037.70
	Cash and Bank Balances	17	60.40	56.09
	Short Term Loans and Advances	18	165.88	183.96
	Other Current Assets	19	137.11	49.71
	Total		**5,950.56**	**5,947.85**

Notes

The above statement should be read with the notes to restated summary Statement of Assets and Liabilities, Profits and Losses and Cash Flow as appearing in Annexure IV and Statement on Material Adjustments to prepare Restated Financial Information as appearing in Annexure V.

As per our report attached
For Khimji Kunverji & Co LLP
(formerly Khimji Kunverji & Co - FRN 105146W)
Chartered Accountants

Gautam V. Shah
Partner (F-117348)

Place : Mumbai
Date : November 22, 2019

For and on behalf of Board of Directors

JAYANT S. CHHEDA
Managing Director
DIN No: 00013206

PARAG J. CHHEDA
Director
DIN No: 00013222

SHYAM K. SHARDA
Chief Financial Officer

AAYUSHI K. PODDAR
Company Secretary

Prince Pipes and Fittings Limited

Annexure II

RESTATED SUMMARY STATEMENT OF Profits and Losses

(₹ in millions)

	Particulars	Note No.	For the year ended 31-03-2015	For the year ended 31-03-2014
I	Revenue from Operations	20	9,571.91	10,063.42
II	Other Income	21	20.61	44.01
III	**Total Revenue (I+II)**		**9,592.52**	**10,107.43**
	Expenses:			
	Cost of Material Consumed	22	7,130.97	6,838.53
	Purchases of Stock In Trade	23	197.79	713.56
	Changes in inventories of Finished Goods	24	(74.10)	178.90
	Employee Benefits Expense	25	487.67	458.72
	Finance Cost	26	373.95	480.49
	Depreciation	27	285.45	264.54
	Other Expenses	28	1,012.49	849.39
IV	**Total Expenses**		**9,414.22**	**9,784.13**
V	**Profit before exceptional items & tax (III-IV)**		**178.30**	**323.30**
VI	**Exceptional Items**		**-**	**-**
VII	**Profit from Oridinary Activities before tax**		**178.30**	**323.30**
VIII	**Tax Expense:**			
	Current Tax		38.93	69.54
	Deferred Tax	4	(17.44)	2.97
	Total Tax Expense		**21.49**	**72.51**
IX	**Profit from Ordinary Activities after tax(VII-VIII)**		**156.81**	**250.79**
X	Extraordinary Item (net of tax expense)		-	-
XI	**Profit for the year (IX-X)**		**156.81**	**250.79**
XII	**Earnings per equity share**(Face value of Rs. 10 each):			
	Basic and Diluted (in Rupees)	39	**1.63**	**2.61**

Notes

The above statement should be read with the notes to restated summary Statement of Assets and Liabilities, Profits and Losses and Cash Flow as appearing in Annexure IV and Statement on Material Adjustments to prepare Restated Financial Information as appearing in Annexure V.

As per our report attached
For Khimji Kunverji & Co LLP
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Chartered Accountants

Gautam V. Shah
Partner (F-117348)

Place : Mumbai
Date : November 22, 2019

For and on behalf of Board of Directors

JAYANT S. CHHEDA
Managing Director
DIN No: 00013206

PARAG J. CHHEDA
Director
DIN No: 00013222

SHYAM K. SHARDA
Chief Financial Officer

AAYUSHI K. PODDAR
Company Secretary

Prince Pipes and Fittings Limited

Annexure III

RESTATED SUMMARY STATEMENT OF CASH FLOW

(₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	178.30	323.30
Adjustments		
Depreciation and Amortisation Expenses	285.45	264.54
Provision for Gratuity and Leave Encashment	26.14	11.15
Interest paid	339.20	355.77
Provision for Doubtful Debts	8.21	-
Bank Commission and Charges paid	22.17	17.76
Unrealised Foreign Exchange Difference	(8.72)	(9.36)
Investments Written off	-	4.90
(Profit)/Loss on sale of Property, Plant and Equipment	0.41	5.94
(Profit)/Loss on sale of investments	3.22	-
Dividend Received	(0.09)	(0.07)
Interest Received	-	(25.17)
Operating Profit before Working Capital Changes	**854.29**	**948.76**
Adjustments for		
Inventories	166.34	(64.30)
Trade & Other Receivables	(170.18)	(321.52)
Trade & Other Payables	410.31	(351.41)
Cash Generated from Operations	**1,260.76**	**211.53**
Taxes paid (net)	(33.00)	(83.76)
Net Cash Flow from Operating Activities (A)	**1,227.76**	**127.77**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(311.71)	(373.44)
Sale of Property, Plant and Equipment	4.06	9.38
Purchase of Long Term Investments	(0.62)	(0.07)
Sale of Long Term Investments	(0.25)	-
Dividend Received	0.09	0.07
Net Cash Flow from Investing Activities (B)	**(308.43)**	**(364.06)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term/Short Term Borrowings (Net)	(559.05)	573.74
Interest Received	-	25.17
Bank Commission and Charges paid	(22.17)	(17.76)
Interest paid	(339.20)	(355.77)
Net Cash Flow from Financing Activities (C)	**(920.42)**	**225.38**
D. Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	**(1.09)**	**(10.91)**
Cash and Cash Equivalents at the beginning of the year	1.47	12.38
Cash and Cash Equivalents at the end of the year	0.38	1.47
Net Increase/(Decrease) in Cash & Cash Equivalents	**(1.09)**	**(10.91)**
Components of Cash and Cash Equivalents:		
-Cash on hand	0.30	0.42
-Balance with Banks		
-On current account	0.08	1.04

Notes

The above statement should be read with the notes to restated summary Statement of Assets and Liabilities, Profits and Losses and Cash Flow as appearing in Annexure IV and Statement on Material Adjustments to prepare Restated Financial Information as appearing in Annexure V.

As per our report attached
For Khimji Kunverji & Co LLP
(formerly Khimji Kunverji & Co - FRN 105146W)
Chartered Accountants

Gautam V. Shah
Partner (F-117348)

Place : Mumbai
Date : November 22, 2019

For and on behalf of Board of Directors

JAYANT S. CHHEDA
Managing Director
DIN No: 00013206

PARAG J. CHHEDA
Director
DIN No: 00013222

SHYAM K. SHARDA
Chief Financial Officer

AAYUSHI K. PODDAR
Company Secretary

Annexure –IV : Notes to restated summary statement of assets and liabilities, Profits and Losses and cash flow

Corporate information

Prince Pipes and Fittings Limited (" the Company") (formerly known as Prince Pipes and Fittings Private Limited) is a limited company domiciled in India and incorporated under the provision of the Companies Act, 1956. The Company was converted into public company with effect from 11 August 2017 and consequently the name of the Company has changed from Prince Pipes and Fittings Private Limited to Prince Pipes and Fittings Limited. The Company's operation comprises manufacturing and selling of plastic pipes and fittings.

1 Basis of Preparation and Presentation :

The Restated Statement of Assets and Liabilities of Prince Pipes and Fittings Limited (hereinafter referred as "the Company") as at March 31,2015 and 2014 and the Restated Statement of Profits and Losses and the Restated Statement of Cash flow for the years ended March 31, 2015 and 2014 (together referred as "Restated Financial Information") has been prepared as per Accounting Standard (AS) specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.The Restated Financial Information have been compiled by the Company from the Audited Financial Statements of the Company for the respective years ("Audited Financial Statements") prepared under the generally accepted accounting principles followed in India ('Indian GAAP')

The Restated Financial Information have been prepared under Indian GAAP defined above and in accordance with the requirements of:
(a) section 26 of Part I of Chapter III of the Companies Act 2013 read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014,
(b) item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date in pursuance of provisions of Securities and Exchange Board of India Act,1992 read along with the SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 on Clarification regarding disclosures in Offer Documents under the SEBI Regulations issued by the Securities and Exchange Board of India in connection with the proposed Initial Public Offering of Equity Shares of the Company.

The Restated Financial Information have been extracted by the Management from the Audited Financial Statements and :
• there were no audit qualifications on these financial statements,
• there were no changes in accounting policies during the years of these financial statements,
• material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,
• adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to make them consistent and as per the requirements of the SEBI Regulations, and
• the resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years and the impact of current tax in respect of short/excess income tax arising out of assessments, appeals, revised income tax returns, etc., has been adjusted in the current tax of respective years to which they relate.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non current classification of assets and liabilities.

These Restated Financial Information were approved by the Board of Directors of the Company on November 22, 2019.

2 Significant accounting policies

2.1 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, current assets, non-current assets, current liabilities and non-current liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.2 Property, Plant and Equipment's (PPE) and depreciation

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working conditions for its intended use. Subsequent expenditures related to an item of property, plant and equipment assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

The cost incurred on property, plant and equipment, construction / installation / acquisition of which are not completed is included under the head Capital Work-in-Progress and the same are related / classified on their completion.

Property, plant and equipment, individually costing less than Rupees Five Thousand, are fully depreciated in the year of acquisition.

Material items such as Spares parts, Stand- By equipment's and servicing equipment's are classified as PPE which meets the definition of PPE as per AS 10, Property Plant and Equipment.

Till the year ended March 31 , 2014, Schedule XIV to the Companies Act , 1956 , prescribed requirements concerning depreciation of property, plant and equipment's. From April 01 , 2014 Schedule XIV has been replaced by Schedule II to the Companies Act ,2013.
Till the year ended March 31, 2014, Depreciation on Tangible Fixed Assets is provided on Straight Line Method at the rates and in the manner prescribed under the Schedule XIV of the Companies Act, 1956, except in the case of Screw & Barrel under plant & Machinery, where depreciation is equally charged over 3 years, the estimated useful lives of the assets, which is higher than the rates prescribed under the Schedule XIV of the Companies Act, 1956. From April 01, 2014 , considering the applicability of Schedule II , the management has re-estimated useful lives and residual values of all its property , plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II.

Annexure –IV : Notes to restated summary statement of assets and liabilities, Profits and Losses and cash flow

Based on the expected useful life of these assets for the company, the Company has considered below useful lives / Depreciation rates for different classes of assets:

Property, Plant and Equipment's	Useful Lives as per Schedule II of the Companies Act, 2013 from April 01 2014 onwards	Useful Lives estimated by the management from April 01 2014 onwards	Depreciation rates as per Schedule XIV of Companies Act, 1956 till March 31 2014	Depreciation rates as per useful lives as estimated by the management till March 31 2014
Factory Building (including Compounding Walls)	30 years	30 years	3.34%	3.34%
Other Building	60 years	60 years	1.63%	1.63%
RCC Roads	10 years	10 years	3.34%	3.34%
Office Equipment's	5 years	5 years	13.91%	13.91%
Vehicles-Two Wheeler	10 years	10 years	9.50%	9.50%
Vehicles-Four Wheeler	8 years	8 years	9.50%	9.50%
Furniture & Fixtures	10 years	10 years	6.33%	6.33%

Property, Plant and Equipment's	Useful Lives as per Schedule II of the Companies Act, 2013 from April 01 2014 onwards	Useful Lives estimated by the management from April 01 2014 onwards	Depreciation rates as per Schedule XIV of Companies Act, 1956 till March 31 2014	Depreciation rates as per useful lives as estimated by the management till March 31 2014
Computer Hardware (Servers)	6 years	6 years	16.21%	16.21%
Computer Hardware (Others)	3 years	3 years	16.21%	16.21%
Buildings (temporary structure)	3 years	5 years	100%	-
Plant & machinery (including double and triple shifts)	15 years	7.5-10 years	10.34%	10.34%
Plant & Machinery (Screw & Barrel)	15 years	3 years	10.34%	33.33%
Moulds & Dies	15 years	7.5 years	16.21%	16.21%
Electrical Installations	10 years	15 years	13.91%	13.91%
Stores and Spares in the nature of PPE	15 years	10 years	10.34%	10.34%

2.3 Intangible Asset and amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised over the useful life of the asset.
Research and Development costs are expensed out as and when incurred.
Company has used following useful life to amortise its intangible assets:

Intangible Assets	Estimated Useful Life
Computer Software	6 years
Brands/Trademarks	10 years
Goodwill	10 years

2.4 Impairment of Assets

The Carrying Amount of Assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss, if any, is charged to Statement of Profits and Losses in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exists or have decreased.

2.5 Borrowing Cost & Finance Charges

Borrowing cost attributable to acquistion and construction of qualifying assets are capitalised as a part of the cost of such assets upto the date when such assets are ready for its intended use.
Other borrowing cost are charged to the statement of Profits and Losses in the period in which they are incurred.
Finance Charges incurred in raising the borrowings is amortised over the tenure of the borrowings.

2.6 Investments

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investment. All other investments are classified as long term investments.
Investments are recorded at cost on the date of purchase. Long term investments are stated at cost after deducting provision made, if any, for other than temporary diminution in the carrying value. Current investments are stated at lower of cost and fair value.

2.7 Lease Accounting

Leases, where significant portion of risk and reward of ownership are retained by the lessor are classified as operating lease. All leases are cancellable leases. Lease rentals thereon are charged to the statement of Profits and Losses over the lease term. Initial direct costs relating to such operating lease of stores are amortised over the period of the lease.

2.8 Inventories

Inventories are valued at lower of cost and net realizable value. Cost is determined on first-in first-out (FIFO) basis. The cost of finished goods comprises of raw materials, direct labour, other direct costs and related production overhead, but excludes interest expenses. Net realizable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses.

2.9 Retirement Benefits

Provident Fund and Pension Fund:

Contributions to Provident Fund, a defined contribution scheme, is made to a government administered Provident Fund and is charged to the Statement of Profits and Losses as incurred. The Company has no further obligations beyond its monthly contributions to this fund.

Gratuity:

Provision for gratuity, which is in the nature of defined benefit plan, is provided based on valuations, as at the balance sheet date, made by an independent actuary as per the requirements of Accounting Standard -15 on "Employee Benefits". Actuarial gain/losses for the year are charged to Statement of Profits and Losses.

In respect of certain employees, Gratuity Fund contributions are made to Life Insurance Corporation of India (LIC).

Short Term Employee Benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long Term Employee Benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on independent actuarial valuation. Actuarial gain / losses for the year are charged to statement of Profits and Losses.

2.10 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

Sales are recognised on transfer of significant risks and rewards of ownership to the buyer. Sales are net of trade discounts, Sales Tax and VAT. Excise duties collected on Sales are shown by way of deduction from Sales.

Dividend income is recognised when the right to receive dividend is established.

Interest income is recognised using the time-proportion method based on rates implicit in the transaction.

Revenue in respect of other income is recognised when a reasonable certainty as to its realization exists.

2.11 Taxes on Income

Current Tax:

Provision for Income Tax is determined in accordance with the provisions of the Income Tax Act, 1961. Provision for Minimum Alternative Tax (MAT) is in accordance with the provisions of Section 115JB of the Income Tax Act, 1961. Provision for Wealth Tax is determined in accordance with the provisions of the Wealth Tax Act, 1957.

Deferred Tax Provision:

Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year. The tax effect is calculated on the accumulated timing differences at the end of the accounting period based on prevailing enacted or substantively enacted regulations.

Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized, except in case of unabsorbed losses and unabsorbed depreciation.

At each reporting date the Company reassesses the unrecognised deferred tax assets and reviews the deferred tax assets recognised.

2.12 Foreign Currency Transactions

Initial Recognition:

A foreign currency transaction is recorded on initial recognition in the reporting currency by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

At the year end, monetary items denominated in foreign currencies are converted into rupee equivalents at the year end exchange rates.

Exchange Difference:

All exchange differences arising on settlement/conversion on foreign currency transactions are included in the Statement of Profits and Losses. Foreign exchange differences arising on settlement/conversion of borrowings are considered as Finance cost. Pursuant to MCA circular in respect of clarification on paragraph 46A of Accounting Standard 11, the Company recognises any exchange differences on funds borrowed for acquiring fixed assets to the cost of the Asset and depreciate over the balance life of the asset .

2.13 Derivative Financial Instruments

The Company enters into Derivative Financial Instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps.

The company enters into foreign exchange forward contracts to manage its risks associated to foreign currency fluctuations.

The company enters into interest rates swaps and cross currency swaps to hedge risks associated to foreign currency and interest rates fluctuations pertaining to External Commercial Borrowing (ECB).

The company does not hold Derivative Financial Instruments for speculative purposes.

Foreign exchange forward contracts are initially recognised at fair value at the date the contracts are entered into and subsequently remeasured at their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit & loss immediately.

The Company designates currency swap and interest rates swap contracts as cash flow hedge by applying the principles set out in the Guidance Note on Accounting for Derivative Contracts issued by Institute of Chartered Accountants of India (ICAI). Under a cash flow hedge, the hedging instrument is measured at fair value, but any gain or loss that is determined to be an effective hedge is recognized in cash flow hedge reserve under equity.

2.14 Provisions and Contingent Liabilities

Provisions are recognised for when the company has at present legal or contractual obligation as result of past events, only if requires the outflow of resources embodying economic benefits and if the amount involved can be measured reliably, otherwise the same is treated as Contingent Liabilities. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainity. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.15 Earnings Per Share

Basic earnings per share is calculated by dividing the restated net profit or loss for the period attributable to equity Shareholders by the weighted average number of equity shares outstanding during the 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.

2.16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby restated net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.17 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value.

Prince Pipes and Fittings Limited

Annexure V- Statement on Material Adjustments to prepare Restated Financial Information

A. Below mentioned is the summary of results of adjustments made in the Audited Financial Statements of the respective years and its impact on the restated summary statement of Profits and Losses and restated summary statement of assets and liabilities:

(₹ in millions)

	Particulars	Note	For the year ended 31-03-2015	For the year ended 31-03-2014
I.	**Profit after tax (as per audited financial statements)**		**171.61**	**329.90**
II.	**Restatement adjustments:**			
	Prior Period Adjustment	Note 1	-	(22.93)
	Bank Commission & Charges adjustment	Note 2	-	3.11
	Rates and taxes adjustment	Note 3	(45.52)	(23.62)
	Reversal of Provision	Note 4	-	14.10
	Total		**(45.52)**	**(29.34)**
III.	**Tax adjustments**	Note 5	30.72	(49.77)
IV.	**Total Adjustments (II + III)**		**(14.80)**	**(79.11)**
V	**Restated profit/ (loss) after tax (I + IV)**		**156.81**	**250.79**

B. **Adjustment made in the opening balance of surplus in the statement of Profits and Losses as on 01 April 2013**

Particulars	Note	(₹ in millions)
Surplus in the Statement of Profit & Loss as on as at April 1, 2014		739.30
Adjustment on account of Restatements:-		
a) Provision for EPCG	Note 1	22.93
b) Deferred Revenue Expenditure	Note 2	(3.11)
c) Tax Adjustments of earlier years	Note 5	28.45
d) Provision for gratuity and leave encashment	Note 4	(14.10)
Total		**34.17**
Balance as per Restated Financial Information as at April 1, 2014		**773.47**

Notes to A:

1 **Prior Period Adjustment**

Pursuant to availment of EPCG (Export Promotion Capital Goods scheme), the Company had imported machinery without payment of import duty. However, the Company has capitalised amount of import duty and created provision for same.
During FY 2013-14, the Company has decapitalised the said import duty and reversed provision made against same. Accumulated depreciation charged on import duty aggregating Rs.22.93 million was reversed in FY 13-14 & has been disclosed as prior period adjustment for FY 13-14.
Restatement Adjustment
Reversal of prior period adjustment made in FY 13-14 : (₹.22.93 million)

2 **Bank Commission and Charges**

This represents reversal of deferred revenue expenditure pertaining to earlier year
Restatement Adjustment
Reversal of deferred revenue expenses in FY 13-14 : ₹.3.11 million

3 **Exceptional Item**

This represents adjustment of contingent liability in respective year which got materialised in FY 16-17
Restatement Adjustment
a. Liability pertaining to FY 13-14 : (Rs.23.62 million)
b. Liability pertaining to FY 14-15 : (Rs.45.52million)
c. Liability pertaining to FY 15-16 : (Rs.41.03million)
Adjustment to exceptional item FY 16-17 : (Rs. 110.17 million)

4 **Employee Benefits**

This represents provision for gratuity & leave encashment for FY 12-13 aggregating ₹.14.10 million based on actuarial valuation which was not carried out earlier.

5 **Tax adjustments**

This represents income tax (current tax + deferred tax) adjustment on account of excess/ short provision pertaining to earlier year which has been now adjusted in respective year and tax adjustment on account of restatement of financial information.

C. **Auditor's Comments in Company Auditor's Report Order : Non - Adjusting Items :-**

Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies act, 2013 of India for Financial Year 2014-15 and in terms with the requirements of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section 4A of Section 127 of the Companies act, 1956 of India for Financial Year 2013-14.

FY 2014-15

Clause (vii) (a)

The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, excise duty, custom duty, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, value added tax, excise duty, custom duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Clause (vii) (b)

According to the records of the Company, the disputed outstanding dues of income-tax, sales tax, service tax, duty of custom, excise duty and value added tax, are as follows:

Nature of the Statute	Nature of the Dues	₹ in millions	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Addition to Income under Income Tax	0.66	AY 1998-99	CIT (Appeals), Mumbai
		4.44	AY 2001-02	Mumbai High Court
		2.29	AY 2004-05	Mumbai High Court
		1.80	AY 2006-07	Mumbai High Court
		3.34	AY 2007-08	Mumbai High Court
Central Excise Act, 1944	Disallowance of Cenvat credit	1.81	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.09	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.38	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.02	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.10	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.15	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.00	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		1.23	F.Y. 2009-10 to F.Y. 2010-11	Joint Commissioner of C.E. & Customs, Commissionerate - Vapi
		0.17	F.Y. 2011-12	Additional Commissioner of C.E. & Customs, Commissionerate - Vapi
		1.03	F.Y. 2009-10 to F.Y. 2013-14	Joint Commissioner of C.E. & Customs, Commissionerate - Vapi

FY 2013-14

Clause (ix) (a)

The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax,Wealth Tax, Sales Tax, Service Tax, Excise Duty, Custom Duty and other material statutory dues applicable to it though there has been a slight delay in a few cases.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, excise duty, custom duty, cess and other material statutory dues were outstanding, at the year end, for a period more than six months from the date they become payable except Employees State Insurance Rs. 0.57 million which has remain unpaid. As informed investor education and protection fund is not applicable to the company.

Prince Pipes and Fittings Limited

Annexure V- Statement on Material Adjustments to prepare Restated Financial Information

Clause (ix) (b)

According to the records of the Company, the disputed outstanding dues of income-tax, sales tax, service tax, duty of custom, excise duty and value added tax, are as follows:

Nature of the Statute	Nature of the Dues	₹ in millions	Period to which the amount relates	Forum where the dispute is pending
Income tax Act, 1961	Addition to Income under Income Tax	0.66	AY 1998-99	CIT (Appeals), Mumbai
		4.44	AY 2001-02	Mumbai High Court
		2.29	AY 2004-05	Mumbai High Court
		1.80	AY 2006-07	Mumbai High Court
		3.34	AY 2007-08	Mumbai High Court

Nature of the Statute	Nature of the Dues	₹ in millions	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Disallowance of Cenvat credit	1.81	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.09	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.38	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.02	F.Y. 2012-13	Additional Commissioner of C.E. & Customs, Commissionerate – Vapi
		0.10	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.15	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		0.00	F.Y. 2013-14	Assistant Commissioner of C.E. & Customs, Div-I, Silvassa
		1.23	F.Y. 2009-10 to F.Y. 2010-11	Joint Commissioner of C.E. & Customs, Commissionerate - Vapi
		0.17	F.Y. 2011-12	Additional Commissioner of C.E. & Customs, Commissionerate - Vapi
		1.03	F.Y. 2009-10 to F.Y. 2013-14	Joint Commissioner of C.E. & Customs, Commissionerate - Vapi

Clause (xv)

According to information and explanations given, the Company has provided bank guarantee for Ace Polyplast Private Limited & Pinnacle Realty Projects Private Limited. As shareholder being in common in both companies, in opinion of the management, the said arrangement is not prejudicial to interest of the Company, which we are unable to comment upon.

D. Other Adjustments

Adjustments for Audit Qualifications: None
Changes in Accounting Policy : None

E. Material Regrouping

Appropriate adjustments have been made in the Restated Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities, receipts and payments in order to bring them in line with the groupings as per the audited financial statement of the Company as at and for the year ended 31st March 2015.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 1: Restated Statement of Share Capital

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Authorised		
Equity Shares of Rs. 10/- each	500.00	500.00
Issued, Subscribed and Fully paid up		
Equity Shares of Rs. 10 each fully paid	480.08	480.08
Total	**480.08**	**480.08**

Notes

1.The Company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder is eligible for one vote per share.

2. During the year 2013-14, the Company has issued one bonus share for every shares held.

1.1 Reconciliation of number of shares and amounts outstanding

(₹ in millions)

Particulars	As at 31-03-2015		As at 31-03-2014	
	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount
Equity Shares outstanding at the beginning of the year	48.01	480.08	24.00	240.04
Add : Bonus shares issued during the year	-	-	24.01	240.04
Equity Shares outstanding at the end of the year	**48.01**	**480.08**	**48.01**	**480.08**

1.2 Details of shareholders holding more than 5% shares in the company

Particulars	As at 31-03-2015		As at 31-03-2014	
	No. of shares (in millions)	% of shareholding	No. of shares (in millions)	% of shareholding
Mr. Jayant Shamji Chheda	3.84	8.00%	3.84	8.00%
Mrs. Tarla Jayant Chheda	15.31	31.89%	15.31	31.89%
Mr. Parag Jayant Chheda	14.40	29.99%	14.40	29.99%
Mr. Vipul Jayant Chheda	14.40	30.00%	14.40	30.00%

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 2: Restated Statement of Reserve and Surplus

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Capital Reserve		
Balance at the beginning of the year	48.38	48.38
Balance at the end of the year	**48.38**	**48.38**
General Reserve		
Balance at the beginning of the year	68.19	78.19
Less : Utilised for Issue of Bonus Shares	-	(10.00)
Less : Transitional provision of Schedule II of the Companies Act, 2013	(3.54)	-
Balance as at the end of the year	**64.65**	**68.19**
Surplus in the Statement of Profits and Losses		
Balance as at the beginning of the year	794.22	773.47
Add : Net Profit for the current year	156.81	250.79
Less : Utilised for Issue of Bonus Shares	-	(230.04)
Balance as at the end of the year	**951.03**	**794.22**
Total	**1,064.06**	**910.79**

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 3 : Restated Statement of Long Term Borrowings

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Secured		
Rupee Term Loan from Banks	713.21	847.60
Foreign Currency Term Loan from Banks	-	33.12
Vehicle Loan	0.93	2.84
Total	**714.14**	**883.56**

3.1 Key Notes and Breakdown of Long Term Borrowings are as follows :

(₹ in millions)

	Particulars	Note	As at 31-03-2015		As at 31-03-2014	
			Non-Current	Current	Non-Current	Current
a.	**Rupee Term Loan from Banks**					
	Term loan from Indian Overseas Bank	3.2	-	-	-	2.78*
	Term loan from Indian Overseas Bank	3.3	-	-	-	7.78*
	Term loan from Indian Overseas Bank	3.4	-	18.75*	18.75*	37.50*
	Term loan from ICICI Bank Ltd.	3.5	-	6.56#	6.56#	8.75#
	Term loan from Bank of India	3.6, 3.16	170.00*	42.50*	212.50***	40.00***
	Term loan from Bank of India	3.7, 3.17	385.71*	85.71*	471.43***	85.71***
	Term loan from Bank of India	3.8, 3.18	157.50*	30.00*	138.36***	22.50***
	TOTAL (a)		**713.21**	**183.52**	**847.60**	**205.02**

Effective cost for the year 2014-15 are in the range of 13-14% per annum.
Effective cost for the year 2013-14 are in the range of 13-14% per annum.

(₹ in millions)

	Particulars	Note	As at 31-03-2015		As at 31-03-2014	
			Non-Current	Current	Non-Current	Current
b.	**Foreign Currency Term Loans from Banks**					
	ECB from ICICI Bank Ltd.	3.9	-	34.56#	33.12#	33.12#
	TOTAL (b)		**-**	**34.56**	**33.12**	**33.12**

Effective cost for the year 2014-15 are in the range of 2-3% per annum.
Effective cost for the year 2013-14 are in the range of 2-3% per annum.

(₹ in millions)

	Particulars	Note	As at 31-03-2015		As at 31-03-2014	
			Non-Current	Current	Non-Current	Current
c.	**Vehicle Loans**					
	Vehicle Loan from Kotak Mahindra Prime Ltd	3.10	-	-	0.41^	0.68^
	Vehicle Loan from HDFC Bank	3.11	0.53^	0.51^	0.88^	0.45^
	Vehicle Loan from Toyota Financial Services India Ltd.	3.12	-	0.62^	0.50^	0.67^
	Vehicle Loan from Kotak Mahindra Prime Ltd.	3.13	-	0.49^	-	-
	Vehicle Loan from HDFC Bank Ltd.	3.14			0.45^	-
	Vehicle Loan from Toyota Financial Services India Ltd.	3.15	0.40^	0.29^	0.60^	0.20^
	TOTAL (c)		**0.93**	**1.91**	**2.84**	**2.00**

Effective cost for the year 2014-15 are in the range of 9-13% per annum.
Effective cost for the year 2013-14 are in the range of 9-13% per annum.

Terms of Repayment

3.2 Repayable in 18 equal quarterly installments, last installment falling due on 15-06-2014
3.3 Repayable in 18 equal quarterly installments, last installment falling due on 27-07-2014
3.4 Repayable in 16 equal quarterly installments, last installment falling due on 05-07-2015
3.5 Repayable in 16 equal quarterly installments, last installment falling due on 04-10-2015.
3.6 Repayable in 28 ballooning quarterly installments, last installment falling due on 28-02-2019.
3.7 Repayable in 28 equal quarterly installments, last installment falling due on 31-07-2020.
3.8 Repayable in 28 equal quarterly installments, last installment falling due on 29-06-2021.
3.9 Repayable in 9 equal half yearly installments, last installment falling due on 08-03-2016.
3.10 Repayable on monthly basis. Repayable by November 2015.
3.11 Repayable on monthly basis. Repayable by January 2016.
3.12 Repayable on monthly basis. Repayable by January 2016.
3.13 Repayable on monthly basis. Repayable by November 2015.
3.14 Repayable on monthly basis. Repayable by February 2017.
3.15 Repayable on monthly basis. Repayable by January 2018.

Annexure VA-Notes to the Restated Financial Information

Terms of Re-schedulement, Prepayment, Penalties and Default

3.16 Outstanding Rupee term loan from Bank of India of Rs.170.00 million as on 31 March 2015: Penal Interest of 2% p.a on account of overdue amount, Penal interest @ 1%p.a on failure of compliance with the terms of sanction letter and Penal interest of 2% p.a for Default in payment of interest and repayment of principal

3.17 Outstanding Rupee term loan from Bank of India of Rs.385.71 million as on 31 March 2015: Penal Interest of 2% p.a on account of overdue amount, Penal interest @ 1% p.a on failure of compliance with the terms of sanction letter and Penal interest of 2% p.a for Default in payment of interest and repayment of principal

3.18 Outstanding Rupee term loan from Bank of India of Rs.157.50 million as on 31 March 2015: Penal Interest of 2% p.a on account of overdue amount, Penal interest @ 1% p.a on failure of compliance with the terms of sanction letter and Penal interest of 2% p.a for Default in payment of interest and repayment of principal

Security Details

^ Securities is the Hypothecation of the specific asset financed by them.

* Secured by first pari passu charge over the Company's Fixed Assets (movable & immovable) located at Athal Plant, Dadra Plant, Haridwar Plant, Bhuj Plant, Chennai Plant & Kolhapur Plant and company's office premises at Ruby House, Dadar. Second pari passu charge on Company's Current Assets and by Personal Guarantees of three Directors of the company.

Secured by first pari passu charge over the Company's Tangible Fixed Assets (Movable & Immovable) located at Athal, Dadra, Haridwar, Bhuj, Chennai & Kolhapur Plant and Second pari passu charge on Company's entire stocks of Raw Materials, semi finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both, present and future and Personal Guarantees of the Directors.

*** Secured by first pari passu charge over the Company's Fixed Assets located at Athal Plant, Dadra Plant, Haridwar Plant, Bhuj Plant, Chennai Plant & Kolhapur Plant and Exclusive Charge on commercial property at Ruby House, Dadar. The existing charge on Bhuj Plant and Ruby House is proposed to be replaced by new office premises at 8th Floor, "The Ruby" being acquired by the company in lieu of existing office premises at 4th Floor, Ruby House, Dadar. Release of existing security with new property is subject to creation of mortgage over new property at 8th Floor, " The Ruby" and ensuring that value of new property is not less than existing property's (to be released) present market value. Second pari passu charge on Company's Current Assets and by Personal Guarantees of the Directors.

Annexure VA-Notes to the Restated Financial Information

Note 7: Restated Statement of Short Term Borrowings

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Rupee Loan Considered Secured	1,290.69	1,055.11
Foreign Currency Loan considered Secured	-	63.82
Short Term Loan considered Unsecured	770.71	994.33
From Directors considered Unsecured	-	174.78
From Others considered Unsecured	-	152.00
Total	**2,061.40**	**2,440.04**

7.1 Key Notes and Breakdown of Short Term Borrowings are as follows :

(₹ in millions)

	Particulars	Note	As at 31-03-2015	As at 31-03-2014
a.	**Rupee Loan (Secured)**			
	Working Capital Demand Loan-Bank Of India	7.2	701.71	475.58
	Working Capital Demand Loan-ICICI Bank	7.3	49.82	121.56
	Working Capital Demand Loan-Standard Chartered Bank	7.4	247.86	157.26
	Working Capital Demand Loan-Indian Overseas Bank	7.5	291.30	300.71
	TOTAL (a)		**1,290.69**	**1,055.11**

(₹ in millions)

	Particulars	Note	As at 31-03-2015	As at 31-03-2014
b.	**Foreign Currency Loan (Secured)**			
	Working Capital Demand Loan-Bank Of India	7.6	-	63.82
	TOTAL (b)		**-**	**63.82**

Security Details

7.2 Working Capital/Demand Loans from Bank of India are secured by first pari passu charge on Company's inventory and book debts, Second pari passu charge over the Company's Fixed Assets located at Athal Plant, Dadra Plant, Haridwar Plant, Bhuj Plant, Chennai Plant & Kolhapur Plant and company's office premises at Ruby House, Dadar and by personal guarantee of the directors.

7.3 Working Capital/Demand Loans from ICICI Bank Ltd are secured by first pari passu charge on hypothecation of Company's entire stocks of Raw Materials, semi finished and finished goods, consumable stores and spares and such other movables including book-debts, bills whether documentary or clean, outstanding monies, receivables, both, present and future, Second pari passu charge over the Company's Fixed Assets (Movable and Immovable) located at Athal Plant, Dadra Plant, Haridwar Plant, Bhuj Plant, Chennai Plant & Kolhapur Plant and company's office premises at Ruby House,Dadar and by personal guarantee of the directors.

7.4 Working Capital/Demand Loans from Standard Chartered Bank are secured by first pari passu charge on Company's Current Assets, Second pari passu charge over the Company's Fixed Assets located at Athal Plant, Dadra Plant, Haridwar Plant, Bhuj Plant, Chennai Plant & Kolhapur Plant and company's office premises at Ruby House,Dadar and by personal guarantee of the directors.

7.5 Working Capital/Demand Loans from Indian Overseas Bank are secured by first pari passu charge on Company's Current Assets, Second pari passu charge over the Company's Fixed Assets located at Athal Plant, Dadra Plant, Haridwar Plant, Bhuj Plant, Chennai Plant & Kolhapur Plant and company's office premises at Ruby House, Dadar and by personal guarantee of the directors.

7.6 Working Capital/Demand Loans from Bank of India (Foreign Currency Loan) are secured by first pari passu charge on Company's inventory and book debts, Second pari passu charge over the Company's Fixed Assets located at Athal Plant, Dadra Plant, Haridwar Plant, Bhuj Plant, Chennai Plant & Kolhapur Plant and by personal guarantee of the directors.

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 4: Restated Statement of Deferred Tax liabilities (Net)

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Deferred Tax Liabilities on account of Depreciation	140.10	146.49
Deferred Tax Assets on account of Employee Benefits	(21.41)	(12.51)
Deferred Tax Assets on provision for Expenses / Debtors	(2.45)	1.58
Total	**116.24**	**135.56**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV

Note 5: Restated Statement of Other long term Liabilities

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Security Deposit	137.88	112.72
Total	**137.88**	**112.72**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV

Note 6: Restated Statement of Long Term Provisions

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Provisions for Employee Benefits	41.84	22.56
Total	**41.84**	**22.56**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 8: Restated Statement of Trade Payables

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Trade payables		
Outstanding to Micro, Small and Medium Enterprises (Refer note 36)	57.96	45.38
Other than Micro, Small and Medium Enterprises	705.33	408.24
Total	**763.29**	**453.62**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV

Note 9: Restated Statement of Other Current Liabilities

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Current maturity of Long Term Debt		
a. Rupee Loans From Banks	183.52	205.02
b. Foreign Currency Loans From Banks	34.56	33.12
c. Rupee Loans From Others	1.91	2.00
Interest Accrued but not due on Borrowings	6.23	1.08
Interest Accrued & due on Borrowings	-	4.10
Advances received from Customers	11.37	6.45
Capital Advances	4.00	3.50
Employee Related Liabilities	49.63	58.50
Creditors for Capital Goods	10.21	11.49
Statutory Dues	44.51	49.58
Other Liabilities	205.47	120.77
Total	**551.41**	**495.61**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV

Note 10: Restated Statement of Short Term Provisions

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Provisions for Employee Benefits	20.02	13.15
Provision for Wealth Tax	0.20	0.16
Total	**20.22**	**13.31**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV

Annexure VA-Notes to the Restated Financial Information

Note 11: Restated Statement of Property Plant & Equipment and Capital Work in Progress

(₹ in millions)

Particulars	Freehold Land	Building	Plant & Machinery	Electrical Installation	Computer	Moulds & Dies	Office Equipments	Furniture & Fixtures	Vehicles	Total	Capital WIP
Year ended-31 March 2015											
Gross carrying Amount											
Opening Balance as on 01 April 2014	195.38	758.75	1,542.25	104.19	22.08	540.33	18.59	115.74	26.62	3,323.93	26.35
Additions	105.09	37.55	86.49	8.31	2.07	46.68	3.47	4.85	0.06	294.57	38.36
Disposals	(0.27)	-	(22.92)	(0.55)	(0.01)	(46.46)	(0.36)	(0.19)	(1.02)	(71.78)	-
Transfers	-	-	-	-	-	-	-	-	-	-	(21.19)
Closing Gross carrying amount	**300.20**	**796.30**	**1,605.82**	**111.95**	**24.14**	**540.55**	**21.70**	**120.40**	**25.66**	**3,546.72**	**43.52**
Accumulated Depreciation											
Accumulated Depreciation as on 01 April 2014	-	126.60	558.52	49.17	11.72	341.45	9.31	25.64	8.23	1,130.64	
Depreciation charged during the year	-	24.20	180.24	4.83	4.36	44.31	3.58	13.33	3.50	278.35	
Depreciation on Disposals during the year	-	-	(18.96)	(0.54)	(0.01)	(46.46)	(0.33)	(0.08)	(0.92)	(67.30)	
Transfer to Reserves	-	-	2.96	-	0.99	-	0.25	0.87	0.33	5.40	
Closing Accumulated Depreciation	**-**	**150.80**	**722.76**	**53.46**	**17.06**	**339.30**	**12.81**	**39.76**	**11.14**	**1,347.09**	
Net Carrying Amount	**300.20**	**645.50**	**883.06**	**58.49**	**7.08**	**201.25**	**8.89**	**80.64**	**14.52**	**2,199.63**	
Year ended-31 March 2014											
Gross carrying Amount											
Opening Balance as on 01 April 2013	197.40	643.47	1,413.07	87.62	27.21	497.65	14.75	64.68	25.49	2,971.34	48.23
Additions	0.01	115.53	150.05	16.57	2.85	44.76	3.84	51.06	6.22	390.89	26.33
Disposals	(2.03)	(0.25)	(68.29)	-	(7.98)	(3.82)	-	-	(5.09)	(87.46)	-
Transfers	-	-	-	-	-	-	-	-	-	-	(48.21)
Adjustment on EPCG	-	-	47.42	-	-	1.74	-	-	-	49.16	-
Closing Gross carrying amount	**195.38**	**758.75**	**1,542.25**	**104.19**	**22.08**	**540.33**	**18.59**	**115.74**	**26.62**	**3,323.93**	**26.35**
Accumulated Depreciation											
Accumulated Depreciation as on 01 April 2013	-	100.74	423.78	38.55	16.79	280.81	7.48	19.22	8.65	896.02	
Depreciation charged during the year	-	25.89	144.72	10.62	2.91	62.72	1.83	6.42	2.48	257.59	
Depreciation on Disposals during the year	-	(0.03)	(25.96)	-	(7.98)	(3.34)	-	-	(2.90)	(40.21)	
Adjustment on EPCG		-	15.98	-	-	1.26	-	-	-	17.24	
Closing Accumulated Depreciation	**-**	**126.60**	**558.52**	**49.17**	**11.72**	**341.45**	**9.31**	**25.64**	**8.23**	**1,130.64**	
Net Carrying Amount	**195.38**	**632.15**	**983.73**	**55.02**	**10.36**	**198.88**	**9.28**	**90.10**	**18.39**	**2,193.29**	

Notes :

1.The Company is owning Office Premises at "RUBY HOUSE", 4th Floor, 'B' Wing, Dadar (West), Mumbai. In lieu of this, the Developer has offered alternate premises at 8th Floor, 'THE RUBY', Dadar (West), Mumbai. Though the Company has shifted its Office in new premises in May 2013, the agreement for the same with the Developer is pending for registration.

2.Pursuant to MCA circular in respect of clarification on paragraph 46A of Accounting Standard - 11, the company has capitalised exchange difference to the extent of Rs 60.19 million till 31st March, 2015. The balance of foreign exchange difference capitalised pursuant to the said circular and remaining to be depreciated over the balance life of the asset is Rs 41.24 million as on March 31, 2015 and Rs 45.00 million as on March 31, 2014

3. The Net Block of Tangible assets are charged as security against Term Loans, Vehicle Loans and Working Capital/Demand Loans (Refer Note 3 and Note 7).

4. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

5. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 11: Restated Statement of Intangible Assets (₹ in millions)

Particulars	Computer Software	Brands/Trademark	Goodwill	Total
Year ended-31 March 2015				
Gross carrying Amount				
Opening Balance as on 01 April 2014	25.40	40.43	4.52	70.35
Additions	-	-	-	-
Disposals	-	-	-	-
Transfer	-	-	-	-
Closing Gross carrying amount	**25.40**	**40.43**	**4.52**	**70.35**
Accumulated Depreciation				
Accumulated Depreciation as on 01 April 2014	14.69	5.82	0.65	21.16
Depreciation charge during the year	2.61	4.04	0.45	7.10
Disposals	-	-	-	-
Transfer from Reserves	0.02	-	-	0.02
Closing Accumulated Depreciation	**17.32**	**9.86**	**1.10**	**28.28**
				-
Net Carrying Amount	**8.08**	**30.57**	**3.42**	**42.07**
Year ended-31 March 2014				
Gross carrying Amount				
Opening Balance as on 01 April 2013	20.90	40.43	4.52	65.85
Additions	4.50	-	-	4.50
Disposals	-	-	-	-
Transfer	-	-	-	-
Closing Gross carrying amount	**25.40**	**40.43**	**4.52**	**70.35**
Accumulated Depreciation				
Accumulated Depreciation as on 01 April 2013	12.23	1.78	0.20	14.21
Depreciation charge during the year	2.46	4.04	0.45	6.95
Disposals	-	-	-	-
Transfer from Reserves	-	-	-	-
Closing Accumulated Depreciation	**14.69**	**5.82**	**0.65**	**21.16**
Net Carrying Amount	**10.71**	**34.61**	**3.87**	**49.19**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 12: Restated Statement of Non Current Investments (₹ in millions)

Particulars	As at 31-03-2015		As at 31-03-2014	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares of Rs 2 each fully paid-up in Adani Ports & Special Eco Zone Ltd	7,750	1.29	19,250	3.13
Equity shares of Rs 2 each fully paid-up in Navneet Education Ltd	3,200	0.14	3,200	0.14
Equity shares of Rs 2 each fully paid-up in Supreme Industries Ltd	-	-	250	0.03
Equity shares of Rs 10 each fully paid-up in Kisan Mouldings Ltd	1,000	0.03	3,000	0.10
Equity shares of Rs 2 each fully paid-up in Astral Polytechnik Ltd	-	-	125	0.01
Equity shares of Rs 2 each fully paid-up in Jain Irrigation Systems Ltd	-	-	1,100	0.09
Equity shares of Rs 5 each fully paid-up in Reliance Industries Ltd**	700	**	700	**
Equity shares of Rs 10 each fully paid-up in Finolex Industries Ltd	1,000	0.10	6,000	0.42
Investment in Shares - Unquoted				
Ramkrishna Finance Ltd	41,500	-	41,500	-
Sibar Media & Entertainment Ltd	1,85,000	-	1,85,000	-
Pinnacle Realty Projects Pvt Ltd	600	0.01	600	0.01
** Value below Rs 1,000/-				
Total		**1.57**		**3.93**
Aggregate Market Value of Quoted investments		3.58		6.77
Aggregate Book Value of Quoted investments		1.56		3.92
Aggregate Book Value of Unquoted investments		0.01		0.01

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 13: Restated Statement of Long Term Loans and Advances (₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Unsecured, considered good		
Capital Advance	3.08	6.89
Other Advance	0.97	0.01
Total	**4.05**	**6.90**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 14: Restated Statement of Other Non Current Assets (₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Deposit	50.33	48.75
Total	**50.33**	**48.75**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 15: Restated Statement of Inventories (₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
(Valued at lower of cost or NRV, unless otherwise stated)		
Raw Materials	622.12	859.56
Stock-in-progress	40.25	29.59
Finished goods	421.22	354.49
Trading Goods	18.79	23.90
Stores & Spares	23.26	24.44
Total	**1,125.64**	**1,291.98**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 16: Restated Statement of Trade Receivables (₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Unsecured, considered good		
Outstanding for a period exceeding 6 months	72.64	52.27
Others	2,055.93	1,985.43
Less : Provision	(8.21)	-
Total	**2,120.36**	**2,037.70**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 17: Restated Statement of Cash & Bank Balances (₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Cash and Cash Equivalents		
Cash on Hand	0.30	0.42
Bank Balances		
In Current accounts	0.08	1.04
In Deposit accounts*	60.02	54.63
Total	**60.40**	**56.09**

* Amount held as margin money in favour of various Government authorities/banks.

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 18: Restated Statement of Short Term Loans and Advances (₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Advance against Expenses	14.16	18.79
Balance with Government Authorities	128.01	133.89
Advance tax (Net of Provision for income Tax Rs 228.07 million, Rs 189.07 million)	21.70	27.59
Loan to Staff and Workers	2.01	3.69
Total	**165.88**	**183.96**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 19: Restated Statement of Other Current Asset (₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Interest Accrued on Margin Money Deposits	0.38	0.37
Fixed Asset held for Sale	2.03	2.03
Deposits Given	0.43	0.36
Advances to Suppliers	129.53	42.91
Other Receivables	4.74	4.04
Total	**137.11**	**49.71**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 20: Restated Statement of Revenue from operations (₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Sale of Products		
Manufactured Goods	10,075.37	10,066.10
Traded Goods	237.05	737.48
	10,312.42	**10,803.58**
Other Operating Revenue		
Scrap Sales	27.96	25.60
Duty Drawback	0.49	0.71
PSI Scheme Refund	-	1.26
Labour Charges	0.05	0.02
Revenue from Operations (Gross)	**10,340.92**	**10,831.17**
Less : Excise Duty	769.01	767.75
Revenue from Operations (Net)	**9,571.91**	**10,063.42**

Notes

1. The figures disclosed above are based on the restated summary statement of Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 21: Restated Statement of Other Income (₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Interest	14.24	34.81
Dividend on Current Investments	0.09	0.07
Compensation Income	1.92	8.27
Profit on Sale of Shares (Net)	3.22	-
Security Deposits Written Back	1.13	-
Miscellaneous Income	0.01	0.86
	20.61	**44.01**

Notes

1. The figures disclosed above are based on the restated summary statement of Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 22: Restated Statement of Cost of Material Consumed (₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Inventory at the beginning of the year	859.56	610.93
Add - Purchases	6,893.53	7,087.16
	7,753.09	**7,698.09**
Less - Inventory at the end of the year	622.12	859.56
	7,130.97	**6,838.53**

Notes

1. The figures disclosed above are based on the restated summary statement of Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 23: Restated Statement of Purchase of Stock in Trade (₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Trading Purchases	197.79	713.56
	197.79	**713.56**

Notes

1. The figures disclosed above are based on the restated summary statement of Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 24: Restated Statement of Changes in Inventories of manufactured Goods (₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Stock at the end of the year		
Traded goods	18.79	23.90
Work in Progress	40.25	29.59
Manufactured Goods - Pipes & Fittings	421.22	354.49
A	**480.26**	**407.98**
Stock at the beginning of the year		
Traded goods	23.90	82.84
Work in Progress	29.59	-
Manufactured Goods - Pipes & Fittings	354.49	510.67
B	**407.98**	**593.51**
(Increase)/ Decrease in Stocks (B-A)	**(72.28)**	**185.53**
Variation in Excise duty on Opening and Closing Stock of Finished Goods	(1.82)	(6.63)
	(74.10)	**178.90**

Notes

1. The figures disclosed above are based on the restated summary statement of Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 25: Restated Statement of Employee Benefits Expenses (₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Remuneration to Directors	18.60	38.60
Salary, Wages and Bonus	408.38	376.46
Contribution to Provident Fund and other Fund	46.44	31.18
Staff Welfare	14.25	12.48
	487.67	**458.72**

Notes

1. The figures disclosed above are based on the restated summary statement of Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 26: Restated Statement of Finance Cost (₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Interest		
On Working Capital from Banks	202.38	183.95
On Term Loans	130.93	153.95
Others	7.28	30.11
	340.59	**368.01**
Bank Commission and Charges	22.17	17.76
Exchange Rate Difference to the extent considered as borrowing cost	11.19	94.72
	373.95	**480.49**

Notes

1. The figures disclosed above are based on the restated summary statement of Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Note 27: Restated Statement of Depreciation and Amortisation expense (₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Building	24.20	25.89
Plant & Machinery	180.24	144.72
Electrical Installation	4.83	10.62
Computer	4.36	2.91
Moulds & Dies	44.31	62.72
Office Equipments	3.58	1.83
Furniture & Fixtures	13.33	6.42
Vehicles	3.50	2.48
Computer Software	2.61	2.46
Brands/Trademark	4.04	4.04
Goodwill	0.45	0.45
	285.45	**264.54**

Notes

1. The figures disclosed above are based on the restated summary statement of Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 28: Restated Statement of Other Expenses (₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Consumption of Stores and Spares	85.31	81.36
Power and Fuel Expenses	288.75	283.37
Labour Charges	121.97	106.11
Repairs Expenses		
Repairs to Machinery	18.32	9.53
Repairs to Building	6.53	0.73
Repairs to Others	8.35	4.54
Factory Maintenance Expenses	27.20	29.40
Computer Expenses	4.18	3.55
Brokerage & Commission	0.02	0.02
Miscellaneous Expenses	14.92	19.89
Printing and Stationery	5.72	7.17
Telephone and Internet Charges	6.75	6.89
Rates and Taxes	67.09	28.68
Insurance Premium	3.04	1.83
Foreign Currency Exchange Difference (Net)	7.47	21.04
Legal and Professional Fees	32.01	17.55
Transport, Freight and Octroi Charges	33.73	38.87
Commission on Sales	17.83	18.05
Advertisement and Sales Promotion Expenses	161.06	56.97
Rent and Maintenance Expenses	32.11	33.35
Travelling and Conveyance Expenses	42.38	37.11
Bad Debts	0.12	8.54
Provision for Doubtful Debts	8.21	-
Investment in shares written off	-	4.90
Loss on sale of Fixed Assets (Net)	0.41	5.94
Donation	15.97	19.34
Electricity Expenses	1.90	3.41
Payment to Auditors		
Audit Fees	1.10	1.10
Reimbursement of expenses	0.03	-
Others	0.01	0.15
	1,012.49	**849.39**

Notes

1. The figures disclosed above are based on the restated summary statement of Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 29: Restated Statement of Contingent Liabilities & Commitments

Capital Commitments

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Estimated amounts of contracts remaining to be executed on capital account and not provided for.	28.13	31.24

Contingent Liabilities

Claims against company not acknowledged as debts.

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014	Brief Description of the nature and obligation
Income Tax matters	12.53	13.38	Demand relating to Assessement years: AY 1998-99 - ₹0.66 millions AY 2001-02 - ₹4.44 millions AY 2004-05 - ₹2.29 millions AY 2006-07 - ₹1.80 millions AY 2007-08 - ₹3.34 millions AY 2010-11 - ₹3.15 millions AY 2013-14 - ₹0.09 millions
Excise Duty matters	5.51	5.50	Demand relating to Financial years: FY 2012-13 - ₹2.66 millions FY 2013-14 - ₹0.61 millions FY 2009-10 to FY 2010-11 - ₹1.23 millions FY 2009-10 to FY 2013-14 - ₹1.03 millions
Labour matters	1.50	1.90	Demand of Reinstatement with back wages
Other matters	1.10	1.10	Pertains to demand for compensation for supply of inferior quality pipes

Guarantees and Others

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014	Brief Description of the nature and obligation
Guarantees given by Bank	10.75	6.54	Guarantees given by Bank on behalf of Company to Government and Semi Government Authorities
Guarantees given by Company	169.80	224.94	Corporate Guarantee given by the Company on behalf of its Group Company M/s Pinnacle Realty Projects Pvt Ltd and M/s Ace PolyplastPvt. Ltd

Notes

1. The aforesaid Statement of Restated Statement of Contingent Liabilities & Commitments has been prepared as per the summary statement of assets and liabilities and Profits and Losses of the Company.
2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 30: Restated Statement of Segment Reporting

The Company is engaged primarily in manufacturing and selling of Plastic Pipes and Fittings. Accordingly, disclosures required under Accounting Standard – 17 "Segment Reporting" are not applicable .

Note 31: Restated Statement of Leases

The Company has taken premises for office use under cancellable operating lease agreements. There are no restrictions imposed by the lease agreements. There are no sub leases. The total lease rentals recognised as an expense in the statement of Profits and Losses in respect of such lease agreements are as follows:

(₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Lease Rent	19.80	20.41

Note 32: Restated Statement of Value of Imports on CIF basis

(₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Raw materials (PVC Resin, PPR & CPVC)	1,062.45	1,608.15
Chemicals	1.06	13.21
Product Accessories	2.85	-
Consumable Stores	4.27	6.90
Trading Purchase	101.61	84.66
Capital Items	5.56	13.68
Total	**1,177.80**	**1,726.60**

Note 33: Restated Statement of Value of imported and indigenous Raw Materials consumed

(₹ in millions)

Particulars	For the year ended 31-03-2015		For the year ended 31-03-2014	
	Value	Percent of Consumption	Value	Percent of Consumption
Imported	1,313.53	18.42	1,687.91	24.68
Indigenous	5,817.44	81.58	5,150.63	75.32
Total	**7,130.97**	**100.00**	**6,838.54**	**100.00**

Note 34: Restated Statement of Expenses in Foreign Currency during the financial year

(₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Expenses including Capital Expenditure		
Interest	5.63	17.79
Travelling Expenses	0.51	0.24
Others	11.33	0.29

Note 35: Restated Statement of Earnings in Foreign Currency

(₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Earnings - Exports at FOB Value	21.02	24.49

Note 36: Restated Statement of Dues to Micro, Small and Medium Enterprises

(₹ in millions)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Outstanding to Micro, Small and Medium Enterprises	57.96	45.38
Principal Amount Due and remaining unpaid	13.40	1.18
Interest due on above and unpaid interest	0.08	0.08
Interest paid	-	-

The identification of suppliers as micro, small and medium enterprise defined under " The Micro, Small and Medium Enterprises Development Act, 2006" was done on the basis of information to the extent provided by the suppliers of the Company and relied upon by the auditors.

Annexure VA-Notes to the Restated Financial Information

Note 37 : Restated Statement on Related party disclosure as per AS 18

a) (₹ in millions)

Name of Related Party	For the year ended 31-03-2015	For the year ended 31-03-2014
M/S Prince Marketing	SI *	SI *
M/s Pinnacle Realty Projects Pvt. Ltd.	SI *	SI *
M/s Ace Polyplast Pvt. Ltd.	SI *	SI *
Prince Foundation	SI *	SI *
Jayant S. Chheda Charitable Trust	SI *	SI *
Mr. Jayant S. Chheda (Managing Director)	KMP **	KMP **
Mr. Parag J. Chheda (Director)	KMP **	KMP **
Mr. Vipul J. Chheda (Director)	KMP **	KMP **
Mrs. Tarla J. Chheda (Wife of Director)	Relatives ***	Relatives ***
Mrs. Ashwini V. Chheda (Wife of Director)	Relatives ***	Relatives ***
Jayant S. Chheda (HUF) (Relative)	Relatives ***	Relatives ***

* SI represents Enterprises over which Key Managerial Personnel have significant influence as defined in AS 18

** KMP represents Key Managerial Personnel as defined in AS 18
*** Relatives represents Relatives of Key Managerial Personnel as defined in AS 18

b) Transactions carried out with related parties referred above, in the ordinary course of business:

(₹ in millions)

Name of the transacting related party	Name of Transactions	For the year ended 31-03-2015	For the year ended 31-03-2014
M/S Prince Marketing	Sale of Goods	-	31.17
M/S Prince Marketing	Purchase of Goods	1,187.44	879.64
M/s Ace Polyplast Pvt. Ltd.	Purchase of Goods	409.59	176.45
M/S Prince Marketing	Rent paid	0.23	0.23
Jayant S. Chheda	Rent paid	1.89	1.80
Parag J. Chheda	Rent paid	3.78	3.60
Vipul J. Chheda	Rent paid	3.78	3.60
Tarla J. Chheda	Rent paid	1.89	1.80
Ashwini J. Chheda	Rent paid	3.78	3.60
Jayant S. Chheda	Remuneration and Commission	7.20	17.20
Parag J. Chheda	Remuneration and Commission	6.00	11.00
Vipul J. Chheda	Remuneration and Commission	5.40	10.40
Heena P. Chheda	Salary	-	0.06
Ashwini J. Chheda	Salary	0.74	0.66
Prince Foundation	Donation	5.02	-
Jayant S. Chheda Charitable Trust	Donation	4.94	1.30
Parag J. Chheda	Interest Payable on loans taken	0.11	3.66
Vipul J. Chheda	Interest Payable on loans taken	0.29	3.87
Jayant S. Chheda	Interest Payable on loans taken	0.87	-
Tarla J. Chheda	Interest Payable on loans taken	-	0.38
Ashwini J. Chheda	Interest Payable on loans taken	-	0.47
Jayant S. Chheda (HUF)	Interest Payable on loans taken	-	0.40
Prince Marketing	Interest Payable on loans taken	-	10.52
Jayant S. Chheda	Interest Receivable on loans given	-	22.55
Heena P. Chheda	Interest Receivable on loans given	-	0.11
Jayant S. Chheda	Loans Received/ (Paid)	(133.24)	8.53
Parag J. Chheda	Loans Received/ (Paid)	(14.86)	(38.40)
Vipul J. Chheda	Loans Received/ (Paid)	(27.94)	(24.66)

c) Outstanding balances: (₹ in millions)

Name of the transacting related party	Name of Transactions	As at 31-03-2015	As at 31-03-2014
Tarla J Chedda	Loans Received/ (Paid)	-	(3.35)
Jayant S. Chheda (HUF)	Loans Received/ (Paid)	-	(1.24)
Date: 06/06/2018	Loans Received/ (Paid)	-	(1.66)
Ashwini J. Chheda	Loans Received/ (Paid)	-	(3.11)
Prince Marketing	Loans Received/ (Paid)	(150.00)	150.00
Prince Marketing	Electricity Charges	-	0.00
Prince Marketing	Rent Received	-	0.04

The above mentioned related parties are identified by the management and the same has been relied upon by the auditors

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 38: Restated Statement on Derivative Instruments

The Company has entered into forward contract/option transactions with an objective to hedge the financial risks associated with its business viz. foreign exchange rate. Quantitative information of derivative instruments outstanding as at the Balance Sheet date.

Outstanding Forward Exchange Contracts entered into by the Company :

As at	No of Contract	Buy / Sale	US $ Equivalent (in millions)	INR Equivalent (in millions)
31/03/2015	9.00	Buy	2.29	142.82
31/03/2014	12.00	Buy	1.77	106.07

Details of unhedged foreign currency exposure: (₹ in millions)

Particulars	As at 31-03-2015		As at 31-03-2014	
	Foreign currency Equivalent (in millions)	INR Equivalent (in millions)	Foreign currency Equivalent (in millions)	INR Equivalent (in millions)
Secured Borrowings (USD $)	0.55	34.56	2.17	130.07
Unsecured Borrowings (Buyers Credit) (USD $)	0.58	36.33	3.15	188.35
Trade Payables for imports (USD $)	1.78	111.15	2.33	139.33
Trade Payables for imports (EURO €)	-	-	-	-
Trade Payables for imports (AED $)	-	-	-	-
Trade Payables for imports (Pounds £)	-	-	-	-
Advances - Trade Payables for imports (USD $)	(0.01)	(0.62)	(0.02)	(1.39)
Advances - Trade Payables for imports (EURO €)	-	-	-	-
Advances - Trade Payables for imports (Pounds £)	-	-	(0.00)	(0.10)
Trade Receivables for exports (USD $)	0.00	0.25	0.01	0.56
Advances - Trade Receivables for exports (USD $)	(0.04)	(2.31)	(0.02)	(1.49)

Note 39: Restated Statement of Earnings per share

Earnings per share (EPS) is calculated as under: (₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Net Profit for EPS (A)	156.81	250.79
Weighted Average number of Equity shares for calculation of Basic EPS (B)	96.02	96.02
Basic EPS (A/B)	1.63	2.61
Weighted Average number of Equity shares for calculation of Diluted EPS (C)	96.02	96.02
Diluted EPS (A/C)	1.63	2.61
Nominal Value of Share	10.00	10.00

Note 40: Restated Statement of Expenditure towards Corporate Social Responsibility (CSR) activities (₹ in millions)

Particulars	As at 31-03-2015
Amount required to be spent under section 135 of the Companies Act, 2013, calculated as per section 198 of the Companies Act, 2013	6.21
Actual expenditure done on CSR Activities	-

The compliance of the provisions of Corporate Social Responsibility under The Companies Act, 2013 i.e. the spending of requisite amount on CSR Activities came into effect from April 2014.

Note 42 :

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards or material foreseeable losses on such long-term contracts has been made in the books of accounts.

Note 43 :

The Company's pending litigations comprise of claims by or against the Company primarily by the workers/employees/customers/suppliers etc, and proceedings pending with tax and other government authorities. The Company has reviewed its pending litigations and proceedings and has adequately provided for where Provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made adequate provision in the financial statements and appropriate disclosure for contingent liabilities is given in Note No 29.

As per our report attached
For Khimji Kunverji & Co LLP
(formerly Khimji Kunverji & Co - FRN 105146W)
Chartered Accountants

Gautam V. Shah
Partner (F-117348)

Place : Mumbai
Date : November 22, 2019

For and on behalf of Board of Directors

JAYANT S. CHHEDA
Managing Director
(DIN No: 00013206)

PARAG J. CHHEDA
Director
(DIN No: 00013222)

SHYAM K. SHARDA
Chief Financial Officer

AAYUSHI K. PODDAR
Company Secretary

Prince Pipes and Fittings Limited

Annexure VA-Notes to the Restated Financial Information

Note 41-Restated Statement of Employee Benefits

a. Defined Benefit Plans - Gratuity :

(i) Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation:

(₹ in millions)

Particulars	As at 31-03-2015		As at 31-03-2014	
	Funded	Non Funded	Funded	Non Funded
Present Value of obligations at the end of the year	**0.97**	**20.81**	**1.22**	**16.92**

(ii) Statement showing changes in the fair value of plan assets

(₹ in millions)

Particulars	As at 31-03-2015		As at 31-03-2014	
	Funded	Non Funded	Funded	Non Funded
Fair Value of plan assets at the beginning of the year	2.30	-	2.16	-
Expected Return on Plan Assets	0.21		0.19	-
Contributions	0.22	2.02	0.30	1.44
Benefits paid	(0.20)	(2.02)	(0.34)	(1.44)
Actuarial gain/ (loss)on Plan Assets	0.00		(0.01)	-
Fair Value of Plan Assets at the end of the year	**2.53**	**-**	**2.30**	**-**

(iii) Amount to be recognised in the Balance Sheet

(₹ in millions)

Particulars	As at 31-03-2015		As at 31-03-2014	
	Funded	Non Funded	Funded	Non Funded
Present Value of obligation	0.97	20.81	1.22	16.92
Fair Value of Plan Assets	2.53	-	2.30	-
Funded Status	1.55	(20.81)	1.07	(16.91)
Unrecognized Actuarial gain/ (loss)	-	-	-	-
Net Asset/(Liability) recognised in the Balance Sheet*	**1.55**	**(20.81)**	**1.07**	**(16.91)**

*** Asset related to funded gratuity is not recognised in the books of accounts**

(iv) Expenses recognised in the Profits and Losses Statement

(₹ in millions)

Particulars	As at 31-03-2015		As at 31-03-2014	
	Funded	Non Funded	Funded	Non Funded
Current Service Cost	0.50	3.90	0.38	3.85
Interest Cost	0.10	1.46	-	1.11
Expected Return on Plan Assets	(0.21)	-	(0.19)	-
Net Actuarial (gain)/ loss recognised in the year	(0.65)	0.55	1.19	(1.11)
Expenses recognised in the Profits and Losses Statement	**(0.26)**	**5.91**	**1.38**	**3.85**

(v) Principal actuarial assumptions at the Balance Sheet date

Particulars	As at 31-03-2015		As at 31-03-2014	
	Funded	Non Funded	Funded	Non Funded
Discounted Rate	7.80%	7.80%	9.20%	9.20%
Expected Return on Plan Assets	9.00%	9.00%	8.75%	8.75%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Rate of increase in compensation	3.00%	3.00%	3.00%	3.00%
Withdrawal Rates	10.00%	10.00%	10.00%	10.00%

b. Defined Benefit Plans - Compensated absences :

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Present Value of obligations at the beginning of the year	19.88	10.06
Interest Cost	1.71	0.69
Current Service Cost	33.71	8.12
Benefits paid	(2.64)	(2.86)
Actuarial (gain)/ loss on obligation	(11.62)	3.88
Present Value of obligations at the end of the year	**41.04**	**19.89**

(ii) Statement showing changes in the fair value of plan assets

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Fair Value of plan assets at the beginning of the year	-	-
Expected Return on Plan Assets		
Contributions	2.64	2.86
Benefits paid	(2.64)	(2.86)
Actuarial (gain)/ loss on Plan Assets		
Fair Value of Plan Assets at the end of the year	-	-

(iii) Amount to be recognised in the Balance Sheet

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Present Value of obligation	41.04	19.88
Fair Value of Plan Assets	-	-
Funded Status	(41.04)	(19.88)
Unrecognized Actuarial gain/ (loss)	-	
Net Asset/(Liability) recognised in the Balance Sheet	**(41.04)**	**(19.88)**

(iv) Expenses recognised in the Profits and Losses Statement

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Current Service Cost	33.71	8.12
Interest Cost	1.71	0.69
Expected Return on Plan Assets	-	-
Net Actuarial (gain)/ loss recognised in the year	(11.62)	3.88
Expenses recognised in the Profits and Losses Statement	**23.80**	**12.69**

(v) Principal actuarial assumptions at the Balance Sheet date

Particulars	As at 31-03-2015	As at 31-03-2014
Discounted Rate	7.80%	9.20%
Expected Return on Plan Assets	-	-
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Rate of increase in compensation	8.00%	3.00%
Withdrawal Rates	10.00%	10.00%

* Note : The rate of increase in compensation for privilege leave encashment is 3% and for sick leave encashment it is 8%.

Experience Adjustment for Gratuity and Compensated Absences

(₹ in millions)

Particulars	As at 31-03-2015	As at 31-03-2014
Defined Benefit Obligations	62.84	38.02
Plan Assets	2.53	2.30
Funded Status	60.30	35.72
Experience Adjustment on Plan Liabilities	(11.71)	30.32
Experience Adjustment on Plan Assets	0.00	0.01

Notes

1. The aforesaid Statement of employee Benefits has been prepared as per the summary statement of assets and liabilities and Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV

Prince Pipes and Fittings Limited

Annexure VI - Restated Statement of Accounting Ratios

(₹ in millions)

Particulars		For the year ended 31-03-2015	For the year ended 31-03-2014
Net Profit after Tax, as Restated	A	156.81	250.79
Total number of shares outstanding at the end of the year	B	96.02	96.02
Weighted average number of equity Shares outstanding during the year/period	C	96.02	96.02
Weighted average number of diluted equity shares outstanding during the year	D	96.02	96.02
Basic Earnings per share (Rs.)	A/C	1.63	2.61
Diluted Earnings per share (Rs.)	A/D	1.63	2.61
Return on Net-worth (%)		10.48%	18.68%
Net asset value per equity share		15.58	13.98

Notes:

1.The Ratios have been computed as below:

a) Basic Earnings per share before adjusting exceptional item = $\frac{\text{Net Profit after tax (As restated)}}{\text{Weighted average number of equity shares outstanding during the year}}$

b) Diluted Earnings per share before adjusting exceptional item = $\frac{\text{Net Profit after tax (As restated)}}{\text{Weighted average number of diluted shares outstanding during the year}}$

c) Return on net worth (%) = $\frac{\text{Net profit after tax (As restated)}}{\text{Net worth at the end of the year}}$

d) Net asset value per share (Rs.) = $\frac{\text{Net worth at the end of the year (As restated)}}{\text{Total number of equity shares outstanding at the end of the year}}$

2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year

3. Earnings per share calculations are done in accordance with Accounting Standard 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India.

4. The above statement should be read with the notes to restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure VA

5. The figures / ratios disclosed above are based on Restated Summary Statement of the Company

6. Net worth = Equity share capital + Reserves and surplus (includes General Reserve and surplus in Profits and Losses Account) in accordance with Section 2 (57) of The Companies Act 2013

Calculation of Net Worth: (₹ in millions)

Net worth	For the year ended 31-03-2015	For the year ended 31-03-2014
Paid Up Share Capital	480.08	480.08
Reserves		
Surplus transfer from Balance Sheet	951.03	794.22
General Reserve	64.65	68.19
Net worth	**1,495.76**	**1,342.49**

Notes

1. The aforesaid Statement of Accounting Ratios has been prepared as per the summary statement of assets and liabilities and Profits and Losses of the Company.
2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV.

Prince Pipes and Fittings Limited

Annexure VII-Restated Statement of Tax Shelter

(₹ in millions)

Particulars		For the year ended 31-03-2015	For the year ended 31-03-2014
Restated profit before taxes	A	178.30	323.30
Tax rate (%)	B	33.99%	33.99%
Tax Expense	C	60.60	109.89
Adjustments			
Permanent Difference			
Disallowance U/s 14A		0.02	0.04
Penalties		0.16	0.36
Interest & Penalty on EPCG		45.52	23.62
Deduction u/s 80IC of Income Tax Act,1961		(102.63)	(128.94)
Donation Disallowed		7.99	9.67
Interest to Micro,Small & Medium Enterprises		0.08	0.08
Investment in shares written off			4.90
Dividend Income		(0.09)	(0.07)
Total	D	**(48.95)**	**(90.34)**
Temporary Difference			
Difference between book depreciation and tax depreciation		12.99	(31.64)
(Profit)/Loss on Sale of Fixed Assets		0.41	5.94
(Profit)/Loss on Sale of Investments		(3.22)	-
Differences on account of expenses disallowable u/s 43B of the Income Tax Act, 1961			
Provision for gratuity and leave encashment		26.13	11.15
Provision for doubtful debts		8.21	-
Total	E	**44.52**	**(14.54)**
Net Adjustments (D+E)	F	(4.43)	(104.88)
Tax Expenses/ (Savings) thereon (F*B)	G	(1.51)	(35.65)
Current Tax (C+G)	H	59.09	74.24
Calculation of MAT			
Taxable Income (Book Profits) as per MAT	I	179.28	327.28
MAT Rate (%)	J	20.96%	20.96%
Tax Liability as per MAT (I*J)	K	37.58	68.60
Current Tax (Higher of H & K)	L	59.09	74.24
Interest under Section 234B & 234C (As per income tax returns & orders)		1.35	0.93
Deferred Tax charge/(income)	M	(17.44)	2.97
MAT Credit Utilised	N	(21.51)	(5.63)
Total Tax Expense as per restated statement of Profits and Losses (L+M+N)		**21.49**	**72.51**

Notes

1. The aforesaid Statement of Tax Shelter has been prepared as per the summary statement of assets and liabilities and Profits and Losses of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, Profits and Losses and cash flow as appearing in Annexure – IV

As per our report attached

For Khimji Kunverji & Co LLP

(formerly Khimji Kunverji & Co - FRN 105146W)

Chartered Accountants

Gautam V. Shah

Partner (F-117348)

Place : Mumbai

Date : November 22, 2019

For and on behalf of Board of Directors

JAYANT S. CHHEDA
Managing Director
(DIN No: 00013206)

PARAG J. CHHEDA
Director
(DIN No: 00013222)

SHYAM K. SHARDA
Chief Financial Officer

AAYUSHI K. PODDAR
Company Secretary

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Restated Financial Statements included in the section "Financial Statements" beginning on page 212.

Our fiscal year ends on March 31 of each year, so all references to a particular "Fiscal" are to the 12-month period ended March 31 of that fiscal year.

The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. See "Forward-Looking Statements" and "Risk Factors" on pages 15 and 17, respectively, for factors that could cause or contribute to these differences.

OVERVIEW

Our Company is recognized as one of the leading polymer pipes and fittings manufacturers in India in terms of number of distributors *(Source: CRISIL Research Report)*. We market our products under two brand names: Prince Piping Systems; and Trubore. Due to our comprehensive product range, we are positioned as an end-to-end polymer piping systems solution provider. We have more than 30 years' experience in the polymer pipes segment.

We currently manufacture polymer pipes using four different polymers: UPVC; CPVC; PPR; and HDPE, and fittings using three different polymers: UPVC; CPVC; and PPR. As at October 31, 2019, we had a product range of 7,167 SKUs. Our products are used for varied applications in plumbing, irrigation, and soil, waste and rain water ("**SWR**") management. Our product range meets the requirements of both the rural and urban markets.

We have six strategically located manufacturing plants, which gives us a strong presence in North, West and South India. Our plants are located at the following locations: Athal (Union Territory of Dadra and Nagar Haveli); Dadra (Union Territory of Dadra and Nagar Haveli); Haridwar (Uttarakhand); Chennai (Tamil Nadu); Kolhapur (Maharashtra) and Jobner (Rajasthan). The total installed capacity of our six existing plants is 241,211 tonnes per annum as at October 31, 2019. We plan to expand the installed capacity at our plant in Jobner (Rajasthan) from 6,221 tonnes per annum as at at October 31, 2019 to 17,021 tonnes per annum by December 31, 2019 and to 20,909 tonnes per annum by the end of Fiscal 2020. We use five contract manufacturers, of which two are in Aurangabad (Maharashtra), one is in Guntur (Andhra Pradesh), one is in Balasore (Odisha) and one is in Hajipur (Bihar).

We plan to set up a new manufacturing plant in Sangareddy (Telangana), with a total estimated installed capacity of 51,943 tonnes per annum. We plan to commence production at the Telangana plant in Fiscal 2021. We distribute our products from our six plants and 11 warehouses. Our warehouses are managed by clearing and forwarding agents.

We sell our Prince Piping Systems products to distributors, who then resell the products to wholesalers, retailers, and plumbers. As at October 31, 2019, we sold our Prince Piping Systems products to 1,151 distributors in India. We sell our Trubore products directly to wholesalers and retailers. As at October 31, 2019, we sold our Trubore products to 257 wholesalers and retailers.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business, results of operations, financial condition and cash flows are affected by a number of factors. The following factors are of particular importance:

The macroeconomic environment and market conditions affecting the pipes and fittings industry in India

Our products are used for varied applications in plumbing, irrigation, and SWR management in real estate, agriculture, infrastructure and related segments. The performance of these industries and segments, and consequently the demand for our products in these segments, are dependent on economic and other factors such as government policies, regulations and budgetary allocations as well as investments made in these industries and segments. Our results of operations have been, and will continue to be, significantly affected by the macroeconomic environment in India.

Introduction of new products and variations of existing products

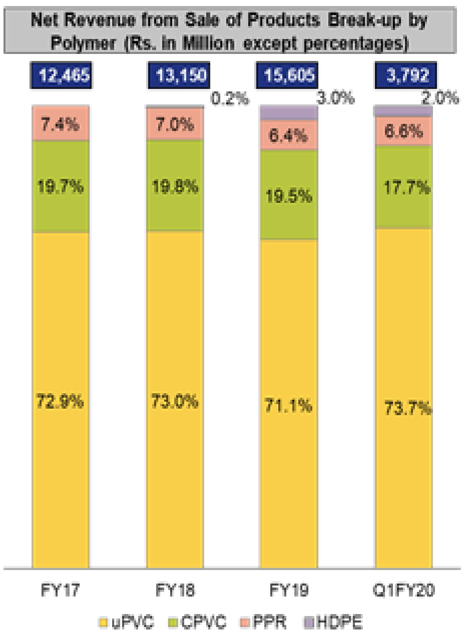
Our revenue from operations is also affected by the number of new SKUs that we introduce in that period. We have a product development team, which is responsible for introducing new products and variations of existing products. Our product development team regularly interacts with the plumbing consultants and contractors to understand the demand for new products and variations of existing products. We introduced 253, 423, 595 and 92 new SKUs in Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, respectively, and our revenue from the sale of such products in the period they were introduced was ₹ 65.50 million, ₹ 227.26 million, ₹ 257.46 million and ₹ 93.92 million, respectively. Although we regularly introduce new products and variations of existing products, we also discontinue selling SKUs that are not selling well. Therefore, the numbers of SKUs will not always increase from period to period.

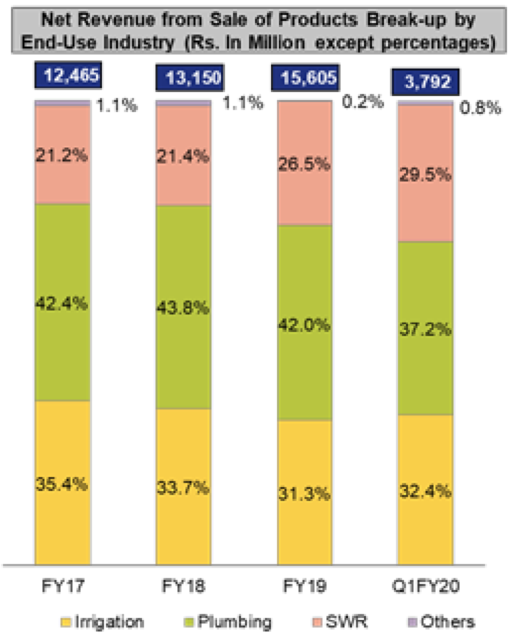
Until the fourth quarter of Fiscal 2018, our focus has been on products for applications above ground, namely, plumbing, irrigation, and sewage disposal. We expanded the reach of our products for application in underground drainage by entering the HDPE segment with DWC pipes in the fourth quarter of Fiscal 2018. For more details, see "*Our Business–Strategies–Increase our sales of DWC pipes*" on page 61. Our Net Revenue from Sale of Products from DWC pipes was ₹ 26.96 million, ₹ 467.06 million and ₹ 76.20 million for Fiscals 2018 and 2019 and the three-month period ended June 30, 2019, respectively, which represented 0.21%, 2.99% and 2.01% of our Net Revenue from Sale of Products for those periods, respectively.

New products may take some time before they make a material contribution to our results of operations and financial condition or may not make any material contribution at all.

Percentage of Net Revenue from Sale of Products from CPVC, PPR and HDPE products and from plumbing products

Our CPVC, PPR and HDPE products have higher margins than our UPVC products and our plumbing products have a higher margin than our other products. Therefore, an increase in the percentage of our Net Revenue from Sale of Products (revenue from sale of products less excise duty) from CPVC, PPR and HDPE products and an increase in the percentage of our Net Revenue from Sale of Products from our plumbing products has a positive effect on our results of operations. Set forth below are charts showing the percentage of our Net Revenue from Sale of Products by type of polymer and by end-use for each of Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019.



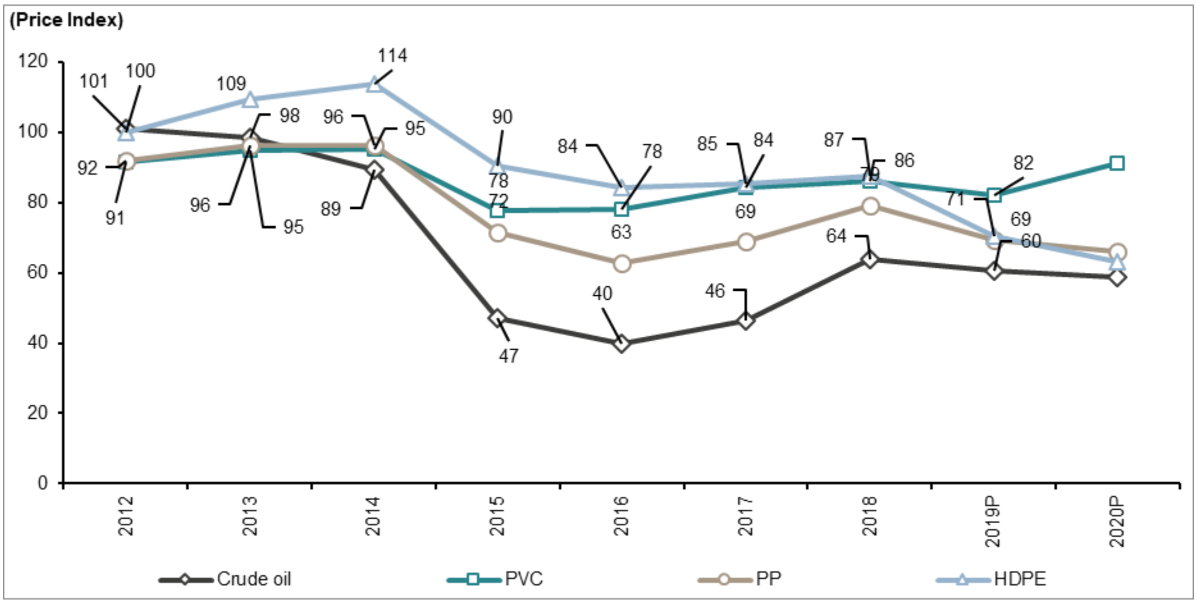


Our Net Revenue from Sale of Products from CPVC, PPR and HDPE products combined was 27.08%, 26.96%, 28.90% and 26.31% of our total Net Revenue from Sale of Products for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, respectively. Our Net Revenue from Sale of Products from plumbing products was 42.36%, 43.81%, 42.00% and 37.24% of our total Net Revenue from Sale of Products for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, respectively.

Fluctuations in costs of raw materials

Our results of operations are affected by fluctuations in the costs of raw materials. Cost of materials consumed includes the inventory of our raw materials at the beginning of the period, increased by the purchases of raw materials made during the respective period reduced by the closing stock of such inventory at the end of the period. Our cost of materials consumed was ₹ 8,364.74 million, ₹ 8,938.14 million, ₹ 10,728.59 million and ₹ 2,789.92 million for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, respectively, which represented 62.89%, 67.69%, 68.25% and 73.46% of our revenue from operations, respectively.

UPVC, CPVC, PPR and HPDE resins are the key raw materials used in the production of our products. The prices for these raw materials are dependent on crude oil price movements, and other factors such as changes in the global demand supply scenario and import-export regulations. *(Source: CRISIL Research Report)*. Below is a chart showing prices for crude oil, PVC, PP and HDPE and CRISIL Research's projections for the same for the calendar years shown.



Notes:
The above prices are indexed prices, base year 2011.
Crude oil - US$111 per tonne; PVC -US$1,068 per tonne; PP - US$1,515 per tonne; and HDPE - US$1,347 per tonne.
(Source: CRISIL Research Report)

The price we pay in Rupees for our raw materials is also affected by changes in the exchange rate between the Rupee and the U.S. dollar. The following table sets forth information with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US$), for or as of the end of the periods indicated. The exchange rates are based on the reference rates released by the RBI/FBIL, which are available on the websites of the RBI/FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

(in ₹ per US$)

Period	Period end(4)(5)	Average(1)(4)(5)	High(2)(4)(5)	Low(3)(4)(5)
Fiscal 2017	64.84	67.09	68.72	64.84
Fiscal 2018	65.04	64.45	65.76	63.35
Fiscal 2019	69.17	69.89	74.39	64.93
Three-month period ended June 30, 2019	68.92	69.56	70.42	68.49

Notes:

(1) Average of the official rate for each working day of the relevant period.
(2) Maximum of the official rate for each working day of the relevant period.
(3) Minimum of the official rate for each working day of the relevant period.
(4) Sources: www.rbi.org.in (up to and including July 9, 2018) and www.fbil.org.in (from and including July 10, 2018).
(5) In the event that the RBI/FBIL reference rate is not available on a particular date due to a public holiday, the exchange rate of the previous working day has been disclosed.

We have not entered into any long-term supply agreements for any of our raw materials. While we endeavour to pass on increases in the costs of raw materials to customers, due to competition in the marketplace, it may not always be possible to do so. Conversely, many of our customers are aware of decreases in the market price of UPVC resin and will ask for a price decrease for our UPVC products in line with the decrease in the price of UPVC resin.

Fluctuations in interest rates and funding

Our results of operations are affected by fluctuations in interest rates. We primarily borrow funds for capital expenditure and to fund our working capital requirements. Our borrowings for our capital expenditure (term loans) and our working capital facilities are on floating rates (which are linked to the banks' Marginal Cost of Lending Rate ("**MCLR**")). As at June 30, 2019, we had ₹ 2,976.81 million of borrowings outstanding that was subject to floating rates of interest, of which ₹ 181.18 million was hedged, resulting in ₹ 2,795.63 million of unhedged floating rate borrowings outstanding, representing 93.91% of our fund based borrowings. Any increase in interest rates would increase the interest costs of our floating rate borrowings, which would adversely affect our results of operations. In addition, if interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund based facilities could be adversely affected.

The margin we are charged on our borrowings is influenced by our credit ratings. Any decrease in our credit ratings would most likely result in an increase in the interest rate on floating rate loans and on any new borrowings. Conversely, any increase in our credit ratings would most likely result in a decrease in the interest rate on floating rate loans and on any new borrowings. Our current credit ratings are CARE BBB+ (Stable) for long-term bank facilities and CARE A3+ for short-term bank facilities. The table below sets forth our credit ratings applicable since April 1, 2016:

Month/Year	**Rating Agency**	**Short-Term Rating**	**Long-Term Rating (Outlook)**
January 2016	CARE Ratings	A3	BBB
November 2016	CARE Ratings	A3+	BBB+
February 2018	CARE Ratings	A3+	BBB+(Positive)
July 2018	CARE Ratings	A3+	BBB+(Stable)
April 2019	CARE Ratings	A3+	BBB+(Stable)

Competition and pricing pressure

We sell our products in highly competitive markets. Competition poses a challenge in improving revenues and maintaining margins. Our growth will depend on our ability to compete effectively. In order to remain competitive, we must continuously strive to reduce our costs of production, transportation and distribution, and improve our operating efficiencies. If we fail to do so, our competitors may be able to sell their products at lower prices. We believe that our manufacturing facilities, wide distribution network, wide range of products and ability to provide comprehensive plumbing, irrigation and SWR management solutions to our customers, provide us certain competitive advantages. Our purchasing teams work in close coordination with suppliers to extract discounts to reduce our purchasing cost. Our engineering and manufacturing teams work on various product cost-optimization projects to reduce manufacturing costs and optimize the packing of our products in order to reduce the cost per unit. Taken together, these actions may help to enable us to offer price reductions to our customers without affecting our margins, however, there can be no assurances that we will continue to achieve sufficient cost savings in the future, which could affect our ability to offer more competitive prices than our competitors could. Certain competitors may be larger than us and may have greater financial resources than us, or may benefit from greater operating efficiencies. For more details, see "*Our Business−Competition*" on page 164.

Income tax benefits

Pursuant to Section 80-IC of the Income Tax Act, we have claimed a deduction of 100% of the profits derived from our Haridwar plant for the five years commencing from and including Fiscal 2009 up to and including Fiscal 2013 and thereafter we claimed a deduction of 30% of the profits of the said undertaking for the five years commencing from and including Fiscal 2014 up to and including Fiscal 2018. This benefit was only available for 10 consecutive fiscal years and we have not benefited from it since April 1, 2018 (i.e., we ceased to have any benefit from it in Fiscal 2019). The amount of such tax deduction for Fiscals 2017 and 2018 was ₹ 317.08 million and ₹ 312.45 million, respectively.

Reduction of the corporate income tax rate for Fiscal 2020

The Taxation Laws (Amendment) Ordinance 2019 has revised downward the corporate income tax rate for domestic companies from 34.94% (including applicable surcharges and cess) for Fiscal 2019 to 25.17% (including applicable surcharges and cess) for Fiscal 2020. Domestic companies have an option to either transition to the new corporate income tax rate of 22% (not including applicable surcharges and cess), which is an effective corporate income tax rate of 25.17% (including applicable surcharges and cess), subject to their forgoing certain specified exemptions and deductions or continue to avail the specified exemptions/ deductions and continue to pay tax at earlier rate of 34.94%. The Taxation Laws (Amendment) Ordinance 2019 stipulates that once a company opts for the lower income tax rate, it forgoes the option to claim specified exemptions and deductions. We have selected the option of the reduced corporate income tax rate of 22% (not including applicable surcharges and cess) available under Section 115BAA of the Income Tax Act, 1961 and our effective corporate income tax rate is 25.17% (including applicable surcharges and cess) for Fiscal 2020.

In addition to the above factors, the following factors will have a significant effect on our future results of operations and financial condition:

The setting up of a new manufacturing plant in Jobner (Rajasthan),, from which we began sales to third parties in September 2019, and the planned expansion of its installed capacity

We set up a new manufacturing plant in Jobner (Rajasthan), from which we began sales to third parties in September 2019. As at October 31, 2019, its installed capacity was 6,221 tonnes per annum. For more details, see "*Our Business–Manufacturing*" on page 157. We plan to increase the plant's installed capacity from 6,221 tonnes per annum as at October 31, 2019 to 17,021 tonnes per annum by December 31, 2019 and to 20,909 tonnes per annum by the end of Fiscal 2020.

Whether we are able to set up a new manufacturing plant in Telangana, and to launch and implement various projects and business plans

We plan to set up a new manufacturing plant in Telangana with a total estimated installed capacity of 51,943 tonnes per annum. The estimated total cost for the setting up the plant in Telangana is ₹ 1,961.01 million (based on quotations received from vendors as well as international management estimates). We plan to commence production at the Telangana plant in Fiscal 2021. For more details, see "*Our Business–Manufacturing–Proposed New Plant*" on page 158. We intend to use ₹ 1,840.00 million of the Net Proceeds towards setting up the Telangana plant. For more details, see "*Objects of the Offer–Details of the Objects–Financing the project cost towards establishment of a new manufacturing facility*" on page 101.

We also plan to expand the Trubore brand to new geographies. For more details, see "*Our Business–Strategies–Expand the Trubore brand to new geographies*" on page 155.

Our ability to successfully set up the new manufacturing plant and to launch and implement various projects and business plans will affect our growth prospects, financial condition and results of operations.

CRITICAL ACCOUNTING POLICIES

We believe that application of the critical accounting policies set forth below entails the most significant judgements and estimates used in the preparation of our Restated Financial Statements for Fiscals 2017, 2018 and 2019 and three-month period ended June 30, 2019. The preparation of our financial statements requires our Company's management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

For details on our significant accounting policies, see Annexure E to the Restated Financial Statements in "*Financial Statements*" on page 212.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. We based our assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances that are beyond our control. Such changes are reflected in the assumptions when they occur.

Useful lives of property, plant and equipment

We use our technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

Defined benefit obligation

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instrument

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Income taxes

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Share-based payments

We measure the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 37 in Annexure G to the Restated Financial Statements in "*Financial Statements*"on page 212.

RESULTS OF OPERATIONS

The table below sets forth our results of operation derived from our Restated Financial Statements for the three-month period ended June 30, 2019 and Fiscals 2019, 2018 and 2017, expressed in absolute terms and as a percentage of our revenue from operations for the periods indicated.

(in ₹ million, except percentages)

Particulars	Three-month period ended June 30, 2019 (Ind AS)		Year ended March 31, 2019 (Ind AS)		Year ended March 31, 2018 (Ind AS)		Year ended March 31, 2017 (Ind AS)	
	Amount	*% of revenue from operations*	*Amount*	*% of revenue from operations*	*Amount*	*% of revenue from operations*	*Amount*	*% of revenue from operations*
Revenue:								
Revenue from Operations	3,797.66	*100.00*	15,718.69	*100.00*	13,205.45	*100.00*	13,300.15	*100.00*
Other Income	4.26	*0.11*	71.26	*0.45*	60.26	*0.46*	24.80	*0.19*
Total Revenue	***3,801.92***	***100.11***	**15,789.95**	***100.45***	**13,265.71**	***100.46***	**13,324.95**	***100.19***
Expenses:								
Cost of Materials Consumed	2,789.92	*73.46*	10,728.59	*68.25*	8,938.14	*67.69*	8,364.74	*62.89*
Purchases of Stock in Trade	62.62	*1.65*	340.84	*2.17*	461.74	*3.50*	1,075.44	*8.09*
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	(163.51)	*(4.31)*	204.18	*1.30*	(185.60)	*(1.41)*	(549.58)	*(4.13)*
Excise Duty			-		55.05	*0.42*	835.19	*6.28*
Employee Benefit Expense	197.83	*5.21*	783.31	*4.98*	725.61	*5.49*	609.56	*4.58*
Other Expenses	383.67	*10.1*	1,802.71	*11.47*	1,577.14	*11.94*	1,338.49	*10.06*
***EBITDA*[(1)]**	***527.13***	***13.88***	***1,859.06***	***11.83***	***1,633.37***	***12.37***	***1,626.31***	***12.23***
Finance Costs	73.85	*1.94*	364.00	*2.32*	361.08	*2.73*	363.74	*2.73*
Depreciation and Amortization Expenses	118.23	*3.11*	451.65	*2.87*	380.88	*2.88*	328.29	*2.47*
Total Expenses	**3,462.61**	***91.18***	**14,675.27**	***93.36***	**12,314.04**	***93.25***	**12,365.87**	***92.98***
Profit Before Tax	**339.31**	***8.93***	**1,114.68**	***7.09***	**951.67**	***7.21***	**959.08**	***7.21***
Tax Expense:								
Current Tax	94.18	*2.48*	272.43	*1.73*	214.54	*1.62*	208.96	*1.57*
Deferred Tax Expense/(Gain)	(21.56)	*(0.57))*	8.74	*0.06*	9.47	*0.07*	8.30	*0.06*
Total Tax Expense	***72.62***	**1.91**	***281.17***	**1.79**	***224.01***	**1.70**	***217.26***	**1.63**
Profit for the Year/Period	**266.69**	***7.02***	**833.51**	***5.30***	**727.66**	***5.51***	**741.82**	***5.58***
Total Other Comprehensive Income/(Loss)	**2.36**	***0.06***	**(1.04)**	***(0.01)***	**5.51**	***0.04***	**(10.44)**	***(0.08)***
Total Comprehensive Income for the Year/Period	**269.05**	***7.08***	**832.47**	***5.30***	**733.17**	***5.55***	**731.38**	***5.50***

Note:

(1) EBITDA is equal to revenue from operations less cost of materials consumed, less purchase of stock in trade, less change in inventories of finished goods, stock-in-trade and work-in-progress, less excise duty, less employee benefit expense and less other expenses.

Principal Components of Statement of Profit and Loss

Revenue

Our total revenue consists of revenue from operations and other income:

<u>Revenue from Operations</u>

Our revenue from operations comprises revenue from the sale of our products and excise duty on our domestic sales (up to June 30, 2017) as well as other operating revenues. GST was introduced in India effective July 1, 2017 and it replaced all excise duties that were applicable to our products. Our revenue from operations does not include the GST payable on the sale of our products.

Our revenue from the sale of our products comprises income from sale of (a) finished goods, which are manufactured by us or contract manufacturers on our behalf; and (b) traded goods, which includes ball valves, teflon tape, rubber lubricant, metal clamps and solvent cements as well as raw materials bought and sold.

Our other operating revenue primarily comprises revenue from sale of scraps.

<u>Other Income</u>

The components of our other income varies from period to period and includes interest, dividend on investments, profit on sale of assets/ shares, mark to market gains on derivatives and other miscellaneous income.

Expenses

Our total expenses comprise (a) cost of materials consumed; (b) purchases of stock in trade; (c) changes in inventories of finished goods; (d) excise duty on sale of goods up to June 30, 2017; (e) employee benefit expenses; (f) finance costs; (g) depreciation and amortization expenses; and (h) other expenses.

<u>Cost of Materials Consumed</u>

Cost of materials consumed includes the inventory of our raw materials at the beginning of the period, increased by the purchases of raw materials made during the respective period reduced by the closing stock of such inventory at the end of the period.

<u>Purchases of Stock in Trade</u>

Purchases of stock in trade comprises goods bought to be traded, such as ball valves, Teflon tape, rubber lubricant, metal clamps, solvent cements and raw materials.

<u>Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress</u>

Changes in inventories of finished goods are calculated on the basis of stock at the end and the beginning of the period, comprising (a) traded goods; (b) work in progress; and (c) finished goods – pipes and fittings, and account for variation in excise duty on opening and closing stock of finished goods.

Excise Duty

Excise duty is the net amount of excise duty included in the sale price of products sold by us less the difference in the amount of excise duty lying in the closing inventory and opening inventory during the period. Excise duty was replaced by GST in India effective July 1, 2017.

<u>Employee Benefit Expenses</u>

Employee benefit expenses comprise (a) remuneration to directors; (b) salary, wages and bonus; (c) contribution to provident fund and other funds; (d) staff welfare; and (e) employee compensation expenses.

Finance Costs

Finance costs comprise (a) interest on working capital from banks; term loans; and others; and (b) bank commission and charges.

Depreciation and Amortization Expenses

Depreciation expenses includes the depreciation of building, plant and machinery, electrical installation, computer, moulds and dies, office equipment, furniture and fixtures and vehicles. Amortization expenses includes the amortization of computer software, brands/trademark, and goodwill.

Other Expenses

Other expenses primarily include: (a) power and fuel expenses; (b) labour charges; (c) advertisement and sales promotional expenses; (d) consumption of stores and spares; (e) transport, freight and octroi charges; (f) rent and maintenance expenses; (g) travelling and conveyance expenses; and (h) foreign currency exchange difference (net).

Three-month period ended June 30, 2019

Revenue

The table below sets forth details in relation to our total revenue for the three-month period ended June 30, 2019:

(in ₹ million)

Particulars	Three-month period ended June 30, 2019 (Ind AS)
Sale of Products	
Finished Goods	3,707.35
Traded Goods	85.11
Revenue from Sale of Products	***3,792.46***
Other Operating Revenue	
Scrap Sales	4.10
Profit on Import Licenses	1.10
Revenue from Operations	**3,797.66**
Other income	4.26
Total Revenue	**3,801.92**

Revenue from Operations

Our revenue from operations for the three-month period ended June 30, 2019 was ₹ 3,797.66 million, which was primarily due to ₹ 3,707.35 million from sales of finished goods.

For the three-month period ended June 30, 2019, our Net Revenue from Sale of Products based on the estimated end-use based application comprised 37.24% from plumbing, 32.43% from irrigation, 29.53% from SWR management and 0.79% from others, which includes underground drainage. For Fiscal 2019, our Net Revenue from Sale of Products based on the estimated end-use based application comprised 42.00% from plumbing, 31.27% from irrigation, 26.53% from SWR management and 0.20% from others, which includes underground drainage. Our Net Revenue from Sale of Products for use in SWR management increased to 29.53% for the three-month period ended June 30, 2019 from 26.53% for Fiscal 2019 primarily due to our being able to cater to the demand from customers who previously bought products for use in SWR management from players who are financially stressed.

Expenses

The table below sets forth details in relation to our total expenses for the three-month period ended June 30, 2019.

(in ₹ million)

Particulars	Three-month period ended June 30, 2019 (Ind AS)
Expenses:	
Cost of Materials Consumed	2,789.92
Purchases of Stock in Trade	62.62
Changes in Inventories (Increase / Decrease)	(163.51)
Employee Benefit Expense	197.83
Finance Cost	73.85
Depreciation and Amortization Expenses	118.23
Other Expenses	383.67
Total	**3,462.61**

The key aspects of our expenses are discussed below:

Cost of Materials Consumed

The table below sets forth details in relation to our cost of materials consumed for the three-month period ended June 30, 2019:

(in ₹ million)

Particulars	Three-month ended June 30, 2019 (Ind AS)
Inventory at the Beginning of the Period	1,065.51
Add: Purchases	2,794.08
Subtotal	***3,859.59***
Less: Inventory at the End of the Period	1,069.67
Total	**2,789.92**

Our cost of materials consumed was ₹ 2,789.92 million for the three-month period ended June 30, 2019. Our cost of materials consumed as a percentage of revenue from operations, increased to 73.46% for the three-month period ended June 30, 2019 from 68.25% for Fiscal 2019. The increase in this percentage was due to increases in the costs of raw materials, which was primarily due to an increase in average crude oil prices from US$70 per barrel (Europe Brent spot price FOB) for Fiscal 2019 to US$75 per barrel (Europe Brent spot price FOB) for the three-month period ended June 30, 2019 *(source: CRISIL Research Report)* and the depreciation of the Rupee against the U.S. dollar from an average of ₹ 69.56 for Fiscal 2019 to an average of ₹ 69.89 for the three-month period ended June 30, 2019, not all of which we were able to pass on to our customers in the form of increased prices of our products.

Purchases of Stock in Trade

Our purchases of stock in trade, which primarily represents goods that we procured from contract manufacturers, was ₹ 62.62 million, for the three-month period ended June 30, 2019.

Changes in Inventories

The table below sets forth details in relation to changes in inventories for the three-month period ended June 30, 2019:

(in ₹ million)

Particulars	Three-month period ended June 30, 2019 (Ind AS)
Stock at the End of the Period	
Traded Goods	98.73
Work in Progress	47.05
Finished Goods - Pipes and Fittings	941.75
A	**1,087.53**
Stock at the Beginning of the Period	
Traded Goods	99.48
Work in Progress	32.09
Finished Goods- Pipes and Fittings	792.45
B	**924.02**
(Increase)/Decrease in Stock (B-A)	**(163.51)**

Our inventories increased by ₹ 163.51 million, or 17.70%, to ₹ 1,087.53 million as at June 30, 2019. This was primarily attributable to increasing our inventory levels in order to be able to meet the demand in our order book,

Employee Benefit Expense

Our employee benefit expense was ₹ 197.83 million. Our employee benefit expense as a percentage of revenue from operations increased to 5.21% for the three-month period ended June 30, 2019 from 4.98% for Fiscal 2019.

Other Expenses

The table below sets forth details in relation our other expenses for the three-month period ended June 30, 2019.

(in ₹ million)

Particulars	Three-month period ended June 30, 2019 (Ind AS)
Other Expenses	**383.67**
of which:	
Power and Fuel Expenses	*100.87*
Advertisement and Sales Promotion Expenses	*36.56*
Labour Charges	*67.89*
Transport, Freight and Octroi Charges	*47.98*
Foreign Currency Exchange Difference (Net)	*8.42*
Rent and Maintenance Expenses	*23.56*
Travelling and Conveyance Expenses	*24.47*

Our other expenses were ₹ 383.67 million for the three-month period ended June 30, 2019. Our other expenses as a percentage of revenue from operations decreased to 10.10% for the three-month period ended June 30, 2019 from 11.47% for Fiscal 2019.

EBITDA

For the reasons described above, our EBITDA was ₹ 527.13 million for the three-month period ended June 30, 2019. Our EBITDA as percentage of revenue from operations increased to 13.88% for the three-month period ended June 30, 2019 from 11.83% for Fiscal 2019.

Finance Cost

Our finance cost was ₹ 73.85 million for the three-month period ended June 30, 2019. The table below sets forth details in relation our finance cost for the three-month period ended June 30, 2019.

(in ₹ million)

Particulars	Three-month period ended June 30, 2019 (Ind AS)
Interest:	
On Working Capital from Banks	37.34
On Term Loans	26.59
Others	0.47
On Lease Liability	0.53
Subtotal	***64.93***
Bank Commission and Charges	8.92
Total	**73.85**

Depreciation and Amortization Expenses

Depreciation and amortization expenses were ₹ 118.23 million for the three-month period ended June 30, 2019.

Profit before Tax

For the reasons described above, our profit before tax was ₹ 339.31 million for the three-month period ended June 30, 2019.

Tax Expense

For the three-month period ended June 30, 2019, our total tax expenses were ₹ 72.62 million, comprising ₹ 94.18 million for current tax and a deferred tax gain of ₹ 21.56 million, which was primarily due to a decrease in the corporate income tax rate. Our tax expense as a percentage of our profit before tax was 21.40% compared to the corporate income tax rate of 25.17% (including applicable surcharges and cess) for the three-month period ended June 30, 2019. Our corporate income tax rate decreased from 34.94% (including applicable surcharges and cess) for Fiscal 2019 to 25.17% (including applicable surcharges and cess) for the three-month period ended June 30, 2019. For details, see "*-Significant Factors Affecting our Results of Operations and Financial Condition-Reduction of the corporate income tax rate for Fiscal 2020*" on page 313.

Profit for the Period

As a result of the foregoing, our profit for the period was ₹ 266.69 million for the three-month period ended June 30, 2019**.**

Total Other Comprehensive Income/Loss

Our total other comprehensive income was ₹ 2.36 million for the three-month period ended June 30, 2019.

Total Comprehensive Income for the Period

As a result of the foregoing, our total comprehensive income for the period was ₹ 269.05 million for the three-month period ended June 30, 2019.

Fiscal 2019 Compared to Fiscal 2018

Revenue

Our total revenue increased by ₹ 2,524.24 million, or 19.03%, to ₹ 15.789.95 million for Fiscal 2019 from ₹ 13,265.71 million for Fiscal 2018, which was primarily due to a 19.75% increase in sale of finished goods.

The table below sets forth details in relation to our revenue for Fiscal 2019 and Fiscal 2018:

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2019 (Ind AS)	Year ended March 31, 2018 (Ind AS)	Percentage increase/ (decrease)
Sale of Products			
Finished Goods	15,118.31	12,624.95	19.75
Traded Goods	487.60	529.25	(7.87)
Revenue From Sale of Products	***15,605.91***	***13,154.20***	***18.64***
Other Operating Revenue			
Scrap Sales	21.38	32.88	(34.98)
Compensation	0.50	16.50	(96.97)
GST Claim	86.78	-	N.C. (1)
Duty Drawback	0.67	-	N.C. (1)
Profit on Import Licenses	3.45	1.87	84.49
Revenue from Operations	**15,718.69**	**13,205.45**	**19.03**
Other income	71.26	60.26	18.25
Total Revenue	**15,789.95**	**13,265.71**	**19.03**

Note:
1. Not comparable.

<u>Revenue from Operations</u>

Our revenue from operations increased by ₹ 2,513.24 million, or 19.03%, to ₹ 15,718.69 million for Fiscal 2019 from ₹ 13,205.45 million for Fiscal 2018, primarily as a result of a 19.75% increase in the sale of finished goods, which is discussed below.

The sale of finished goods increased by ₹ 2,493.36 million, or 19.75%, to ₹ 15,118.31 million for Fiscal 2019 from ₹ 12,624.95 million for Fiscal 2018, which increase was primarily due to a ₹ 1,330.00 million, or 47.33%, increase in revenue from sale of finished goods for use in SWR management, a ₹ 823.35 million, or 15.73%, increase in revenue from sale of finished goods for use in plumbing, and a ₹ 440.00 million, or 9.91%, increase in revenue from sale of finished goods for use in irrigation, all of which was due to increases in prices and volume. Revenue from sale of finished goods for use in SWR management was positively affected by an increase in sales of DWC pipes to ₹ 467.06 million for Fiscal 2019 from ₹ 26.96 million for Fiscal 2018. We only began selling DWC pipes in the fourth quarter of Fiscal 2018.

The sale of traded goods decreased by ₹ 41.65 million, or 7.87%, to ₹ 487.60 million for Fiscal 2019 from ₹ 529.25 million for Fiscal 2018, which decrease was primarily due to more focus being put on manufacturing and selling our own products.

Net Revenue from Sale of Products

The table below sets forth details in relation to our Net Revenue from Sale of Products for Fiscal 2019 and Fiscal 2018:

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2019 (Ind AS)	Year ended March 31, 2018 (Ind AS)	Percentage increase/ (decrease)
Revenue from sale of products	15,605.91	13,154.20	18.64
Less: excise duty	-	55.05	(100.00)
Net Revenue from Sale of Products	**15,605.91**	**13,099.15**	**19.14%**

Our Net Revenue from Sale of Products increased by ₹ 2,506.76 million, or 19.14%, to ₹ 15,605.91 million for Fiscal 2019 from ₹ 13,099.15 million for Fiscal 2018, which increase was primarily due to a ₹ 1,334.78 million, or 48.04%, increase in Net Revenue from Sale of Products for use in SWR management, a ₹ 815.05 million, or 14.20%, increase in Net Revenue from Sale of Products for use in plumbing, and a ₹ 460.78 million, or 10.43%, increase in Net Revenue from Sale of Products for use in irrigation.

For Fiscal 2019, our Net Revenue from Sale of Products based on the estimated end-use based application comprised 42.00% from plumbing, 31.27% from irrigation, 26.53% from SWR management and 0.20% from others, which includes underground drainage, compared to 43.81% from plumbing, 33.73% from irrigation, 21.35% from SWR management and 1.10% from others, which includes underground drainage.

Expenses

The table below sets forth details in relation to our total expenses for Fiscal 2019 compared to our total expenses for Fiscal 2018:

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2019 (Ind AS)	Year ended March 31, 2018 (Ind AS)	Percentage increase/(decrease)
Expenses:			
Cost of Materials Consumed	10,728.59	8,938.14	20.03
Purchases of Stock in Trade	340.84	461.74	(26.18)
Changes in Inventories (Increase / Decrease)	204.18	(185.60)	
Excise Duty	-	55.05	
Employee Benefit Expense	783.31	725.61	7.95
Finance Cost	364.00	361.08	0.81
Depreciation and Amortization Expenses	451.64	380.88	18.58
Other Expenses	1,802.71	1,577.14	14.30
Total	**14,675.27**	**12,314.04**	**19.18**

Our total expenses increased by ₹ 2,361.23 million, or 19.18%, from ₹ 12,314.04 million for Fiscal 2018 to ₹ 14,675.27 million for Fiscal 2019. The key aspects of our expenses are discussed below:

Cost of Materials Consumed

The table below sets forth details in relation to our cost of materials consumed for the periods indicated below:

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2019 (Ind AS)	Year ended March 31, 2018 (Ind AS)	Percentage increase/ (decrease)
Inventory at the Beginning of the Year	1,255.04	771.21	62.74
Add: Purchases	10,539.06	9,421.97	11.86
Subtotal	***11,794.10***	***10,193.18***	***15.71***
Less: Inventory at the End of the Year	1,065.51	1,255.04	(15.10)
Total	**10,728.59**	**8,938.14**	**20.03**

Our cost of materials consumed increased by ₹ 1,790.45 million, or 20.03%, to ₹ 10,728.59 million for Fiscal 2019 from ₹ 8,938.14 million for Fiscal 2018. This increase was primarily due to an increase in sales volume.

Purchases of Stock in Trade

Our purchases of stock in trade, which primarily represents goods that we procured from contract manufacturers, decreased by ₹ 120.9 million, or 26.18%, to ₹ 340.84 million for Fiscal 2019 from ₹ 461.74 million for Fiscal 2018. This decrease was primarily due to decreased sales volume of stock in trade.

Changes in Inventories

The table below sets forth details in relation to changes in inventories for the periods indicated below:

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2019 (Ind AS)	Year ended March 31, 2018 (Ind AS)	Percentage increase/ (decrease)
Stock at the End of the Year			
Traded Goods	99.48	77.95	27.62
Work in Progress	32.09	24.20	32.60
Finished Goods - Pipes and Fittings	792.45	1,026.05	(22.77)
A	***924.02***	***1,128.20***	***(18.10)***
Stock at the Beginning of the Year			
Traded Goods	77.95	66.23	17.70
Work in Progress	24.20	19.28	25.52
Finished Goods - Pipes and Fittings	1,026.05	857.09	19.71
B	***1,128.20***	***942.60***	***19.69***
(Increase)/Decrease in Stock (B-A)	**204.18**	**(185.60)**	

For Fiscal 2019, our inventories decreased by ₹ 204.18 million, or 18.10%, to ₹ 924.02 million as at March 31, 2019. This was primarily attributable to exceptionally high sales in the month of March 2019, leading to a reduction of inventories.

For Fiscal 2018, our inventories increased by ₹ 185.60 million, or 19.69%, to ₹ 1,128.20 million as at March 31, 2018. This was primarily attributable to increases in the number of orders placed at the end of Fiscal 2018 and an addition of a warehouse in Chennai to meet our on time in full order delivery policy, which we introduced in Fiscal 2017.

Excise Duty

Our excise duty was nil for Fiscal 2019 compared to ₹ 55.05 million for Fiscal 2018. GST was introduced in India effective July 1, 2017, which replaced all excise duties.

Employee Benefit Expense

Our employee benefit expense increased by ₹ 57.7 million, or 7.95%, to ₹ 783.31 million for Fiscal 2019 from ₹ 725.61 million for Fiscal 2018, which was primarily attributable to increases in salaries, which was partially offset by a decrease in the number of our employees from 1,826 as at March 31, 2018 to 1,703 as at March 31, 2019. Our employee benefit expense as a percentage of revenue from operations decreased to 4.98% for Fiscal 2019 from 5.49% for Fiscal 2018.

Other Expenses

The table below sets forth details in relation our other expenses for the periods indicated below.

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2019 (Ind AS)	Year ended March 31, 2018 (Ind AS)	Percentage increase/ (decrease)
Other Expenses	**1,802.71**	**1,577.14**	**14.30**
of which:			
Power and Fuel	*385.69*	*340.76*	*13.19*
Labour Charges	*250.75*	*289.12*	*(13.27)*
Advertisement and Sales Promotion Expenses	*432.79*	*201.95*	*114.31*
Consumption of Stores and Spares	*112.54*	*125.49*	*(10.32)*
Transport, Freight and Octroi Charges	*232.40*	*135.78*	*71.16*
Rent and Maintenance Expenses	*89.00*	*92.91*	*(4.21)*
Travelling and Conveyance Expenses	*92.58*	*86.98*	*6.44*
Foreign Currency Exchange Difference (Net)	-	*24.19*	*(100.00)*

Note:
1. Not comparable.

Our other expenses increased by ₹ 225.57 million, or 14.30%, to ₹ 1,802.71 million for Fiscal 2019 from ₹ 1,577.14 million for Fiscal 2018, which was primarily attributable to:

- a ₹ 230.84 million, or 114.31%, increase in advertisement and sales promotion expenses, which was primarily attributable to increased spending on branding and marketing efforts, such as our hiring of a celebrity spokesman and our Prince Udaan loyalty program;
- a ₹ 44.93 million, or 13.19%, increase in power and fuel expenses, which was primarily due to an increase in production; and
- a ₹ 96.62 million, or 71.16%, increase in transport, freight and octroi charges, which was primarily due to freight costs of DWC pipes sales being borne by us, and transport, freight and octroi charges for the full fiscal year of products dispatched from two warehouses opened in Fiscal 2018 and one new warehouse opened in Fiscal 2019.

The foregoing was partially offset, by among other things, a ₹ 38.37 million, or 13.27%, decrease in labour charges, which was primarily due to due to the automation of some aspects of the production of our products, and a ₹ 24.19 million decrease in foreign currency exchange difference (net) to nil for Fiscal 2019 from ₹ 24.19 million for Fiscal 2018.

Our other expenses as a percentage of revenue from operations decreased to 11.47% for Fiscal 2019 from 11.94% for Fiscal 2018.

EBITDA

For the reasons described above, our EBITDA increased by ₹ 225.69 million, or 13.82%, to ₹ 1,859.06 million for Fiscal 2019 from ₹ 1,633.37 million for Fiscal 2018.

Finance Cost

Our finance cost increased by ₹ 2.92 million, or 0.81%, to ₹ 364.00 million for Fiscal 2019 from ₹ 361.08 million for Fiscal 2018, The table below sets forth details in relation our finance cost for Fiscals 2019 and 2018.

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2019 (Ind AS)	Year ended March 31, 2018 (Ind AS)	Percentage increase/ (decrease)
Interest:			
On Working Capital from Banks	153.90	156.24	(1.50)
On Term Loans	167.48	156.36	7.11
Others	10.67	3.38	215.68
On Lease Liability	0.96	7.14	(86.55)
Subtotal	333.01	323.12	3.06

Particulars	Year ended March 31, 2019 (Ind AS)	Year ended March 31, 2018 (Ind AS)	Percentage increase/ (decrease)
Bank Commission and Charges	30.99	37.96	(18.36)
Total	**364.00**	**361.08**	**0.81**

Depreciation and Amortization Expenses

Depreciation and amortization expenses increased by 18.58% to ₹ 451.64 million for Fiscal 2019 from ₹ 380.88 million for Fiscal 2018, which increased primarily due to the depreciation on building, plant and machinery, and moulds and dies purchased during the fiscal year.

Profit before Tax

For the reasons described above, our profit before tax increased by ₹ 163.01 million, or 17.13%, to ₹ 1,114.68 million for Fiscal 2019 from ₹ 951.67 million for Fiscal 2018.

Tax Expense

Our total tax expenses increased by ₹ 57.16 million, or 25.51%, to ₹ 281.17 million for Fiscal 2019 from ₹ 224.01 million for Fiscal 2018. Our current tax increased by ₹ 57.89 million, or 26.98%, to ₹ 272.43 million for Fiscal 2019 from ₹ 214.54 million for Fiscal 2018. Our deferred tax expense decreased by ₹ 0.73 million, or 7.71%, to ₹ 8.74 million for Fiscal 2019 from ₹ 9.47 million for Fiscal 2018.

For Fiscals 2019 and 2018, our tax expense as a percentage of our profit before tax was 25.22% and 23.54% respectively. The corporate income tax rate was 34.94% and 34.61% (including all cesses) for Fiscals 2019 and 2018, respectively. Our tax expense as a percentage of our profit before tax was lower than the corporate income tax rate for Fiscal 2019 primarily due to the utilisation of minimum alternative tax (MAT) credit. Our tax expense as a percentage of our profit before tax was lower than the corporate tax rate for Fiscal 2018 primarily due to the fact that we benefited from a tax deduction under Section 80-IC of the Income Tax Act in relation to the profits derived from our Haridwar plant. This benefit was only available for 10 consecutive fiscal years and we have not benefited from it since April 1, 2018 (i.e., we ceased to have any benefit from it in Fiscal 2019). For more details, see "-*Significant Factors Affecting our Results of Operations and Financial Condition-Income tax benefit*" on page 312.

Profit for the Year

As a result of the foregoing, our profit for the year increased by ₹ 105.85 million, or 14.54%, to ₹ 833.51 million for Fiscal 2019 from ₹ 727.66 million for Fiscal 2018**.**

Total Other Comprehensive Income/Loss

Our total other comprehensive loss was ₹ 1.04 million for Fiscal 2019 compared to a total other comprehensive income of ₹ 5.51 million for Fiscal 2018.

Total Comprehensive Income for the Year

As a result of the foregoing, our total comprehensive income for the year increased by ₹ 99.30 million, or 13.54%, to ₹ 832.47 million for Fiscal 2019 from ₹ 733.17 million for Fiscal 2018.

Fiscal 2018 Compared to Fiscal 2017

Revenue

Our total revenue decreased by ₹ 59.24 million, or 0.44%, to ₹ 13,265.71 million for Fiscal 2018 from ₹ 13,324.95 million for Fiscal 2017, which was primarily due to a 52.95% decrease in revenue from traded goods.

The table below sets forth details in relation to our revenue for Fiscal 2018 and Fiscal 2017:

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2018 (Ind AS)	Year ended March 31, 2017 (Ind AS)	Percentage increase/ (decrease)
Sale of Products			
Finished Goods	12,624.95	12,136.92	4.02
Traded Goods	529.25	1,124.79	(52.95)
Revenue From Sale of Products	***13,154.20***	***13,261.71***	***(0.81)***
Other Operating Revenue			
Scrap Sales	32.88	32.70	0.55
Compensation	16.50	-	N.C. (1)
Profit on Import Licenses	1.87	5.74	(67.42)
Revenue from Operations	**13,205.45**	**13,300.15**	**(0.71)**
Other income	60.26	24.80	142.98
Total Revenue	**13,265.71**	**13,324.95**	**(0.44)**

Note:
1. Not comparable.

Revenue from Operations

Our revenue from operations decreased by ₹ 94.70 million, or 0.71%, to ₹ 13,205.45 million for Fiscal 2018 from ₹ 13,300.15 million for Fiscal 2017, primarily as a result GST being introduced in India effective July 1, 2017, which replaced all excise duties that were applicable to our products. Our revenue from operations does not include the GST payable on the sale of our products.

The sale of finished goods increased by ₹ 488.03 million, or 4.02%, to ₹ 12,624.95 million for Fiscal 2018 from ₹ 12,136.92 million for Fiscal 2017, which increase was primarily due to a ₹ 557.65 million, or 11.92%, increase in revenue from sale of finished goods for use in plumbing, and a ₹ 130.00 million, or 4.85%, increase in revenue from sale of finished goods for use in SWR management, both of which were due to increase in prices and the volume of products sold, which was partially offset by a ₹ 189.60 million, or 4.10%, decrease in revenue from sale of finished goods for use in irrigation, which was primarily due to the fact that excise duty was included in the price of finished goods for all Fiscal 2017 compared to only the first three months of Fiscal 2018, which was partially offset by an increase in volumes.

The sale of traded goods decreased by ₹ 595.54 million, or 52.95%, to ₹ 529.25 million for Fiscal 2018 from ₹ 1,124.79 million for Fiscal 2017, which decrease was primarily due to a ₹ 560.75 million, or 68.57%, decrease in revenue from trading of raw materials to ₹ 256.98 million for Fiscal 2018 from ₹ 817.73 million for Fiscal 2017.

Net Revenue from Sale of Products

The table below sets forth details in relation to our Net Revenue from Sale of Products for Fiscal 2018 and Fiscal 2017:

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2018 (Ind AS)	Year ended March 31, 2017 (Ind AS)	Percentage increase/ (decrease)
Revenue from sale of products	13,154.20	13,261.71	(0.81)
Less: excise duty	55.05	835.19	(93.41)
Net Revenue from Sale of Products	**13,099.15**	**12,426.52**	**5.41**

Our Net Revenue from Sale of Products increased by ₹ 672.63 million, or 5.41%, to ₹ 13,099.15 million for Fiscal 2018 from ₹ 12,426.52 million for Fiscal 2017, which increase was primarily due to a ₹ 475.61 million, or 9.04%, increase in Net Revenue from Sale of Products for use in plumbing, a ₹ 168.38 million, or 6.41%, increase in Net Revenue from Sale of Products for use in SWR management,

For Fiscal 2018, our Net Revenue from Sale of Products based on the estimated end-use based application comprised 43.81% from plumbing, 33.73% from irrigation, 21.35% from SWR management and 1.10% from others, which includes underground drainage, as compared to 42.36% from plumbing, 35.36% from irrigation, 21.16% from SWR management and 1.13% from others for Fiscal 2017.

Other Income

Other income increased by ₹ 35.46 million, or 142.98%, to ₹ 60.26 million for Fiscal 2018 from ₹ 24.8 million for Fiscal 2017, primarily due to ₹ 29.76 million received as commission on the sale of traded goods and a gain of ₹ 15.34 million on mark to market on derivative contracts.

Expenses

The table below sets forth details in relation to our total expenses for Fiscal 2018 compared to our total expenses for Fiscal 2017:

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2018 (Ind AS)	Year ended March 31, 2017 (Ind AS)	Percentage increase/(decrease)
Expenses:			
Cost of Materials Consumed	8,938.14	8,364.74	6.85
Purchases of Stock in Trade	461.74	1,075.44	(57.07)
Changes in Inventories (Increase / Decrease)	(185.60)	(549.58)	(66.23)
Excise Duty	55.05	835.19	(93.41)
Employee Benefit Expense	725.61	609.56	19.04
Finance Cost	361.08	363.74	(0.73)
Depreciation and Amortization Expenses	380.88	328.29	16.02
Other Expenses	1,577.14	1,338.49	17.83
Total	**12,314.04**	**12,365.87**	**(0.42)**

Our total expenses decreased by ₹ 51.83 million, or 0.42%, from ₹ 12,365.87 million for Fiscal 2017 to ₹ 12,314.04 million for Fiscal 2018. The key aspects of our expenses are discussed below:

Cost of Materials Consumed

The table below sets forth details in relation to our cost of materials consumed for the periods indicated below:

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2018 (Ind AS)	Year ended March 31, 2017 (Ind AS)	Percentage increase/ (decrease)
Inventory at the Beginning of the Year	771.21	588.89	30.96
Add: Purchases	9,421.97	8,547.06	10.24
Subtotal	***10,193.18***	***9,135.95***	***11.57***
Less: Inventory at the End of the Year	1,255.04	771.21	62.74
Total	**8,938.14**	**8,364.74**	**6.86**

Our cost of materials consumed increased by ₹ 573.40 million, or 6.86%, to ₹ 8,938.14 million for Fiscal 2018 from ₹ 8,364.74 million for Fiscal 2017. This increase was primarily due to increased sales volume.

Purchases of Stock in Trade

Our purchases of stock in trade, which primarily represents goods that we procured from contract manufacturers, decreased by ₹ 613.70 million, or 57.07%, to ₹ 461.74 million for Fiscal 2018 from ₹ 1,075.44 million for Fiscal 2017. This decrease was primarily due to decreased sales volume of stock in trade.

Changes in Inventories

The table below sets forth details in relation to changes in inventories for the periods indicated below:

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2018 (Ind AS)	Year ended March 31, 2017 (Ind AS)	Percentage increase/ (decrease)
Stock at the End of the Year			
Traded Goods	77.95	66.23	17.70

Particulars	Year ended March 31, 2018 (Ind AS)	Year ended March 31, 2017 (Ind AS)	Percentage increase/ (decrease)
Work in Progress	24.20	19.28	25.52
Finished Goods - Pipes and Fittings	1,026.05	857.09	19.71
A	***1,128.20***	***942.60***	***19.69***
Stock at the Beginning of the Year			
Traded Goods	66.23	47.46	39.55
Work in Progress	19.28	43.02	(55.18)
Finished Goods - Pipes and Fittings	857.09	302.54	183.30
B	***942.60***	***393.02***	***139.84***
(Increase)/Decrease in Stock (B-A)	**(185.60)**	**(549.58)**	**(66.23)**

For Fiscal 2018, our inventories increased by ₹ 185.60 million, or 19.69%, to ₹ 1,128.20 million as at March 31, 2018. This was primarily attributable to increases in the number of orders placed at the end of Fiscal 2018 and an addition of a warehouse in Chennai to meet our on time in full order delivery policy, which we introduced in Fiscal 2017.

For Fiscal 2017, our inventories increased by ₹ 549.58 million, or 139.84%, to ₹ 942.60 million as at March 31, 2017. This was primarily attributable to an increase in the number of our warehouses from two as at March 31, 2016 to eight as at March 31, 2017 and the need to increase our inventory levels to meet our on time in full order delivery policy, which we introduced in Fiscal 2017.

Excise Duty

Our excise duty decreased by ₹ 780.14 million, or 93.41%, to ₹ 55.05 million for Fiscal 2018 from ₹ 835.19 million for Fiscal 2017. This decrease was due to GST being introduced in India effective July 1, 2017, which replaced all excise duties that were applicable to our products.

Employee Benefit Expense

Our employee benefit expense increased by ₹ 116.05 million, or 19.04%, to ₹ 725.61 million for Fiscal 2018 from ₹ 609.56 million for Fiscal 2017, which was primarily attributable to increases in salaries and an increase in the number of our employees from 1,778 as at March 31, 2017 to 1,826 as at March 31, 2018. Our employee benefit expense as a percentage of revenue from operations increased to 5.49% for Fiscal 2018 from 4.58% for Fiscal 2017.

Other Expenses

The table below sets forth details in relation our other expenses for the periods indicated below.

(in ₹ million, except for percentages)

Particulars	Year ended March 31, 2018 (Ind AS)	Year ended March 31, 2017 (Ind AS)	Percentage increase/ (decrease)
Other Expenses	**1,577.14**	**1,338.49**	**17.83**
of which:			
Power and Fuel	*340.76*	*338.14*	*0.77*
Labour Charges	*289.12*	*260.21*	*11.11*
Advertisement and Sales Promotion Expenses	*201.95*	*150.24*	*34.42*
Consumption of Stores and Spares	*125.49*	*106.05*	*18.33*
Transport, Freight and Octroi Charges	*135.78*	*101.46*	*33.83*
Rent and Maintenance Expenses	*92.91*	*55.89*	*66.24*
Travelling and Conveyance Expenses	*86.98*	*69.80*	*24.61*
Foreign Currency Exchange Difference (Net)	*24.19*	-	*N.C.* [(1)]

Note:
1. Not comparable.

Our other expenses increased by ₹ 238.65 million, or 17.83%, to ₹ 1,577.14 million for Fiscal 2018 from ₹ 1,338.49 million for Fiscal 2017, which was primarily attributable to:

- a ₹ 51.71 million, or 34.42%, increase in advertisement and sales promotion expenses, which was primarily attributable to increased spending on branding and marketing efforts, such as our Prince Udaan loyalty program;

- a ₹ 37.02 million, or 66.24%, increase in rent and maintenance expenses, which was primarily due to rent being paid on eight warehouses opened during Fiscal 2017 for the full fiscal year and two warehouses opened in Fiscal 2018 for part of the fiscal year.
- a ₹ 34.32 million, or 33.83%, increase in transport, freight and octroi charges, which was primarily due to freight cost for delivery of our products to eight warehouses opened during Fiscal 2017 for the full fiscal year and two warehouses opened in Fiscal 2018 for part of the fiscal year**;**
- a ₹ 28.91 million, or 11.11%, increase in labour charges, which was due to an increase in the number of contract labourers used due to an increase in production in Fiscal 2018 as compared to Fiscal 2017 and an increase in minimum wages per day for labourers; and
- a ₹ 24.19 million increase in foreign currency exchange difference (net) from nil for Fiscal 2017.

Our other expenses as a percentage of revenue from operations increased to 11.94% for Fiscal 2018 from 10.06% for Fiscal 2017.

EBITDA

For the reasons described above, our EBITDA increased by ₹ 7.06 million, or 0.43%, to ₹ 1,633.37 million for Fiscal 2018 from ₹ 1,626.31 million for Fiscal 2017.

Finance Cost

Our finance cost decreased by ₹ 2.66 million, or 0.73%, to ₹ 361.08 million for Fiscal 2018 from ₹ 363.74 million for Fiscal 2017, The table below sets forth details in relation our finance cost for the periods indicated below.

(in ₹ million, except for percentages)

Particulars	**Year ended March 31, 2018 (Ind AS)**	**Year ended March 31, 2017 (Ind AS)**	**Percentage increase/ (decrease)**
Interest:			
On Working Capital from Banks	156.24	163.83	(4.63)
On Term Loans	156.36	148.09	5.58
Others	3.38	8.58	(60.61)
On Lease Liability	7.14	6.21	14.98
Subtotal	323.12	326.71	(1.10)
Bank Commission and Charges	37.96	37.03	2.51
Total	**361.08**	**363.74**	**(0.73)**

Depreciation and Amortization Expenses

Depreciation and amortization expenses increased by 16.02% to ₹ 380.88 million for Fiscal 2018 from ₹ 328.29 million for Fiscal 2017, which increased primarily due to the depreciation on building, plant and machinery, and moulds and dies purchased during the fiscal year.

Profit before Tax

For the reasons described above, our profit before tax decreased by ₹ 7.41 million, or 0.77%, to ₹ 951.67 million for Fiscal 2018 from ₹ 959.08 million for Fiscal 2017.

Tax Expense

Our total tax expenses increased by ₹ 6.75 million, or 3.10%, to ₹ 224.01 million for Fiscal 2018 from ₹ 217.26 million for Fiscal 2017. Our current tax increased by ₹ 5.58 million, or 2.67%, to ₹ 214.54 million for Fiscal 2018 from ₹ 208.96 million for Fiscal 2017. Our deferred tax expense increased by ₹ 1.17 million, or 14.10%, to ₹ 9.47 million for Fiscal 2018 from ₹ 8.30 million for Fiscal 2017.

For Fiscals 2018 and 2017, our tax expense as a percentage of our profit before tax was 23.54% and 22.65% respectively. The corporate income tax rate was 34.61% (including all cesses) for both Fiscals 2018 and 2017. Our tax expense as a percentage of our profit before tax was lower than the corporate income tax rate for each fiscal year primarily due to the fact that we benefited from a tax deduction under Section 80-IC of the Income Tax Act in relation to the profits derived from our Haridwar plant. For more details, see "-*Significant Factors Affecting our Results of Operations and Financial Condition-Income tax benefit*" on page 312.

Profit for the Year

As a result of the foregoing, our profit for the year decreased by ₹ 14.16 million, or 1.91%, to ₹ 727.66 million for Fiscal 2018 from ₹ 741.82 million for Fiscal 2017**.**

Total Other Comprehensive Income/Loss

Our total other comprehensive income was ₹ 5.51 million for Fiscal 2018 compared to a total other comprehensive loss of ₹ 10.44 million for Fiscal 2017.

Total Comprehensive Income for the Year

As a result of the foregoing, our total comprehensive income for the year increased by ₹ 1.79 million, or 0.24%, to ₹ 733.17 million for Fiscal 2018 from ₹ 731.38 million for Fiscal 2017.

LIQUIDITY AND CAPITAL RESOURCES

Our liquidity requirements arise principally from our operating activities, working capital requirements, capital expenditures for maintenance and expansion activities, and the repayment of borrowings.

In the last three fiscal years and the three-month period ended June 30, 2019, our principal sources of funding were cash from operations and short and long-term loan facilities.

As at June 30, 2019, we had cash and cash equivalents (as per our cash flow statement) of ₹ 2.54 million. Cash and cash equivalents comprised cash on hand and balances with banks in current accounts.

For details of our fund-based credit facilities and non-fund-based credit facilities as at October 31, 2019, see "*Financial Indebtedness*" on page 337.

Indebtedness

As at June 30, 2019, we had non-current borrowings of ₹ 981.82 million, current borrowings of ₹ 1,609.34 million and current maturities of long-term debt of ₹ 385.65 million.

For details in relation to our borrowings as at October 31, 2019, see "*Financial Indebtedness*" on page 337.

Summary of Cash Flows

The table below sets forth selected information from our statements of cash flows for the periods indicated below.

(in ₹ million)

Particulars	Three-month period ended June 30, 2019 (Ind AS)	Year ended March 31, 2019 (Ind AS)	Year ended March 31, 2018 (Ind AS)	Year ended March 31, 2017 (Ind AS)
Net cash flow from operating activities	302.88	2,204.90	1,622.39	968.20
Net cash flow (used in) investing activities	(319.03)	(1,050.58)	(1,702.63)	(678.94)
Net cash flow from/(used in) financing activities	(70.21)	(1,067.73)	55.37	(262.53)
Net increase/(decrease) in cash and cash equivalents	**(86.36)**	**86.59**	**(24.87)**	**26.73**
Cash and cash equivalents at the beginning of the period	88.90	2.31	27.18	0.45
Cash and cash equivalents at the end of the period	**2.54**	**88.90**	**2.31**	**27.18**

Cash from Operating Activities

Our net cash received from operating activities for the three-month period ended June 30, 2019 was ₹ 302.88 million, which was primarily due to operating profit before working capital changes of ₹ 569.91 million, ₹ 541.25 million received from trade and other receivables which was partially offset by ₹ 571.93 million used for trade and other payables, ₹ 176.02 million received form inventories and ₹ 60.33 million used in taxes paid.

Our net cash received from operating activities for Fiscal 2019 was ₹ 2,204.90 million, which was primarily due to operating profit before working capital changes of ₹ 1,899.09 million and ₹ 501.04 million received from trade and other payables, which was partially offset by ₹ 294.80 million used for trade and other receivables, ₹ 404.61 million used in inventories and ₹ 305.04 million used in taxes paid.

Our net cash received from operating activities for Fiscal 2018 was ₹ 1,622.39 million, which was primarily due to operating profit before working capital changes of ₹ 1,747.95 million and ₹ 906.03 million received from trade and other payables, which was partially offset by ₹ 195.99 million used for trade and other receivables, ₹ 672.78 million used in inventories and ₹ 162.82 million used in taxes paid.

Our net cash received from operating activities for Fiscal 2017 was ₹968.20 million, which reflected our operating profit before working capital changes of ₹ 1,658.26 million and ₹ 221.68 million received from trade and other payables, which was partially offset by ₹ 727.69 million used for inventories and ₹ 218.61 million used in taxes paid.

Cash (used in) Investing Activities

Our net cash used in investing activities for the three-month period ended June 30, 2019 was ₹ 319.03 million, which was primarily due to ₹ 229.11 million used to purchase fixed assets.

Our net cash used in investing activities for the year ended March 31, 2019 was ₹ 1,050.58 million, which was primarily due to ₹ 917.98 million used to purchase fixed assets.

Our net cash used in investing activities for the year ended March 31, 2018 was ₹ 1,702.63 million, which was primarily due to ₹ 1,118.99 million used to purchase fixed assets and ₹ 666.79 million used to pay for capital advances.

Our net cash used in investing activities for Fiscal 2017 was ₹ 678.94 million, which was primarily due to ₹ 684.70 million used for the purchase of fixed assets.

Cash from/(used in) Financing Activities

Our net cash used in financing activities for the three-month period ended June 30, 2019 was ₹ 70.21 million, which was primarily due to payment of interest of ₹ 64.16 million.

Our net cash used in financing activities for the year ended March 31, 2019 was ₹ 1,067.73 million, which was primarily due to repayment of borrowings of ₹ 688.97 million and payment of interest of ₹ 329.30 million.

Our net cash received from financing activities for the year ended March 31, 2018 was ₹ 55.37 million, which was primarily due to proceeds received from non-current and current borrowings of ₹ 424.63 million, which was partially offset by payment of interest of ₹ 313.73 million and ₹ 37.96 million used to pay bank commission and charges.

Our net cash used in financing activities for Fiscal 2017 was ₹ 262.53 million, which was due to ₹ 254.26 million received from non-current/current borrowings (net), which was offset by ₹ 315.34 million used to pay interest, ₹ 147.68 million used in the buyback of shares and ₹ 37.03 million used for the payment of bank commission and charges.

FINANCIAL CONDITION

Assets

The table below sets forth details in relation to the principal components of our assets as at the dates indicated below.

(in ₹ million)

Particulars	As at June 30, 2019 (Ind AS)	As at March 31, 2019 (Ind AS)	As at March 31, 2018 (Ind AS)	As at March 31, 2017 (Ind AS)
Non-Current Assets				
Property, Plant and Equipment	3,601.26	3,595.11	3,323.72	2,636.91
Capital Work in Progress	765.85	615.08	146.77	180.32
Right-of-Use Assets	58.39	62.37	78.30	10.63
Goodwill	2.96	2.96	2.96	2.96
Other Intangible Assets	34.56	35.55	41.52	34.76
Investments	9.06	7.77	7.36	7.25
Loans	79.72	74.22	73.43	51.49
Other Financial Assets	86.78	86.78	-	-
Other Non-Current Assets	622.55	582.19	692.25	14.47
Total Non-Current Assets	**5,261.13**	**5,062.03**	**4,366.31**	**2,938.79**
Current Assets				
Inventories	2,186.58	2,010.56	2,415.17	1,742.40
Investments	-	-	-	-
Trade Receivables	1,904.77	2,503.61	2,393.93	2,367.37
Cash and Cash Equivalents	2.54	88.90	2.31	27.18
Other Balances with Banks	127.60	134.25	93.98	96.50
Loans	2.32	2.33	2.59	3.66
Other Financial Assets	2.57	1.32	2.62	0.94
Income Tax Assets (net)	-	5.22	-	24.34
Other Current Assets	657.06	595.91	451.08	403.87
Subtotal	***4,883.44***	***5,342.10***	***5,361.68***	***4,666.26***
Assets classified as held for sale	-	-	70.78	-
Total Current Assets	**4,883.44**	**5,342.10**	**5,432.46**	**4,666.26**
Total Assets	**10,144.57**	**10,404.13**	**9,798.77**	**7.605.05**

Our total assets increased by ₹ 2,193.72 million, or 28.85%, to ₹ 9,798.77 million as at March 31, 2018 and further increased by ₹ 605.36 million, or 6.18%, to ₹ 10,404.13 million as at March 31, 2019 and decreased by ₹ 259.56 million, or 2.49%, to ₹ 10,144.57 million as at June 30, 2019. The primary reasons for these changes are discussed below.

Our total non-current assets increased by ₹ 1,427.52 million, or 48.58%, to ₹ 4,366.31 million as at March 31, 2018 and increased by ₹ 695.73 million, or 15.93%, to ₹ 5,062.03 million as at March 31, 2019 and further increased by ₹ 199.09 million, or 3.93%, to ₹ 5,261.13 million as at June 30, 2019. The net increase primarily relates to an increase in our property, plant and equipment from ₹ 2,636.91 million as at March 31, 2017 to ₹ 3,601.26 million as at June 30, 2019, which was primarily attributable to the addition of building, plant and machinery, and moulds and dies.

Our inventories increased by ₹ 672.77 million, or 38.61%, to ₹ 2415.17 million as at March 31, 2018 and decreased by ₹ 404.61 million, or 16.75%, to ₹ 2,010.56 million as at March 31, 2019 and increased by ₹ 176.02 million, or 8.75%, to ₹ 2,186.58 million as at June 30, 2019. For a discussion on the reasons for these changes in our inventories, see "*–Results of Operations*" on page 318.

Our trade receivables increased by ₹ 26.56 million, or 1.12%, from ₹ 2,367.37 million as at March 31, 2017 to ₹ 2,393.93 million as at March 31, 2018, and increased by ₹ 109.68 million, or 4.58% to ₹ 2,503.61 million as at March 31, 2019 and decreased by ₹ 598.84 million, or 23.92% to ₹ 1,904.77 million as at June 30, 2019, which was primarily attributable to prompt receipt of monies owed from customers.

Equity and Liabilities

The table below sets forth details in relation to the principal components of our equity and liabilities as at the dates indicated below.

(in ₹ million)

Particulars	As at June 30, 2019 (Ind AS)	As at March 31, 2019 (Ind AS)	As at March 31, 2018 (Ind AS)	As at March 31, 2017 (Ind AS)
Equity				
Equity Share Capital	900.16	900.16	900.16	450.08
Other Equity	3,378.40	3,107.51	2,265.63	1,975.36
Total Equity	**4,278.56**	**4,007.67**	**3,165.79**	**2,425.44**
Non-Current Liabilities				
Borrowings	981.82	1,057.69	1,461.86	1,057.62
Lease Liabilities	39.87	43.95	60.59	-
Other Financial Liabilities	160.80	160.29	162.04	154.51
Provisions	84.92	78.16	68.83	45.47
Deferred Tax Liabilities (net)	114.18	135.49	127.49	117.25
Other Liabilities	-	-	5.10	-
Total Non-Current Liabilities	**1,381.59**	**1,475.58**	**1,885.91**	**1,374.85**
Current Liabilities				
Current Borrowings	1,609.34	1,456.78	1,698.33	1,887.64
Lease Liabilities	16.42	16.64	17.50	8.90
Trade Payables	1,703.81	2,151.63	1,970.01	1,021.19
Other Financial Liabilities	1,033.72	1,114.69	963.83	744.36
Provisions	11.28	16.47	12.05	24.12
Current Tax Liabilities	28.59	-	27.39	-
Other Liabilities	81.26	164.68	57.96	118.54
Total Current Liabilities	**4,484.42**	**4,920.89**	**4,747.07**	**3,804.75**
Total Liabilities	**5,866.01**	**6,396.47**	**6,632.98**	**5,179.60**
Total Equity and Liabilities	**10,144.57**	**10,404.13**	**9,798.77**	**7,605.05**

Our total equity increased by ₹ 740.35 million, or 30.52%, to ₹ 3,165.79 million as at March 31, 2018 and increased by ₹ 841.88 million, or 26.59%, to ₹ 4,007.67 million as at March 31, 2019 and further increased by ₹ 270.89 million, or 6.76%, to ₹ 4,278.56 million as at June 30, 2019. These increases were due to increases in our other equity by ₹ 1,403.04 million, or 71.03%, from ₹ 1,975.36 million as at March 31, 2017 to ₹ 3,378.40 million as at June 30, 2019 and due to an increase in our equity share capital from ₹ 450.08 million as at March 31, 2017 to ₹ 900.16 million, which reflected a ₹ 450.08 million increase in our share capital due to a bonus issue of 45,007,908 Equity Shares at a price of ₹ 10 per Equity Share on July 12, 2017.

Our total liabilities increased by ₹ 1,453.38 million, or 28.06%, to ₹ 6,632.98 million as at March 31, 2018 and decreased by ₹ 236.51 million, or 3.57%, to ₹ 6,396.47 million as at March 31, 2019 and decreased by ₹ 530.45 million, or 8.29%, to ₹ 5,866.01 million as at June 30, 2019. The primary reasons for the changes in total liabilities are discussed below.

Our non-current borrowings increased by ₹ 404.24 million, or 38.22%, to ₹ 1,461.86 million as at March 31, 2018, which was primarily attributable to additional loans raised for increased capital expenditure, and decreased by ₹ 404.17 million, or 27.65%, to ₹ 1,057.69 million as at March 31, 2019, which was primarily attributable to the scheduled repayment of term loans, and decreased by ₹ 75.87 million, or 7.17%, to ₹ 981.82 million as at June 30, 2019, which was primarily attributable to the scheduled repayment of term loans.

Our current borrowings decreased by ₹ 189.31 million, or 10.03%, to ₹ 1,698.33 million as at March 31, 2018. Our current borrowings decreased by ₹ 241.55 million, or 14.22%, to ₹ 1,456.78 million as at March 31, 2019, which was primarily attributable to the lower utilisation of working capital fund based limits, and increased by ₹ 152.56 million, or 10.47%, to ₹ 1,609.34 million as at June 30, 2019, which was primarily attributable to the higher utilisation of working capital fund based limits.

Our trade payables increased by ₹ 948.82 million, or 92.91%, to ₹ 1,970.01 million as at March 31, 2018 and increased by ₹ 181.62 million, or 9.22%, to ₹ 2,151.63 million as at March 31, 2019, which was primarily attributable to increases in the purchase of imported raw materials from international suppliers, and decreased by ₹ 447.82 million, or 20.81%, to ₹ 1,703.81 million as at June 30, 2019, which was primarily attributable to a decrease in the purchase of imported raw materials from international suppliers. We receive longer credit terms from international suppliers compared to domestic suppliers, so an increase in the purchase of imported raw materials from international suppliers will result in an increase in our trade payable and vice versa.

Our current other financial liabilities primarily comprise (a) current maturities of long-term debt, (b) employee-related liabilities, (c) creditors for capital goods and (d) other current liabilities. Our current other financial liabilities increased by ₹ 219.47 million, or 29.48%, to ₹ 963.83 million as at March 31, 2018 and increased by ₹ 150.86 million, or 15.65%, to ₹ 1,114.69 million as at March 31, 2019 and decreased by ₹ 80.97 million, or 7.26%, to ₹ 1,033.72 million as at June 30, 2019. The primary reasons for the changes in current other financial liabilities were the following:

- a ₹ 166.25 million increase in current maturities of long-term rupee loans from banks to ₹ 409.19 million as at March 31, 2018, a ₹ 35.49 million decrease to ₹ 373.70 million as at March 31, 2019 and a ₹ 68.93 million decrease to ₹ 304.77 million as at June 30, 2019;
- a ₹ 30.04 million increase in employee related liabilities to ₹ 94.72 million as at March 31, 2018 and a ₹ 25.04 million increase to ₹ 119.76 million as at March 31, 2019 and a further ₹ 6.31 million increase to ₹ 126.07 million as at June 30, 2019; and
- a ₹ 26.27 million decrease in other current liabilities to ₹ 316.95 million as at March 31, 2018 and a ₹ 153 million increase to ₹ 469.95 million as at March 31, 2019 and a ₹ 18.23 million decrease to ₹ 451.72 million as at March 31, 2019.

OFF-BALANCE SHEET ARRANGEMENTS AND FINANCIAL INSTRUMENTS

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with unconsolidated entities or financial partnerships established or contemplated for the purpose of facilitating off-balance sheet transactions.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Long-term Borrowings (including Current Maturity of Long-term Borrowings) and Other-Long-term Liabilities

The following table sets forth certain information relating to future payments due under long-term borrowings (including current maturity of long-term borrowings) and other-long-term liabilities reflected on the balance sheet as at June 30, 2019:

(in ₹ million)

Particulars	Within One Year	After One Year But Within Three Years	After Three Years But Within Five Years	More Than Five Years	Total
Long-term borrowings[(1)]	385.65	708.44	406.98	130.68	1,631.75
Other-long-term liabilities reflected on the balance sheet[(2)]	-	399.77	-	-	399.77

Notes:

(1) *Includes an undrawn amount of ₹ 264.28 million from IndusInd Bank as at June 30, 2019 and current maturity of long-term borrowings as at June 30, 2019.*
(2) *This is total non-current liabilities less long term borrowings.*

Leases

The following table sets forth our lease liability as at June 30, 2019 for long-term leases we have entered into:

(in ₹ million)

	Less than one year	One year to five years	More than five years	Total
Lease liability as at June 30, 2019	16.42	39.87	-	**56.29**

For details of the property that we hold pursuant to a lease, see "*Our Business-Properties*" on page 165.

CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR

The total of our contingent liabilities as at June 30, 2019 was ₹ 721.33 million, details of which are as follows:

(in ₹ million)

Particulars	As at June 30, 2019 (Ind AS)
Income tax matters	25.54
Excise duty matters	0.38
Other cases	1.10
Guarantees given by banks on behalf of our Company to government and semi-government authorities	23.12
Guarantees given by our Company to banks for the repayment of amounts owed to these banks for loans taken out by our customers for the payment of the purchase price of our products(1)	671.19
Total	**721.33**

Note:

(1) We have executed a first loss default guarantee in favour of Yes Bank Limited for ₹ 850.00 million and an undertaking to reimburse defaulted amounts in favour of ICICI Bank Limited for ₹ 500.00 million, pursuant to which we have guaranteed the repayment of amounts owed to these banks for loans taken out by our customers for the payment of the purchase price of our products.

The estimated amount of contracts remaining to be executed on capital account and not provided for as at June 30, 2019 was ₹ 353.57 million.

The Supreme Court of India by its order dated February 28, 2019 has clarified the principles based on which allowances paid to employees should be identified for inclusion in basic wages for the purposes of computation of contributions to the Provident Fund. Pending directions or clarification from the Employees' Provident Fund Organisation, the quantification of the impact of this order on us, if any, is unascertainable and consequently no effect has been given in the accounts.

RELATED PARTY TRANSACTIONS

We enter into various transactions with our Promoter/Promoter Group/Group Entities/ Key Managerial Personnel, including for the purchase of raw materials for manufacturing our products. For details on our related party transactions for Fiscals 2017, 2018 and 2019 and the three-month period ended June 30, 2019, see Note 36 in Annexure G to the Restated Financial Statements in "*Financial Statements*" on page 212.

MARKET RISK

Qualitative Disclosure

Market risk is the potential loss arising from changes in market rates and market prices. Our primary market risks are interest rate risk, foreign currency risk and commodity price risk.

Interest Rate Risk

We borrow the majority of our funds on a floating rate basis and have not hedged our floating rate loans. We are therefore exposed to interest rate risk with respect to our borrowings on floating rates.

Foreign Currency Risk

We are exposed to exchange rate fluctuations with respect to our unhedged foreign currency borrowings and with respect to our trade payables for imports, both of which are primarily denominated in USD. As a result, changes in exchange rates may affect our results of operations and financial condition.

We enter into derivative financial instruments, viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps.

We enter into foreign exchange forward contracts to manage risks associated with foreign currency fluctuations.

We enter into interest rates swaps and cross currency swaps to hedge risks associated to foreign currency and interest rates fluctuations pertaining to ECBs.

We do not hold derivative financial instruments for speculative purposes.

Commodity Price Risk

We are exposed to the price risk associated with purchasing our key raw material, specifically PVC resin. We do not enter into long-term firm price contracts for the supply of our key raw materials. Therefore, fluctuations in the price of these raw materials may adversely affect our results of operations. For additional information on how our results of operations are affected by fluctuations in the price of our key raw material, see section titled "*Risk Factors- Increases in the cost of raw materials could have a material adverse effect on our results of operations and financial condition*" on page 18.

Quantitative Disclosure

Interest Rate Risk

As at June 30, 2019, we had ₹ 2,976.81 million of borrowings outstanding that was subject to floating rates of interest, of which ₹ 181.18 million was hedged, resulting in ₹ 2,795.63 million of unhedged floating rate borrowings outstanding. Any increase in interest rates would increase the interest costs of our unhedged floating rate borrowings and would adversely affect our results of operations.

Exchange Rate Risk

As at June 30, 2019, we had US$14.40 million trade payables for imports denominated in USD. As at June 30, 2019, ₹ 181.18 million, or 6.09%, of our total fund based outstanding borrowings was denominated in USD. In order to reduce our currency exchange risks, we have entered into hedging arrangements for all of these borrowings.

For further details on quantitative disclosure on market risk, see Note 31 in Annexure G to the Restated Financial Statements in "*Financial Statements*" on page 212.

QUALITATIVE FACTORS

Unusual or Infrequent Events or Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge that may be described as "unusual" or "infrequent", or any unusual changes of income, changes in accounting policies and discretionary reduction of expenses that have taken place in the last three fiscal years.

Significant Economic Changes

Except as described in this Draft Red Herring Prospectus, there have been no significant economic changes that have taken place in the last three fiscal years that have materially affected or are likely to affect income from operations.

Known Trends or Uncertainties

Our business has been impacted, and we expect will continue to be impacted, by the trends identified in "– *Significant Factors Affecting Our Results of Operations and Financial Condition*" on page 309 and the risks and uncertainties described in "*Risk Factors*" on page 17.

Future Relationship between Cost and Income

Except as described in this section and in "*Risk Factors*" and "*Our Business*" on pages 17 and 150, respectively, to the best of our knowledge, there is no future relationship between cost and income that will have a material adverse effect on our results of operations and finances.

The Extent to Which Material Increases in Net Sales or Revenue are Due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

The reasons for changes in income from operations for the last three fiscal years are explained in this section.

Dependence on a Few Customers or Suppliers

We are not dependent on any customers or suppliers.

Total Turnover of Each Major Business Segment

We currently operate in a single business segment, i.e., pipes and fittings, and within India.

New Products or Business Segments

We have introduced new products in the last three fiscal years. For a discussion of the effect of new products launched in the last three fiscal years, see "*–Significant Factors Affecting Our Results of Operations and Financial Condition–Introduction of new products and variations of existing products*" on page 310.

We have not publicly announced any new business segments in the last three fiscal years.

Seasonality of Business

Our revenue from operations is less in the first quarter of a fiscal year compared to each of the other three quarters of a fiscal year. Our revenue from operations is more in the fourth quarter of a fiscal year compared to each of the other three quarters of a fiscal year.

Competitive Conditions

Our business is subject to competition. See "*–Significant Factors Affecting our Results of Operations and Financial Condition–Competition and pricing pressure*" on page 312.

S**IGNIFICANT DEVELOPMENTS AFTER JUNE 30, 2019**

There have been no significant developments after June 30, 2019 that may materially and adversely affect our future financial condition and results of operations or our ability to pay our liabilities within the next 12 months.

Our Company has, in consultation with the BRLMs, undertaken a Pre-IPO placement of 596,500 CCPS for cash consideration aggregating to ₹ 1,061.77 million, which have been converted into 5,965,000 Equity Shares on December 9, 2019.

FINANCIAL INDEBTEDNESS

In furtherance of our Articles of Association and subject to applicable laws, our Board is authorised to borrow sums of money for the purposes of our Company, and upon such terms and conditions as the Board thinks fit. For further details regarding the borrowing powers of our Board, see the section titled "*Our Management*" on page 181.

Our Company has availed loans and bank facilities in the ordinary course of business, primarily for funding working capital and capital expenditure requirements.

Set forth below is a brief summary of our aggregate borrowings as at October 31, 2019:

Category of borrowing	Sanctioned amount (in ₹million)	Outstanding amount as at October 31, 2019 (in ₹million)
Loans from banks		
Fund based facilities	3,630.00	3,078.46
Non- fund based facilities	2,520.00	1,745.30
Total	**6,150.00**	**4,823.76**

Also, we intend to utilize the Net Proceeds and proceeds from the Pre-IPO Placement, aggregating up to ₹481.70 million towards repayment and/or pre-payment, in full or in part, of certain outstanding term loans availed by our Company (as set forth below). For details, please see the section titled "*Objects of the Offer - Details of the Objects*" on page 99**.**

S. No.	Name of lender	Amount outstanding as at October 31, 2019 (₹ in million)	Interest rate (in % per annum) as at October 31, 2019	Repayment schedule	Pre-payment penalty*
1.	Bank of India	52.50	11.60	To be repaid on or prior to June 29, 2021 by way of quarterly instalments.	Prepayment is allowed, subject to prior written approval of or notice to the lenders, as applicable, and the penalty of 0.50% (in case of IDFC First Bank Limited).
2.	IndusInd Bank Limited	500.00	9.85	To be repaid on or prior to March 12, 2025 by way of quarterly installments.	
3.	The Federal Bank Limited	60.12	9.75	To be repaid on or prior to November 6, 2021 by way of quarterly instalments.	
		300.00	9.85	To be repaid on or prior to September 15, 2025 by way of quarterly instalments.	
4.	ICICI Bank Limited	102.22	11.60	To be repaid on or prior to October 25, 2023 by way of monthly instalments.	

S. No.	Name of lender	Amount outstanding as at October 31, 2019 (₹ in million)	Interest rate (in % per annum) as at October 31, 2019	Repayment schedule	Pre-payment penalty*
5.	IDFC First Bank Limited	366.38	10.70	To be repaid on or before June 30, 2023 by way of quarterly instalments.	
	Total	**1,381.22**			

* *Payment of prepayment penalties, if any, shall also be made out of the Net Proceeds and proceeds from the Pre-IPO Placement. In the event that the Net Proceeds and proceeds from the Pre-IPO Placement are insufficient for the said payment of prepayment penalty, such payment shall be made from our internal accruals.*

Principal terms of the secured borrowings availed by us:

1. ***Interest:*** The interest rate for the facilities availed by us is typically the base rate or MCLR of the relevant lender plus a specified spread payable on an annual or monthly basis. Further, under certain facilities the interest rate ranges from 8.26% per annum to 11.60% per annum.

2. ***Tenor:*** The tenor of the facilities availed by us typically ranges from one day to eight years.

3. ***Security:*** In terms of our borrowings where security needs to be created, we are typically required to:

(a) For working capital facilities: First pari passu charge on present and future current assets of our Company and second pari passu charge on Company's present and future fixed assets (movable and immovable) situated at our plants at Athal, Dadra, Haridwar, Chennai, Kolhapur and Jaipur, and at the office premises at the 4th Floor, "Ruby House", Mumbai.

(b) For term loans/external commercial borrowings: First pari passu charge on our Company's present and future fixed assets (movable and immovable) situated at our plants at Athal, Dadra, Haridwar, Chennai, Kolhapur and Jaipur, and at the office premises at the 4th Floor, "Ruby House", Mumbai and second pari passu charge on present and future current assets of our Company.

(c) For vehicle loans: Hypothecation of the specific asset (vehicle) financed by the banks.

In most cases, the security created in favour of a lender is on a *pari passu* basis with other lenders.

Further, certain of our Promoters, namely, Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda, have also provided personal guarantees to our lenders in relation to certain of our outstanding loans.

The details above are indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

4. ***Repayment****:* The working capital facilities are repayable on demand by the lender, while the term loan facilities are repayable as per a fixed schedule in monthly or quarterly instalments.

5. ***Prepayment:*** Certain loans availed by our Company have prepayment provisions which allow for prepayment of the outstanding loan amount at any given point in time, subject to prior written approval of the lender, as applicable, and a prepayment penalty ranging from 0.50% - 5.00% of the amount pre-paid or the amount outstanding, as the case may be. Some of these loans allow for prepayment with no penalty subject to written approval of the lender and the fulfilment of certain conditions including the prepayment coming from proceeds of the initial public offering of our Company.

6. ***Penalty:*** The loans availed by our Company contain provisions prescribing penalties for various events including delayed payment, default in repayment obligations, or delay in creation of the stipulated security. The penalty typically ranges from 1% per annum to 24% per annum.

7. ***Events of Default:*** In terms of our facility agreements, the events of default include:

(a) non-payment or default of any amount due on the facility or loan obligation;
(b) non-compliance of terms and conditions stipulated by the lenders under the various borrowing arrangements;
(c) cross-default; and
(d) our Company suspending, ceasing or threatening to cease to carry on its business.

The consequences of occurrence of 'events of default' include but are not limited to:

(a) all amounts outstanding with our Company becoming immediately due and repayable;
(b) initiation of recovery of the outstanding loans through the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 by the lender;
(c) suspension or termination of all undrawn commitments and enforcement of the security created in respect of such loan facilities by the lender;
(d) appointment of a nominee director by the lenders, and/or review of the management set-up or organisation of our Company, as may be considered necessary by the lenders; and
(e) demand by the lender for a cure of the default.

8. ***Restrictive Covenants***

In terms of our facility agreements, certain corporate actions by our Company require the prior intimation to/ prior written consent of the relevant lenders. These typically include:

(a) alteration of our capital structure in any manner;
(b) making changes to our management set-up;
(c) effecting any amalgamation, merger, reconstruction or consolidation;
(d) amending the documents in relation to the constitution of our Company;
(e) effecting any change in ownership or shareholding pattern;
(f) creation of further charge, lien or encumbrance on assets hypothecated with our lenders;
(g) undertaking new projects or implementing any scheme of expansion/ diversification, or incurring capital expenditure, except as provided for in the funds flow statement submitted by our Company to the lender;
(h) investment by way of share capital in or lend or advance to or place deposits with any other entity;
(i) undertaking guarantee obligations on behalf of any other lender or any third party; and
(j) declaring dividends except out of profits relating to that year after making all due and necessary provisions.

With respect to the financial and other covenants required to be complied with, by our Company, in relation to our loan obligations, see the section titled "*Risk Factors – If we do not comply with covenants and conditions under our borrowing arrangements it could lead to termination of our credit facilities, accelerated repayment of all amounts due thereunder, enforcement of any security provided and the trigger of cross default provisions. Any of the above actions taken by the relevant lender could have a material adverse effect on our credit ratings, financial condition, results of operations and cash flows.*" on page 27.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below, there is no outstanding (a) criminal proceedings involving our Company, Directors, Promoters or Group Companies; (b) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoters or Group Companies; (c) claims related to direct or indirect tax involving our Company, Directors, Promoters or Group Companies (disclosed in a consolidated manner giving the total number of claims and total amounts involved); or (d) other pending litigations involving our Company, Directors, Promoters, or Group Companies, as determined to be material by our Board, in accordance with the SEBI ICDR Regulations. Further, except as stated in this section, there are no (i) pending defaults and non-payment of statutory dues by our Company as determined to be material by our Board as per the Materiality Policy, in accordance with the SEBI ICDR Regulations; (ii) outstanding dues to small scale undertaking and other creditors (including material creditors) as defined under the Materiality Policy (as defined below).

*In relation to point (d) and (i) above, our Board, in its meetings held on September 24, 2018 and November 28, 2019, has adopted a policy for identification of Group Companies, material creditors and material legal proceedings (“**Materiality Policy**”). Pursuant to the SEBI ICDR Regulations and in accordance with the Materiality Policy, we have disclosed all pending litigation involving our Company, Directors, Promoters and Group Companies (other than criminal proceedings, claims related to direct/indirect tax and statutory or regulatory actions) that are considered ‘material’, that is, (i) if the monetary amount of claim by or against our Company, its Directors, Promoters and/or Group Companies in any such pending litigation is in excess of an amount of ₹ 8.34 million, being approximately 1% of our Company’s profit after tax as per the Restated Financial Statements for Fiscal Year 2019, and (ii) any such litigation, the outcome of which could have a material adverse effect on the business, operations, prospects or reputation of our Company, irrespective of the amount involved in such litigation.*

Further, in terms of the Materiality Policy, our Company considers creditors to whom the amount due exceeds 5% of the trade payables of our Company as per the Restated Financial Statements for Fiscal Year 2019 i.e. ₹ 107.58 million, as ‘material’ creditors for the purpose of disclosures in this Red Herring Prospectus.

It is clarified that for the purposes of the above, pre-litigation notices (other than those notices involving actions by statutory or regulatory authorities) received by our Company, Directors, Promoters or the Group Companies shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of its Directors, Promoters or its Group Companies, as the case may be, is impleaded in such litigation proceedings before any judicial forum.

In this chapter, we have also disclosed the details of certain complaints received by our Company and Lead Managers from Montana Developers Private Limited and Radon Developer Private Limited in respect of our Draft Red Herring Prospectus and the Erstwhile DRHP, along with details of litigation mentioned in such complaints, and other outstanding litigation involving M/s Aditya Developers.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus.

I. Litigation involving our Company

A. *Outstanding Criminal Litigation involving our Company*

Criminal proceedings against our Company

There are no outstanding criminal proceedings against our Company.

Criminal proceedings by our Company

1. Our Company filed a criminal complaint bearing number 1102/SS/2016 under Section 138 of the Negotiable Instruments Act, 1881, against Sri Venkata Charan Agencies and C.V. Narasiah before the Metropolitan Magistrate, Mumbai on March 9, 2016, in relation to dishonor of two cheques for ₹ 2.00 million and ₹1.70 million. The matter is currently pending.

2. Our Company filed a criminal complaint bearing number 804/SS/2017 under Section 138 of the Negotiable Instruments Act, 1881, against Harsha Enterprises, Nellore before the

Metropolitan Magistrate, Mumbai on January 5, 2017 in relation to dishonor of two cheques for ₹ 0.70 million and ₹ 0.73 million. The matter is currently pending.

3. Our Company filed criminal complaints bearing numbers 433/SS/2018, 434/SS/2018, 435/SS/2018, 436/SS/2018 and 437/SS/2018 Section 138 of the Negotiable Instruments Act, 1881, against Vilesh Sheth, proprietor of M/s. Pansar Infracon, before the Metropolitan Magistrate, Mumbai, in relation to dishonor of five cheques for ₹ 2.50 million, ₹ 7.00 million, ₹7.00 million, ₹ 7.80 million and ₹ 0.80 million. The matters are currently pending.

4. Our Company filed a criminal complaint bearing number 2500/SS/2017 under Section 138 of the Negotiable Instruments Act, 1881, against Prakash Agencies and J. Suresh before the Metropolitan Magistrate, Mumbai on June 15, 2017, in relation to dishonor of a cheque for ₹12.02 million. The matter is currently pending**.**

5. Our Company filed a criminal complaint under Section 138 of the Negotiable Instruments Act, 1881, against M/s Satyam Polymers, Chetna Kamlesh Kumavat and Asha Kumari Chetna Kumavat before the Metropolitan Magistrate, Mumbai on October 9, 2019, in relation to dishonor of a cheque for ₹ 0.80 million. In addition, bank charges, notice charges and advocate's fees have been claimed. The matter is currently pending**.**

6. Our Company filed two criminal complaints under Section 138 of the Negotiable Instruments Act, 1881, against M/s Surya Trubore, through its proprietor, R. Marimuthu before the Metropolitan Magistrate, Mumbai on August 30, 2019 and October 9, 2019, in relation to dishonor of cheques amounting up to ₹ 4.00 million. In addition, bank charges, notice charges and advocate's fees have been claimed. The matter is currently pending**.**

B. ***Pending Action by statutory or regulatory authorities against our Company***

There are no pending actions by statutory or regulatory authorities against our Company, except for the following:

1. Our Company and certain of our Promoters, Jayant Shamji Chheda, Parag Jayant Chheda, Vipul Jayant Chheda and Heena Parag Chheda, have each received show cause notices dated November 04, 2019 from the Ministry of Corporate Affairs ("**MCA**") under Section 204 for the contravention of Section 204 of the Companies Act, 2013 read with rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (" **Companies Rules**"). The show cause notices, *inter alia*, state that the Board's report in 2017 has not complied with Section 204 (1) of the Companies Act, 2013 read with the rule 9 of the Companies Rules that require the secretarial audit report (in form MR-3) to be annexed with the Board report. Our Company has submitted a reply dated November 12, 2019. The reply states that during the financial year 2016-17, our Company was a private limited company and thus the requirements of annexing the secretarial audit report was not applicable to our Company. No further communication has been received from the MCA in this regard.

2. Our Company received notices dated May 23, 2019 and October 7, 2019 from the Office of the Municipality, Jobner District- Jaipur alleging that unauthorized construction, in violation of the Rajasthan Municipalities Act, 2009, was being done by our Company and informing them, to cease construction immediately. It instructed our Company to submit approvals received for the construction within 24 hours, failing which the construction would be demolished and they would be held responsible for the unauthorized construction. We have replied to them through letters dated July 18, 2019 and October 9, 2019 indicating that as their plant comes under the Gram Panchayat, Asalpur, approval from the Office of Municipality is not required. The no objection certificate from the Gram Panchayat, Asalpur has already been obtained. No further correspondence has been received in this regard.

3. We have also received a notice from the Gram Panchayat, Asalpur on July 22, 2019 alleging that the construction work was illegal, and unless the construction fee was deposited, action would be taken. Following this, we have held discussions with the Gram Panchayat regarding the notice. We have received no further communication from them.

C. ***Tax proceedings against our Company, Directors, Promoters and Group Companies***

Provided below is a summary of direct and indirect taxation proceedings pending against our Company, Directors, Promoters and Group Companies.

Nature of tax involved	Number of cases outstanding	Amount involved in such proceedings (in ₹ million)
Indirect Tax		
Company (A)	1	0.38
Direct tax		
Company (B)	9	25.54
Directors (C)	7	113.31
Promoters (Other than Directors) (D)	4	1.33
Group Companies (E)	Nil	Nil
Total (A+B+C+D+E)	21	138.45

D. ***Default and non-payment of statutory dues etc. by our Company***

There is no default or non-payment of statutory dues etc. by our Company.

E. ***Other material outstanding litigation involving our Company***

Material outstanding litigation against and by our Company involving an amount of over ₹8.34 million

There is no material outstanding litigation against and by our Company involving an amount of over ₹8.34 million.

Litigation involving our Company that is material from perspective of Company's business, operations, prospects or reputation

1. Super Industrial Corporation ("**Petitioner**") filed writ petition bearing number 2069 of 2015, dated February 4, 2015 against the State of Punjab and others, including our Company ("**Respondent Companies**") before the High Court for the States of Punjab and Haryana at Chandigarh ("**High Court**"). The Petitioner was aggrieved by the alleged arbitrary revision of Chapter 28 of the Common Schedule of Rates - 2010, published by Department of Public Works, Punjab as well as the alleged arbitrary classification of certain private entities in the 'premium' category as opposed to the rest of the entities, including the Petitioner in the 'ordinary category'. The Petitioner argued that its fundamental right to carry on trade and business were being violated along with Article 14 of the Constitution of India. The case is currently pending in the High Court.

2. Our Company received a notice of motion dated May 4, 2018 from the High Court for the States of Punjab and Haryana at Chandigarh ("**High Court**") regarding writ petition bearing number 9015 of 2015, dated April 15, 2015 filed by R.G. Industries against the State of Punjab, and others, including our Company ("**Respondent Companies**"), alleging inter alia that basis the arbitrary revision of Chapter 28 of the Common Schedule of Rates-2010, R.G Industries was unable to obtain various tenders as they did not make use of the 'premium' category pipes. The case is being heard along with the writ petition filed by Super Industrial Corporation. The case is currently pending in the High Court.

3. Banshilal registered a claim application dated August 21, 2019 against our Company before the Court of the Sub-Divisional Officer, Sambhar Lake against our Company and others, seeking a permanent injunction under Section 188 of the Rajasthan Tenancy Act, 1955 alleging that our Company had started pipe work without recognizing the borderline to Banshilal's agricultural land. Banshilal prayed for a permanent injunction to be issued against any construction work being carried out, until the boundaries on the agricultural land are drawn out, and also for our Company to be restrained from carrying out any construction work related to pipes.

F. ***Outstanding dues to small scale undertakings or any other creditors***

In terms of the Materiality Policy, our Company considers creditors to whom the amount due exceeds, ₹ 107.58 *million, i.e., 5% of our trade payables as per our Restated Financial Statements for Fiscal Year 2019 as 'material' for the purpose of disclosures in this Red Herring Prospectus.*

As of June 30, 2019, our Company had 530 creditors to whom a total amount of ₹ 1,703.81 million was outstanding. Based on the above, there are two material creditors of our Company. Further, 13 of our creditors to whom a total amount of ₹ 32.63 million is owed have been identified as small scale undertaking by our Company based on available information regarding status of suppliers as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 as of June 30, 2019. For complete details about outstanding dues to creditors of our Company, see www.princepipes.com/listofcreditors.

II. Litigation involving our Directors

A. *Outstanding criminal litigation involving our Directors*

1. The Silvassa police registered an FIR number 268/2011 under Sections 143, 147, 149, 336, 352, 504 and 506 of the Indian Penal Code, 1860 against Jayant Shamji Chheda and others in the matter of a dispute involving the workers at our facility in Athal. After investigation, a chargesheet bearing criminal case number 6/2013 was filed before the Chief Judicial Magistrate of Dadra & Nagar Haveli at Silvassa ("**CJM**"). Pursuant to an order passed by the CJM on January 19, 2018 ("**Order**"), Jayant Shamji Chheda and others were acquitted of the charges. No appeal has been filed against the Order as on the date of this Red Herring Prospectus.

2. Montana Developers Private Limited ("**Montana**") filed a criminal complaint dated January 21, 2013 ("**Complaint 1**") before the Metropolitan Magistrate at Andheri against M/s. Aditya Developers ("**Aditya**") and its partners, including Jayant Shamji Chheda, our Promoter and Managing Director and Heena Parag Chheda, one of our Promoters, in relation to a joint venture agreement dated December 30, 2010, entered into between Montana and Aditya ("**JV Agreement**"). Montana alleged misrepresentation of certain material information in relation to the subject matter of the JV Agreement leading to fraudulent inducement to enter into the JV Agreement and making an interest free deposit of ₹ 462.50 million to Aditya. Complaint 1 was dismissed by the Metropolitan Magistrate at Andheri by way of its order dated February 20, 2013. Montana filed a criminal revision application against the said order before the Sessions Court for Greater Bombay, which was subsequently withdrawn by Montana. Thereafter, Montana filed another complaint dated June 17, 2013 ("**Complaint 2**") before the Additional Chief Metropolitan Magistrate ("**Magistrate**"), 37th Esplanade, Mumbai court, against the same parties as in Complaint 1, reiterating the grounds under Complaint 1, and also alleging forgery of a letter from Montana, countersigned by two of the partners of Aditya on behalf of Aditya, mutually terminating the JV Agreement. The Magistrate passed an order dated March 31, 2016 ("**Order 1**") issuing process against Aditya and its partners, which was upheld by the Sessions Court for Greater Bombay by its order dated March 16, 2017 (**Order 2**"). Thereafter, Aditya and its partners filed a writ petition dated July 1, 2017 ("**Writ Petition**") before the Bombay High Court against Order 1 and Order 2. Complaint 2 and the Writ Petition are currently pending. Thus, we cannot quantify the exact financial liability, if any, that would be incurred by our Promoters following the conclusion of this litigation. However, Jayant Shamji Chheda and Heena Parag Chheda each hold a 10% share of profit and losses in Aditya as partners of Aditya.

B. *Pending action by statutory or regulatory authorities against our Directors*

Except as described in the sub-section titled "-*Pending Action by statutory or regulatory authorities against our Company* on page 341, there is no pending action by statutory or regulatory authorities against our Directors**.**

C. *Other material litigation outstanding against our Directors*

1. Prince Marketing had purchased a building at Bhuj, Gujarat through a conveyance deed dated April 13, 2010 from Khimji Naran Rabadia, Rajesh Lalji Rabadia and five others (the "**Sellers**"). Certain floors of the building were leased out to Hotel Dream Palace and its owners (the "**Plaintiffs**"). The Plaintiffs filed a special suit bearing number 63/2011 in the

Court of Principal Senior Civil Judge, Bhuj alleging inter alia that the sale deed in favour of Prince Marketing was not binding on them and claiming an amount of ₹ 9.64 million. This matter is currently pending.

The Sellers also filed a suit bearing number 230 of 2015 before the Additional Civil Judge, Bhuj against Prince Marketing and Jayant Shamji Chheda alleging that only certain floors and not the entire building was sold to Prince Marketing. The Sellers also made an application for interim injunction against Prince Marketing and Jayant Shamji Chheda which was rejected by the Additional Civil Judge by an order dated March 30, 2017. The Plaintiff filed an appeal against order dated March 30, 2017 before the Additional District Judge, Bhuj through an application dated July 28, 2017. Both the appeal and suit are currently pending.

2. Abid Hussain Suleman Menon has filed a suit bearing No. 71/2019 against Jayant Shamji Chheda and Dhaval Mehta in the court of Principal Senior Civil Judge, Mandvi, Kutch for specific performance of the alleged contract selling certain land in Kutch to him. He has also asked for an injunction for restraining an alienation of the property. The matter is currently pending**.**

3. Montana Developers Private Limited ("**Montana**") initiated arbitration proceedings against M/s Aditya Developers ("**Aditya**") and its partners, including Jayant Shamji Chheda, our Promoter and Managing Director, and Heena Parag Chheda, one of our Promoters, in relation to a joint venture agreement dated December 30, 2010, entered into between the Montana and Aditya ("**JV Agreement**"). Montana filed a statement of claim dated November 30, 2013 before the appointed arbitrator, seeking (i) specific performance of all the obligations under the JV Agreement, along with damages from Aditya and its partners for an amount of ₹5,451.10 million, or (ii) in the alternative, to (i) above, specific performance of such part of the JV Agreement which can be specifically performed as per the opinion of the arbitration tribunal, along with damages from the Aditya and its partners for an amount of ₹7,394.80 million, or (iii) if the arbitration tribunal cannot grant specific performance of the JV Agreement, then, damages amounting to ₹ 9,046.40 million, in each case along with interest at the rate of 27% per annum to be paid by the Aditya and its partners. Aditya and its partners filed its written statement and counter claim dated January 15, 2014 refuting the claim on the basis of a letter from Montana, countersigned by two of the partners of Aditya on behalf of Aditya, mutually terminating the JV Agreement. Montana, in its statement of claim dated November 30, 2013 and rejoinder dated February 18, 2014, denied the execution of the said letter. The matter is currently pending. We cannot quantify the exact financial liability, if any, that would be incurred by our Promoters following the conclusion of this litigation. However, Jayant Shamji Chheda and Heena Parag Chheda each hold a 10% share of profit and losses as partners of Aditya.

III. Litigation involving our Promoters

A. Outstanding criminal litigation involving our Promoters

Except as described in the sub-section titled "*-Outstanding criminal litigation involving our Directors"* on page 343, there are no criminal proceedings against any of our Promoters.

B. Pending action by statutory or regulatory authorities against our Promoters

Except as described in the sub-section titled "*-Pending Action by statutory or regulatory authorities against our Company"* on page 341, there is no pending action by statutory or regulatory authorities against our Promoters**.**

C. Other material litigation outstanding against our Promoters

Except as described in the sub-section titled "*-Other material litigation outstanding against our Directors"* on page 343, there is no other material litigation outstanding against our Promoters.

IV. Litigation involving our Group Companies

A. Outstanding criminal litigation involving our Group Companies

There is no outstanding criminal litigation involving our Group Companies.

B. ***Pending action by statutory or regulatory authorities against our Group Companies***

There is no pending action by statutory or regulatory authorities against our Group Companies.

C. ***Other material litigation outstanding against our Group Companies***

There is no material litigation outstanding against our Group Companies.

V. Complaints received from Montana and Radon

Pursuant to filing of the Erstwhile DRHP and the Draft Red Herring Prospectus, our Company, Directors and the Lead Managers have received complaints ("**Complaints**") from Montana Developers Private Limited ("**Montana**") alleging, *inter alia*, the non-disclosure of pending litigation involving Montana and M/s. Aditya Developers ("**Aditya**") and its partners, including Jayant Shamji Chheda and Heena Parag Chheda, two of our Promoters, in the Erstwhile DRHP. The Complaints also alleged non-disclosure of certain other cases involving Aditya including litigation filed by Radon Developer Private Limited and cases filed by and against slum dwellers. For further details of these pending litigation, please see the sub-section titled "*-Litigation included in Complaints".* Additionally, where certain Complaints were addressed to various regulators, they alleged non-disclosure of facts, including litigation against our Promoters and Promoter Group entities, and objected to the proposed initial public offer by our Company. Among other things, the Complaints to CARE requested CARE to withdraw the rating given to our Company. The Complaints to Shailesh Bhaskar (former Company Secretary and Compliance Officer) and the Independent Directors of our Company requested that they step down from their position in our Company given the non-disclosures in the Erstwhile DRHP and the DRHP.

The table below contains details of the Complaints:

S. No	Date of Complaint	Addressed to
1.	February 6, 2018	Our Promoters, our Chief Financial Officer and copied to the Lead Managers.
2.	February 9, 2018 and February 21, 2018	SEBI
3.	May 10, 2018 and August 7, 2018	The Chairman, SEBI, Investor Complaint Cell, SEBI, MCA and copied to NSE, BSE, Narendra Modi.
4.	May 30, 2018, June 26, 2018 and August 16, 2018	CARE Ratings, SEBI, MCA, Narendra Modi, Central Vigilance Commission, Comptroller & Auditor General, Central Bureau of Investigation, Central Bureau of Investigation, Mumbai Zone, Rahul Gandhi, SEBI – Investor complaint cell, MCA.
5.	June 26, 2018	Statutory Auditors of our Company, and copied to ICAI, Central Vigilance Commission, Comptroller & Auditor General, Central Bureau of Investigation, Central Bureau of Investigation, Mumbai Zone, Rahul Gandhi, SEBI and Narendra Modi.
6.	July 11, 2018	ICICI Bank Limited, Standard Chartered Bank, Federal Bank Limited, Bank of India, IDFC Bank Limited, State Bank of India and copied to RBI, Narendra Modi, Central Vigilance Commission, Comptroller & Auditor General, Central Bureau of Investigation, Central Bureau of Investigation, Mumbai Zone, Rahul Gandhi, SEBI, MCA.
7.	July 11, 2018	Shailesh Bhaskar (then Company Secretary and Compliance Officer) and copied to ICSI, Narendra Modi, Central Vigilance Commission, Comptroller & Auditor General, Central Bureau of Investigation, Central Bureau of Investigation, Mumbai Zone, Rahul Gandhi, SEBI, MCA.
8.	July 21, 2018	Aslam Sheikh. Member of Legislative Assembly
9.	August 4, 2018 and August 16, 2018	Cabinet Minister of Housing Department, SEBI
10.	October 17, 2018 and January 30, 2019	Independent Directors of our Company and copied to also Reserve Bank of India, Central Vigilance Commission, CARE Ratings, ICAI, ICSI, CII, FICCI, Comptroller and Auditor General of India, Serious Fraud

S. No	Date of Complaint	Addressed to
		Investigation Office, MCA, CBI, and the other companies in which such Independent Directors are directors.
11.	November 14, 2018	SEBI and Aradhna Verma, Assistant General Manager, SEBI.

In addition, on August 14, 2018, a complaint from Ankit Munim, the director of Radon Developer Private Limited was addressed to the Chairman of SEBI alleging that certain material litigation against Aditya, one of our Promoter Group entities, had not been disclosed in the Erstwhile DRHP.

In addition, our Company, Directors, Promoters, CFO, Company Secretary, our Statutory Auditors, the Lead Managers, Sundar Parthasarthy, one of our previous independent directors and Shailesh Bhaskar (our former Company Secretary and Compliance Officer) received a complaint from Rajesh Madhani of Montana dated November 25, 2019, asking us to refrain from issuing any advertisements in relation to the IPO or products of our Company without indicating in those advertisements that the Erstwhile DRHP did not contain material facts, and was therefore withdrawn, following which the Draft Red Herring Prospectus was filed.

VI. Litigation included in Complaints

Given below are the details of the various cases indicated in the Complaints received from Montana and Radon. In addition, for further details of the pending litigation between Montana and Aditya and our Promoters, please see the sub-section titled "*-Outstanding criminal litigation involving our Directors*". Further, with respect to the below cases, we cannot quantify the exact financial liability, if any, that would be incurred by our Promoters following the conclusion of each of the said litigations. However, Jayant Shamji Chheda and Heena Parag Chheda each hold a 10% share of profit and losses of Aditya as partners of Aditya.

1. Radon Developer Private Limited ("**Radon**") had filed two suits bearing numbers Spl. C.S/2400479/2007 and Spl. C.S/2400599/2007 dated April 20, 2006 and April 7, 2007 before the civil judge (senior division), Palghar at Palghar against *inter alia*, Aditya, its partners and Montana. Radon alleged that it had entered into certain agreements for purchase of properties located in Thane from the other defendants of the suits. However, after receiving consideration for sale of such properties, the other defendants had conveyed the property to Aditya and registered the same with the Sub-Registrar of Assurances Vasai in favour of Aditya. Radon has claimed for, *inter alia*, specific performance of the agreement for sale of property or compensation of ₹ 5.31 million. The matters are currently pending.

2. Felisida P. Gonsalvis had filed a suit bearing the number Spl. M.N.18/2012 dated February 20, 2012 before the civil judge (senior division), Vasai against *inter alia*, Aditya, through its partners. Felisida P. Gonsalvis alleged she had rights over certain property located in Thane, for which Aditya had entered into certain agreements for purchase from the other defendants of the suit. Felisida P. Gonsalvis has claimed for, *inter alia*, declaration and separation of $1/4^{th}$ share of the property as her property, cancelation of the agreement between Aditya and other defendants, a temporary injunction prohibiting the defendants from creating third party rights or alienating the property further and for compensation amounting to ₹0.25 million. The matter is currently pending.

3. Francis S. Lopez had filed a suit bearing number 337/2012 dated January 03, 2012 before the civil judge (senior division), Vasai against *inter alia*, Aditya, through its partners. Francis S. Lopez alleged that he had full right over certain property that is located in Thane that has been wrongfully sold to Aditya, by the other defendants. He further claims that despite informing Aditya about his ownership, Aditya entered into an agreement to purchase the said property. Francis S. Lopez has claimed for, *inter alia*, cancelation of the agreement for sale between Aditya and the other defendants and compensation amount to ₹ 0.40 million and court fees. The matter is currently pending.

4. Jankibai Harischandra Mankar had filed a suit bearing the number 63/2015 before the civil judge (senior division), Vasai against *inter alia*, Aditya, through its partners. Jankibai Harischandra Mankar alleged she had rights over certain property located in Thane, for which Aditya had entered into certain agreements for purchase from the other defendants of the suits. Jankibai

Harischandra Mankar has claimed for, *inter alia*, an injunction prohibiting Aditya from selling, transferring and carrying out construction. The matter is currently pending.

5. Aditya had instituted three suits bearing numbers Spl. Civil Suit No. 650/2007, Spl. Civil Suit No. 24/2008 and Spl. Case No. 649 of 2007 before the civil judge (senior division), Vasai against *inter alia*, Beby Shenwar Gavit and 108 others, Tara Vishnu Bhoir and 99 others and Shakuntala Sadashiv Patil and 111 others respectively. Aditya alleged that the defendants have encroached and without consent, constructed huts on property validly owned by Aditya which is located in Thane. Aditya has claimed for, *inter alia*, the court to order a mandatory injunction to remove the huts, clear and vacant possession of the property be given to them, a temporary injunction prohibiting the defendants from selling, mortgaging, gifting or harming pending the final hearing of the suit and costs. Consent terms were entered into by parties of all three abovementioned suits on March 22, 2012 that gave each defendant the right to a room (10x15 foot carpet) in a building adjacent to the property. The terms further placed the responsibility on Aditya to build such a building with 3-4 floors, common as well as attached toilets, independent electric meter, a water connection and other amenities including forming a cooperative housing society. The approvals required and stamp duty payable shall be the responsibility of Aditya. Aditya must submit a proposed development plan within six months and construct and hand over the rooms within 2.5 years of the date of filing consent terms. On completion of the building, the defendants shall give Aditya free and clear vacant possession of the land. The huts constructed on this area will be surrendered in exchange for an alternate hut in the vicinity. In case Aditya does not comply with the consent terms, they will be liable to pay each defendant ₹ 1 million. Pursuant to such consent terms, all these three cases have been disposed. However, following such entering into of consent terms, Vimal Bhaskar Kedar had filed a suit bearing the number 1/2016 before the civil judge (senior division), Vasai against *inter alia*, Aditya, through its partners alleging that even after two and half years, such consent terms had not been adhered to and Aditya should pay damages to the tune of ₹ 1 million to each of the defendants. The matter is currently pending.

6. Filomena A. Almeida had filed a suit bearing the number 470/2014 dated December 3, 2014 before the civil judge (junior division), Vasai against inter alia, Binal S. Koradia and Arvind S. Chheda. Filomena A. Almeida alleged he had rights over certain property located in Thane, for which Aditya had entered into certain agreements for purchase from the other defendants of the suits. He has claimed for, inter alia, injunction prohibiting the defendants from conveyance and construction. The matter is currently pending.

VII. Other outstanding litigation involving M/s Aditya Developers.

Given below are the details of the other outstanding cases involving M/s Aditya Developers.

1. Dominic Joseph Gonsalvis had filed a suit bearing number 147/2014 dated May 3, 2014 before the civil judge (senior division), Vasai against *inter alia*, Aditya, and its partners. Dominic Joseph Gonsalvis claimed that he had become the owner of certain lands in Vasai by virtue of adverse possession. However, the other defendants in this case had sold the land to Aditya and he was thereafter being obstructed from using the land. The plaintiff prayed for, inter alia, an injunction to be issued restraining Aditya and its partners from taking possession of the land, as well as alienating it. The matter is currently pending.

2. Dominica J. Menezes had filed a suit bearing 345/2008 dated April 5, 2008 before the civil judge (junior division), Vasai against *inter alia*, Arvind S Chheda, partner at Aditya Developers. Dominica J. Menezes alleged she had rights over certain property located in Thane, for which Aditya had entered into certain agreements for purchase from the other defendants of the suits. She has claimed for, inter alia, injunction prohibiting Arvind S Chheda from conveyance and construction. The matter is currently pending.

3. Rajesh Madhani, director of Montana, filed a complaint against Binal Koradia, Arvind S Chheda and the other partners of M/s Aditya Developers. with the Economic Offences Wing ("**EoW**"). Accordingly, the Economic Offences Wing had sent a letter dated September 24, 2019 asking Binal Koradia and Arvind Shyamji Chheda to provide certain documents and present themselves in the EoW. They have replied through their letter dated September 26, 2019, requesting for a copy of the complaint made, and furnishing the documents as required, and requesting them to not take

cognizance of the complaint as there was on-going litigation in relation to the same subject matter. Binal Koradia also appeared before the EoW as directed and made a statement dated September 26, 2019. In addition, Binal Koradia made applications under the Right to Information Act, 2005 requesting to be provided with a copy of the complaint along with other relevant documents. These applications were rejected by the Public Information Officer, and thereafter, Binal Koradia filed a first appeal against the decision of the Public Information Officer.

VIII. Material litigation involving M/s Prince Marketing

M/s Prince Marketing, one of our Promoter Group entities, has issued a notice dated December 4, 2019, invoking arbitration under an agreement for sale entered into with Mindset Estates Private Limited and The Ruby Mills Limited with respect to the premises situated on the 8th floor of The Ruby, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400028. M/s Prince Marketing has alleged that despite repeated requests to provide them with a no-objection certificate to allow them to let out the premises, Mindset Estates Private Limited and The Ruby Mills Limited are wrongfully withholding such a no-objection certificate.

IX. Material developments since the last balance sheet date

Except as disclosed in the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations- Significant Development after June 30, 2019*" on page 336, to our knowledge, no circumstances have arisen since the date of the last financial statements disclosed in this Red Herring Prospectus, that materially and adversely affect or are likely to affect our operations or profitability, the value of our assets, our capital structure, or our ability to pay our material liabilities within the next twelve months.

GOVERNMENT AND OTHER APPROVALS

In view of the indicative approvals listed below, our Company can undertake this Offer and we can undertake our current business activities. Except as mentioned below, no further significant approvals from any governmental or regulatory authority or any other entity are required to undertake this Offer or continue such business activities. Unless otherwise stated, these approvals are valid as on the date of this Red Herring Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see "Regulations and Policies" on page 169. *Some of the approvals may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures.*

We have also disclosed below (i) approvals applied for but not received; (ii) approvals expired and for which renewals are to be applied for and (iii) approvals required but not obtained or applied for. For further details in connection with the applicable regulatory and legal framework, see "Regulations and Policies" on page 169.

I. Approvals in relation to the Issue

For the approvals and authorizations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 356.

II. Incorporation details of our Company

A. Certificate of incorporation dated November 13, 1987 issued by the Registrar of Companies, Maharashtra to our Company.

B. Certificate of incorporation dated August 11, 2017 issued by Registrar of Companies, Goa, Daman and Diu pursuant to conversion from private company to public company.

III. Existing approvals for our Company's establishments and business operations issued by authorities of the respective jurisdictions in which our factories and commercial establishments are located

A. Factory and labour-related approvals

1. *Chennai*

S. No.	Details of License	Date of expiry
1.	License to work a factory bearing number 43455 issued by the Deputy Chief Inspector of Factories, Thiruvottiyur, Chennai.	December 31, 2019
2.	Consent to operate under Air (Prevention and Control of Pollution) Act, 1981 ("**Air Act**"), bearing consent order number 170823253509 issued by District Environmental Engineer, Tamil Nadu Pollution Control Board.	March 31, 2023
3.	Consent to operate under Water (Prevention and Control of Pollution) Act, 1974("**Water Act**"), bearing consent order number 170813253509 issued by District Environmental Engineer, Tamil Nadu Pollution Control Board	March 31, 2023
4.	Certificate from TUV Rheinland Cert GmbH bearing number 014071737051 for meeting the requirements of ISO 50001:2011 in the manufacture of UPVC and CPVC Pipes and Fittings.	April 30, 2020
5.	Registration as principal employer holding certificate number 07/2001 issued by the Joint Director, Industrial Safety and Health, Chennai under the Contract Labour (Regulation & Abolition Act), 1970 ("**CLRA**") and Tamil Nadu Contract Labour Rules, 1975	Not applicable
6.	Fire License for manufacturing of PVC pipes and fittings granted by the District Officer, Fire and Rescue Services, Thiruvallur. NOC from the Fire & Rescue Services Department, Thiruallur District in respect of additional land and buildings.	September 9, 2020 Not applicable.

2. *Kolhapur*

S. No.	Details of License	Date of expiry
1.	License for registration of factory and working of factory registration bearing number CO/SE 2(M) (ONE)/25209/55-2008 and license number 097003, issued by the Director, Industrial Safety and Health, Maharashtra.	December 31, 2019
2.	Consolidated consent to operate bearing number SRO Kolhapur/Consent/1810000679/428/18 issued by the Sub Regional Officer, Kolhapur, Maharashtra Pollution Control Board under Air Act, Water Act, and Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 for manufacture of rigid PVC pipes.	December 21, 2020

3. *Athal*

S. No.	Details of License	Date of expiry
1.	License to work a factory bearing number 292 issued by the Chief Inspector of Factories and Boilers, Administration of Dadra and Nagar Haveli, Silvassa	December 31, 2022
2.	Consolidated Consent order number PCC/DDD/220499/G-0729 issued by the Pollution Control Committee, Daman and Diu, and Dadra and Nagar Haveli under the Air Act, Water Act and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 for the manufacture of PVC fitting and Rigid PVC pipes and fittings for application in agriculture, plastic valves of various description for industrial, domestic and agriculture application, sanitary fitting in plastic such as taps and traps etc and the rigid PVC pipes and thread fittings for plumbing application UPVC pipes, tubes and fittings	November 30, 2020
3.	Consolidated Consent order number CC/DDD/PCC/DDD/G-0107/WA/AA/AH/97-98//407244 issued by the Pollution Control Committee, Daman and Diu, and Dadra and Nagar Haveli under the Air Act, Water Act and the Hazardous and Other Wastes (Management and Transboundary Movement) for the manufacture of UPVC pipes and fittings.	May 31, 2021
4.	Certificate from TUV Rheinland Cert GmbH bearing number 014071837548 for meeting the requirements of ISO 50001:2011 in the manufacture of UPVC and CPVC Pipes and Fittings	July 30, 2021

4. *Haridwar*

S. No.	Details of License	Date of expiry
1.	Registration and license to work a factory bearing number HWR-624 issued by the Labour Department, Uttarakhand.	December 31, 2020
2.	Consolidated consent to operate and authorisation order bearing number AW-37318/571 issued by the Scientific Officer, Uttarakhand Environment Protection & Pollution Control Board under Air Act, Water Act, and Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.	March 31, 2020
3.	Registration as principal employer holding certificate number 362/DCL/08 issued by the Registering Officer & Regional Deputy Labour Commissioner, Garhwal Mandal, Dehradun Uttarakhand. under CLRA.	Not applicable
4.	Approval for usage of DG set issued by the Director, Electrical Safety Department, Haldwani, Uttarakhand Government.	October 12, 2020
5.	Certificate of registration from IMS International bearing number IMS/QMS/PPM/060771 for conforming to the standards of BS EN ISO 9001:2015 in the design, development, manufacture and supply of plastic piping systems.	June 6, 2020
6.	Certificate of registration from IMS International bearing number IMS/EMS/PPM/060772 for conforming to the standards of BS EN ISO 14001:2015 in the design, development, manufacture and supply of plastic piping systems.	June 6, 2020
7.	Certificate from TUV Rheinland Cert GmbH bearing number 014071836340 for meeting the requirements of ISO 50001:2011 in the manufacture of UPVC, CPVC, HDPE, PPR Pipes and Fittings	August 20, 2021

5. *Dadra*

S. No.	Details of License	Date of expiry
1.	License to work a factory bearing number 1338 issued by the Chief Inspector of	December

	Factories and Boilers, Administration of Dadra and Nagar Haveli, Silvassa	31, 2022
2.	Consolidated consent to operate and authorisation bearing number PCC/DDD/PCC/DDD/G-2557/WA/AA/99-00/405177 issued by the Member Secretary, Pollution Control Board, Daman, Diu and Dadra & Nagar Haveli, Daman under Air Act, Water Act, and Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016.	June 30, 2024
3.	Certificate from TUV Rheinland Cert GmbH bearing number 014071837547 for meeting the requirements of ISO 50001:2011 in the manufacture of uPVC, CPVC and DWC pipes and fittings.	August 14, 2021
4.	Certificate from DQS Holding GmbH bearing number 20002422 QM15 for meeting the requirements of ISO 9001:2015 in the design and manufacture of Plastic Pipes.	August 13, 2021

6. *Rajasthan*

S. No.	Details of License	Date of expiry
1.	Certificate of no objection, for conversion of land into industrial land received from the office of the Gram Panchayat Asalpur	Not applicable
2.	Certificate of registration as principal employer issued by Office of Registering Officer, Rajasthan	December 31, 2019
3.	License to work a factory bearing registration number RJ/32804 issued by the Chief Inspector of Factories and Boilers, Rajasthan, Jaipur.	March 31, 2023
4.	Consent to establish under the Water Act and Air Act issued by the Regional Officer, Rajasthan State Pollution Control Board, Jaipur.	April 30, 2023
5.	Consent to operate under the Water Act and Air Act issued by the Regional Officer, Rajasthan State Pollution Control Board, Jaipur.	August 31, 2029
6.	No-objection certificate issued by the Chief Fire Officer, Jaipur.	September 2, 2022

7. *Proposed Manufacturing Facility, Telangana*

S. No.	Details of License	Date of expiry
1.	Consent for establishment issued by the Environmental Engineer, Telangana State Pollution Control Board Sangareddy District, Telangana	Not applicable
2.	Service connection certificate from Telangana State Southern Power Distribution Company Limited	Not applicable

We have applied for certain approvals, the details of which are given in "*Government and Other Approvals – Approvals applied for but not received*" on page 354. Further, we may require additional approvals in relation to our proposed manufacturing facilities before we commence production.

B. Commercial approvals

1. Registration certificate bearing number GN012309/ Commercial II issued by the office of the inspector under the Maharashtra Shops and Establishment Act, 1948 for our Corporate Office.

2. Export Promotion Capital Goods (EPCG) licenses bearing numbers 0330018730, 0330020638, 0330022361, 0330028473, 0330029755 issued by Directorate General of Foreign Trade in India to enable us to import various machinery and raw material.

3. Import-Exporter Code number 0391155652 allotted by the Department of Commerce, Ministry of Commerce & Industry.

C. Taxation related approvals

1. Registration number 27AAACP2319J2ZH issued by the GoI and Government of Maharashtra under the Central Goods and Services Tax Act, 2017 and Maharashtra Goods and Services Tax Act, 2017.

D. Registration certificate issued by the Central Government and the following State Governments for enrolment as existing taxpayer for Central Goods and Services Tax Act, 2017:

State	Registration Number
Andhra Pradesh	37AAACP2319J2ZG
Bihar	10AAACP2319J1ZX
Dadra and Nagar Haveli	26AAACP2319J1ZK
Gujarat	24AAACP2319J1ZO
Karnataka	29AAACP2319J1ZE
Kerala	32AAACP2319J1ZR
Maharashtra	27AAACP2319J1ZI
Maharashtra (as Input Service Distributor)	27AAACP2319J2ZH
Odisha	21AAACP2319J1ZU
Rajasthan	8AAAACP2319J1ZI
Tamil Nadu	33AAACP2319J1ZP
Uttarakhand	05AAACP2319J1ZO
Uttar Pradesh	09AAACP2319J1ZG
West Bengal	19AAACP2319J1ZF

2. PAN number AAACP2319J, TAN number MUMP06179F, taxpayer identification number 10297018053, central sales tax registration number 10294733154 and entry tax registration number 10294054254.

E. Product related approvals

1. The following licenses have been issued by the Bureau of Indian Standards:

License No.	IS No.	Product
7108560	IS 7834: Part 1: 1987	Injection moulded PVC fittings with solvent cement joints for water supplies.
7295585	IS 4985:2000	Unplasticized PVC pipes for potable water supplies
7842588	IS 13592:2013	UPVC Pipes for soil and waste discharge systems inside buildings including ventilation and rain water systems
3926978	IS 15778:2007	Chlorinated PVC pipes for potable hot and cold water distribution supplies
2899188	IS 15328:2003	Unplasticized non pressure polyvinyl chloride (PVC-U) pipes for use in underground drainage and sewerage systems.
7700026010	IS: 16098:Part 1:2013	Structured-wall plastics piping systems for non-pressure drainage and sewerage.
6041549	IS 4985:2000	Unplasticized PVC pipes for potable water supplies
4537063	IS 15328:2003	Unplasticized non-pressure PVC-U pipes for use in underground drainage and sewerage systems
6151051	IS 12818:2010	Unplasticized PVC screen and casing pipes for bore/tube wells
6494586	IS 13592:2013	UPVC pipes for soil and waste discharge systems inside buildings including ventilation and rain water system
6700024907	IS 15778:2007	Chlorinated PVC pipes for potable hot and cold water distribution supplies
6700067016	IS 16098: Part 2: 2013	Structures wall plastics piping systems for non-pressure drainage and sewerage Part 2 Pipes and Fittings with non smooth external surface.
8300012193	IS 4985:2000	Unplasticized PVC pipes for potable water supplies
8300012092	IS 13592:2013	UPVC pipes for soil and waste discharge systems
3117137	IS:15778:2007	Chlorinated PVC pipes for potable Hot & cold water distribution supplies.
8300122305	IS:16098 Part 2:2013	Sructured- Wall Plastics Piping Systems For Non-Pressure Drainage and Sewerage Part 2 pipes and Fittings with Non-Smooth External Surface
7904786	IS 4985:2000	Unplasticized PVC pipes for potable water supplies
7930282	IS 13592:2013	UPVC pipes for soil and waste discharge systems inside and outside buildings including ventilation and rain water system
3613250	IS 15328:2003	Unplasticized non-pressure PVC-U pipes for use in underground drainage and sewerage systems
3602447	IS 15801: 2008	Polypropylene random co polymer pipes for and cold water supplies

F. Intellectual property related approvals

1. Trademarks

i) The following trademarks are registered in the name of our Company

Logo	Class	Registration Number
AQUAFIT	11	1984163
AQUAFIT	17	1984164
CORFIT	11	3572481
CORFIT	17	3572482
CORFIT	19	3572483
EASYFIT	11	1569444
EASYFIT	17	1548230
FOAMFIT	11	3226481
FOAMFIT	17	3226482
FOAMFIT	19	3226483
GREENFIT	17	1869370
NOVOFIT	11	3226478
NOVOFIT	17	3226479
NOVOFIT	19	3226480
PRINCE	17	1013152
Prince Piping Systems	11	2731072
Prince Piping Systems	17	2731071
Prince Piping Systems (Assamese)	19	3273385
Prince Piping Systems (Hindi)	19	3273383
Prince Piping Systems (Kannada)	17	3273381
Prince Piping Systems (Kannada)	19	3273388
Prince Piping Systems (Oriya)	17	3273382
Prince Piping Systems (Oriya)	19	3273389
Prince Zero Defect	19	3779612
RAINFIT	11	3226484
RAINFIT	17	3226485
RAINFIT	19	3226486
SAFEFIT	11	3226472
SAFEFIT	17	3226473
SAFEFIT	19	3226474
SILENTFIT	11	3226475
SILENTFIT	17	3226476
SILENTFIT	19	3226477
TRUBORE	6	1510253
TRUBORE	11	3572478
TRUBORE	17	1505303
TRUBORE	17	3572479
TRUBORE	19	474966
TRUBORE	19	3572480
TRUBORE NEOFIT	17	1302049
TRUBORE NEOFIT	19	1302050
TRUBORE XL	9	939469
TRUVIN	6	1510252
TRUVIN	9	939468
TRUVIN	17	1505304
TRUVIN	19	558330

ii) The following trademarks have been applied for:

Logo	Class	Application Number
DURAFIT	19	2713980

Logo	Class	Application Number
Prince	19	2731070
Prince Logo (Assamese)	11	3273372
Prince Logo (Assamese)	17	3273376
Prince Logo (Gujarati)	11	3273373
Prince Logo (Gujarati)	17	3273377
Prince Logo (Gujarati)	19	3273387
Prince Logo (Hindi)	11	3273371
Prince Logo (Hindi)	17	3273379
Prince Logo (Kannada)	11	3273374
Prince Logo (Oriya)	11	3273375
Prince Logo (Tamil)	11	3273378
Prince Logo (Tamil)	17	3273384
Prince Logo (Tamil)	19	3273390
Prince Logo (Telugu)	11	3273380
Prince Logo (Telugu)	17	3273386
Prince Logo (Telugu)	19	3273391
Prince Udaan	16	3825283
Prince Udaan	35	3825284
ULTRAFIT	17	2768279
ULTRAFIT	19	2768281

2. **Patents and Designs**

i) Registration number 46795 for Design No. 267373 for application of the design to FLOOR DRAIN TRAP issued by Controller General of Patents, Designs and Trademarks.

ii) Registration number 77854 for Design No. 317755-001 for application of design to DOUBLE WALL CORRUGATED PIPE COUPLER issued by the Controller General of Patents, Designs and Trademarks.

In addition, we have also made applications for registration of design for “Vent Cowl”, “Gully Trap” and “Inspection Chamber”.

IV. Approvals applied for but not received

A. *Kolhapur*

1. Application for amendment to registration of establishments employing contract labour made to the Office of the Assistant Commissioner of Labour, Kolhapur.

2. Application for final license/ certificate of no-objection made to the Fire Officer.

B. *Haridwar*

Application for permission to abstract ground water for industrial usage made to Central Ground Water Authority, Ministry of Water Resources.

C. *Athal*

1. Application for license/ certificate of no-objection made to the Station Fire Officer, Silvassa Fire Department, Dadra & Nagar Haveli, Silvassa.

2. Application for renewal of registration as principal employer made to the Office of Registering Officer, Dadra and Nagar Haveli, Silvassa.

3. Application for permission to abstract ground water for industrial usage made to Central Ground Water Authority, Ministry of Water Resources

D. *Dadra*

1. Application for license/ certificate of no-objection made to the Station Fire Officer, Silvassa Fire Department, Dadra & Nagar Haveli, Silvassa.

2. Application for renewal of registration as principal employer made to the Labour Department , Dadra and Nagar Haveli, Silvassa.

3. Application for permission to abstract ground water for industrial usage made to Central Ground Water Authority, Ministry of Water Resources.

E. *Rajasthan*

1. Application for factory building plan made to the Factories and Boilers Inspection Department, Rajasthan

F. *For our proposed manufacturing facility at Telangana*

1. Application for factory plan approval made to the Director of Factories

2. Application for industrial Plan approval made to the DT&CP

V. Approvals expired and for which renewals are to be applied for

Currently, there are no approvals which have expired and for which renewals are to be applied for.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

- Resolution of our Board dated September 24, 2018, authorising the Offer.
- Special resolution dated September 29, 2018 passed by the Shareholders of our Company at the extra-ordinary general meeting, approving and authorising the Offer.
- The Promoter Selling Shareholders have approved their participation in the Offer for Sale as set forth in the section titled "*The Offer*" on page 69.
- Our IPO Committee has approved the Draft Red Herring Prospectus pursuant to their resolution dated October 15, 2018.
- Our Board has approved this Red Herring Prospectus pursuant to their resolution dated December 11, 2019.
- In-principle approval for the listing of our Equity Shares from NSE dated November 16, 2018.
- In-principle approval for the listing of our Equity Shares from BSE dated November 14, 2018.

Prohibition by SEBI or other authorities

Our Company, our Promoters, members of the Promoter Group, Directors, Group Companies and the persons in control of our Company have not been debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or other authorities. The Promoter Selling Shareholders confirm that they have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority. Neither our Promoters, nor any of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities. None of our Directors: (a) are associated with the securities market in any manner, including securities market related business; and/ or (b) no action has been initiated by SEBI against our Directors or entities with which our Directors are involved in as promoters and/ or directors.

Other Confirmations

None of our Company, the Promoter Selling Shareholders, our Directors, our Promoters, relatives of our Promoters (as defined in the Companies Act, 2013), members of our Promoter Group, or Group Companies have been identified as a Wilful Defaulter (as defined under the SEBI ICDR Regulations).

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 26(1) of the SEBI ICDR Regulations as set forth below:

- Our Company has net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each) of which not more than 50% are held in monetary assets;

- Our Company has a minimum average pre-tax operating profit of ₹ 150 million, calculated on a restated basis during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹ 10 million in each of the three preceding full years (of 12 months each);

- The aggregate size of the proposed Offer and all previous issues made in the same Fiscal Year in terms of issue size is not expected to exceed five times the pre-Offer net worth of our Company as per the audited balance sheet of the preceding Fiscal Year; and

- Our Company has not changed its name in the last one year.

Our Company's net worth, net tangible assets, monetary assets and pre-tax operating profit derived from the Restated Financial Statements included in this Red Herring Prospectus as at and for the last six Fiscal Years are set forth below:

(Rs. in Million)

Particulars	As at/ For the year ended March 31,				
	2019	2018	2017	2016	2015
	As per Ind AS				As per IGAAP
Net Worth *	3,934.79	3,093.28	2,357.00	1,793.38	1,495.76
Net tangible Assets **	3,969.15	3,121.31	2,387.73	1,802.46	1,502.07
Monetary Assets ***	223.15	96.29	123.68	85.73	60.40
Monetary assets as a percentage of net tangible assets	5.62%	3.08%	5.18%	4.76%	4.02%
Pre-tax operating profit ****	1043.42	891.41	934.28	364.38	157.69
Average pre-tax operating profit based on the three most profitable years out of the immediately preceding five years [(Average of FY 2019, FY 2018, FY 2017)] [(892.93 + 935.34 + 364.54)/3]]					956.37

* *Net worth = Equity share capital + General Reserve + Stock Options Outstanding + Retained Earnings*

** *Net tangible assets = Total assets – Goodwill – Other Intangible assets– Total Liabilities (Total Non-current Liabilities & Total current Liabilities)*

*** *Monetary Asset = Cash and Bank Balances*

**** *Pre-tax Operating Profit = Profit before exceptional items and tax – Other Income*

Further, our Company and the Promoter Selling Shareholders shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI ICDR Regulations failing which the entire application money shall be refunded/ unblocked in the respective ASBA Accounts of the ASBA Bidders, as applicable. In case of delay, if any, in refund/ unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Promoter Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

Our Company is in compliance with the conditions specified under Regulations 4(2) and 4(5)(a) of the SEBI ICDR Regulations, to the extent applicable. Further, the entire requirement of funds towards objects of the Fresh Issue will be met from the Net Proceeds. Accordingly, as per Regulation 4(2)(q) of the SEBI ICDR Regulations, our Company is not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Offer, as stated in the section titled "*Objects of the Offer*" on page 98.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BRLMS, JM FINANCIAL LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY AND THE PROMOTER SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLMS, JM FINANCIAL LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED, ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE PROMOTER SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS, JM FINANCIAL LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE

CERTIFICATE DATED OCTOBER 15, 2018 WHICH READS AS FOLLOWS:

"WE, THE BRLMS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALIZATION OF THE DRAFT RED HERRING PROSPECTUS DATED OCTOBER 15, 2018 (THE "DRHP") PERTAINING TO THE SAID OFFER;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE PROMOTER SELLING SHAREHOLDERS, WE CONFIRM THAT:**

   (A) THE DRHP FILED WITH SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;

   (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

   (C) THE DISCLOSURES MADE IN THE DRHP ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, THE SEBI ICDR REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRHP ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID. – <u>COMPLIED WITH.</u>**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. - <u>NOTED FOR COMPLIANCE.</u>**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION, SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP – <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRHP. – <u>COMPLIED WITH AND NOTED FOR COMPLIANCE.</u>**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE**

UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. 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 OFFER. – <u>NOT APPLICABLE.</u>

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – <u>COMPLIED WITH TO THE EXTENT POSSIBLE.</u>

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE PROMOTER SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. - <u>NOTED FOR COMPLIANCE.</u>

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRHP THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. - <u>NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.</u>

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS:

(A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

(B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE OFFER. – <u>NOTED FOR COMPLIANCE.</u>

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF

COMPLIANCE, PAGE NUMBER OF THE DRHP WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

16. **WE ENCLOSE A STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE MERCHANT BANKER (WHO IS RESPONSIBLE FOR PRICING THE OFFER)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR.**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH INDIAN ACCOUNTING STANDARD 24 IN THE FINANCIAL STATEMENTS OF THE COMPANY AND INCLUDED IN THIS DRAFT RED HERRING PROSPECTUS, AS CERTIFIED BY L.D.JOSHI & CO., FIRM REGISTRATION NUMBER 104402W, PRACTICING CHARTERED ACCOUNTANT, PURSUANT TO ITS CERTIFICATE DATED OCTOBER 15, 2018.**

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER REGULATIONS 106Y (1) (A) OR (B) (AS THE CASE MAY BE) OF THE SEBI ICDR REGULATIONS TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI ICDR REGULATIONS. (IF APPLICABLE). – NOT APPLICABLE."**

THE FILING OF THIS RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE ANY PERSON WHO HAS AUTHORISED THE ISSUE OF THE DRAFT RED HERRING PROSPECTUS FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 36 OF COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS ALSO DOES NOT ABSOLVE THE PROMOTER SELLING SHAREHOLDERS FROM ANY LIABILITY TO THE EXTENT THE STATEMENTS MADE BY EACH OF THEM WITH RESPECT TO THE RESPECTIVE EQUITY SHARES BEING OFFERED BY THEM UNDER THE OFFER FOR SALE, UNDER SECTIONS 34 OR 36 OF THE COMPANIES ACT, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

Price information of past issues handled by the BRLMs

A. ***JM Financial Limited***

1. Price information of past issues handled by JM Financial Limited:

Sr. No.	Issue name	Issue Size (in ₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1.	Spandana Sphoorty Financial Limited	12,009.36	856.00	August 19, 2019	825.00	-0.56% [-2.14%]	+52.76% [+7.61%]	NA
2.	Metropolis Healthcare Limited	12,042.88	880.00	April 15, 2019	958.00	+3.75% [-4.01%]	+21.39% [-1.18%]	+45.93% [-3.30%]
3.	Chalet Hotels Limited	16,411.80	280.00	February 7, 2019	294.00	+1.14% [-0.31%]	+24.41% [+3.87%]	+10.77% [-1.87%]
4.	HDFC Asset Management Company Limited	28,003.31	1,100.00	August 6, 2018	1,726.25	+58.04% [+1.17%]	+30.61% [-7.32%]	+23.78% [-4.33%]
5.	Fine Organic Industries Limited	6,001.69	783.00	July 2, 2018	815.00	+5.72% [+6.56%]	+35.38% [+2.56%]	+50.21% [1.90%]
6.	IndoStar Capital Finance Limited	18,440.00	572.00	May 21, 2018	600.00	-0.96% [+1.84%]	-16.28% [+9.07%]	-39.97% [+1.57%]
7.	Bandhan Bank Limited	44,730.19	375.00	March 27, 2018	499.00	+31.81% [+3.79%]	+42.96% [+6.26%]	+51.89% [+9.42%]
8.	Aster DM Healthcare Limited	9,801.00	190.00	February 26, 2018	183.00	-13.66% [-3.77%]	-4.97% [+0.21%]	-8.16% [+9.21%]
9.	Galaxy Surfactants Limited	9,370.88	1,480.00	February 8, 2018	1,525.00	+1.14% [-3.31%]	-0.85% [+1.33%]	-14.68% [+7.66%]
10.	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 6, 2017	295.90	+3.61% [-3.19%]	+5.91% [+2.95%]	-4.21% [+1.59%]

Source: www.nseindia.com for price information and prospectus/basis of allotment for issue details

Notes:

1. *Opening price information as disclosed on the website of NSE.*
2. *Change in closing price over the issue/offer price as disclosed on NSE.*
3. *Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.*
4. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
5. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*
6. *Restricted to last 10 issues.*

2. Summary statement of price information of past issues handled by JM Financial Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2019-2020	2	23,941.37**	-	-	1	-	-	1	-	-	-	-	1	-
2018-2019	4	68,856.80	-	-	1	1	-	2	-	1	-	1	1	1

2017-2018	10	251,600.44	-	-	4	-	3	3	-	1	5	1	1	2

*The information is as on the date of the document.

**Spandana Sphoorty Financial Limited raised Rs. 11,898.49 million as against the issue size of Rs. 12,009.36 million.

B. *Edelweiss Financial Services Limited*

1. Price information of past issues handled by Edelweiss Financial Services Limited:

S. No.	Issue Name	Issue Size (in ₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	IndiaMART InterMESH Limited	4,755.89	973.00**	July 4, 2019	1180.00	26.36% [-7.95%]	83.82% [-4.91%]	Not Applicable
2.	Polycab India Limited	13,452.6	538.00^	April 16, 2019	633.00	15.36% [-5.35%]	14.70% [-1.99%]	23.76% [-4.09%]
3.	Aavas Financiers Limited	16,403.17	821.00	October 8, 2018	750.00	-19.32% [1.76%]	2.42% [3.67%]	38.82% [12.74%]
4.	Fine Organic Industries Limited	6,001.69	783.00	July 2, 2018	815.00	5.72% [6.56%]	35.20% [2.56%]	50.21% [1.90%]
5.	ICICI Securities Limited	34,801.16	520.00	April 4, 2018	435.00	-27.93% [5.44%]	-37.26% [5.22%]	-44.39% [7.92%]
6.	Galaxy Surfactants Limited	9,370.88	1,480.00	February 8, 2018	1,525.00	1.14% [-3.31%]	-0.85% [1.33%]	-14.68% [7.66%]
7.	Amber Enterprises India Limited	6,000.00	859.00^^^	January 30, 2018	1,175.00	27.15% [-5.04%]	24.98% [-3.23%]	10.58% [2.07%]
8.	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	3.50% [3.00%]	6.91% [-1.86%]	-5.20% [4.13%]
9.	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-4.17% [3.37%]	-11.51% [0.75%]	-28.51% [4.93%]
10.	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	31.52% [0.48%]	48.93% [2.11%]	74.66% [5.04%]

Source: www.nseindia.com

^^^ Amber Enterprises India Limited - employee discount of ₹ 85 per equity share to the offer price was offered to the eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹ 859 per equity share

^Polycab India Limited – employee discount of ₹53 per equity share to the offer price was offered to the eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹538 per equity share

*** IndiaMART InterMESH Limited - A discount of ₹ 97 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹973 per equity share*

Notes

1. Based on date of listing.

2. % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.
3. Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
4. The Nifty 50 index is considered as the benchmark index
5. Not Applicable. – Period not completed
6. Disclosure in Table-1 restricted to 10 issues.

2. Summary statement of price information of past issues handled by Edelweiss Financial Services Limited:

Fiscal Year	Total no. of IPOs	Total amount of funds raised (in ₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2019-20*	2	18,208.49	-	-	-	-	1	1	-	-	-	-	-	1
2018-19	3	57,206.02	-	1	1	-	-	1	-	1	-	1	1	-
2017-18	11	218,549.76	-	-	1	1	5	4	-	1	3	3	1	3

The information is as on the date of the document
1. Based on date of listing.
2. Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
3. The Nifty 50 index is considered as the Benchmark Index.

**For the financial year 2019-20 – 2 issues have been completed. 1 issue has completed 90 days.1 issue has completed 180 days.*

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012, issued by SEBI, kindly refer to the websites of the BRLMs (www.jmfl.com and www.edelweissfin.com).

Disclaimer from our Company, the Promoter Selling Shareholders, our Directors and the BRLMs

Our Company, the Promoter Selling Shareholders, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. It is clarified that the Promoter Selling Shareholders accept no responsibility for any statements made other than those specifically made by the Promoter Selling Shareholders in relation to such Promoter Selling Shareholder and their respective Offered Shares. Anyone placing reliance on any other source of information, including our Company's website (www.princepipes.com) or the respective websites of any of our Promoters, Promoter Group, Group Companies or of any affiliate of our Company and the Promoter Selling Shareholders, as applicable, would be doing so at his or her own risk.

Caution

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into among the Underwriters, the Promoter Selling Shareholders and our Company.

All information in relation to the Offer shall be made available by our Company, the Promoter Selling Shareholders and the BRLMs to the public and Bidders at large and no selective or additional information would be made available for a section of the Bidders in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Our Company, the Promoter Selling Shareholders or any members of the Syndicate are not liable for (i) any failure in uploading the Bids due to faults in any software/hardware system or otherwise; or (ii) the blocking of application amount by RIIs bank on receipt of instruction from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI mechanism.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholders, Underwriters and their respective directors (as applicable), officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and that they shall not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholders, the Underwriters and their respective directors (as applicable), officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Members of the Syndicate and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter Selling Shareholders, Promoters, members of our Promoter Group, Group Companies, or their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoter Selling Shareholders, Promoters, members of our Promoter Group, Group Companies or their respective directors (as applicable), affiliates or associates, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

The Offer is being made in India to persons resident in India including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDA, provident funds (subject to applicable law) with minimum corpus of ₹ 250 million and pension funds with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important non-banking financial companies and permitted Non-Residents including FPIs, and Eligible NRI Bidders, AIFs, FVCIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, 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**"), or the securities laws of any state of the United States and may not be offered or sold in the United States 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. The Equity Shares are being offered and sold only outside the United States pursuant to Regulation S.

NO PERSON OUTSIDE INDIA IS ELIGIBLE TO BID FOR EQUITY SHARES UNLESS THAT PERSON HAS RECEIVED A PRELIMINARY OFFERING MEMORANDUM FOR THE OFFER, WHICH COMPRISES THIS RED HERRING PROSPECTUS AND A PRELIMINARY INTERNATIONAL WRAP THAT CONTAINS, AMONG OTHER THINGS, THE SELLING RESTRICTIONS APPLICABLE TO THE OFFER OUTSIDE INDIA.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Disclaimer Clause of BSE

"BSE Limited ("the Exchange") has given vide its letter dated November 14, 2018 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
c) take any responsibility for the financial or other soundness of this 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 offer document has been cleared or approved by the Exchange. 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 Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of NSE

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/494 dated November 16, 2018 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized the draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at the Securities and Exchange Board of India, Plot number C4-A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India.

A copy of this Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 has been delivered for registration to RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be filed with the Registrar of Companies, Goa, Daman and Diu, situated at Company Law Bhawan, EDC Complex, Plot No. 21, Patto, Panaji, Goa 403 001, India.

Listing

The Equity Shares are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares to be issued and sold in the Offer. BSE Limited will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Promoter Selling Shareholders will forthwith repay, all monies received from the applicants in pursuance of this Red Herring Prospectus, in accordance with the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/Offer Closing Date or within such other period as may be prescribed. The Promoter Selling Shareholders confirm that it shall extend complete cooperation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares on the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or such other period as may be prescribed.

If Equity Shares pursuant to the Offer are not Allotted within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, our Company and the Promoter Selling Shareholders shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% p.a or such rate as may be prescribed under law for the delayed period.

Consents

Consents in writing of (a) the Promoter Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, the BRLMs, Statutory Auditor, legal counsel (to our Company as to Indian law, the BRLMs as to Indian Law and the International legal counsel to the Offer) Bankers to our Company, and the Registrar, Syndicate Members, Escrow Collection Bank, Refund Bank, Public Offer Bank and Sponsor Bank have been obtained as required under the Sections 26 and 32 of Companies Act, 2013. Further, consents received prior to filing of this Red Herring Prospectus have not been withdrawn up to the time of delivery of this Red Herring Prospectus with SEBI.

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions.

As required under the Companies Act, 2013, our Company has received written consent from the following entities/ persons to include their names as an "expert" as defined under the Companies Act, 2013:

i. our Statutory Auditor, namely, M/s Khimji Kunverji & Co. LLP (Formerly Khimji Kunverji & Co. – FRN 105146W), Chartered Accountants, with respect of its (a) examination report dated November 22, 2019 on the Restated Financial Statements, and (b) report dated November 25, 2019 on the statement of possible special tax benefits available for our Company and the Shareholders.

ii. Rajesh Patel, Reliable Testing, Chartered Engineer, with respect to his certificate dated November 26, 2019.

Further, such consents have not been withdrawn as on the date of this Red Herring Prospectus.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer related expenses include fees payable to the BRLMs and legal counsel, underwriting commission, fees payable to the Auditor, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Escrow Banks' and Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. For details of the Offer expenses, see the section titled "*Objects of the Offer*" on page 98.

All Offer related expenses, other than listing fees (which shall be borne by our Company), shall be shared by our Company and the Promoter Selling Shareholders in proportion to the number of Equity Shares being issued or offered, as the case may be, by each of them in the Fresh Issue and the Offer for Sale, in accordance with applicable law. Any payments by our Company in relation to the Offer on behalf of the Promoter Selling Shareholders shall be reimbursed by the Promoter Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale by each of the Promoter Selling Shareholders in the Offer.

For details of the estimated Offer related expenses please see the section titled "*Objects of the Offer*" on page 98.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expenses) will be as per the Syndicate Agreement, a copy of which will be available for inspection at our Registered Office from 10.00 am to 4.00 pm on Working Days from the date of this Red Herring Prospectus until the Bid/ Offer Closing Date. For details of the Offer related expenses, see the section titled "*Objects of the Offer*" on page 98.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCBS, Registered Brokers, RTAs and CDPs, see the section titled "*Objects of the Offer*" on page 98.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Registrar Agreement, a copy of which will be available for inspection at our Registered Office from 10.00 am to 4.00 pm on Working Days from the date of this Red Herring Prospectus until the Bid/ Offer Closing Date.

The Registrar to the Offer shall be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post/ordinary post.

Public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years immediately preceding the date of the Draft Red Herring Prospectus until the date of this Red Herring Prospectus.

Previous issues of securities otherwise than for cash

Except as disclosed in the section titled "*Capital Structure*" on page 81, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Performance vis-à-vis objects

Our Company has not undertaken any public or rights issuances during the last 10 years preceding the date of the Draft Red Herring Prospectus. There has been no shortfall in terms of performance *vis-a-vis* objects for any of the previous issues of our Company.

Performance vis-à-vis objects – Last issue of Group Companies

None of our Group Companies have undertaken any public or rights issuances during the last 10 years preceding the date of the Draft Red Herring Prospectus. Accordingly, the requirement to disclose performance vis-à-vis objects in respect of past offerings does not apply to our Group Companies.

Underwriting commission, brokerage and selling commission paid on previous issues of the Equity Shares

Since this is an initial public offer of Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's incorporation.

Previous capital issue during the previous three years by listed Group Companies

None of our Group Companies are listed on any stock exchange in India or overseas. Accordingly, the requirement to disclose details of previous issues by listed Group Companies does not apply.

Outstanding debentures, bonds or other instruments convertible of exchangeable into Equity Shares

Except for the options granted pursuant to ESOP, 2017, our Company does not have any outstanding debentures, bonds, or other instruments convertible or exchangeable into Equity Shares as of the date of this Red Herring Prospectus.

Outstanding Preference Shares

Except as disclosed in the section titled "*Capital Structure*" on page 81, our Company has not issued any preference shares since our incorporation and there are no outstanding preference shares (including redeemable preference shares) as on the date of this Red Herring Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least three years from the date of commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders may contact the BRLMs for any complaints pertaining to the Offer. All grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the First or sole Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder and the ASBA Account number (for Bidders other than RIIs bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount is blocked, and UPI ID in case of RIIs bidding through the UPI mechanism. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

In terms of the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of Equity Shares. SCSBs are required to resolve these complaints within fifteen days, failing which the concerned SCSB would have to pay interest at the rate of fifteen percent per annum for any delay beyond this period of fifteen days.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the First or sole Bidder, Anchor Investor Application Form number, Bidder DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Our Company, the Promoter Selling Shareholders, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of the Designated Intermediaries including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB, for the redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted a Stakeholders' Relationship Committee comprising Ramesh Chandak, Parag Jayant Chheda and Vipul Jayant Chheda, as members. For details, see the section titled "*Our Management*" on page 181.

Our Company has not received any investor complaint in the last three years preceding the date of the Draft Red Herring Prospectus until the date of this Red Herring Prospectus.

Our Company has appointed Pravin Jogani as the Company Secretary and Compliance Officer and he may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

8th Floor, The Ruby
Senapati Bapat Marg (Tulsi Pipe Road)
Dadar West, Mumbai - 400 028
Maharashtra, India
Telephone: +91 22 66022222
Facsimile: +91 22 66022220
E-mail: investor@princepipes.com

Disposal of investor grievances by listed group companies and companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956

As on the date of this Red Herring Prospectus, none of our Group Companies and companies under the same management as our Company within the meaning of Section 370(1B) of the Companies Act, 1956, are listed on any stock exchange. Accordingly, the requirement to disclose details of investor grievances by listed companies and companies under the same management as our Company, does not apply.

Changes in Auditors

There has been no change in the statutory auditor of our Company during the last three years immediately preceding the date of this Red Herring Prospectus.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years preceding the date of this Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued its assets at any time during the five years preceding the date of this Red Herring Prospectus.

SECTION VII – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered, allotted and transferred pursuant to the Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, SEBI ICDR Regulations, 2018, our Memorandum and Articles, the terms of this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice, the SEBI Listing Regulations and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by the SEBI, the GoI, the Stock Exchanges, the RoC, the RBI, and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by such authorities while granting its approval for the Offer.

Ranking of the Equity Shares

The Equity Shares being issued and transferred in the Offer shall be subject to the provisions of the Companies Act, Memorandum of Association, Articles of Association, the SEBI Listing Regulations, and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section titled "*Main Provisions of the Articles of Association*" on page 439.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders of our Company as per the provisions of the Companies Act, 2013, our Articles of Association, the SEBI Listing Regulations and other applicable law. All dividends, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year in accordance with the SEBI ICDR Regulations. For further details in relation to dividends, see the sections titled *"Dividend Policy"* and *"Main Provisions of the Articles of Association"* on pages 211 and 439, respectively.

Face Value, Offer Price and Price Band

The face value of the Equity Shares is ₹ 10 each. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Price Band and minimum Bid Lot size for the Offer will be decided by our Company and Promoter Selling Shareholders, in consultation with the BRLMs, and advertised in all editions of the English national newspaper, Financial Express, all editions of the Hindi national newspaper, Jansatta, and Panaji edition of the regional language newspaper, Goa Doot, each with wide circulation, at least five working days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

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

Compliance with disclosure and accounting norms

Our Company shall comply with applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles of Association, the equity Shareholders of our Company shall have the following rights:

- The right to receive dividends, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting';
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see the section titled "*Main Provisions of the Articles of Association*" on page 439.

Allotment of Equity Shares in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through this Red Herring Prospectus can be applied for in the dematerialised form only. In this context, two agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

1. Agreement dated February 7, 2017 among NSDL, our Company and Adriot Corporate Services Private Limited, read with letter from NSDL to our Company dated September 8, 2017 substituting Adroit Corporate Services Private Limited with the Registrar to the Offer as the RTA.

2. Agreement dated September 11, 2017 among CDSL, our Company and Registrar to the Offer.

Market Lot and Trading Lot

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Share, subject to a minimum Allotment of [●] Equity Shares. See the section titled *"Offer Procedure – Part B – General Information Document for Investing in Public Issues - Allotment Procedure and Basis of Allotment"* on page 427.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, India will have exclusive jurisdiction in relation to the Offer.

Period of operation of subscription list

See the section titled "*Offer Structure – Bid/Offer Programme*" on page 378.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debenture)

Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If investors wish to change their nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer equivalent to at least such percentage of Equity Shares equivalent to a value of ₹ 4,000 million (calculated at the Offer Price) will be offered to the public, as specified under Rule 19(2)(b)(ii) of the SCRR), including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid/Offer Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest as prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law. The Promoter Selling Shareholders shall reimburse to our Company, on a pro-rata basis, any expense incurred by our Company on their behalf with regard to refunds, interest for delays, etc., for the Equity Shares being offered in the Offer in proportion of the Equity Shares offered for sale pursuant to the Offer provided that subject to applicable law, a Promoter Selling Shareholder shall not be responsible for reimbursing any interest unless such delay has been caused by such Promoter Selling Shareholder, in which case our Company shall be responsible for payment of such interest.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b)(ii) of the SCRR, Allotment will be first made towards the Fresh Issue from the valid Bids.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of Equity Shares

Except for the lock-in of the pre-Offer Equity Shares, the minimum Promoters' contribution and Allotments made to Anchor Investors pursuant to the Offer, as detailed in the section titled "*Capital Structure*" on page 81 and except as provided in our Articles of Association, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, the section titled "*Main Provisions of the Articles of Association*" at page 439.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, 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**"), or the securities laws of any state of the United States and may not be offered or sold in the United States 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. The Equity Shares are being offered and sold only outside the United States pursuant to Regulation S.

NO PERSON OUTSIDE INDIA IS ELIGIBLE TO BID FOR EQUITY SHARES UNLESS THAT PERSON HAS RECEIVED A PRELIMINARY OFFERING MEMORANDUM FOR THE OFFER, WHICH COMPRISES THIS RED HERRING PROSPECTUS AND A PRELIMINARY INTERNATIONAL WRAP THAT CONTAINS, AMONG OTHER THINGS, THE SELLING RESTRICTIONS APPLICABLE TO THE OFFER OUTSIDE INDIA.

Each purchaser of the Equity Shares offered in the Offer in India shall be deemed to:

- Represent and warrant to our Company, the Promoter Selling Shareholders, the BRLMs and the Syndicate Members that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States when its buy order for the Equity Shares was originated.

- Represent and warrant to our Company, the Promoter Selling Shareholders, the BRLMs and the Syndicate Members that it did not purchase the Equity Shares as result of any "directed selling efforts" (as defined in Regulation S).

- Represent and warrant to our Company, the Promoter Selling Shareholders, the BRLMs and the Syndicate Members that it bought the Offered Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.

- Represent and warrant to our Company, the Promoter Selling Shareholders, the BRLMs and the Syndicate Members that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

- Represent and warrant to our Company, the Promoter Selling Shareholders, the BRLMs and the Syndicate Members that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- Acknowledge that our Company, the Promoter Selling Shareholders, the BRLMs, the Syndicate Members and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

- Agree to indemnify and hold our Company, the Promoter Selling Shareholders, the BRLMs and the Syndicate Members harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

OFFER STRUCTURE

Initial public offering of [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 5,000 million, comprising a Fresh Issue of [●] Equity Shares aggregating up to ₹ 2,500 million by our Company, and an Offer For Sale of up to [●] Equity Shares aggregating up to ₹ 2,500 million by the Promoter Selling Shareholders. The Offer constitutes [●] % of the post-Offer paid-up Equity Share capital of our Company. Our Company has, in consultation with the BRLMs, undertaken a Pre-IPO placement of 596,500 CCPS for cash consideration aggregating to ₹ 1,061.77 million, which have been converted into 5,965,000 Equity Shares. The size of the Fresh Issue of up to ₹ 3,561.77 million has been reduced by ₹ 1,061.77 million pursuant to the Pre-IPO Placement and accordingly the Fresh Issue is up to ₹ 2,500.00 million.

The Offer is being made through the Book Building Process.

Particulars	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment / Allocation (2)	Not more than [●] Equity Shares.	Not less than [●] Equity Shares or Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than [●] Equity Shares or Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
Percentage of Offer available for Allotment/allocation	50% of the Offer shall be available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available for allocation to QIBs (other than Anchor Investors).	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
Basis of Allotment if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors.	Proportionate.	Allotment to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. For further details, see the section titled "*Offer Procedure – Part B – General Information Document for Investing in Public Issues – Allotment Procedure and Basis of Allotment – Allotment to RIIs*" on page 427.
Minimum Bid	Such number of Equity	Such number of Equity Shares	[●] Equity Shares.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	Shares so that the Bid Amount exceeds ₹ 200,000.	so that the Bid Amount exceeds ₹ 200,000.	
Maximum Bid	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares such that the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialised form.		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.		
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of [●] Equity Share.		
Trading Lot	One Equity Share.		
Who can Apply[3]	Mutual Funds, Venture Capital Funds, AIFs, FVCIs, FPIs (other than FPIs who are individuals, corporate bodies and family offices), public financial institution as defined in Section 2(72) of the Companies Act, 2013, a scheduled commercial bank, multilateral and bilateral development financial institution, state industrial development corporation, insurance company registered with the Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies.	Eligible NRIs, Resident Indian individuals, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies and family offices.	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.
Terms of Payment	The entire Bid Amount shall be payable at the time of submission of Anchor Investor Application Form by Anchor Investors. [4] In case of ASBA Bidders, Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder, or by the Sponsor Bank through the UPI mechanism (only for RIBs), that is specified in the ASBA Form at the time of submission of the ASBA Form.		
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process.	Only through the ASBA process.

* *Assuming full subscription in the Offer*

[1] *Our Company and Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see the section titled "Offer Procedure" on page 380.*

[2] *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b)(ii) of the SCRR, read with Regulation 41 of the SEBI ICDR Regulations, wherein a minimum Offer size of at least such percentage of Equity Shares equivalent to a value of ₹ 4,000 million (calculated at the Offer Price) will be offered to the public. The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be available for allocation to QIB Portion. Provided that our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors, out of which at least one-third will be reserved for domestic Mutual Funds, subject to valid Bids being received*

from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Such number of Equity Shares representing 5% of the Net QIB Portion (other than Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price such that, subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and Promoter Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations, Allotment will be first made towards the Fresh Issue from the valid Bids. For further details, please see the section titled "Offer Structure" on page 376.

(3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Application Form, provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN. In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account specified in the Bid cum Application Form of the respective Bidder.*

Bid/Offer Programme

For all Bidders*	**BID / OFFER OPENS ON DECEMBER 18, 2019**
For all Bidders*	**BID / OFFER CLOSES ON DECEMBER 20, 2019**

* *Our Company and Promoter Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.*

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

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	on or about December 26, 2019
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account	on or about December 27, 2019
Credit of the Equity Shares to depository accounts of Allottees	on or about December 30, 2019
Commencement of trading of the Equity Shares on the Stock Exchanges	on or about December 31, 2019

The above timetable is indicative and does not constitute any obligation on our Company, the Promoter Selling Shareholders or the BRLMs. While our Company and Promoter Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company and the Promoter Selling Shareholders, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholders confirm that they shall extend complete cooperation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time ("**IST**")) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form except that:

(i) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST);

(ii) on the Bid/Offer Closing Date:

a. in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

b. in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by BRLMs to the Stock Exchanges.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under the Offer. Bids will only be accepted on Working Days. Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor the Promoter Selling Shareholders, nor any member of the Syndicate is liable for any failure in (i) uploading or downloading the Bids due to faults in any software / hardware system or otherwise; and (ii) the blocking of application amount by RIIs bank on receipt of instruction from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI mechanism.

Our Company and Promoter Selling Shareholders, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least two Working Days before the Bid/Offer Opening Date, and the Cap Price will be revised accordingly.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Members, as required under the SEBI ICDR Regulations, 2018.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

All Bidders should review the "General Information Document for Investing in Public Issues" prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 issued by SEBI, modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and the circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 *issued by SEBI (the "**General Information Document**") included below under "– Part B – General Information Document" beginning on page 397, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations and to the extent applicable, the SEBI ICDR Regulations, 2018. The General Information Document has been updated to reflect the amendments, enactments and regulations, to the extent applicable to a public issue. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant portions of the General Information Document which are applicable to the Offer.*

*SEBI through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019. Thereafter, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI mechanism with existing timeline of T+6 days will continue for a period until March 31, 2020 ("**UPI Phase II**"). Accordingly, the procedure set forth under this Red Herring Prospectus is under UPI Phase II. Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIIs ("**UPI Phase III**"), as may be prescribed by SEBI.*

Our Company, the Promoter Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and in the Prospectus.

Further, our Company, the Promoter Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI mechanism for application in this Offer.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI ICDR Regulations, wherein 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Our Company and Promoter Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Subject to availability of Equity Shares, each Retail Individual Bidder shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Bidders on a proportionate basis.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion, or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and Promoter Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis, subject to applicable law. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. In accordance with Rule 19(2)(b)(ii) of the SCRR, a minimum Offer size of at least such percentage of Equity Shares equivalent to a value of ₹ 4,000 million (calculated at the Offer Price) will be offered to the public.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for RII Bidders bidding using the UPI mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

All Bidders (other than Anchor Investors) are required to mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The RIIs can Bid only through the UPI Mechanism.

Copies of the ASBA Forms and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres and at our Registered Office and Corporate Office. Electronic copies of the ASBA Forms will also be available for download on the websites of the Stock Exchanges, namely, NSE (www.nseindia.com) and BSE (www.bseindia.com), at least one day prior to the Bid/Offer Opening Date. Anchor Investor Application Forms shall be available at the offices of the BRLMs at least one day prior to the Anchor Investor Bidding Date.

All Bidders (other than Anchor Investors) shall ensure that their Bids are made on ASBA Forms bearing the stamp of a Designated Intermediary and submitted at the Bidding centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Additionally, ASBA Bidders (other than RIIs bidding using the UPI mechanism) must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and ASBA Forms that do not contain such details are liable to be rejected. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked at the time of submitting the Bid.

RIIs using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Offer for purpose of reconciliation. RIIs bidding using the UPI mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The prescribed colour of the Bid cum Application Form for various categories of Bidders is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis **	White
Non-Residents including Eligible NRIs, FVCIs, FPIs and registered multilateral and	Blue

Category	Colour of Bid cum Application Form*
bilateral development financial institutions applying on a repatriation basis **	
Anchor Investors***	White

* *Excluding electronic Bid cum Application Forms.*

** *Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).*

*** *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than RIIs using UPI mechanism). Designated Intermediaries (other than SCSBs) shall submit/ deliver ASBA Forms to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or the Escrow Collection Bank. For RIIs using UPI mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

Who can Bid?

In addition to the category of Bidders set forth in the section titled "*– Part B – General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue*" on page 402, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- FPIs eligible under applicable law;
- Scientific and/or industrial research organizations in India, which are authorized to invest in equity shares; and
- Any other person eligible to Bid in the Offer, under the laws, rules, regulations, guidelines and polices applicable to them.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States 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. The Equity Shares are being offered and sold only outside the United States pursuant to Regulation S.

NO PERSON OUTSIDE INDIA IS ELIGIBLE TO BID FOR EQUITY SHARES UNLESS THAT PERSON HAS RECEIVED A PRELIMINARY OFFERING MEMORANDUM FOR THE OFFER, WHICH COMPRISES THIS RED HERRING PROSPECTUS AND A PRELIMINARY INTERNATIONAL WRAP THAT CONTAINS, AMONG OTHER THINGS, THE SELLING RESTRICTIONS APPLICABLE TO THE OFFER OUTSIDE INDIA.

Phased implementation of Unified Payments Interface

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circular, UPI is to be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases. Currently, Phase II of this mechanism is applicable till March 31, 2020. Under this phase, submission of the Bid cum Application Form by a Retail Individual Bidder through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

Subsequently, the final reduced timeline of three working days will be made effective using the UPI mechanism for applications by RIIs ("**UPI Phase III**"), as may be prescribed by SEBI. For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Participation by Promoters, Promoter Group, BRLMs, associates and affiliates of the BRLMs, the Syndicate Members, persons related to Promoter, Promoter Group

The BRLMs and the Syndicate Member(s) shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs and the Syndicate Member(s) may subscribe to or purchase Equity Shares in the Offer, in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders. Such Bidding and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of BRLMs and Syndicate Member(s), shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the (i) BRLMs (s) or any associate of the BRLMs (other than mutual funds sponsored by entities which are associate of the BRLMs or insurance companies promoted by entities which are associate of the BRLMs or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLMs or FPIs sponsored by the entities which are associate of the BRLMs) nor (ii) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category. Persons related to the Promoter and members of Promoter Group shall be identified in accordance with Schedule XIII of the SEBI ICDR Regulations, 2018. Further, except for the sale of the Offered Shares by way of the Promoter Selling Shareholders, none of the Promoter Selling Shareholders will participate in the Offer.

Bids by Mutual Funds

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid in whole or in part, in either case, without assigning any reason thereof.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows:

"Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta".

Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cun Application Forms from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSB to block their Non-Resident External ("**NRE**") or Foreign Currency Non-Resident ("**FCNR**") accounts, maintained with banks authorized by the RBI under the Foreign Exchange Management (Foreign Currency Accounts by a person resident in India) Regulations, 2000. Eligible NRIs Bidding on a repatriation basis should authorise their SCSB to block their NRE or FCNR accounts for the full Bid Amount, while Eligible NRIs Bidding on a non-repatriation basis, other than using the UPI mechanism, should authorise their SCSB to block their NRO Accounts for the full Bid Amount or if using the UPI mechanism, they should approve the Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to full Bid Amount.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form for non-residents, while Eligible NRIs Bidding on a non-repatriation basis are advised to use the Bid cum Application Form for residents. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Regulations.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI including its investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Categoty I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations *inter alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. The holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, initial public offering.

Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up.

Further, according to the SEBI ICDR Regulations, the shareholding of VCFs, category I AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing a draft offer document with SEBI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charged and commission.

Our Company, the Promoter Selling Shareholders and the BRLMs will not be responsible loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders reserve the right to reject any Bid without assigning any reason therefor.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers is prescribed in Regulation 9 of the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "**IRDA Investment Regulations**") are set forth below:

(i) Limit for the investee company: The lower of: (i) 10%* of the outstanding equity shares (face value); or (ii) 10% of such funds and reserves as specified under the IRDAI Investment Regulations, in case of a life insurer and a general insurer;

(ii) Limit for the entire group of the investee company: Not more than 15% of such funds and reserves as specified under the IRDAI Investment Regulations, in case of a life insurer and a general insurer; and

(iii) Limit for the industry sector to which the investee company belongs: Not more than 15% of such funds and reserves as specified under the IRDAI Investment Regulations, in case of a life insurer and a general insurer.

** The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

Insurer companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time to time.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below.

(i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

(iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(iv) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date, *i.e.*, the Anchor Investor Bidding Date, and will be completed on the same day.

(v) Our Company and Promoter Selling Shareholders, in consultation with the BRLMs will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

    (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;

    (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and

    (c) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum allotment of ₹ 50 million per Anchor Investor.

(vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLMs before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.

(vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

(ix) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(x) Neither the (i) BRLMs (s) or any associate of the BRLMs (other than mutual funds sponsored by entities which are associate of the BRLMs or insurance companies promoted by entities which are associate of the BRLMs or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the BRLMs or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the BRLMs) nor (ii) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category. For further details, please see "*-Participation by Promoters, Promoter Group, BRLMs, associates and affiliates of the BRLMs, the Syndicate Members, persons related to Promoter, Promoter Group*" on page 383.

(xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

(xii) For more information, see the section titled *"Offer Procedure - Part B: General Information Document for Investing in Public Issues - Section 7: Allotment Procedure and Basis of Allotment – Allotment to Anchor Investor"* on page 428.

Payment by Anchor Investors into the Escrow Account

Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS or NEFT) for payment of their Bid Amounts in the Escrow Account in favour of:

(a) In case of resident Anchor Investors: PRINCE PIPES AND FITTINGS LIMITED – ANCHOR ACCOUNT - R
(b) In case of non-resident Anchor Investors: PRINCE PIPES AND FITTINGS LIMITED – ANCHOR ACCOUNT - NR

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Promoter Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from Anchor Investors.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Promoter Selling Shareholders reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by Systemically Important Non-Banking Financial Companies

With respect to Bids by systemically important non-banking financial companies, a certified copy of its registration certificate with the RBI, indicating that the Bidder is a systemically important non-banking financial company, and a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s) must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Systemically important non-banking financial companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA Bids.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, systemically important non-banking financial companies, provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason.

Our Company and the Promoter Selling Shareholders in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney with the Bid cum Application Form, subject to such terms and conditions that our Company, the Promoter Selling Shareholders and the BRLMs deem fit, without assigning any reasons therefore.

In accordance with existing regulations, OCBs cannot participate in the Offer.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Red Herring Prospectus with the RoC, publish a pre-Offer advertisement in all editions of the English national newspaper, Financial Express, all editions of the Hindi national newspaper, Jansatta, and Panaji edition of the regional language newspaper, Goa Doot, each with wide circulation, each with wide circulation, respectively. In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

The above information is given for the benefit of Bidders. Our Company, the Promoter Selling Shareholders, our Directors, the officers of our Company and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

Information for Bidders

In addition to the instructions provided to Bidders set forth "– *Part B – General Information Document for Investing in Public Issues*" on page 397, Bidders are requested to note the following additional information in relation to the Offer.

1. The relevant Designated Intermediary will enter each Bid option into the electronic Bidding system as a separate Bid and generate an acknowledgement slip ("**Acknowledgement Slip**"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three Acknowledgement Slips for each Bid cum Application Form. It is the Bidder's responsibility to obtain the Acknowledgement Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ Allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgement Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

2. In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Promoter Selling Shareholders and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the Promoter Selling Shareholders, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

3. In the event of an upward revision in the Price Band, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 (for Retail Individual Bidders) if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted to the same Designated Intermediary to whom the original Bid was submitted. If the total amount (i.e., the original Bid Amount plus additional payment) exceeds ₹ 200,000 (for Retail Individual Bidders), the Bid will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.

4. In the event of a downward revision in the Price Band, Retail Individual Bidders, who have bid at Cut-off Price may revise their Bid; otherwise, the excess amount paid at the time of Bidding would be unblocked after Allotment is finalized.

5. Any revision of the Bid shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Bid.

Signing of the Underwriting Agreement and the RoC Filing

Our Company and the Promoter Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

GENERAL INSTRUCTIONS

In addition to the general instructions provided in the "*Part B – General Information Document for Investing in Public Issues*" on page 397, Bidders are requested to note the additional instructions provided below.

***Do's*:**

1. Check if you are eligible to apply as per this Red Herring Prospectus and under applicable law;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only; RIIs using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;
5. Ensure that your Bid cum Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
6. With respect to the ASBA Bids, ensure that the ASBA Form is signed by the account holder in case the applicant is not the ASBA Account holder. Ensure that you have mentioned the correct ASBA Account number(for Bidders other than RIIs bidding through the UPI mechanism) or UPI ID in case of RIIs bidding through the UPI mechanism in in the ASBA Form; RIIs using the UPI mechanism shall ensure that UPI ID is correct with respect to the bank account linked with such UPI ID mentioned in the Application Form;
7. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
8. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
9. Ensure that you request for and receive a stamped Acknowledgement Slip of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary as proof of registration of the Bid cum Application Form;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account with the SCSB or the UPI ID linked bank account before submitting the ASBA Form to any of the Designated Intermediaries;
11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process until six Working Days from the Bid/ Offer Closing Date;
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised Acknowledgement Slip;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the State of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, are exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which are exempted from specifying or may be exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
16. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms(for all Bidders other than RIIs bidding using the UPI

mechanism);

17. Ensure that you tick the correct investor category and the investor status, as applicable, in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
18. Ensure that for Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the electronic system of the Stock Exchanges by the relevant Designated Intermediary match with the DP ID, Client ID and PAN available in the Depository database;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and this Red Herring Prospectus;
22. Ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in).
23. RIIs bidding using the UPI mechanism, shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
24. For RIIs bidding using the UPI mechanism, shall ensure that you approve the Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner;
25. RIIs bidding using the UPI mechanism, shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate. Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. RIIs bidding using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form;
27. RIIs bidding in the issue to ensure that they shall use only their own ASBA bank account or only their own bank account linked UPI ID to make an application and not ASBA bank account or bank account linked UPI ID of any third party;
28. RIIs bidding using the UPI mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of allotment in a timely manner; and
29. In relation to the ASBA Bids, ensure that you have correctly signed the authorization/undertaking box in the ASBA Form, or have otherwise provided an authorisation to the SCSB, or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid or revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount by cheques and demand drafts or in cash, by money order or by postal order or by stock invest;
5. Do not send ASBA Forms by post. Instead submit the same to only a Designated Intermediary;
6. Do not Bid on a physical ASBA Form that does not have the stamp of a Designated Intermediary;

7. Anchor Investors should not Bid through the ASBA process;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
11. Do not submit the GIR number instead of the PAN;
12. Do not submit the Bids without instructions to block funds equivalent to the Bid Amount in the ASBA Account;
13. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
14. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
15. Do not submit incorrect UPI ID details if you are a RII bidding through the UPI mechanism;
16. If you are a QIB, do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;
17. If you are a Non-Institutional Bidder or a Retail Individual Bidder do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;
18. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;
19. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIIs bidding through the Designated Intermediaries using the UPI mechanism;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
21. Do not submit ASBA Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. Do not submit ASBA Bids to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);
23. Do not submit a Bid using UPI ID, if you are not a RII;
24. If you are RII and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
25. If you are RII and are using UPI mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
26. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RII Bidder using the UPI mechanism; and
27. Do not submit a Bid cum Application Form with third party UPI ID (in case of in case of Bids submitted by RII Bidder using the UPI mechanism).

The Bid cum Application Form is liable to be rejected if the above instructions or any other condition mentioned in this Red Herring Prospectus, as applicable, are not complied with.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

In addition to the instructions for completing the Bid cum Application Form provided in the "*Part B – General Information Document for Investing in Public Issues – Applying in the Issue – Instructions for filling the Bid cum Application Form/ Application Form*" on page 403, Bidders are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).

2. ASBA Bids must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in English and in accordance with the instructions contained in this Red Herring Prospectus and in the ASBA Form.

3. Bids on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs, or FPIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Designated Date and Allotment

(a) Our Company will ensure that the Allotment and credit to the successful Bidder's depositary account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Bid/Offer Closing Date or such other period as may be prescribed.

(b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.

(c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in "*Part B – General Information Document for Investing in Public Issues – Issue Procedure in Book Built Issue – Rejection and Responsibility for Upload of Bids – Grounds for Technical Rejections*" on page 424, Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bid submitted without instruction to the SCSB to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids by HUFs not mentioned correctly as given in " – *Who can Bid?*" on page 382;
5. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
6. Bids submitted without the signature of the First Bidder or sole Bidder;
7. With respect to ASBA Bids, the ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
8. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are 'suspended for credit' in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
9. GIR number furnished instead of PAN;
10. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;
11. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
12. Bids by Bidders (who are not investors applying in the Anchor Investor Portion) accompanied by cheques or demand drafts;
13. Bids accompanied by stockinvest, money order, postal order or cash;
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/Offer Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

1. Agreement dated February 7, 2017 among NSDL, our Company and Adriot Corporate Services Private Limited, read with letter from NSDL to our Company dated September 8, 2017 substituting Adroit Corporate Services Private Limited with the Registrar to the Offer as the RTA.
2. Agreement dated September 11, 2017 among CDSL, our Company and Registrar to the Offer.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. That if our Company and/or the Promoter Selling Shareholders does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

2. That if our Company or the Promoter Selling Shareholders withdraws the entire portion of the Offer after the Bid/Offer Closing Date, our Company shall be required to file an updated offer document or a fresh offer document with the RoC/ SEBI, as the case may be, in the event our Company or the Promoter Selling Shareholders (or any other selling shareholder) subsequently decides to proceed with the Offer;

3. That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

4. That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed;

5. If Allotment is not made within the timeline prescribed under applicable law, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;

6. That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within 15 days from the Bid/Offer Closing Date or such lesser time as specified by SEBI, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;

7. That the certificates of the securities or refund orders to Eligible NRIs shall be despatched within specified time; and

8. That except as disclosed in the RHP, no further offer of Equity Shares shall be made until the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

9. Our Company shall not have recourse to the Net Proceeds until the final listing and trading approval is received from the Stock Exchanges.

UNDERTAKINGS BY THE PROMOTER SELLING SHAREHOLDERS

The Promoter Selling Shareholders severally undertake the following:

1. That if the Promoter Selling Shareholders withdraws the entire portion of the Offer after the Bid/Offer Closing Date, it shall, forthwith, inform our Company of the same. The Promoter Selling Shareholders and our Company shall be required to file an updated offer document or a fresh offer document with the RoC/ SEBI, as the case may be, in the event our Company or the Promoter Selling Shareholders (or any other selling shareholder) subsequently decides to proceed with the Offer;

2. That it is the legal and beneficial owners of the Offered Shares;

3. That the Offered Shares (a) have been held by it for a minimum period as specified in Regulation 26(6) of the SEBI ICDR Regulations; and (b) are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances; and (c) shall be in dematerialised form at the time of transfer;

4. That it shall deposit its Equity Shares offered in the Offer in an escrow account opened with the Registrar to the Offer at least three days prior to filing of this Red Herring Prospectus with the RoC;

5. That it shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchanges where listing is proposed have been obtained;

6. That it shall provide all reasonable cooperation as requested by our Company in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of the Equity Shares offered by it pursuant to the Offer;

7. That it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer;

8. That it shall not further transfer Equity Shares during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted and Equity Shares to be Allotted pursuant to the Offer;

9. That it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer for Sale are available for transfer in the Offer for Sale, free and clear of any encumbrance, within the timelines specified under applicable law; and

10. That it has authorised our Company to redress any complaints received from Bidders in respect of the Offered Shares and it shall extend assistance to our Company in this regard.

Utilisation of Offer proceeds

Our Company and the Promoter Selling Shareholders specifically confirm and declare that all monies received out of the Offer shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

Further, details of all utilised and unutilised monies out of the Fresh Issue shall be disclosed and continued to be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised or invested.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholders and the members of Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Red Herring Prospectus and Prospectus.

Withdrawal of the Offer

Our Company and Promoter Selling Shareholders, in consultation with the BRLMs, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company.

The BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC and the Stock Exchanges.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent applicable and the SEBI ICDR Regulations 2018. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of our Company and the Offer and should carefully read this Red Herring Prospectus/Prospectus before investing in the Offer.

*SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanism for RIIs applying through Designated Intermediaries will be made effective along with the existing process and existing timeline of T+6 days. The same will continue for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase I**"). Thereafter, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds will be discontinued and only the UPI mechanism with existing timeline of T+6 days will continue for a period until March 31, 2020 ("**UPI Phase II**"). Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIIs ("**UPI Phase III**"), as may be prescribed by SEBI.*

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations, 2009") to the extent applicable and the SEBI ICDR Regulations 2018.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus ("RHP")/Prospectus filed by the Issuer with the Registrar of Companies ("RoC"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Offer is available on the websites of stock exchanges, on the website(s) of the BRLMs to the Offer and on the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, to the extent applicable, the SEBI ICDR Regulations 2018, the Companies Act, 1956 (the "Companies Act") as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues - Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built Issue")** or undertake a Fixed Price Issue **("Fixed Price Issue").** An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before filing the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre- Offer advertisement was given at least two Working Days before the Bid/ Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/ Offer Opening Date, in case of an FPO.

The Floor Price or the Offer Price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

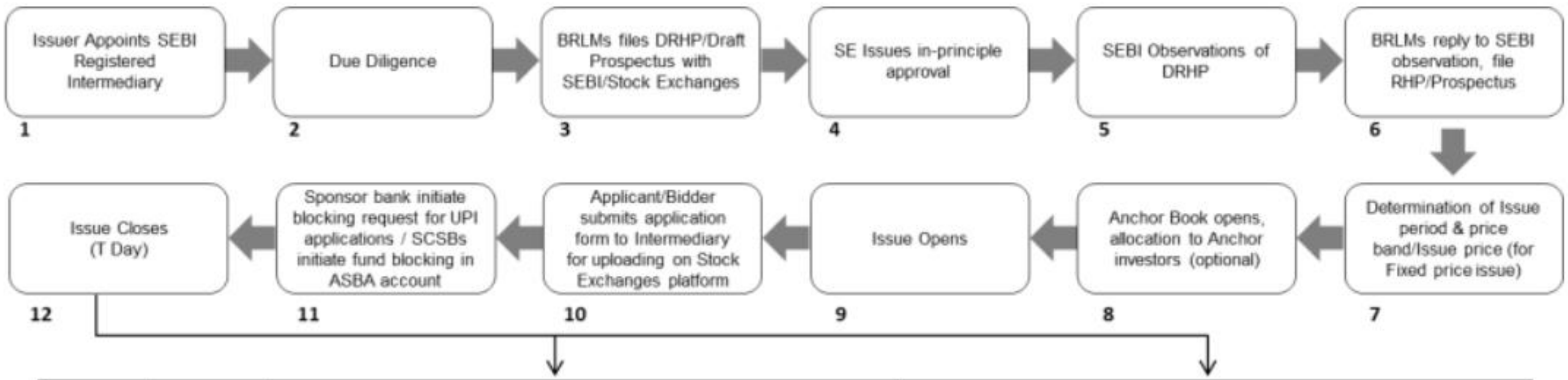
2.5 OFFER PERIOD

The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/ Offer Period. Details of Bid/ Offer Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Offer Period may be extended by at least three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLMs, and the advertisement in the newspaper(s) issued in this regard.

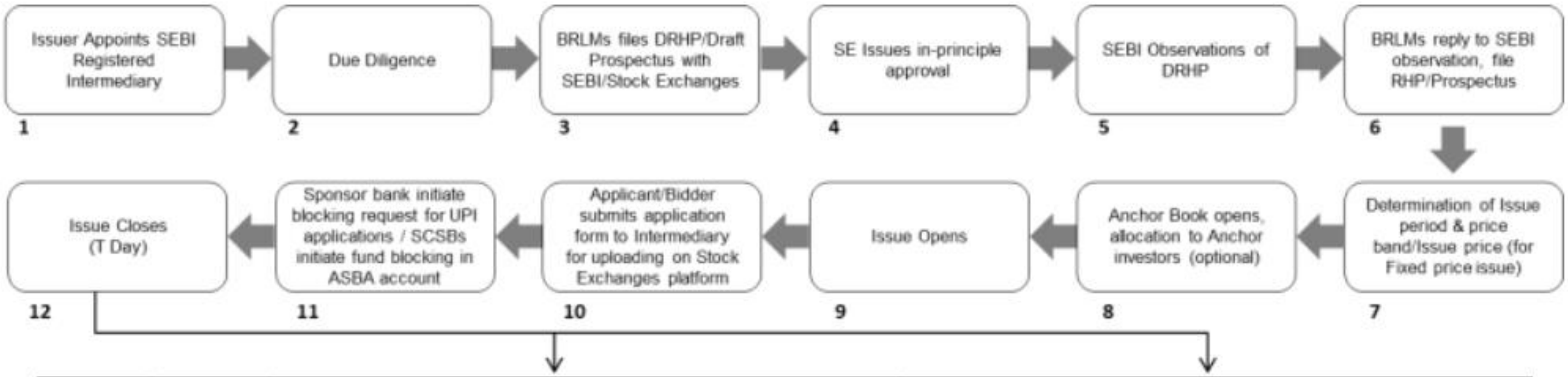
2.6 **FLOWCHART OF TIMELINES**: A flow chart of process flow in Fixed Price and Book Built Issues is as follows Bidders/Applicants may note that this is not applicable for Fast Track FPOs.:

Flow chart of Timeline for Phase I



S.no	Day	Retail applications with UPI	Retail applications without UPI and QIB/NII applications
13	T+1	• Sponsor Bank to initiate request for blocking of funds to investor for any balance applications • Sponsor Bank may not accept bid details from stock exchange post T+1	• Intermediaries to forward a schedule as per requisite format and application forms to SCSBs for blocking of funds • Designated branches of SCSBs may not accept schedule and application post T+1
14	T+2	• Applicant to accept mandate request for blocking of funds prior to cut off-time of 12:00 p.m • Sponsor Bank to send Final Certificate to the registrar through stock exchange by end of the day	• SCSBs to send Final Certificate to the registrar by end of the day
15	T+2	• Registrar to reconcile the compiled data received from the stock exchanges, all SCSBs and Sponsor Bank • Registrar to undertake "Technical Rejection"	
16	T+3	• Approval of Basis of allotment by designated stock exchange • Registrar and merchant banker to issue funds transfer instructions to SCSBs and Sponsor Bank	
17	T+4	• SCSBs and Sponsor Bank to credit the funds in public issue account of the issuer • Registrar / Issuer to initiate corporate action for credit of shares to successful allottees • Issuer and registrar to file allotment details with designated stock exchange(s) • Registrar to send bank-wise data of allottees, amount due and balance amount to be unblocked to SCSBs / Sponsor Bank.	
18	T+5	• Registrar to receive confirmation of demat credit from depositories • Issuer to make a listing application to stock exchanges • Stock exchanges to issue commencement of trading notice	
19	T+6	• **Trading commences**	

Flow of Timeline for Phase II



S.no	Day	Retail applications with UPI	QIB/NII applications
13	T+1	• Sponsor Bank may not accept bid details from Stock Exchanges post 11:00 a.m • Sponsor Bank to initiate request for blocking of funds to investor for any balance applications • Applicant to accept mandate request for blocking of funds prior to cut off-time of 12:00 p.m • Sponsor Bank to send Final Certificate to the registrar through stock exchange by end of the day	• Intermediaries to forward a schedule as per requisite format and application forms to SCSBs for blocking of funds • Designated branches of SCSBs may not accept schedule and applications after T+1 day (11:00 a.m.) • SCSBs to send Final Certificate to the registrar by end of the day
14	T+2	• Registrar to reconcile the compiled data received from the stock exchanges, all SCSBs and Sponsor Bank • Registrar to undertake "Technical Rejection"	
15	T+3	• Approval of Basis of allotment by designated stock exchange • Registrar and merchant banker to issue funds transfer instructions to SCSBs and Sponsor Bank	
16	T+4	• SCSBs and Sponsor Bank to credit the funds in public issue account of the issuer • Registrar / Issuer to initiate corporate action for credit of shares to successful allottees • Issuer and registrar to file allotment details with designated stock exchange(s) • Registrar to send bank-wise data of allottees, amount due and balance amount to be unblocked to SCSBs / Sponsor Bank.	
17	T+5	• Registrar to receive confirmation of demat credit from depositories • Issuer to make a listing application to stock exchanges • Stock exchanges to issue commencement of trading notice	
18	T+6	• **Trading commences**	

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law.

Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs, QFIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits or in specific sectors as specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta"*. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs bidding in the QIBs category;
- FPIs bidding in the Non Institutional Bidders category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in the Offer.

SECTION 4: APPLYING IN THE OFFER

Book Built Issue: Bidders should only use the specified Bid cum Application Form (*i.e.*, in case of Anchor Investors, the Anchor Investor Application Form, and in case of Bidders other than Anchor Investors, the ASBA Forms) either bearing the stamp of a Designated Intermediary or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Offer Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form, bearing the stamp of the Designated Intermediary or downloaded from the websites of the Stock Exchanges. Application Forms are available with Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, their Sub-Accounts (other than Sub- Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB) and FPIs	Blue

Anchor Investors (where applicable)	As specified by the Issuer

Securities issued in an IPO can only be in dematerialised form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM / APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

Application Form – For Residents

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC OFFER - R

Registered Office: Tel: Fax:
Corporate Office: Tel: Fax:
Contact Person: Fax: E-mail: Website:
Corporate Identity Number:

FOR RESIDENT INDIAN INVESTORS, INCLUDING RESIDENT QIBs, NON-INSTITUTIONAL BIDDERS, RETAIL INDIVIDUAL BIDDERS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

To,
The Board of Directors
XYZ LIMITED

100% BOOK BUILT OFFER
ISIN : XXXXXXXXXX

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | REGISTERED BROKER/SCSB/CDP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr./Ms./M/s.

Address

Email

Tel. No. (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures only)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family - HUF*
☐ Bodies Corporate - CO
☐ Systemically Important NBFCs
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ National Investment Fund - NIF
☐ Insurance Companies - IC
☐ Insurance Funds
☐ Venture Capital Funds (VCF)
☐ Alternative Investment Fund - AIF
☐ Other QIBs - OTH
☐ Non Resident Indians - NRI (Non repatriation basis)
☐ All entities other than QIBs, Bodies Corporates and Individuals - NOH

*HUF should apply only through Karta (Application by HUF would be treated on par with individual)

7. PAYMENT DETAILS [IN CAPITAL LETTERS]

PAYMENT OPTION : ☐ FULL PAYMENT ☐ PART PAYMENT

Amount blocked (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

OR

UPI Id (Maximum 45 characters)

I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date : _______________, 2018

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorise the SCSB to do all acts as are necessary to make the Application in the Offer

1)
2)
3)

SYNDICATE MEMBER / REGISTERED BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC OFFER - R

Acknowledgement Slip for Syndicate Member/Registered Broker/SCSB/CDP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Amount blocked (₹ in figures) | ASBA Bank A/c No./UPI Id

Bank Name & Branch

Stamp & Signature of SCSB Branch

Received from Mr./Ms./M/s.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC OFFER - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Blocked (₹)			

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No./UPI Id

Bank Name & Branch

Bid cum Application Form No.

Important Note : Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED

TEAR HERE — PLEASE FILL IN BLOCK LETTERS — TEAR HERE

Application Form – For Non Residents

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC OFFER - NR

LOGO

To,
The Board of Directors
XYZ LIMITED

100% BOOK BUILT OFFER
ISIN : XXXXXXXXXX

Bid cum Application Form No.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr./Ms./M/s.

Address

Email

Tel. No (with STD code) / Mobile

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Bid Price	Retail Discount	Net Price	"Cut-off"
Option 1					
(OR) Option 2					
(OR) Option 3					

5. CATEGORY

Retail Individual Bidder

Non-Institutional Bidder

QIB

6. INVESTOR STATUS

NRI Non-Resident Indian(s) (Repatriation basis)

FVCI Foreign Venture Capital Investor

FPI Foreign Portfolio Investor

BIMI Registered Bilateral and Multi Lateral Development Financial Institutions

OTH Others (Please Specify)

7. PAYMENT DETAILS (IN CAPITAL LETTERS)

Amount blocked (₹ in figures)

(₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

OR

UPI (Maximum 45 characters)

8A. SIGNATURE OF SOLE / FIRST BIDDER

Date : __________, 2018

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

1)

2)

3)

TEAR HERE

LOGO

XYZ LIMITED

INITIAL PUBLIC OFFER - NR

Acknowledgement Slip for Syndicate Member/Registered Broker/SCSB/CDP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Amount blocked (₹ in figures)

ASBA Bank A/c No./UPI

Bank Name & Branch

Stamp & Signature of SCSB Branch

Received from Mr./Ms./M/s.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC OFFER - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Blocked (₹)			

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No./UPI

Bank Name & Branch

Bid cum Application Form No.

XYZ LIMITED

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below:

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer and the Designated Intermediaries only for correspondence(s) related to the Offer and for no other purposes.

(c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders

(d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, correspondence(s) related to the Offer.

(d) Bidders/Applicants 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/Applicants' sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

(a) Price or Floor Price or Price Band and minimum Bid Lot may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band and minimum Bid Lot by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least two Working Days before Bid/ Offer Opening Date in case of an IPO, and at least one Working Day before Bid/ Offer Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot:** The Issuer, in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer and the Promoter Selling Shareholders on basis of such minimum application value.

(e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.

In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise or withdraw their bids till closure of the bidding period. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bidding Date and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Offer size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the highest number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e))

4.1.4.2 Multiple Bids

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:

(i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

(ii) For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

(i) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

(ii) Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

(iii) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Offer are RIIs, NIIs and QIBs.

(b) Upto 60% of the QIB Category can be allocated by the Issuer and the Promoter Selling Shareholders, on a discretionary basis subject to the criteria of minimum and maximum number of anchor investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Offer, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in the Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Offer is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, QFIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

(a) Bidders are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Bidder doesn’t provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both, the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application;

(b) The full Bid Amount shall be blocked in the Bidder’s ASBA Account based on the authorisation provided by the Bidder in the ASBA Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked in respect of the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(c) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.

(d) QIBs and NIIs can participate in the Offer only through the ASBA mechanism.

(e) All Bidders (except Anchor Investors) are required to Bid through the ASBA process.

(f) RIIs submitting their applications through Designated Intermediaries (other than the SCSBs) can participate in the Issue through UPI mechanism, through their UPI ID linked with their bank account.

(g) Bid Amount cannot be paid in cash, cheque, demand draft through money order or through postal order.

4.1.7.7.1 Instructions for Anchor Investors:

(a) Anchor Investors may submit their Bids with a BRLMs.

(b) Payments by Anchor Investors are required to be made through direct credit, RTGS or NEFT.

(c) The Escrow Collection Bank shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.7.2 Payment instructions for Bidders (other than Anchor Investors)

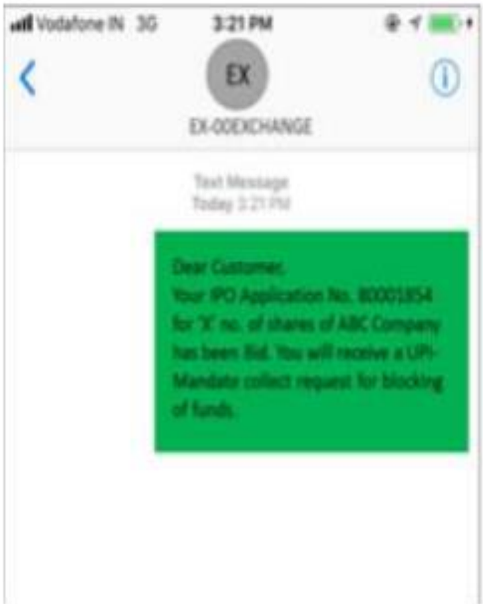
(a) RIIs bidding through Designated Intermediaries should note that with the introduction of UPI as a payment mechanism, there are four channels of making applications in public issues available to them in UPI Phase I (i.e. from January 1, 2019 for a period of three months or floating of five main board public issues, whichever is later). The four channels for making applications in public issues available to RIIs bidding through Designated Intermediaries are as follows:

Channel I	Channel II	Channel IV
RIIs may submit the Bid cum Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online. For such applications the existing process of uploading the bid and blocking of funds in the RIIs account by the SCSB would continue.	RIIs may submit the Bid cum Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.

For UPI Phase II and UPI Phase III, RIIs will have the option to use only Channel I, Channel II and Channel IV (as described above) for making applications in a public issue. Channel III which allowed RIIs to submit ASBA Forms with Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds with SCSBs has been discontinued with effect from June 30, 2019

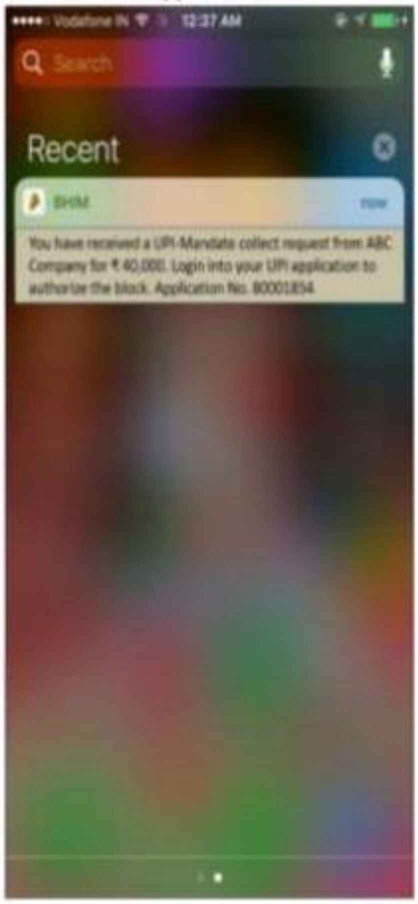
Please see below a graphical illustrative process of the investor receiving and approving the UPI Mandate Request.

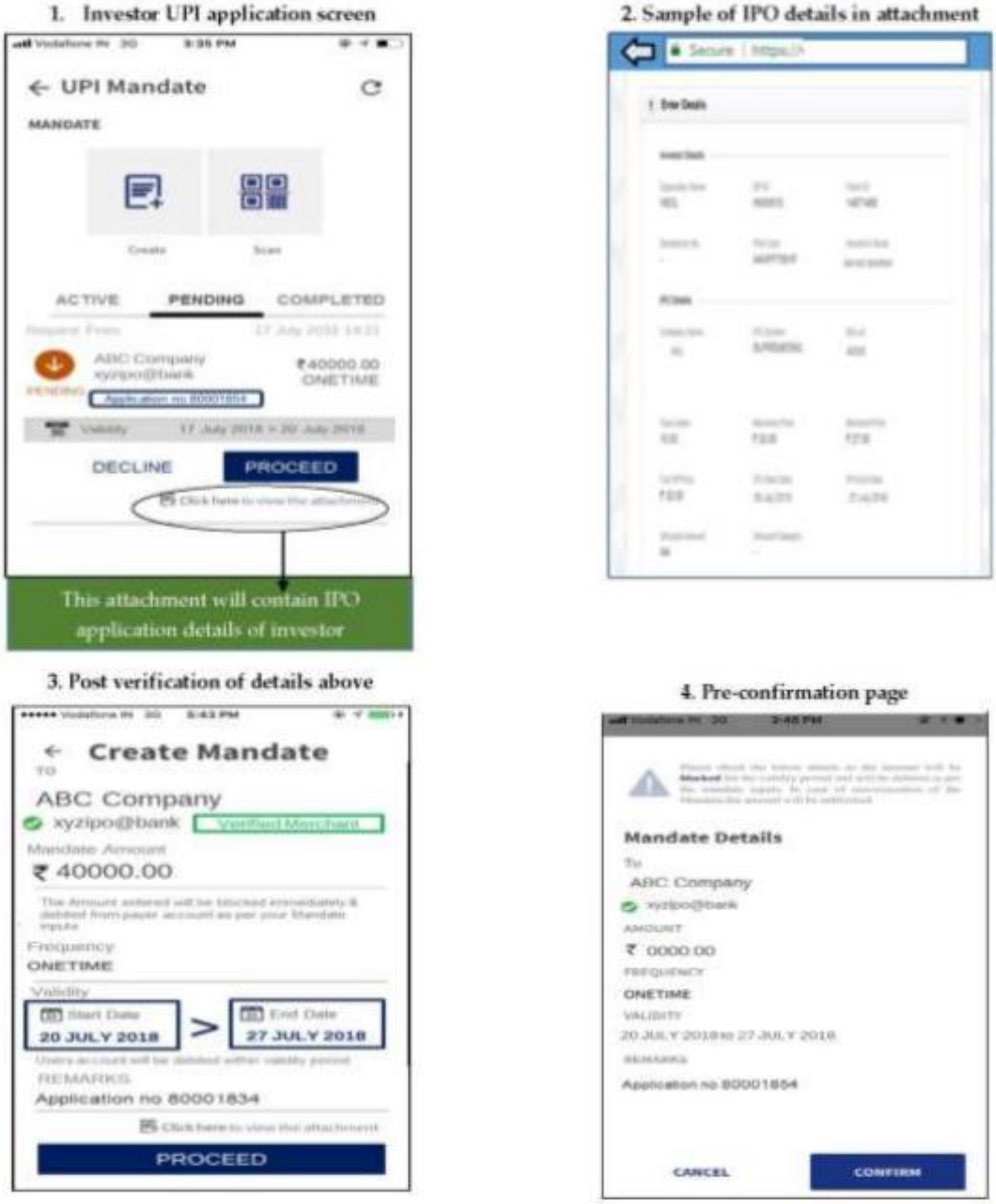
Illustrative SMS



Block request SMS to investor

Block request intimation through UPI application





(b) QIB and NII Bidders may submit the Bid cum Application Form either:

(i) TO SCSBs in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

(ii) in physical mode to a Designated Intermediary at a Bidding Centre.

(c) ASBA Bidders must specify the Bank Account number or the UPI ID, as applicable in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account may not be accepted.

(d) Bidders should note that the application made using third party UPI ID or ASBA Bank Account are liable to be rejected.

(e) Bidders shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA account.

(f) Bidders should submit the Bid cum Application Form only at the Bidding Centres i.e to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.

(g) Bidders bidding through Designated Intermediaries other than an SCSB should note that ASBA Forms submitted to such Designated Intermediaries may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary to deposit ASBA Forms.

(h) **Bidders bidding directly through the SCSBs** should ensure that the bid cum application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the bid cum application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the bid cum application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each Bidder (not being a RII who has opted for the UPI mechanism and provided a UPI ID with the Bid cum Application Form) may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Bid Amount for RIIs who have provided a UPI ID with the Application Form please refer to paragraph 4.1.7.4.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.7.3 Unblocking of ASBA Account

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Offer, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful ASBA Bidder to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB or the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/ Offer Closing Date.

4.1.7.7.4 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.7.5 Additional Payment Instructions for RIIs bidding through Designated Intermediaries using the UPI Mechanism

(a) Before submission of the application form with the Designated Intermediary, (a) an RII shall download the mobile application, associated with the UPI ID linked bank account, for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.

(b) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40.

(c) RII should only use his / her own bank account linked UPI ID to make an application in the Issue.

(d) Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

(e) RIIs shall mention his / her UPI ID along with the bid details in the Bid cum Application Form in capital letters and submit the Bid cum Application Form to any of the Designated Intermediaries.

(f) It is clarified that if an RII submits a third-party UPI ID instead of his/her own UPI ID in the Bid cum Application Form, the application is liable to be rejected.

(g) The Designated Intermediary upon receipt of the Bid cum Application Form will upload the bid details along with UPI ID in the stock exchange bidding platform.

(h) Once the bid has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any

(i) Once the bid details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the bid details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.

(j) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.

(k) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the Bid are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN.

(l) Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid cum Application Form and subsequent debit in case of allotment.

(m) Upon successful validation of the block request by the RII, the said information (j) would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.

(n) RIIs may continue to modify or withdraw the Bid till the closure of the Bidding Period. For each modification of the Bid, the RII will submit a revised Bid and will receive a UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above

(o) Post closure of the Offer, the stock exchange will share the Bid details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

4.1.7.7.6 Discount (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net amount blocked (post Discount) is more than ₹ 200,000, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB or using the UPI to the Sponsor Bank via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that any Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgement Slip duly signed and stamped by the relevant Designated Intermediary for submission of the ASBA Form.

(b) All communications in connection with Bids/Applications made in the Offer should be addressed as under:

(i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Offer.

(ii) In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.

(iii) In case of queries relating to uploading of Bids by a Designated Intermediary other than an SCSB, the Bidders/Applicants should contact the relevant Designated Intermediary.

(iv) In case of queries relating to uploading of Bids through the UPI mechanism, the Bidders/Applicants should contact the Designated Intermediary.

(v) Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLMs in case of any other complaints in relation to the Offer.

(c) The following details (as applicable) should be quoted while making any queries –

(i) full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application.

(ii) name and address of the Designated Intermediary where the Bid was submitted; and

(iii) The ASBA Account number or the UPI ID (for RIIs who make the payment of Bid Amount through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/ Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

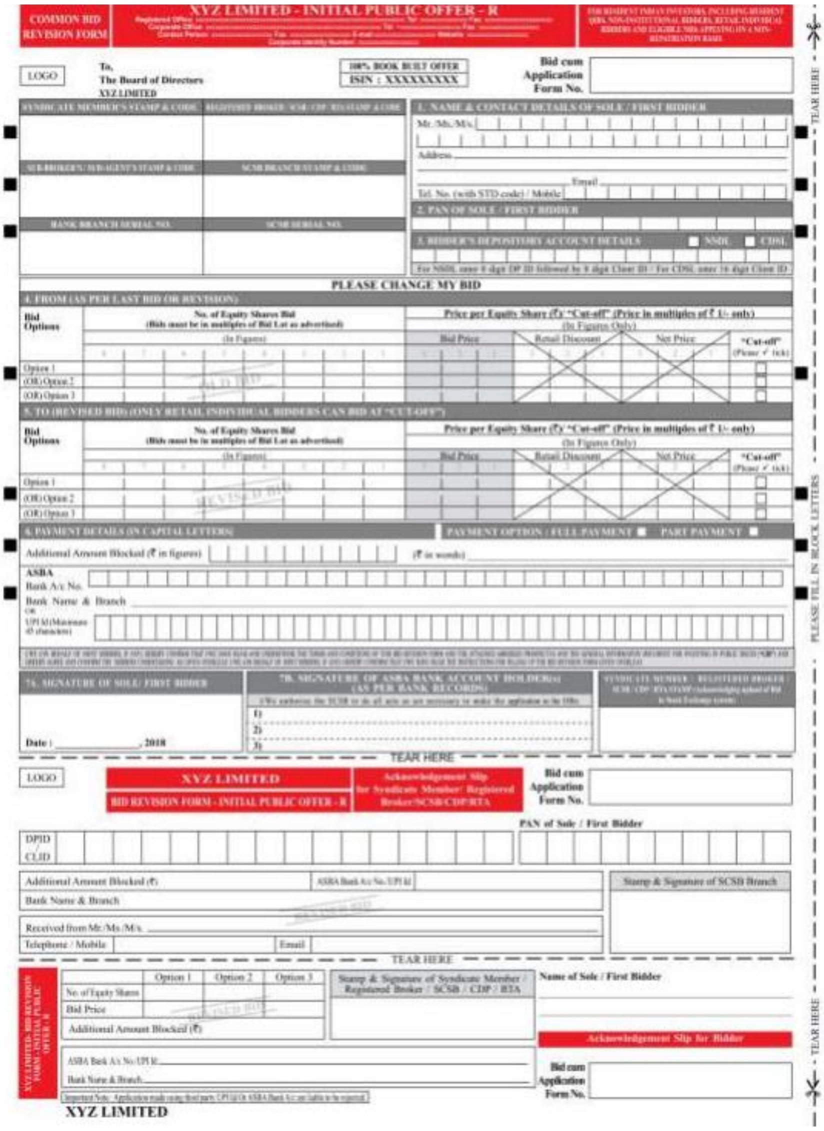
(a) During the Bid/ Offer Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise or withdraw their bids till closure of the bidding period.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/ Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. It is clarified that RIIs whose original Bid is made using the UPI mechanism can make revision(s) to their Bid using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:


COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC OFFER - R

LOGO

To,
The Board of Directors
XYZ LIMITED

100% BOOK BUILT OFFER
ISIN : XXXXXXXXXX

Bid cum Application Form No.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

5. TO (REVISED BID) (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

6. PAYMENT DETAILS (IN CAPITAL LETTERS)

7A. SIGNATURE OF SOLE/ FIRST BIDDER

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

TEAR HERE

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC OFFER - R

Acknowledgement Slip for Bidder

XYZ LIMITED

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT AND DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 AND 5: BID OPTIONS REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, except Bids by Employees under the Employees Reservation Portion, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked after finalisation of the basis of allotment.

4.2.3 FIELD 6: PAYMENT DETAILS

(a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) are blocked at the time of submission of the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicant may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, except Bids by Employees under the Employees Reservation Portion, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of bidding may be unblocked after finalisation of the basis of allotment.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN

THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT AND DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY AND AMOUNT

(a) The Issuer may mention Price or Price band in the draft Prospectus. However, a prospectus filed with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot:** The Issuer, in consultation with the BRLMs to the Offer (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs, Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Offer size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:

  (i) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.

  (ii) For applications from Mutual Funds submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

  (i) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

  (ii) Applications by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Offer are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Offer, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in the Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

(a) Bidders are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UP ID, the UPI ID will be considered for processing of the application.

(b) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Offer.

(c) Application Amount cannot be paid through cheques and demand drafts or in cash, through money order or through postal order or through stock invest.

(d) RIIs applying through Designated Intermediaries (other than SCSBs) may make use of the UPI mechanism for applying in the Offer.

4.3.5.1 Payment instructions for ASBA Applicants

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2.1 Unblocking of ASBA Account

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.2 Additional Payment Instructions for RIIs bidding through Designated Intermediaries (other than SCSBs) using the UPI mechanism

Applicants should refer to instructions contained in paragraph 4.1.7.4

4.3.5.3 Discount (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Offer, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Offer may authorise blocking of an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS AND ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 and 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM

4.4.1 Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:

Mode of Application	Submission of Bid cum Application Form
Application by Anchor Investors	To the BRLMs at the locations specified in the Anchor Investor Application Form
Applications by other Bidders	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres, or the RTA at the Designated RTA Location or the DP at the Designated CDP Locations. (b) To the Designated branches of the SCSBs

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Offer Price and filing of the Prospectus with the RoC, the Bid-cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XIII of SEBI ICDR Regulations, 2018. The Offer Price is finalised after the Bid/ Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1. SUBMISSION OF BIDS

(a) During the Bid/ Offer Period, Bidders/Applicants may approach the Designated Intermediaries to submit and register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the BRLMs to register their Bids.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs or the Sponsor Bank, as applicable, to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2. ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediaries may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

(b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Draft Ref Herring Prospectus and the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. In UPI phase I, the Designated Intermediaries are given time till 1:00 PM on the day following the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period after which the Stock Exchange(s) send the bid information to the Registrar for further processing.

5.3. BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Offer Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/ Offer Period.

5.4. WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until the Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Offer shall give instruction to the SCSB or the Sponsor Bank, as applicable, for unblocking the ASBA Account upon or after finalisation of the basis of allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5. REJECTION AND RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to

(i) the Bids accepted by the Designated Intermediaries,
(ii) the Bids uploaded (including UPI ID, as applicable) by the Designated Intermediaries, or
(iii) the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) The BRLMs and its affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs or the Sponsor Banks, as applicable, shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the BRLMs and its affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs and RIIs Bids can be rejected on technical grounds listed herein.

Any RIB whose Bid has not been considered for Allotment, due to failures on the part of the SCSB may seek redressal from the concerned SCSB within three months of the listing date in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018.

5.6. GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the Designated Intermediaries or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, *inter alia*, on the following grounds, which have been detailed at various places in this GID:

(a) Bid/Applications accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB;

(b) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(c) Bids/Applications by OCBs;

(d) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(e) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form;

(f) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(i) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(j) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(k) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(l) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;

(m) Bids/Applications at Cut-off Price by NIIs and QIBs;

(n) The amounts mentioned in the Bid cum Application Form/Application Form do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(o) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(p) In case of revision of Bids by RII Bidders, if UPI Mandate Request for the revised Bid is not approved, the Application is liable to be rejected;

(q) Bids not uploaded in the Stock Exchanges bidding system

(r) Bids/Applications for number of Equity Shares which are not in multiples as specified in the

RHP;

(s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/ Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(u) Bank account mentioned in the Bid cum Application Form (for Bidders applying through the non UPI mechanism) may not be an account maintained by SCSB. Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form at the time of blocking such Bid/Application Amount in the bank account;

(v) Where no confirmation is received from SCSB or Sponsor Bank, as applicable for blocking of funds;

(w) Bids/Applications by Bidders (other than Anchor Investors) that are not submitted through ASBA process;

(x) ASBA Bids/Applications submitted to a Designated Intermediary at locations other than the Bidding Centres, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Offer;

(y) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

(z) ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;

(aa) Submission of Bid cum Application Forms/Application Form using third party UPI ID or ASBA Bank Account;

(bb) Submission of more than one Bid cum Application Form per UPI ID or ASBA Account mentioned in the Bid Cum Application Form by RIIs bidding through Designated Intermediaries (except for RIIs applying as Retail Individual Shareholder also);

(cc) In case of joint Bids, submission of Bid cum Application Forms/Application Form using second or third party's UPI ID or ASBA Bank Account;

(dd) In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third party bank account or the applications is made using third party bank account;

(ee) In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID is not mentioned in the Bid cum Application Form;

(ff) The UPI Mandate is not approved by Retail Individual Investor;

(gg) The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and vice versa;

(hh) Bidders are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UP ID, the UPI ID will be considered for processing of the application;

(ii) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40.

5.7. BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in the Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in any category (except for the QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.

(c) For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders should *note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes bidding by Anchor Investors.*

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLMs may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above the Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding ("Alternate Book Building Process").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/ Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Offer Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through a Designated Intermediary.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/ Offer Opening Date.

In a fixed price Offer, allocation in the Offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Offer Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Offer Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Offer is more than

Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Offer Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Offer Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Offer Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Offer Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Offer Price will be at the discretion of the Issuer, in consultation with the BRLMs, subject to compliance with the following requirements:
   (i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
   (ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
   (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
      - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
      - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and
      - a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application

Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Offer Price is higher than the Anchor Investor Offer Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Offer Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Offer Price is lower than the Anchor Investor Offer Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS) AND NIIs IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Offer being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Bank shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow and Sponsor Bank Agreement, into the Public Offer

Account with the Bankers to the Offer. The balance amount after transfer to the Public Offer Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall also be made from the Refund Account as per the terms of the Escrow and Sponsor Bank Agreement and the RHP. On the Designated Date, the Registrar to the Offer shall instruct the SCSBs or Sponsor Bank, as applicable to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Offer.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/ Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1. COMPLETION OF FORMALITIES FOR LISTING AND COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date. The Registrar to the Offer may initiate corporate action for credit to Equity Shares the beneficiary account with the Depositories, and dispatch the Allotment Advice within six Working Days of the Bid/ Offer Closing Date.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at rates prescribed under applicable law.

8.2. GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than fifty thousand rupees but which may extend to three lakh rupees, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCIPTION

If the Issuer does not receive a minimum subscription of 90% of the Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, without interest take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Offer Closing Date and repay, without interest, all subscription amounts received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75% of the Offer to QIBs, in such case full subscription money is to be refunded.

8.3. MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/ Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs or in case of Bids by RIIs applying through the UP mechanism to the Sponsor Bank to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Bidders and also for any excess amount blocked on Bidding/Application.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/ Offer Closing Date may dispatch refunds for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Offer may obtain from the Depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Promoter Selling Shareholders, the Registrar to the Offer, the Escrow Collection Bank, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

(d) In the case of Bids from Eligible NRIs, FPIs and QFIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer and the Promoter Selling Shareholders may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Electronic modes of making refunds to Anchor Investors

The payment of refund to Anchor Investors, if any, may be done through various modes as mentioned below:

(a) **NACH—**National Automated Clearing House which is a consolidated system of ECS.

Payment of refund would be done through NACH for Bidders/Applicants having an account at any of the centres specified by the RBI where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Bidders/Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where the Bidder/Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS;

(b) **NEFT—** Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investor's bank is NEFT enabled and has been assigned the Indian Financial System Code **("IFSC"),** which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **Direct Credit—** Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account; and

(d) **RTGS—** Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc, Anchor Investors may refer to RHP/Prospectus.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted by the Anchor Investor to the Escrow Collection Bank.

8.4. INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at rates prescribed under applicable laws if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the six Working days of the Bid/Offer Closing Date.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time. In case of inconsistency in the description of a term mentioned herein below and the description ascribed to such term in this Draft Red Herring Prospectus, the description as ascribed to such term in this Draft Red Herring Prospectus shall prevail.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/Applicants
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Application	The form used by an Anchor Investor to make a Bid in the Anchor Allotment in terms of the

Term	Description
Form	Red Herring Prospectus and Prospectus.
Escrow Account	An account opened with the Escrow Collection Bank and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by the Issuer, in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by ASBA Bidders/Applicants to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.
Application Supported by Blocked Amount Form/ASBA Form	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Bid Amount of the ASBA Bidder/Applicant
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Offer who Bid/apply through ASBA
Banker(s) to the Offer/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bidding Date by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount.
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid /Offer Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Offer Closing Date
Bid/Offer Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Offer Opening Date
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Offer Period
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.

Term	Description
BRLMs/ BRLMs/BRLMs/ LMs	The BRLMs to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the BRLMs should be construed to mean the BRLMs or LMs
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	Note or intimation of allocation of Equity Shares sent to each Anchor Investor who have been allocated Equity Shares after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Companies Act	The Companies Act, 1956 or the Companies Act, 2013, as the context requires.
Cut-off Price	Offer Price, finalised by the Issuer, in consultation with the BRLMs, which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (other then Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations where Bidders can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) , as updated from time to time
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account in terms of the Red Herring Prospectus or the amounts blocked by the SCSBs are transferred from the ASBA Accounts of successful Allottees to the Public Offer Account, following which the board of directors may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale.
Designated Intermediaries	The Syndicate, Sub-Syndicate members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity shares of the Issuer
Escrow and Sponsor Bank Agreement	Agreement to be entered into among the Issuer, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form

Term	Description
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPI	Foreign portfolio investor registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Offer Price may be decided by the Issuer in consultation with the BRLMs.
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Portion (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NACH	National Automated Clearing House
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Non-Institutional Investors or NIIs	Bidders that are not QIBs or Retail Individual Bidders, and who have Bid for Equity Shares for an amount more than ₹ 200,000.
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI, FVCIs registered with SEBI, FPIs and QFIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price The Offer Price may be decided by the Issuer, in consultation with the Book Running Lead Manager(s)
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer, in consultation with the BRLMs and advertised, at least two working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer, in consultation with the BRLMs, finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price ,the size of the Offer and certain other information
Public Offer Account	A bank account opened with the Banker to the Offer to receive monies from the Escrow

Term	Description
	Account and from the ASBA Accounts on the Designated Date
QIB Portion	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013 which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Offer. The RHP may be filed with the RoC at least three days before the Bid/Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTI	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders (other than QIBs and Non-Institutional Investors) in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI ICDR Regulations, 2018	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. This Red Herring Prospectus has been prepared in accordance with provisions and disclosure requirements of the SEBI ICDR Regulations except that the issue procedure including in relation to Bid/Issue Period, submission of Bid Cum Application Forms, Payment of Bid Amount, Allocation, Allotment, Refund of Bid Amount, if any and listing of the Equity Shares as described in the section "*Offer Procedure*" on page 380 including "*Part B- General Information Document for Investing in Public Issues*" (each read with "Definition and Abbreviations" on page 1) has been prepared in accordance with SEBI ICDR Regulations, 2018.
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centres
Sponsor Bank	The Banker to the Offer registered with SEBI which is appointed by the Issuer/Offeror to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI.
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The BRLMs and the Syndicate Member(s)
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The BRLMs and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the

Term	Description
	Pricing Date
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI PIN	Password to authenticate UPI transaction
Working Day	Working Day" means all days, other than the second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to the time period between (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is governed by the provisions of the FEMA Rules. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The DIPP makes policy announcements on FDI through press notes and press releases. In case of any conflict, the FEMA Rules prevail. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The consolidated FDI policy circular of 2017, dated August 28, 2017 issued by the DIPP ("**FDI Circular**") consolidates the policy framework which was in force as on August 28, 2017 and reflects the FDI Policy as on August 28, 2017. Further, the FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP. As per the FDI Circular the cap for foreign investment in a manufacturing sector, is 100% under the automatic route. However, downstream investments by a resident entity which is 'foreign-owned and controlled' within the meaning of the FDI Circular are treated as foreign investment for the purposes of the FDI Circular.

Transfer of shares between an Indian resident and a non-resident does not require the prior approval of the Government of India or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Circular and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI and the RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations, the main provisions of our Articles of Association relating to, among others, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalised/defined terms herein have the same meaning given to them in our Articles. Subject to our Articles, any words or expression defined in the Companies Act, 2013 shall, except so where the subject or context forbids; bear the same meaning in these Articles.

Article No.	**Title**	**Particulars**
		Part A
SHARE CAPITAL AND VARIATION OF RIGHTS		
3.	The shares in the capital of the Company	Subject to the provisions of the Act and these Articles, the Board shall control the shares in the capital of the Company. They may issue, allot or otherwise dispose of these shares from time to time as they think fit to any persons, in any proportion and on any terms and conditions and either at a premium or at par and at any time.
4.	Directors may allot shares otherwise than for cash	Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the Company's capital on payment or part payment for any property or assets whatsoever sold, goods or machinery supplied, or for services rendered to the Company in the conduct of its business. Any shares which are so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares.
5.	Kinds of Share Capital	In accordance with these Articles, the Act, the Rules and other applicable laws, the Company may issue the following shares : a) Equity Share Capital: • With voting rights; and/or • With differential rights as to dividend, voting or otherwise in accordance with the Rules; and b) Preference Share Capital.
6.	(1) Issue of certificate (2) Certificate to bear seal	Within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as provided by the conditions of issue, every person with his name in the register of members shall be entitled to receive: One certificate for all his shares without payment of any charges; or upon payment of charges as fixed by the Board for each certificate after the first, several certificates, each for one or more of his shares. Every certificate is to be sealed, and specify the shares to which it relates and the amount paid-up thereon.
7.	Option to receive share certificate or hold shares with depository	Subscribers to shares may either receive certificates for such shares or hold them in a dematerialized state with a depository. The Company is to inform the depository of a subscriber's wish to hold dematerialized shares, and the details of allotment of the shares, so that the depository may enter the subscriber's name as the beneficial owner. The matters connected to such a situation shall be governed by the Depositories Act.
8.	Issue of new certificate in place of one defaced, lost or destroyed	A new certificate may be issued in case a share certificate is mutilated or torn, provided that it is produced and surrendered before the Company. A new certificate may be given in place of a lost or destroyed share certificate only if it is so proved to the satisfaction of the Company, and the execution of indemnity which is deemed adequate by the Board. The Board may fix the fees to be paid for the issue of new certificates so issued.
9.	Provisions as to issue of certificates to apply *mutatis mutandis* to debentures, etc.	The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of

		certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.
11.	(1) Variation of members' rights (2) Provisions as to general meetings to apply *mutatis mutandis* to each meeting	The rights attached to any class of shares may be varied (subject to the terms of issues of such shares) upon , there bring consent in writing, of the holders of such issued shares, or with the sanction of a resolution passed at a separate meeting of the holders of the shares, as prescribed by the Act. To every such separate meeting, the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply.
12.	Issue of further shares not to affect rights of existing members	There will be no variation in the rights of holders of the shares of any class issued with preferred or other rights (subject to the terms of issue of such shares), upon the creation or issue of further shares ranking *pari passu* with such shares.
13.	Power to issue redeemable preference shares	Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed and to determine the terms and conditions and the manner for the same.
14.	(1) Further issue of share capital (2) Mode of further issue of shares	The Board or the Company may, in accordance with the Act and the Rules, issue further shares to – a) Equity shareholders of the company, and the offer so made shall include a right of the person concerned to renounce the shares offered to him in favor of any other person; or b) employees under any scheme of employees' stock option; or c) Any other persons, whether included above or not. A further issue of shares may be made as the Board may determine, including by way of preferential offer, private placement or Initial Public Offering (IPO) in accordance with the Companies Act 2013 & the Rules made there under, SEBI regulations and FEMA Regulations.
LIEN		
15.	Company's lien on shares	The Company shall have a first and paramount lien on every share (even if not fully paid), for all monies called (whether presently payable or not), in respect of that share. Provided that fully paid up shares shall be free from all lien, and that the Board may exempt any share wholly or partly from this provision at any time.
16.	As to enforcing lien by sale	The Company may sell any shares on which the Company has a lien in a manner as the Board deems fit. Provided that such a sale shall be made if: a) a sum in respect of which the lien exists is presently payable; or b) until the expiration of fourteen days after a notice in writing has been given to the registered holder of the share or to the person entitled thereto by reason of his death or insolvency or otherwise, demanding payment of such part of the amount in respect of which the lien exists.
17.	(1) Validity of sale (2) Purchaser to be registered holder	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
19.	Outsider's lien not to affect Company's lien	The registered holder of shares may be treated as their absolute owner by the Company in exercising its lien, and any other equitable claim by another person shall not be recognised by the company, except as ordered by a court of competent jurisdiction or unless required by any statute.
20.	Provisions as to lien to apply *mutatis mutandis* to debentures, etc	The provisions of the Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.
CALLS ON SHARES		
21.	(1) Board may make calls (2) Notice of call	The Board may make calls upon the members in respect of any monies unpaid on their shares, and not by the conditions of allotment of such shares made payable at fixed times. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the

	(3) Board may extend time for payment (4) Revocation or postponement of call	Company in the General Meeting. Each member shall pay to the Company at the time or times and place specified, the amount called on his shares. Provided that there is at least fourteen days' notice specifying the time or times and place of payment. The Board may extend the time fixed for the payment of any call in respect of one or more members as it may deem appropriate. A call may be revoked or postponed at the discretion of the Board.
22.	Call to take effect from date of resolution	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed.
23.	Liability of joint holders of shares	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
25.	(1) Sums deemed to be calls (2) Effect of non- payment of sums	Any sum which by the terms of a share becomes payable at any fixed date shall be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
30.	Provisions as to calls to apply *mutatis mutandis* to debentures, etc.	The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company.
31.	Capital paid in advance of calls at interest not to earn dividend	Where capital is paid in advance of calls on the footing that the same shall carry interest, such capital shall not, while carrying interest, confer a right to participate in profits.
TRANSFER OF SHARES		
32.	Common form of transfer	The Company shall use a common form of transfer. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act shall be duly complied with in respect of all transfers of shares and their registration.
33.	(1) Instrument of transfer to be executed by transferor and transferee (2)	The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in this respect.
34.	Board may refuse to register transfer	The Board may, subject to the right of appeal conferred by the Act decline to register – a) the transfer of a share, not being a fully paid, to a person of whom they do not approve; or b) Any transfer of shares on which the Company has a lien. However, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with other(s), indebted to the Company on any account whatsoever, except where the Company has a lien on the shares being transferred.
35.	Board may decline to recognize instrument of transfer	In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless – a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act; b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require; and c) The instrument of transfer is in respect of only one class of shares.
37.	Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.	The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.
37A	Drag along rights in relation to the Express Loans	Notwithstanding anything contained in these Articles (including Part B and Part C):

		the Pledgors jointly and severally undertake to create security (including by way of pledge, hypothecation, mortgage, charge or any other means) over the Pledged Shares in favour of the Bond Trustee to secure all amounts payable in respect of, and all obligations in relation to, the Bonds ("Pledge"); the DR Shareholders jointly and severally grant drag-along rights in respect of the DR Shares to the Bond Trustee as set out in paragraph (c) below ("Drag along Rights") and undertake that they shall not sell, transfer, alienate, encumber, create security over or otherwise dispose of create any interest whatsoever in the DR Shares to or in favour of any person, except as directed by the Bond Trustee ("NDU") and agree to deposit and deliver to their respective depository the requisite forms and instructions and other such documents as may be required to give effect to the non-disposal undertaking set out under the Pledge Agreement; and the Bond Trustee is entitled to, by issuing a drag-along notice to the DR Shareholders, require the DR Shareholders to sell/transfer the DR Shares to any purchaser identified by the Bond Trustee; in each case, in the manner and on the terms set out in the Pledge Agreement and the Bond Trust Deed."
TRANSMISSION OF SHARES		
38	Title to shares on death of a member Estate of deceased member liable	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares. The above provision shall not release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
39	(1) Transmission Clause (2) Board's right unaffected	Any person who becomes entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board elect, either – to be registered himself as holder of the share; or to make such transfer of the share as the deceased or insolvent member could have made. In either case, the Board shall have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
40	(1) Right to election of holder of share (2) Manner of testifying election	Upon the person who so becomes entitled electing to be registered as holder of the share(s) himself, he shall a notice to the Company in writing signed by him stating his choice. A person electing to transfer the shares, shall testify his election by executing a transfer of the share.
41	Claimant to be entitled to same advantage	A person who becomes entitled to a share due to the death or insolvency of the holder is entitled to the same dividends and other advantages he would be entitled to if he were the registered holder of the share, except that he shall not, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company before being registered as a member in respect of the share. Provided that the Board may give notice requiring such a person to elect either registering himself or to transfer the share. If the notice is not complied with in ninety days, the Board may withhold payment of all dividends or other monies payable in respect of the share, until the requirements of the notice have been complied with.
42	Provisions as to transmission to apply mutatis mutandis to debentures, etc.	The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.
FORFEITURE OF SHARES		
43	If call or installment not paid notice must be given	Upon the failure of a member to pay any call or any money due in respect of any share, on the day appointed for this payment, the Board may, during such time as any part of the

		call remains unpaid serve a notice on him requiring payment of so much of the call as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
46	Receipt of part amount or grant of indulgence not to affect forfeiture	The company will not be prevented from enforcing a forfeiture of shares, by reason of receipt by the Company for a portion of any money which may be due from any member in respect of his shares, or any indulgence that may be granted by the Company in respect of payment of any such money.
48	Effect of forfeiture	The forfeiture of a share shall involve an extinction of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.
50	(1) Members still liable to pay money owing at the time of forfeiture (2) Member still liable to pay money owing at time of forfeiture and interest (3) Cesser of liability	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall remain liable to pay to the Company all amounts which were payable by him to the Company in respect of the shares. All such amounts payable shall be paid together with interest at such rate determined by the Board, from the time of forfeiture until payment or realization. The Board may enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company receives payment in full of all such amounts in respect of the shares.
52	Validity of sales	Upon any sale after forfeiture or for enforcing a lien in exercise of its powers, the Board may appoint a person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.
53	Cancellation of share certificate in respect of forfeited shares	Upon any sale, re-allotment or other disposal under the provisions of the preceding provisions, the certificate(s), originally issued in respect of the relative shares shall (unless the same on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.
54	Surrender of share certificates	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.
ALTERATION OF CAPITAL		
58	Power to alter share capital	Subject to the provisions of the Act, the Company may, by ordinary resolution – a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act; c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; e) 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.
59		Where shares are converted into stock:

	a) Shares may be converted into stock b) Right of stockholders	The holders of stock may transfer them, subject to the Articles, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may fix the minimum amount of stock transferable such that it does not exceed the nominal amount of the shares from which the stock arose; The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but other than participation in the dividends and profits of the Company and in the assets on winding up, no such privilege or advantage shall be conferred by an amount of stock which would not, have otherwise conferred that privilege or advantage.
60	Reduction of capital	The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, (a) its share capital; and/or (b) any capital redemption reserve account; and/or (c) any securities premium account; and/or (d) any other reserve in the nature of share capital.
61	Joint-Holders	Where a minimum of two and a maximum of three persons are registered as joint holders of any share, they shall be deemed to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles: a) Liability of joint-holders: The joint-holders of any share shall be liable severally as well as jointly for of all calls or installments and other payments which ought to be made in respect of such share; b) Death of one or more joint-holders: On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit. d) Delivery of certificate and giving of notice to first named holder: Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of a certificate, relating to such share or to receive notice and any notice served on or sent to such person shall be deemed service on all the joint-holders. e) Vote of joint holders: Any one of the two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled to the same. f) Provisions as to joint holders as to shares to apply mutatis mutandis to debentures, etc: The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.
CAPITALIZATION OF PROFIT		
62	(1) Capitalisation (2) Sum how applied	The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve — a) That it is desirable to capitalize any part of the amount standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and b) That such sum be set free for distribution in the manner specified below amongst the members who would have been entitled to the sum, if distributed by way of dividend and in the same proportions. The above sum shall not be paid in cash but shall be applied,

		subject to the provisions contained below, either in or towards : a) paying up any amounts for the time being unpaid on any shares held by such members respectively b) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid c) Partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).
63	(1) Powers of the Board for Capitalization	Whenever such a resolution as above is passed, the Board shall – a) make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and b) Generally do all acts and things required to give effect thereto
BUY BACK OF SHARES		
64	Buy-back of shares	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.
GENERAL- MEETING		
65	Extraordinary general meeting	All general meetings other than annual general meeting shall be called extraordinary general meeting.
66	Powers of Board to call extraordinary general meeting	The Board may, whenever it thinks fit, call an extraordinary general meeting.
PROCEEDINGS AT GENERAL MEETINGS		
67	(1) Presence of Quorum (2) Business confined to election of Chairperson whilst chair vacant (3) Quorum for general meeting	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant. The quorum for a general meeting shall be as provided in the Act.
68	Chairperson of the meetings	The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company.
69	Directors to elect a Chairperson	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
71	Casting vote of Chairperson at general meeting	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.
72	Minutes of proceedings of meetings and resolutions passed by postal ballot	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules.
ADJOURNMENT OF MEETING		
75	(1) Chairperson may adjourn the meeting (2) Business at adjourned meeting	The Chairperson may, suo -motu, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
VOTING RIGHTS		
76	Entitlement to vote on show of hands and on poll	Subject to any rights or restrictions for the time being attached to any class or classes of shares – a) On a show of hands, every member present in person shall have one vote; and b) On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital

		of the company
77	Voting through electronic means	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.
78	(1) Vote of Joint holders	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
82	Restriction on voting rights	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.
83	Restriction on exercise of voting rights in other cases to be void	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.
84	Equal rights of members	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.
PROXY		
85	(1) Member may vote in person or otherwise (2) Proxies when to be deposited	Any member entitled to attend and vote at a general meeting may do so either personally or through his attorney or through another person as a proxy on his behalf, for that meeting The instrument appointing a proxy and the power-of-attorney or other authority, under which it is signed shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
86	Form of Proxy	An instrument appointing a proxy shall be in the form as prescribed in the Rules.
BOARD OF DIRECTORS		
88	Board of Directors	Unless otherwise determined by the company in general meeting, the number of directors shall not be less than 3(three) and shall not be more than 14(fourteen).
89	Same individual may be Chairperson and Managing Director/ Chief Executive Officer	The same individual may, at the same time, be appointed as the Chairperson of the company as well as the Managing Director or Chief Executive Officer of the Company.
90	(1) Remuneration of director (2) Remuneration to require members consent (3) Travelling and other expenses	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with the provisions of the Act by an ordinary resolution passed by the Company in general meeting. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or b) In connection with the business of the Company
92	(1) Appointment of additional Directors (2) Duration of office of additional director	Subject to the provisions of the Act, the Board shall have power at any time, to appoint an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.
93	(1) Appointment of alternate director (2) Duration of office of alternate director	The Board may appoint an alternate director to act for a director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from India.

		A person shall be appointed as an alternate director for an independent director only if he is qualified to be appointed as an independent director under the provisions of the Act. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
94	(1) Appointment of director to fill a casual vacancy (2) Duration of office of Director appointed to fill casual vacancy	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be called by the Board of Directors at a meeting of the Board. The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.
POWER OF BOARD		
95	General powers of the Company vested in Board.	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
PROCEEDING OF THE BOARD		
96	(1) When meeting to be convened (2) Who may summon Board meeting (3) Quorum for Board meetings (4) Participation at Board meetings	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board. The quorum for a Board meeting shall be as provided in the Act. The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
97	(1) Questions at Board meeting how decided (2) Casting vote of Chairperson at Board meeting	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
99	(1) Who to preside at meetings of the Board (2) Directors to elect a Chairperson	The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold of office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
100	(1) Delegation of Powers (2) Committee to conform to Board regulations (3) Participation at Committee meetings	The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. The participation of directors in a meeting of the Committee

		may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
101	(1) Chairperson of Committee (2) Who to preside at meetings of Committee	A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
102	(1) Committee to meet (2) Questions at Committee Meeting how decided	A Committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.
CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER		
105	(a) Chief Executive Officer, etc. (b) Director may be chief executive officer, etc.	Subject to the provisions of the Act,— The Board may appoint a chief executive officer, manager, company secretary and chief financial officer for such term, at such remuneration and upon such conditions as it may think fit. Any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by a resolution of the Board. The Board may appoint one or more chief executive officers for its multiple businesses. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
DIVIDEND AND RESERVE		
109	Company in general meeting may declare Dividends	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.
111	(1) Dividends only to be paid out of profits (2) Carry forward of profits	Before recommending any dividend, the Board may set aside such sums as it thinks fit as a reserve, out of the profits of the Company, which shall be applied for any purpose to which the profits of the Company may be properly applied. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
112	(1) Division of profits (3) Dividends to be apportioned	All dividends shall be declared and paid according to the amounts paid on the shares in respect of which the dividend is paid. If nothing is paid on any of the Company's shares, dividends may be declared and paid according to the amounts of the shares. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion of the period in respect of which the dividend is paid.
113	(1) No member to receive dividend whilst indebted to the Company. (2) Retention of dividends	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company. The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause, entitled to become a member, until such person shall become a member in respect of such shares.
116	No interest on dividends	No dividend shall bear interest against the Company.
117	Waiver of dividends	The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if the same is accepted as such by the Board.
ACCOUNTS		
118	(1) Inspection by Directors (2) Restriction on inspection by members	The books of account and books and papers of the Company shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.

		No member, who is not a director, shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorized by the Board.
WINDING UP		
119	Winding up of Company	Subject to the applicable provisions of the Act and the Rules made thereunder – a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company. b) For the above purpose, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. c) The liquidator may, with such a sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.
INDEMNITY AND INSURANCE		
120.	(a) Directors and officers right to indemnity (b) Insurance	Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which they may incur or become liable for by reason of any contract entered into or act done by them in their capacity as directors, managers, company secretaries or officers or in any way in the discharge of their duties in such capacity. The Company may take and maintain any insurance as the Board may think fit on behalf of its present directors and key managerial personnel for indemnifying all or any of them against any liability for acts in relation to the Company for which they may be liable but have acted honestly and reasonably.
GENERAL POWER		
121	General Power	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority only if the Company is so authorized by its articles, this Article authorizes and empowers the Company to have such rights, privileges or authorities as have been permitted by the Act, without there being any specific Article in that behalf herein provided.
122	Applicable law	At any point of time from the date of adoption of these Articles, if they come contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Regulations”), the provisions of the Regulations shall prevail over the Articles to such extent.
	Part B	
DEFINITIONS AND INTERPRETATION		
123		123.1. Subject to the requirements of the applicable Law, in the event of any conflict between the provisions of Articles 1 to 122 (except Article 37A) and Articles 123 to 136 (Articles 123 to 136 being and are referred to as the “Investment Amending Articles”), the provisions of the Investment Amending Articles shall prevail and apply. The provisions of the Investment Amending Articles shall be read together with Article 37A and the Framework Articles. 123.2. Notwithstanding the provisions of Articles 1 to 122 (except Article 37A), the Company and the Shareholders shall not be bound by, or subject to, any duties, obligations or

covenants under the Articles 1 to 122 (except Article 37A) to the extent of any conflict of any manner with the Investment Amending Articles.

123.3. Subject to Article 123.1, the plain meaning of the Investment Amending Articles shall always be given effect to, and no rules of harmonious construction shall be applied to resolve conflicts between:

123.3.1 Articles 1 to 122 (except Article 37A) on the one hand; and

123.3.2 The Investment Amending Articles, on the other.

123.4. Without limiting the generality of the foregoing, any provision in Articles 1 to 122 that imposes any restriction, requirement or obligation with respect to Transfer of Shares or any other securities of the Company, or which requires a Shareholder to vote in a certain manner, shall not be applicable to the Investors. For avoidance of doubt, it is clarified that the provisions of these Investment Amending Articles shall be applicable to, and bind, all the Shareholders of the Company and to the Company itself.

123.5. The Company and the Shareholders acknowledge that Article 37A has been incorporated pursuant to the provisions of the Promoter Loan Documents and the provisions of the Investment Amending Articles shall not in any manner adversely affect the operation of Article 37A.

123.6. In this Part B of these Articles, the following capitalized words and expressions shall have the following meanings:

"Act" means the Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable) together with the rules thereunder, as may be amended, modified, supplemented or re-enacted from time to time, as may be applicable.

"Affiliate" in relation to a Person:

(i) any entity Controlled, directly or indirectly, by that Person , any entity that Controls, directly or indirectly, that Person, any entity under common Control with that Person. For the purpose of this definition, a holding company or subsidiary of any entity shall be deemed to be an Affiliate of that entity.

(ii) in the case of an individual, means his / her Relatives, and any Person who is Controlled by such Relative.

Without limiting the generality of the foregoing, Affiliate in relation to each of the Investors includes: (i) one or more funds, collective investment schemes, trusts, partnerships, special purpose or other vehicles, in which Investor is a general or limited partner, significant shareholder, sponsor, investment manager, investment advisor, settlor, member of a management or investment committee or trustee; (ii) any one or more general partner of the Investor; and (iii) any one or more funds, collective investment schemes, trusts, partnerships, special purpose or other vehicles in which any general partners of the Investor is a general partner, limited partner, sponsor, significant shareholder, investment manager, investment advisor, settlor, member of a management or investment committee or trustee, currently or in the future.

"Annual Business Plan" means the business plan of the

		Company, for a Financial Year relating inter alia to the Company's revenue, borrowings, operating and capital expenditure, profit and loss account, cash flows and balance sheet as detailed in and in, and as per the format set out in SCHEDULE 7 of the SHA. "Applicable Law" includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives, orders, rulings or clarifications by any Governmental, statutory authority, tribunal, board, court or recognized stock exchange having the force of law. "Applicable S&E Law" means all Applicable Laws, consents and Approvals of applicable Governmental Authorities setting standards / measures concerning environmental, social, labour, health and safety or security risks, including of the type specified in the ESAP Plan or imposing liability for the breach thereof. "Approvals" means any permit, permission, license, approval, authorization, consent, clearance, waiver, no objection certificate or other authorization of whatever nature and by whatever name called, which is required to be granted by any Person, including any Shareholder and Governmental Authority. "Approved D&O" means the director and officer liability insurance obtained by the Company in accordance with the terms of the SSA. "Board" means the board of Directors of the Company, as constituted from time to time. "Business" means the business of manufacturing and providing pipes & fittings, plumbing, irrigation and sewerage technologies and equipment. "Business Day" a day, not being a Saturday or a Sunday or a public holiday in India, and the United States of America. "CCPS" shall mean Series A compulsorily convertible preference shares having face value of INR 100/- (Rupees Hundred only) each. "Chief EHS Officer" means an individual who has been appointed by the Company on terms deemed appropriate by the Company, with the prior approval of the Investors, to undertake the duties set out in Clause 10.12 of the SHA. "Closing" shall have the meaning ascribed to it in the SSA. "Closing Date" shall have the meaning ascribed to it in the SSA. "Committee" means any committee or sub-committee constituted by the Board or the Company, from time to time. "Competitor" means the following: (i) Astral Polytechnik; (ii) Supreme Industries Limited; (iii) Ashirwad Pipes Private Limited; (iv) Finolex Industries Limited; (v) Shakti Pumps (India) Limited; (vi) Concord Enviro Systems Private Limited; (vii) Rishabh Instruments Private Limited; (viii) Kalki Communication Technologies Private Limited; (ix) ESDS Software Solution Private Limited; (x) Renew Power Limited; and (xi) any other future portfolio companies of the Investor 1 or any of its Affiliates, as the case maybe.

“Control” (including, with its correlative meanings, “Controlled” or “Controlling” or “under common control with”) means the possession, directly or indirectly, of the power to control, direct or cause the direction of the management or policies of a Person (including by reason of the power to veto any business decision relating to operations or management), whether (i) through ownership of 51% (fifty one per cent) of voting shares where the controlled entity is an unlisted entity and in case where the controlled entity is listed entity through ownership of largest number of voting shares; or (ii) by contract; or (iii) otherwise (and the term, “controlled by”, “controlling” and “under common control with” shall be construed accordingly).

“Deed of Adherence” means a deed of adherence in the form set out in SCHEDULE 5 of the SHA.

“Director” means a director on the Board from time to time, and includes an additional director and an alternate director.

“EBITDA” means the ebitda as per the audited financial statements of the preceding Financial Year.

“Encumbered Shares” means the Pledged Shares and NDU Shares.

“Encumbrance” means, without limitation, any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other Persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, Transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same.

“Environmental Law” means any statutory law, regulation, or other law and legally mandatory statutory guidance or Applicable Laws in India relating to the environment, pollution of the environment, human health or safety or the welfare of any other living organism which applies to the company concerned, its premises or its activities.

“EOD Warranties” means representations and warranties set out in paragraphs a), b) and c) of Clause 15 of the SHA and paragraph 9 (a), paragraph 11.1, paragraph 24, paragraph 25 and paragraph 14 (if there is an impact of more than INR 2,00,00,000 (Indian Rupees Two Crores) on an aggregate basis in case of breach of the warranties specified in such paragraph 14) of Part A - Schedule III of the SSA.

“Equity Shares” means the equity shares of the Company, having a face value of INR 10 (Indian Rupees Ten) each.

“Equity Securities” means Equity Shares, membership interests, or other ownership interests in the Company and any options, warrants, convertible preference shares, convertible debentures, foreign currency convertible bonds, share / stock options, (whether or not vested), loans or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, Equity Shares, membership interests, or other ownership interests in the Company (whether or not such derivative securities are issued by the Company and whether or not then currently convertible, exercisable or exchangeable).

"ESAP Plan" means the plan made and mutually agreed between the Investors and the Promoters and attached as SCHEDULE 3 to the SHA, which sets out the specific environmental, social, labour, health and safety or security and environmental measures to be undertaken by the Company and its Subsidiaries, to enable the Business of the Company and Subsidiaries to be equipped, operated and undertaken in compliance with the Performance Standards and which will be revised in accordance with Clause 10.10 (ESAP Plan) and Clause 10.11 of the SHA.

"ESOP Scheme" means the employees' stock option scheme adopted by the Company vide its Board resolution dated August 21, 2017.

"Extended IPO Date" has the same meaning as ascribed to it under Article 130A.

"Financial Year" means the year commencing on the first day of April and ending on the last day of March of the next calendar year.

"Framework Articles" mean Articles 137 to 147.

"Fully Diluted Basis" means that the calculation is to be made assuming that all outstanding Equity Securities (whether or not by their terms then currently convertible, exercisable or exchangeable), and all outstanding commitments to issue Equity Shares, membership or ownership interests, at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged, as of the date with respect to which the calculation is being made.

"General Meeting" means either an extra-ordinary general meeting or an annual general meeting of the Company.

"Hazardous Substance" means any substance used for conducting the Business of the Company or the Subsidiaries that (i) is or contains asbestos, urea formaldehyde insulation, polychlorinated biphenyls, petroleum or petroleum products, radon gas, microbiological contamination or related materials, or (ii) is defined, listed or identified as a 'hazardous substance', 'toxic substance' or words similar import under any Environmental Law.

"Governmental Authority" means any government, statutory authority, any department, agency or instrumentality of any government, any court, tribunal or arbitral tribunal, board and the governing body of any securities exchange, recognised stock exchange, any agency, commission, official or other instrumentality.
"Independent Director" has the same meaning as ascribed to it under the Act.

"Investment Framework Agreement" means the agreement executed inter alia between the Company, Investors, Promoters and IDBI Trusteeship Services Ltd. (on behalf of the bond holders under the Promoter Loan Documents) as a condition precedent under the SSA.

"Intellectual Property" means (i) all rights, title, and interest under any Applicable Law or under common law including

		patent rights; copyrights including moral rights; and any similar rights in respect of intellectual property, anywhere in the world, whether registrable or not; (ii) any licenses, permissions and grants in connection therewith; (iii) applications for any of the foregoing and the right to apply for them in any part of the world; (iv) right to obtain and hold appropriate registrations in intellectual property anywhere in the world; (v) all extensions and renewals thereof; and (vi) causes of action in the past, present or future, related thereto including the rights to damages and profits, due or accrued, arising out of past, present or future infringements or violations thereof and the right to sue for and recover the same. "Investor Securities" means any and all Equity Securities, as may be held by the Investors in the Company, from time to time. "Investor(s)" means South Asia Growth Funds II Holdings LLC and South Asia EBT Trust. "Investor CCPS" means 596,500 (Five Lakh Ninety Six Thousand Five Hundred) compulsory convertible preference shares. "IPO" means initial public offering of the Equity Shares and listing of the Equity Shares on the Stock Exchanges as per the provisions of the SHA wherein the Offer for Sale component is of such a size that is sufficient (net of applicable taxes), in the sole opinion of the Investors, for the Promoters to participate in and consequently, repay the entire outstanding amounts payable by the Promoters under the Promoter Loan Documents. "Key Managerial Personnel" means for the sole purpose of this Agreement Jayant Chheda, Parag Chheda, Vipul Chheda, Heena Chheda, Nihar Chheda, and any persons who are designated as the chief executive officer, chief financial officer and the company secretary of the Company. "Liquidity Event" means, in relation to the Company, (i) any sale of 50% (fifty percent) or more of its assets; and/or (ii) a sale of 50% (fifty percent) or more of the outstanding Equity Securities (on a Fully Diluted Basis); and/or (iii) entering into any transaction or a series of transactions, including entering into any consolidation, merger, amalgamation, demerger or any arrangement with the Shareholders or creditors of the Company in which (a) the Company's Shareholders prior to such transaction(s) do not retain more than 50% (fifty percent) of the voting power of the Company or 50% (fifty percent) of the outstanding Securities (on a Fully Diluted Basis) of the Company after such transaction or (b) where such transactions result in a change of Control; and/or (iv) winding up/liquidation of the Company in accordance with the Act; or (v) any combination thereof. Provided that if the action referred to in (ii) above is undertaken between the Promoters inter se, then such actions shall not be deemed to be a "Liquidity Event". "Memorandum" means the memorandum of association of the Company. "NDU Shares" means the Equity Shares owned and held by the Promoters in the Company over which Encumbrance in the form of a non-disposal undertaking and/or drag right is created under the Promoter Loan Documents and any other arrangements (whether oral or written) constituting 16%

		(sixteen percent) of the Share Capital of the Company on a Fully Diluted Basis. "Offer for Sale" means an offer for sale of specified securities to the public by any existing shareholder(s) of such securities as a part of an initial public offer, as understood under provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. "Performance Standards" means International Finance Corporation's Performance Standards on Social and Environmental Sustainability, dated January 1, 2012, copies of which have been delivered to and receipt of which has been acknowledged by the Company and the Promoters. "Person" includes any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, estate, trust, union, association (whether incorporated or not), and any Governmental Authority. "Pledged Shares" means the Equity Shares of the Company pledged by the Promoters under the Promoter Loan Documents and any other arrangements (whether oral or written) constituting 35% (thirty five percent) of the Share Capital of the Company on a Fully Diluted Basis. "Post Money Valuation" means the valuation of the Company post the completion of the investment by the Investors under the SSA amounting to INR 1706,17,70,000. "Promoters" means Mr. Jayant Shamji Chheda, Mrs. Tarla Jayant Chheda, Mr. Parag Jayant Chheda, Mr. Vipul Jayant Chheda and Mrs. Heena Parag Chheda. "Promoter Loan Documents" means the Bond Trust Deed dated March 30, 2019 executed inter alia, between Express Infra Projects LLP, IDBI Trusteeship Services Ltd. (on behalf of the bond holders) and certain Promoters and all other ancillary documents and security documents (including the pledge agreement dated March 30, 2019 executed inter alia between IDBI Trusteeship Services Ltd. and Promoters) executed in relation thereto. "Proposed IPO" means the IPO proposed to be undertaken by the Company pursuant to the filing of the draft red herring prospectus dated October 15, 2018 (including any addendum or corrigendum to it) filed with the Securities Exchange and Board of India. "Proposed IPO Date" has the same meaning as ascribed to it under Article 130. A. (t). "QIPO/Qualified IPO" means the IPO that is undertaken pursuant to the requirements set out in Article 132 (Qualified Initial Public Offering). "Related Party" has the meaning ascribed to it under the Act. "Relative" has the meaning ascribed to it under the Act. "Share Capital" shall mean the issued and fully paid-up equity share capital of Company, on a Fully Diluted Basis. "Shareholders" means the holder from time to time of the Equity Securities of the Company, and Shareholding shall

have the correlative meaning.

"SHA" means the shareholders' agreement dated November 20, 2019 entered into by and between the Company, the Promoters and the Investors, as may be amended or restated from time to time and shall include all the schedules to the shareholders' agreement.

"South Asia EBT Trust" shall mean South Asia EBT Trust, a trust established under the laws of India and having its office at 5, Kamu Villa, Khotwadi, Sir Phiroz Shah Mehta Road Santacruz West, Mumbai 400054, India and through its trustee being Orbis Capital Limited, having its registered office address at Orbis Capital Limited, 4A, Ocus Technopolis, Golf Club Road, Sector 54, Gurugram – 122 002.

"South Asia Growth Funds II Holdings LLC" shall mean South Asia Growth Fund II Holdings LLC, a limited liability company organized under the laws of the State of Delaware, United States of America and having its office at 4800 Montgomery Lane, Suite 450, Bethesda, MD 20814.

"SSA" means the share subscription agreement dated November 20, 2019 entered into by and between the Investors, Promoters and the Company.

"Stock Exchange" means the Bombay Stock Exchange and the National Stock Exchange of India Limited.

"Subscription Amount" means the total consideration provided by the Investors to subscribe to the Investor CCPS, being INR 106,17,70,000 (Indian Rupees One Hundred and Six Crores Seventeen Lakhs and Seventy Thousand only).

"Subsidiaries" means the subsidiary/subsidiaries of the Company, from time to time, in accordance with the provisions of the Act.

"Transaction Documents" means:

(a) the SHA;
(b) the SSA;
(c) the Investment Amending Articles;
(d) the ESAP Plan;
(e) the Investment Framework Agreement;
(f) any other agreement that the Company, the Promoters and the Investors may mutually agree to classify as a Transaction Document.

"Third Party" means any Person that is not a signatory to the SHA.

"Third Party Funding" means any funds raised by the Company from a Third Party for at least INR 200,00,00,000 (Indian Rupees Two Hundred Crores) in accordance with the Transaction Documents, wherein the fund raise is undertaken at a valuation that is higher than the Post Money Valuation.

"Transfer" (including the terms "Transferred by", "Transferring" and "Transferability") means to directly or indirectly transfer, sell, assign, exchange, gift, dispose off in any manner, or subject to any Encumbrance, whether or not voluntarily, and whether by operation of law or otherwise.

123.7. Unless the context otherwise requires, capitalized terms used but not defined in Part B of these Articles will have the meaning given to them in Part A of these Articles

BOARD, MANAGEMENT AND RELATED MATTERS		
124	124.1 Board of Directors 124.2 Board Meetings 124.3 Shareholders' Meetings	Board of Directors 124.1.1 Composition and size of the Board. The Board shall, unless otherwise agreed to by the Company, the Promoters and the Investors or unless the size of the Board is required to be increased pursuant to the Promoter Loan Documents, consist of not more than 10 (ten)Directors, and the composition of the Board shall be as follows: (a) the Investors shall have the right (and not the obligation) to nominate up to 1 (one) Director, so long as that the Investors directly or indirectly hold at least 5% (five percent) of the total share capital of the Company on a Fully Diluted Basis ("Investor Nominee Director(s)"); (b) the Promoters shall collectively have the right to nominate up to 5 (five) Directors ("Promoter Nominee Director(s)"); and (c) subject to Clause 4 (Reserved Matters), up to 5 (five) Independent Directors shall be nominated in accordance with the provisions of the Act. The Investor Nominee Directors and the Promoter Nominee Directors shall collectively be referred as "Nominee Directors", and individually as "Nominee Director". It is specifically agreed that for determining the 5% (five percent) threshold mentioned herein above in this Article 124.1.1., the shareholding of the Investors, the Investor's Affiliates and any other Shareholder who has been introduced by the Investors, (provided that such other Shareholder has agreed to exercise their rights jointly with the Investors as a single block) shall be taken into account, collectively. The Investor Nominee Director nominated by the Investors shall discontinue to be a Nominee Director in the event (i) the Investors cease to hold at least 5% (five percent) of the total share capital of the Company on a Fully Diluted Basis; and (ii) upon receipt by the Investors of a written notice from the Company requiring the Investor Nominee Director to vacate his / her seat. The Nominee Director nominated by the Investors shall cease to be a Nominee Director upon the appointment of the Observer as provided in Article 124.1.2 below and it is clarified that simultaneously with the appointment of the Observer, the Nominee Director nominated by the Investors, if any shall resign from the position of Nominee Director upon receipt by the Investors of a written notice from the Company requiring the Investor Nominee Director to vacate his / her seat. For avoidance of doubt, it is clarified that subject to the Investors holding at least 5% (five percent) of the total share capital of the Company on a Fully Diluted Basis, if the Observer resigns or is removed by the Investor, then the Investors shall have a right (but not an obligation) to appoint an Investor Nominee Director to the Board. 124.1.2 Observer. Irrespective of the extent of the Investors shareholding in the Company on a Fully Diluted Basis, the Investors shall have: (a) the right to nominate 1 (one) observer on the Board and on all Committees ("Observer"), and (b) seek removal or replacement of the respective Observer nominated by it by providing a written notice to the Board. Each Observer shall have the right to receive all relevant notices, documents and information provided to the members of the Board and Committees and shall be entitled to attend all meetings of the Board and Committees. However, the Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a meeting of the Board or the Committees. For avoidance of doubt, it is clarified that if the Investors hold more than 5% (five percent) of the total share capital of the Company on a Fully Diluted Basis then the Investors shall have the right to either appoint the Investor Nominee Director under Article 124.1.1 above or appoint an Observer under this Article 124.1.2.

124.1.3 Removal of Nominee Directors. (a) The Investors shall be entitled to appoint and remove the Investor Nominee Director by providing a written notice to the Board. Each Shareholder shall exercise their rights and take all such actions as may be needed to ensure the appointment and removal of the individuals nominated as aforesaid. (b) Except in respect of this Article 124.1.3 (a) and in case of any disqualification of the relevant Director under Applicable Laws, the Company and the Shareholders shall not have the right to remove any Investor Nominee Director and any Promoter Nominee Director. The Company, the Promoters and the Investors hereby agree that, subject to Article 125 (Reserved Matters) the removal of Independent Directors shall be in accordance with the provisions of the Act.

124.1.4 Replacement and Vacancy. Subject to Article 124.1.8, in the event of resignation, retirement or vacation of office of a Director for any reason whatsoever, the Party nominating such Director shall be entitled to nominate another Director in place of such outgoing Director by way of providing a written notice to the Board within 7 (seven) Business Days of such resignation, retirement or vacation. Within 10 (ten) Business Days from the date of receipt the said notice, all the Company, the Promoters and the Investors shall forthwith exercise all their rights and take all such actions as may be needed to ensure the appointment of the individual nominated as aforesaid. In the event there is a vacancy on the Board and an individual has been designated to fill such vacancy, the first order of business in the Board meeting immediately held after the vacancy is created shall be to fill such vacancy. In the event the Independent Director is removed in accordance with the provision of the Act and the SHA and/or the office of Independent Director falls vacant for any reason whatsoever, another Independent Director shall be appointed in accordance with sub-clause (c) of Article 124.1.1 (Composition and Size of the Board).

124.1.5 Chairman. Each meeting of the Board shall be chaired by a Director, nominated by the Board through a simple majority at the beginning of every meeting of the Board. The chairman shall not have a casting vote, to resolve a deadlock in voting. English shall be the language used at all Board meetings.

124.1.6 Committees of the Board. Subject to Applicable Laws, the Investors shall have the right to nominate either the Observer or the Investor Nominee Director on all Committees of the Board and accordingly, the rights of the Investors under Article 124.1.1 (Composition and Size of the Board), Article 124.1.2 (Observer) and the provisions of Article 124.2.5 (Quorum) shall apply mutatis mutandis in relation to any Committees of the Board as well.

124.1.7 Alternate Directors. Subject to Article 124.1.8, any Party having the right to nominate a Director shall have the right to nominate an alternate Director in place of such Nominee Director in accordance with the provisions of the Act. The Company and the Shareholders shall take all steps necessary to secure the appointment of the alternate Director. The alternate Director so appointed shall be entitled to attend the meetings of the Board, exercise all the rights of the Nominee Director in whose place he is appointed as an alternate, and vote in the event the Nominee Director is unable to attend any meeting of the Board.

124.1.8 Notwithstanding anything contained in the SHA and these Articles, Jayant Chheda, Parag Chheda, Vipul Chheda,

		Heena Chheda, shall be the whole time directors of the Company ("WTD") and responsible for the day to day management of the Company and such Promoter Nominee Director shall not resign or vacate their respective seat on the Board without the prior written consent of the Investors, which consent, subject to the provisions of this Article 124.1.8, cannot be unreasonably withheld. Provided that in case of resignation of such WTD, at least 2 Promoter Nominee Directors shall continue to remain on the Board as executive Directors and shall be responsible for the day to day management of the Company. 124.1.9 Subject to Applicable Laws, the Company, the Promoters and the Investors expressly agree and undertake that the Investor Nominee Director (and/or their respective alternate director, as the case may be) shall be a non-executive Director and shall not be responsible for the day to day management or affairs of the Company and shall not be liable for any default or failure of the Company in complying with the provisions of any Applicable Laws (including, but not limited to, the Act). 124.1.10 The Company and the Promoters further agree and undertake that they shall not identify or designate the Investor Nominee Director (or their alternate director) or the Observer, with the responsibility of complying with any Applicable Law, or as occupiers of any premises used or occupied by the Company or as "officer in default" or as an employer under any Applicable Law. The WTD and any other employee or executive Director of the Company as may be decided by the Board, will always be considered and designated as "occupiers" under Applicable Laws and in respect of any filings required to be made and Approvals required to be obtained by the Company under such Applicable Laws. 124.1.11 The Company shall indemnify, to the extent permissible under Applicable Laws, the Investor Nominee Directors (and their alternate director), the Observer and the Independent Directors against: (a) any act, omission or conduct of or by the Board, any of its Committees, the Company, or their employees or agents as a result of which, in whole or in part, such Director is made a party to, or otherwise incurs any loss pursuant to, any action, suit, claim or proceeding arising out of or relating to any such conduct; or (b) any action or failure to act as may be required by such Director at the request of or with the consent of the Company or for any bona fide actions or omission by such Directors; or (c) contravention of any Applicable Law, including, but not limited to, laws relating to factories, establishments, provident fund, gratuity, labour, environment and pollution, and any action or proceedings taken against such Director in connection with any such contravention or alleged contravention. However, the aggregate liability of the Company for any claim of the Investor Nominee Directors (and their Alternate Director), the Observer and the Independent Directors relating to any event in Article 124.1.11 above shall not exceed an amount aggregating the amount for which the Company maintains a directors' and officers' liability insurance for such Director. 124.1.12 Directors and Officers Liability Insurance. The Company shall maintain a directors' and officers' liability

		insurance for the Investor Nominee Directors on its Board for an amount and on such terms and conditions that is not less than the amount specified in the Approved D&O and on terms not less favourable than those specified in Approved D&O. 124.2 Board Meetings. 124.2.1 Number of Board meetings. Subject to Applicable Laws, the Board shall meet at least once every quarter and at least four times a year. A Board meeting may also be held by audio-visual means or video conferencing in accordance with the provisions of the Act. 124.2.2 Convening meetings of the Board. Subject to the provisions of the Act, the company secretary of the Company may, at the instruction of any Director or the Observer, summon a meeting of the Board or the Committee, in accordance with the notice and other requirements set out in Article 124.2.3 (Notice for Board Meetings). 124.2.3 Notice for Board meetings. Subject to Applicable Law, at least 7 (seven) Business Days prior written notice shall be given to each of the Directors/ Observers of any meeting of the Board or its Committees. Subject to the provisions of the Act, a meeting of the Board or a Committee may be held at shorter notice with the written consent (which may be intimated by letter or e-mail with receipt acknowledged) of majority of the Directors which shall at all times include the consent of the Investor Nominee Director which shall not be unreasonably withheld by the Investor Nominee Director, (provided such office is not vacated for any reason whatsoever). 124.2.4 Contents of the Notice. Every notice convening a meeting of the Board shall include the draft resolutions, and shall set forth in full and sufficient detail the agenda/ business to be transacted thereat. Subject to Article 125 (Reserved Matters) below which requires prior consent of the Investors for matters specified therein, no agenda/ business which is not mentioned in the notice shall be transacted at a Board meeting, unless the same has been approved by the Investor Director. The draft resolutions and other documents for all matters to be considered at the Board meeting must be sent to all the Directors and the Observer along with the notice for the Board meeting at the respective email addresses of the Directors and Observers as may be provided to the Company from time to time. 124.2.5 Quorum. The quorum for all meetings of the Board shall be 1/3rd (one-third) of the total strength of the Board and shall require the presence of the Investor Nominee Director, if appointed and provided the office is not vacant for any reason whatsoever (unless waived by him/ her in writing in respect of himself / herself). If the quorum is not present within half an hour of the scheduled time of the meeting (“Initial Meeting”), the meeting shall stand adjourned to the same day, location and time after the expiry of 1 (one) week from the Initial Meeting (“Adjourned Meeting”). If such day is not a Business Day, the meeting shall be held on the next Business Day.In the event of there is no quorum present even at the Adjourned Meeting, then subject to compliance with the provisions of the Act and subject to the provisions of Article 125 (Reserved Matters), the Directors present at such meeting shall constitute valid quorum. The agenda for the Adjourned Meeting shall be the same as that of the Initial Meeting. Matters which are not specifically defined and stated in the agenda for the Initial Meeting shall in no event be taken up for discussion or approved at the Adjourned Meeting.

For the avoidance of doubt, no business concerning any of the Reserved Matters shall be approved at any Initial Meeting or any Adjourned Meeting unless the same has been approved in writing by the Investors.

124.2.6 Decisions of the Board. Subject to Article 125 below (Reserved Matters), a decision shall be said to have been made and/or a resolution passed at a Board meeting only if:(i) it is a validly constituted Board meeting, and (ii) if such decisions are approved by a majority of the Directors present and voting at such Board meeting.

124.2.7 Circular Resolutions. Subject to Article 125 (Reserved Matters) below, no resolution shall be deemed to have been duly passed by a Board or a Committee thereof by circulation or written consent, unless the resolution has been circulated in draft, together with the information required to make a fully-informed decision with respect to such resolution, to all the Directors (irrespective of whether they are present in India) and Observers, or to all members of the relevant Committee, as the case may be, at their usual address, whether in India or outside, and has been approved by a majority of the Directors/ members (as the case may be) who are entitled to vote on the same. All written/ circular resolutions passed as aforesaid shall be as valid and effectual as if it had been a resolution passed at a meeting of Directors duly convened and held.

124.2.8 The payment of compensation and sitting fees and reimbursement of reasonable travel and boarding expenses incurred by the Independent Directors in attending Board meetings of the Company shall be borne by the Company.

124.3 Shareholders' Meetings.

124.3.1 Meetings. The Company shall, in each year, hold such number of Shareholders' meetings as required under the Act. Subject to the provisions of the Act, the company secretary of the Company may, at the instruction of the Investors, summon a General Meeting of the Company, in accordance with the notice and other requirements set out in Article 124.3.

124.3.2 Notice. A general meeting of the Shareholders shall be convened by serving at least 21 (Twenty One) days written notice to all the Shareholders whose names appear on the register of members of the Company. Provided that, a general meeting may be convened at a shorter notice with the prior written consent of the Investors and the requisite number of Shareholders as required under the Act.

124.3.3 Contents of the notice. The notice to Shareholders shall specify the place, date and time of the Shareholders' meeting. Every notice convening a meeting of the Shareholders shall include the draft resolutions and shall set forth in full and sufficient detail the business to be transacted thereat. Subject to Article 125 (Reserved Matters) below, no agenda/ business which is not mentioned in the notice shall be transacted at a Shareholders' meeting.

124.3.4 Chairman for Shareholders' meetings. The chairman of a Shareholders' meeting of the Company shall not have any casting vote. The chairman of the Board for the immediately preceding Board meeting shall be the chairman for all Shareholders' meetings. English shall be the language used at all Shareholders' meetings.

		124.3.5 Proxies. Any Shareholder may appoint another Person as its proxy (and in case of a corporate Shareholder, an authorized representative) to attend a meeting and vote thereat on such Shareholder's behalf, provided that the power given to such proxy must be in writing. Any Person possessing a proxy or other such written authorization with respect to any Equity Securities shall be able to vote on such Equity Securities and participate in meetings as if such Person were a Shareholder, subject to the Applicable Law. 124.3.6 Quorum. The quorum for a meeting of the Shareholders shall be in accordance with the provisions of the Act and shall require the presence of the authorized representative of the Investors (unless waived by him/ her in writing in respect of himself / herself). If on the date of a Shareholders' meeting ("Initial Shareholders' Meeting"), a valid quorum is not present, the said meeting shall automatically stand adjourned to the same day and time and at the same venue in the following week ("Adjourned Shareholders' Meeting"). If such a day is not a Business Day, the meeting shall be held on the next Business Day. In the event of there is no quorum present even at the Adjourned Shareholders' Meeting, then subject to compliance with the provisions of the Act and subject to the provisions of Article 125 (Reserved Matters), the Shareholders present at such meeting shall constitute valid quorum. The agenda for the Adjourned Shareholders' Meeting shall be the same as that of the Initial Shareholders' Meeting. Matters which are not specifically defined and stated in the agenda for the Initial Shareholders' Meeting shall in no event be taken up for discussion or approved at the Adjourned Shareholders' Meeting. For the avoidance of doubt, no business concerning any of the Reserved Matters shall be approved at any Initial Shareholders' Meeting or any Adjourned Shareholders' Meeting unless the same has been approved in writing by the Investors. 124.3.7 Decision by Shareholders. Subject to Article 125 (Reserved Matters) below, any matter raised at a Shareholders' meeting of the Company shall be considered to have been approved only when voting requirements prescribed under the Act have been met with.
RESERVED MATTERS		
125	Reserved Matters	Notwithstanding anything contained in these Articles, so long as the Investors holds at least 5% (five percent) of the total shareholding of the Company on a Fully Diluted Basis, none of the matters set out in Part I and Part II of ANNEXURE 1 (the "Reserved Matters") shall be approved or undertaken by the Company, either by way of Board's approval or Committee's approval or at any Shareholder Meeting, without having received the prior written consent of the Investors in the manner set out in these Investment Amending Articles. Provided that if the Investors holds less than 5% (five percent) of the total shareholding of the Company on a Fully Diluted Basis, none of the matters set out in Part II of ANENXURE 1 shall be approved or undertaken by the Company, either by way of Board's approval or Committee's approval or Shareholder's approval, without having received the prior written consent of the Investors in the manner set out in these Investment Amending Articles. It is specifically agreed that for determining the 5% (five percent) threshold mentioned herein above in this Article 125, the shareholding of the Investors, the Investors' Affiliates and

		any other Shareholder who has been introduced by the Investors, (provided that such other Shareholder has agreed to exercise their rights jointly with the Investors as a single block) shall be taken into account. Notwithstanding any other provision of these Investment Amending Articles, the Company, the Promoters and the Investors agree that the any decision on Reserved Matters as provided under this Article 125 read with ANNEXURE 1 on behalf of the Investors and their respective Affiliates (if such Affiliates hold any Securities in the Company) shall be communicated by either of the Investors and their respective Affiliates (if such Affiliates hold any Securities in the Company) and any such communication / decision received by the Company from either of the Investors and their respective Affiliates (if such Affiliates hold any Securities in the Company) shall be deemed to have been received for and on behalf of, and shall be binding on all Investors and their respective Affiliates (if such Affiliates hold any Securities in the Company). Further, in the event a Third Party Funding is proposed to be undertaken by the Company, the Investors hereby agree to extend in good faith, cooperation and assistance required (including entering into any supporting documents) to provide for and agree with the Third Party investor providing such Third Party Funding, to a suitable mechanism to jointly exercise the Reserved Matters set out herein.
TRANSFER BY INVESTORS		
126	Transfer by Investors	126.1 General. The Investors shall not Transfer any of the Equity Securities held by it, except in accordance with these Articles. The Promoters and the Investors shall do every act, deed or thing as may be necessary (including causing their nominees to exercise their voting rights as Directors of the Company) to prevent any such transfer which is not in accordance with this Agreement from being given effect to. 126.2 Subject to Article 126.3 (Investor Lock-in), Article 126.5 (Transfer to Competitors) and execution of the Deed of Adherence, the Investors shall have the right to freely Transfer their Equity Securities along with any and all rights and entitlements provided to the Investors under this Agreement or otherwise to any Person, without the prior written consent of any of the Promoters or any Shareholders of the Company. 126.3 Investor Lock-in. The Investors shall not Transfer any of the Equity Securities held by them till December 31, 2020 ("Investor Lock-In"), other than the Transfers permitted under Article 126.4 (Permitted Transfers). 126.4 Permitted Transfers. Notwithstanding anything contained in Article 126.3 above (but subject to Applicable Laws) the Investors may, at any time: (i) Transfer all or any of the Equity Securities held by the Investors to any of their respective Affiliates along with any and all rights and entitlements provided to the Investors under the SHA or otherwise; (ii) subject to Article 126.4 below, Transfer all or any of the Equity Securities held by the Investors to any Person (including a Competitor) upon the occurrence of an Event of Default which is not cured within the Cure Period under Article 134.3 (Consequences of an Event of Default). For avoidance of doubt, it is clarified that upon expiry of the Investor Lock-In, the Investors shall, subject to Article 126.3, have the right to freely Transfer their Equity Securities along

		with any and all rights and entitlements provided to the Investors under the SHA or otherwise to any Person, without the prior written consent of any of the Promoters or any Shareholders of the Company, 126.5 Transfer to Competitor. Upon occurrence of: (i) an Event of Default which is not cured within the Cure Period under Article 134.3 (Consequences of an Event of Default); (ii) No Liquidity Event; and/or (iii) listing of the Equity Shares of the Company in accordance with the provisions of the SHA, an Investor shall have the right to Transfer its Equity Securities to a Competitor (in addition to the Investor's right to transfer its Equity Securities to any other Person) subject to the following: 126.5.1 The transferring Investor shall issue a notice to the Promoters setting out its intent to Transfer up to all its Equity Securities in the Company to a Competitor and the time period within which it intends to complete the proposed Transfer ("Competitor Sale Notice"). Within 15 (fifteen) days from the receipt of the Competitor Sale Notice, the Promoters shall have the right but not the obligation to make an offer to purchase all (but not part) of the Equity Securities offered to be sold by the Investors by responding to the Competitor Sale Notice ("Promoter Response Notice"), setting out the price and terms offered by the Promoters for the purchase of all of the Equity Securities proposed to be Transferred by the Investors. If such price and terms is acceptable to the Investors, then the Investors shall within 10 (ten) days from the date of receiving the Promoter Response Notice, either: (a) confirm to the Promoters their intent to Transfer the Equity Securities in the Company to the Promoters or (b) if the price is unacceptable to the Investors, confirm to the Promoters that the Investors intend to Transfer the Equity Securities to a Competitor). Any such Sale to a Competitor in accordance with this Clause shall be at a price which shall be atleast 10% (ten percent) higher than the price offered by the Promoters in the Promoter Response Notice. 126.5.2 If the Promoters intend to raise third party financing to purchase the Equity Securities of the Investors pursuant to this Article 126.5, the Investors agree to give their written consent for creation of Encumbrance over the Equity Securities held by the Promoters to secure such third party financing, provided that the Encumbrance shall be created simultaneously with the consummation of the Transfer of the Equity Securities held by the Investors to the Promoters pursuant to this Article 126.5. 126.6 The Company and the Promoters agree and acknowledge that the Investors shall not at any point of time be required to Encumber the Equity Securities held by the Investors in favour of any Person including the lenders of the Company. 126.7 Subject to clause 17.7.3 of the SHA, the Company, the Promoters and the Investors hereby agree that by execution of the Deed of Adherence by the Person (including Affiliates) to whom such Equity Securities have been Transferred in accordance with SCHEDULE 4 of the SHA, such Transferee shall be entitled to such rights & obligations as per the terms of this Articles.
TRANSFER BY PROMOTERS		
127		127.1 The Promoters shall not Transfer any of the Equity Securities held by them, except in accordance with these Investment Amending Articles. The Company, the Promoters

and the Investors agree and acknowledge that any Transfer or attempted Transfer by the Promoters of any Equity Securities which is not in accordance with these Investment Amending Articles shall be in violation of the terms of these Investment Amending Articles, the Promoters and the Investors shall do every act, deed or thing as may be necessary (including causing their Nominees to exercise their voting rights as Directors of the Company) to prevent such transfer from being given effect to.

127.2 Any Transfer of Equity Securities by the Promoters to any Person, except transfer pursuant to the Proposed IPO, shall require the prior written consent of the Investors ("Transfer Consent"). If any of the Promoters ("Tag Seller") intends to Transfer any of the Equity Securities ("Sale Securities") held by it to any Person ("Tag Buyer"), then the Tag Seller shall issue a notice seeking consent from the Investor along with details of the proposed Transfer ("Tag Sale Notice") including:

(a) The total number of Sale Securities;
(b) The name and identity of the Tag Buyer;
(c) The price at which each Sale Security is proposed to be Transferred;
(d) The key terms and conditions of the proposed Transfer including the rights and obligations of the Tag Buyer after the Transfer; and
(e) Such other information as may be reasonably requested by the Investors.

127.2.1 Within 30 (thirty) days of receiving the Tag Sale Notice ("Tag Exercise Period"), the Investor may provide its consent to the Tag Seller and the Investors may elect to exercise their Tag Right (defined below) by issuing a notice to the Tag Seller ("Tag Consent and Acceptance Notice"). Upon the Investor providing the Tag Consent and Acceptance Notice, the Investor shall have the right (but not the obligation) to sell the Equity Securities held by it to such Tag Buyer in accordance with this Article 127.2 ("Tag Right").

127.2.2 Pursuant to the Investor issuing the Tag Consent and Acceptance Notice, the Investors shall elect to exercise their Tag Right in the following manner:

(a) If the proposed Transfer by the Tag Seller does not result in a change of Control, the Investors will then be entitled to sell a pro rata portion of its Equity Securities to the Tag Buyer on the same terms and conditions provided to the Tag Seller. The Tag Acceptance Notice must clearly state the number of Equity Securities that the Investors wish to sell ("Tag Securities"), which shall not be more than the maximum number determined as per Sub- Clause (b) of Article 127.2.2 below.

(b) For the purposes of this Article 127.2, "pro rata portion" means that if the Tag Seller proposes to sell to the Tag Buyer 10% (Ten percent) of the Equity Securities held by such Tag Seller, then, the Investors will be entitled to sell to the Tag Buyer up to 10% (Ten percent) of the Equity Securities held by such Investors.

(c) If the proposed Transfer by the Tag Seller results in a change of Control, the Investors will have the right to sell all the Equity Securities held by it in the Company on the same terms and conditions provided to the Tag Seller and the Investors shall accordingly state the number of Equity Securities that it wishes to sell in the Tag Consent and

		Acceptance Notice. 127.2.3 The Investors shall not be required to make any representation or warranty, or provide any indemnities to the Tag Buyer, other than customary representations and warranties concerning the Investors title, power and authority to sell its Equity Securities and subject to customary limitations. 127.2.4 The Tag Seller shall not Transfer any of the Sale Securities to the Tag Buyer, unless the Tag Buyer simultaneously purchases all of the Tag Securities tendered by the Investors as per this Article 127.2. 127.2.5 In the event the proposed Transfer of the Equity Securities by the Tag Seller does not result in a change of Control and the aggregate number of the Equity Securities to be Transferred to the Tag Buyer exceeds the maximum number that the Tag Buyer wishes to buy, then the Tag Seller shall ensure that the number of Equity Securities proposed to be sold by the Investors are Transferred in its entirety to the Tag Buyer and the Sale Securities proposed to be Transferred by the Tag Seller shall be correspondingly reduced. 127.2.6 In the event the proposed Transfer of the Equity Securities by the Tag Seller results in a change of Control and the aggregate number of the Equity Securities to be Transferred to the Tag Buyer exceeds the maximum number that the Tag Buyer wishes to buy, then the Tag Seller shall ensure that the number of Equity Securities proposed to be sold by the Investors are Transferred in its entirety to the Tag Buyer and the Sale Securities proposed to be Transferred by the Tag Seller shall be correspondingly reduced. 127.2.7 Where the Investors do not exercise their Tag Right within the Tag Exercise Period and no Tag Consent and Acceptance Notice has been received by the Tag Seller, whichever is earlier, then, the Tag Seller shall be free to Transfer the Sale Securities to the Tag Buyer, provided that: (a) the Investor has provided the Transfer Consent; and (b) such sale shall be consummated within 180 (one hundred and eighty) days from the date of issuance of the Tag Sale Notice; and (c) the terms and conditions of such Transfer shall not be more favorable than those set out in the Tag Sale Notice. 127.2.8 Where the Investors exercise their Tag Right within the Tag Exercise Period, then the entire Transfer (including the Transfer of the Tag Securities) to the Tag Buyer shall be completed within a period of 180 (one hundred and eighty) days from the date of issuance of the Tag Consent and Acceptance Notice, unless such time period is extended by the Investors in writing. 127.3 In the event Transfer of the Sale Securities and the Tag Securities is not completed within the time period specified in Articles 127.2.7 and 127.2.8 above, then the Tag Seller may sell the Sale Securities only after offering the Tag Sale Notice again to the Investors and complying with the provisions of this Article 127.2, prior to Transferring any of the Sale Securities to the same Tag Buyer. 127.4 In the event of any Transfer of the Encumbered Shares or any other Equity Shares pursuant to the Promoter Loan Documents, the Company and the Promoters may (at their discretion and as per the instructions of the bond holders under the Promoter Loan Documents) provide the Investors (or any Person nominated by the Investors) with the option to

		purchase such Shares; it being understood that any decision in relation to the Transfer of Shares (including with respect to the identifying the purchaser, pricing etc.) shall be taken by bond holders under the Promoter Loan Documents at their sole discretion. 127.5 The Company, the Promoters and the Investors hereby agree that any Transfer of Equity Securities by the Promoters in accordance with this Article 127 (other than pursuant to Clause 127.4) shall be subject to the execution of the Deed of Adherence by the Person (including its Affiliates) to whom such Equity Securities have been Transferred.
FURTHER ISSUE OF SHARES		
128		128.1 Subject to Article 125 (Reserved Matters) and Clause 10.23 (IPO) of the SHA, in the event the Company proposes to issue any Equity Securities ("Further Issuance"), the Company shall first offer such Equity Securities to the Investors in compliance with Applicable Law and in the manner set out in this Article 128. The Investors shall have a right ("Pre-Emptive Right"), but not the obligation, to purchase such number of Equity Securities in the Further Issuance that is pro rata to its shareholding in the Company on a Fully Diluted Basis. 128.2 Subject to Applicable Law, the Further Issuance shall take place in the manner set out below: 128.2.1 The Company shall deliver a written notice ("Offer Notice") to the Investors stating: (a) the number of Equity Securities to be offered in the Further Issuance ("Issuance Shares"); (b) the price and terms, if any, upon which the Equity Securities are proposed to be issued ("Issuance Terms"); and (c) the number of Equity Securities the Investors are entitled to subscribe to in such issue ("Issuance Entitlement"). 128.2.2 Within 30 (thirty) days after receipt of the Offer Notice ("Offer Period"), the Investors may elect to subscribe at the price and on the terms and conditions specified in the Offer Notice, to all or part of its Issuance Entitlement, by giving a written notice to the Company ("Acceptance Notice"). Within 15 (fifteen) days of communication of the Acceptance Notice ("Issuance Period") by the Investors, the Company shall issue the Issuance Shares to the Investors in accordance with its Acceptance Notice, provided that the Investors shall have remitted the subscription amount to the Company for the subscription of all or part of its Issuance Entitlement. 128.2.3 If the Investors fail to provide the Acceptance Notice within the Offer Period, or does not accept all of its Issuance Entitlement, then the Company may issue and allot the Issuance Entitlement or any unexercised portion thereof, as the case maybe, to any Person at terms no more favourable than the Issuance Terms. 128.3 Assignment. The Investors shall be entitled to assign, in whole or in part, their right to subscribe to the Issuance Entitlement, to its Affiliates. 128.4 The Company, the Promoters and the Investors hereby agree that the provisions of this Article 128 shall not apply to (each an "Excluded Issuance"): (a) Issuances in connection with the Proposed IPO only.

		(b) Issuance of Equity Shares to the employees pursuant to the conversion of the stock options allotted to them under the ESOP Scheme.
ANTI DILUTION		
129		129.1 If at any time the Company issues to any Person any new Equity Securities at a price per Equity Security that is lower than: (i) the conversion price for Investor CCPS at such point of time or the price per Equity Shares issued to the Investors post such conversion of Investor CCPS; and/or (ii) the consideration paid by the Investors for subscription to each Investor Equity Shares; ("IPO Valuation") (each of which is referred as the "Dilution Event"), then the Investors shall be entitled to a broad based weighed average anti-dilution protection in accordance with SCHEDULE 8 of the SHA such that: (i) the conversion price for Investor CCPS at such point of time shall be adjusted such that the number of Equity Shares to be allotted increases in accordance with calculation made pursuant to the broad-based anti-dilution protection in accordance with SCHEDULE 8 of the SHA; and/or (ii) additional Equity Shares are issued to the Investors for no additional consideration or at the lowest permissible consideration under Applicable Law, and/or iii) additional Equity Securities determined basis the revised price, shall be transferred by the Promoters at no additional consideration, or at the lowest permissible consideration, pursuant to Applicable Laws and gross up of any tax amount payable by the Investors for such Transfer or (iv) through any other mechanism permissible under Applicable Law, the effect of which shall be such that (i) the Investors will receive the additional Equity Securities as determined pursuant to the broad-based anti-dilution protection in accordance with SCHEDULE 8 of the SHA; and (ii) the price per Equity Share of the Investors is reduced to the price arrived at pursuant to the calculations made in accordance with SCHEDULE 8 of the SHA. Nothing in this Article 129 shall apply to issuance of Equity Shares pursuant to the ESOP Scheme as reflected in the capital table as set out in SCHEDULE 1 – PART A of the SHA. 129.2 In the event that: (i) an IPO (including the QIPO) is undertaken by the Company at a valuation which is less than INR 1600,00,00,000 (Indian Rupees Sixteen Hundred Crores) (such lesser valuation being the "IPO Valuation"); and (ii) the Investors are not participating in the Offer for Sale of such IPO, then the Investors shall be entitled to a full ratchet anti-dilution protection such that: (i) the Conversion Price or the Adjusted Conversion Price (if applicable), shall be deemed to be equal to the price per Equity Security at the IPO Valuation; and (ii) the consideration paid by the Investors for subscription to the Investor Equity Shares shall be deemed to be equal to the price per Equity Security at the IPO Valuation and (i) in relation to the Subscription Price paid by the Investor, either additional Equity Securities shall be issued to the Investors at no additional cost per Equity Security (and if not permissible under Applicable Law, then, at the lowest price permissible under the Applicable Law) or (ii) additional Equity Securities determined basis the revised price per Equity Security at the IPO Valuation, shall be transferred by the Promoters at no additional consideration, or at the lowest permissible consideration, pursuant to compliance with Applicable Laws and gross up of any tax amount payable by the Investors for such Transfer or (iii) through any other mechanism permissible under Applicable Law including by adjustment to the Conversion Price/Adjusted Conversion Price (if applicable) of the Investor CCPS, the effect of which shall be such that (i) the Investors will receive the additional Equity Securities as determined as per the full ratchet anti-

		dilution protection at the price per Equity Security at the IPO Valuation; and (ii) the price per Equity Share of the Investors is reduced to the price arrived at pursuant to the IPO Valuation.
LIQUIDATION PREFERENCE		
130		130.1 Notwithstanding anything to the contrary contained in the SHA or these Investment Amending Articles, upon the occurrence of a Liquidity Event, subject to Applicable Law, the gross aggregate proceeds from such Liquidity Event, as reduced by any amounts paid or payable for discharging the statutory liabilities of the Company ("Distributable Proceeds"), shall be distributed in the following manner: 130.1.1 an amount that is the higher of: (a) amounts invested by the Investors to subscribe to its Equity Securities held by it, plus any accrued or declared but unpaid dividends on its Equity Securities; or (b) the amount per share as would have been payable to the Investors in respect of the Equity Securities held by it on a Fully Diluted Basis, pari passu and on pro rata basis amongst all Shareholders of the Company. 130.1.2 The balance Distributable Proceeds, if any, after the payment of the amounts as stipulated in Article 130.1.1. above shall be paid on a pro-rata basis to each of the Shareholders (except the Investors) as per their shareholding in the Company on a Fully Diluted Basis. 130.2 The Company shall apply for and obtain all such approvals and take all such actions as may be required to permit such payment to the Investors from the Distributable Proceeds as envisaged under the SHA and these Investment Amending Articles. 130.3 For avoidance of doubt, it is clarified that the provisions of this Article 130 shall be read with clause 2.1 of the Investment Framework Agreement.
COVENANTS		
130 A		(a) The Company and the Promoters agree and acknowledge that the Investors and/or their Affiliate shall not at any point of time be categorised or disclosed as "promoters" of the Company and shall not be required to give any guarantee and/ or letters of comfort for or on behalf of the (i) Company; and/or (ii) Promoters; and/or (ii) any of their Affiliates. (b) Each of the Promoters unconditionally and irrevocably agrees that (i) any Intellectual Property developed by the Promoters during the course of their employment/ engagement with the Company; and (ii) any Intellectual Property otherwise developed by him in relation to the Business of the Company; shall be irrevocably and absolutely be assigned to the Company, in perpetuity, free of cost and shall belong to the Company, and that he shall not assert any rights whatsoever (including moral rights) in respect of any such Intellectual Property. (c) The Promoters and the Company hereby agree and undertake that without the Investors' prior written consent, no Person (whether such Person is a Shareholder of the Company or any other Person) shall be granted any rights, which adversely impact the rights of the Investors under these Articles and the Transaction Documents. (d) Foreign Corrupt Practices Act. i. The Company shall not and shall not permit any of its Subsidiaries or any of its or their respective directors,

		shareholders, officers, managers, employees, independent contractors, representatives or agents to -- promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, to any third party, including any Non-U.S. Official, in each case, in violation of the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, Prevention of Corruption Act, 1988, Prevention of Money Laundering Act, 2002 or any other applicable anti-bribery or anti-corruption law (the "Anti-Corruption Laws"). The Company shall and shall cause its Subsidiaries to cease all of its or their respective activities, as well as remediate any actions taken by the Company, its Subsidiaries or any of their respective directors, shareholders, officers, managers, employees, independent contractors, representatives or agents in violation of the Anti-Corruption Laws. The Company shall and shall cause its Subsidiaries to maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the Anti-Corruption Laws. Upon request, the Company agrees to provide responsive information and/or certifications concerning its compliance with applicable Anti-Corruption Laws. ii. None of the Company nor any of the Company's Shareholders, directors, officers or employees has violated or have made, directly or indirectly, any payment or promise to pay, or gift or promise to give or authorized such a promise or gift, of any money or anything of value, directly or indirectly, to (a) any foreign official (as such term is defined in the Anti-Corruption Laws) for the purpose of influencing any official thereof or decision of a Governmental Authority, or (b) any foreign political party or official thereof or candidate for foreign political office for the purpose of influencing any official act or decision of such party, official or candidate or inducing such party, official or candidate to use his, her or its influence to affect any act or decision of a foreign governmental authority, in the case of both (a) and (b) above in order to assist the Company or its Subsidiaries, as applicable. None of the Company nor any of its Shareholders, directors, officers or employees has made, offered or promised any bribe rebate, payoff, influence payment, kickback or other unlawful payment of funds to any Person or received or retained any funds in violation of any Applicable Law, rule or regulation. None of the Company's shareholders, directors, officers, or employees are the subject of any allegation, voluntary disclosure, investigation, prosecution, or other enforcement action related to the Anti-Corruption Laws. iii. Neither the Company nor any of the Promoters (a) are persons with whom transactions are currently prohibited under the U.S. economic sanctions and any other applicable (or equivalent) measure; (b) have any outstanding orders in any business, transactions or other activities with any such prohibited Person; and (c) have any outstanding orders in any business, transactions prohibited by the U.S. economic sanctions and any other applicable (or equivalent) measure. iv. Neither the Company nor any Director acting for or on behalf of the Company, directly or indirectly, has established or maintains any funds or assets, in which the Company has proprietary rights, that have been recorded in the books and records of the Company. (e) Controlled Foreign Corporation. i. The Company shall not be a 'Controlled Foreign Corporation' as defined in the U.S. Internal Revenue Code of

		1986, as amended (or any successor thereto). The Company shall make due inquiry with its tax advisors on at least an annual basis regarding the Company's status as a 'Controlled Foreign Corporation' as defined in the U.S. Internal Revenue Code of 1986, as amended (or any successor thereto) and regarding whether any portion of the Company's income is 'subpart F income' (as defined in Section 952 of the U.S. Internal Revenue Code) and global intangible low-taxed income ("GILTI") (as defined in section 951A of the U.S. Internal Revenue Code). Investors shall reasonably co-operate with the Company to provide information about Investors and Investors' partners in order to enable the Company's tax advisors to determine the status of Investors and/or any of Investors' Partners as a 'United States Shareholder' within the meaning of section 951(b) of the U.S. Internal Revenue Code. No later than 60 (sixty) days following the end of each taxable year of the Company, the Company shall provide the following information to Investors: (a) the Company's capitalisation table as of the end of the last day of such taxable year, and (b) a report regarding the Company's status as a 'Controlled Foreign Corporation'. In addition, the Company shall provide to Investors with access to such other Company information as may be necessary for Investors to determine the Company's status as a 'Controlled Foreign Corporation' and to determine whether the Investors or Investors' partners are required to report its pro rata portion of the Company's 'subpart F Income' on its United States federal income tax return, global intangible low-taxed income ("GILTI") or to allow the Investors or Investors' partners to otherwise comply with applicable United States federal income tax laws. The Company and the Shareholders of the Company shall not, without the written consent of the Investors, issue or Transfer stock in the Company to the Investors if following such issuance or Transfer the Company, in the determination of counsel or accountants for Investors, would be a 'Controlled Foreign Corporation'. In the event that the Company is determined by the Company's tax advisors or by counsel or accountants for Investors to be a 'Controlled Foreign Corporation', the Company agrees to use commercially reasonable efforts to avoid generating subpart F Income and global intangible low-taxed income (GILTI"). Further, the Investors is a 'United States Shareholder' owning, within the meaning of section 958(a), stock in the Company. ii. The Company shall not be, with respect to its taxable year during which the Closing Date occurs, a 'passive foreign investment company' or 'PFIC' within the meaning of section 1297 of the Internal Revenue Code of 1986, as amended (or any successor thereto). The Company shall use commercially reasonable efforts to avoid being a 'passive foreign investment company' within the meaning of section 1297 of the Internal Revenue Code of 1986, as amended (or any successor thereto). In connection with a 'Qualified Electing Fund', election made by the Investors pursuant to section 1295 of the Internal Revenue Code of 1986, as amended, or a 'Protective Statement' filed by any of Investors' Partners pursuant to Treasury Regulation Section 1.1295-3, as amended (or any successor thereto), the Company shall provide annual financial information to the Investors in the form provided in SCHEDULE 5 (or in such other form as may be required to reflect changes in Applicable Law) of the SHA as soon as reasonably practicable following the end of each taxable year of the Company (but in no event later than 60 (sixty) days following the end of each such taxable year), and shall provide Investors with access to such other Company information as may be required for purposes of filing United States federal income tax returns of the

		Investors' partners in connection with such 'Qualified Electing Fund' election or 'Protective Statement'. The Company shall take such actions, including making an election to be treated as a corporation or refraining from making an election to be treated as a partnership, as may be required to ensure that at all times the company is treated as corporation for United States federal income tax purposes. iii. The Company shall make due inquiry with its tax advisors (and shall co-operate with Investors' tax advisors with respect to such inquiry) on at least an annual basis regarding whether Investors' or any Investors' partners direct or indirect interest in the Company is subject to the reporting requirements of either or both of sections 6038 and 6038B of the Code (and the Company shall duly inform Investors of the results of such determination), and in the event that Investors' or any Investors' Partners direct or indirect interest in Company is determined by the Company's tax advisors or Investors' tax advisors to be subject to the reporting requirements of either or both of sections 6038 and 6038B, Company agrees, upon a request from Investors, to provide such information to Investors may be necessary to fulfil Investors' or Investors' Partners obligations thereunder. iv. For purposes of this Article, (a) the term "Investor's Partners" means each of the Investors' partners and any direct or indirect equity owners of such partners; and (b) "Company" means the Company and any of its Subsidiaries. (f) Transaction with Prohibited Persons. i. The Company shall not, and the Promoters shall ensure that the Company and its Subsidiaries shall not: (a) enter into any transaction or engage in any activity prohibited by any resolution of the United Nations Security Council under Chapter VII of the United Nations Charter. (b) Conduct business or enter into any transaction with, or transmit any funds through, a shell bank. ii. If any of the Company, its Subsidiaries and/or the Promoters become aware of any violation of this Article 130A (f), such Person shall promptly within 7 (seven) days from the date of becoming aware of such violation, notify the Investors in writing, and the Company determining whether such a violation has occurred, and shall respond promptly and in reasonable detail to any notice from the Investors, and shall furnish documentary support for such response upon the Investors' request. (g) Environmental Matters. i. The Company has complied with and shall be in compliance with all the material Environmental Laws in all respects and has obtained and is in compliance with all applicable environmental permits. No written and/or formal notice of violation of liability has been received by the Company, and no litigation is pending or is threatened (as evidenced by a notice in writing received by the Company) by the Person involving the Company relating to or arising out of any Environmental Law. No order has been issued, no penalty or fine has been assessed involving the Company relating to or arising out of any Environmental Law. ii. No release of Hazardous Substance has occurred at any properties currently owned, leased, operated or used by

		the Company that has resulted in any cost, liability or obligation of the Company under the Environmental Law. The Company has not conducted any environmental site assessments, audits, investigations and studies for itself or any of its Subsidiaries. The Company has not received any notice from any Governmental Authority under Environmental Law requiring it to take action for compliance with Environmental Law, or any written notice regarding pollution of the environment or harm to human health. iii. Greenhouse Gas Audit. The Investors may require the Company and its Subsidiaries to undergo a greenhouse gas audit annually, by a Third Party agency acceptable to the Investors. The Company shall, and the Promoters shall ensure that the Company and its Subsidiaries extend full cooperation and provide all necessary information and documents required for the conduct of such audit. All such costs and expenses in relation to the conduct of such annual greenhouse gas audit shall be borne by the Company and the Investors, equally. (h) ESAP Plan. The Company shall, and the Promoters shall ensure that the Company and its Subsidiaries shall, implement and comply with the ESAP Plan and undertake the Business of the Company and its Subsidiaries in compliance with the Applicable S&E Law. The compliance with the ESAP Plan and Applicable S&E Law shall be reviewed by a Third Party service provider appointed by the Investors on an annual basis. The Company will also be subject to an annual Environmental Social Governance audit and/or the Environmental Social Governance audit: (a) on or before September 31, 2020 and (b) on an annual basis thereafter (at any time in each financial year), by an independent auditor / audit agency as approved by the Investors. The cost payable by the Company for such compliance with the ESAP Plan and the audit shall be capped at INR 15,00,000 (Indian Rupees Fifteen Lakhs) per annum. Based on the findings of such Third Party service provider/independent auditor, the ESAP Plan shall be revised / modified mutually by the Investors, the Company and the Promoters, if deemed necessary by such Third Party service provider/independent auditor, and the Company shall implement and comply with such revised / modified ESAP Plan, as the case may be, from time to time. (i) Within maximum 24 (twenty four) hours after its occurrence, the Company and Promoters shall notify the Investors of any social, labor, health and safety, security or environmental incident, accident or circumstance having, or which could reasonably be expected to have, any material adverse social, health, labour, health and safety, security and/or environmental impact or any material adverse impact on the implementation or operation of the Business in compliance with the ESAP Plan and/or Applicable S&E Law, specifying in each case the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures the Company and its Subsidiaries is taking or plans to take to address them and to prevent any future similar event; and keep the Investors informed of the on-going implementation of those measures. The Company shall at all times, comply with the provisions of the ESAP Plan and subject to Article 130A(h) above, undertake, on a yearly basis, an external audit in respect of the gaps identified pursuant to the adoption and implementation of the ESAP Plan. (j) The Company shall appoint a Chief EHS Officer, as acceptable to the Investors, on terms deemed appropriate by the Company, on or before March 31, 2020, who shall be

		responsible to ensure that: (i) the Company is in compliance with Applicable Laws relating to the environment, health and safety and Applicable Laws relating to human resources and labour; (ii) the Company has obtained all Approvals required under Applicable Laws including Applicable Laws relating to environment, health, safety and labour and that such Approvals are renewed from time to time and that their terms and conditions are complied with; (iii) promptly undertake the necessary corrective actions in the event of any non-compliance with Applicable Laws identified by the Company, Governmental Authority or any other Person. For avoidance of doubt, the re-appointment and/or removal of a Chief EHS Officer shall be subject to the prior consent of the Investors. (k) Information Rights of the Investors. Subject to Applicable Law and Article 130A(t), the Company shall provide the following information to the Investors in relation to the Company, as long as such Investors holds any Equity Securities in the Company: i. copies of management reports at the end of each month; amongst others, the management reports should summarize progress against the Annual Business Plan, including (i) actual vs. forecast financial results, (ii) actual vs. forecast capital expenditures, and (iii) progress against business development targets, as well as noting of any significant operational issues; ii. audited financial statements comprising (i) balance sheet; (ii) profit and loss statement; (iii) cash flow statement; and (iv) the management discussion and analysis of the operations of the Company for that period, within 180 (one hundred eighty) days after the end of each Financial Year; iii. (a) unaudited quarterly income, balance sheet and cash flow statements; and (b) other information including correspondence with the Company's Auditors, litigation, filings made with Governmental Authorities, etc., within 30 (thirty) days after the end of each fiscal quarter; iv. monthly MIS and marketing reports, within 30 (thirty) days after the end of each month in a format agreed upon by the Investors with the Company's Chief Financial Officer or statutory auditor either before or after the Closing Date; v. any instances of breach of or non-compliance with Applicable Laws relating to environment, health, safety and labour or any notice received from the Governmental Authorities in relation to non-compliance with such Applicable Laws; vi. any information (including any notices issued) to Shareholders holding Equity Shares of the Company; vii. Any other information which the Investors may reasonably require, within 30 (thirty) days of receipt of a written notice requesting such information. (l) Inspection and Visitation Rights i. The Investors or its authorised representatives

		(including third party agencies) shall be entitled to carry out inspection of any of the properties or assets of the Company as the Investors may from time to time decide, including, accounts, documents, records, premises, equipment and all other property of the Company through their representatives and/or agents and the Company shall provide such information, data, documents, evidence as may be required for the purpose of and in the course of such inspection. The Investors shall be entitled to consult the auditors, employees, officers, etc. of the Company for matters pertaining to the Company, including but not limited to the Business and financial affairs of the Company. ii. Unless otherwise agreed by the Company, the Promoters and the Investors, it is clarified that the Investors shall be required to provide a written notice 1 (one) days prior to the date of conducting the inspection. The Investors or its authorized representative shall be permitted to conduct the inspection. The cost of such inspection shall be borne by the Investors in its entirety. (m) Annual Business Plan. Not later than 60 (sixty) days, but sooner than 90 (ninety) days before the commencement of a Financial Year, the Company shall, subject to compliance with Article 125 (Reserved Matters), adopt the Annual Business Plan in respect of the forthcoming Financial Year. If the prior consent of the Investors in relation to the Annual Business Plan is not obtained under Clause 4 (Reserved Matters), then adoption of such Annual Business Plan shall not be deemed to be valid and shall be considered void. Notwithstanding anything contained in this Clause 10.15, but subject to the provisions of SCHEDULE 2 of the SHA, any deviation of up to 5% (five percent) of the thresholds for each of the line items provided for in the Annual Business Plan, shall be deemed approved by the Investors and to that extent shall form part of the Annual Business Plan for the relevant Financial Year. (n) The Company shall perform all acts required to be done to ensure that all Approvals required for carrying on the Business remain valid and subsisting on and after the Closing Date, including making appropriate filings with or giving intimations to the relevant Governmental Authorities. (o) In the conduct of its Business, the Company shall make best efforts to employ all best industry practices, whether or not such standards are required under Applicable Law. (p) The Company shall at all times, (a) be in compliance with all material Applicable Laws in all applicable jurisdictions in order to be able to carry on the Business, and (b) comply with all published codes of ethics applicable to the Business. (q) All Intellectual Property required for the Business shall be owned and registered (where registrable) or licensed only in the name of the Company. (r) The financial statements prepared by the Company shall be complete and correct in all material respects and shall be prepared in conformity with India's Generally Accepted Accounting Principles (including the Indian Accounting Standards) and applied on a consistent basis throughout the periods reflected therein. (s) From the financial year commencing April 1, 2021

		onwards, the Company and the Promoters shall ensure that the Company shall at all times appoint one of the Big Four Auditors as its statutory auditor, unless agreed in writing otherwise by the Investors. (t) IPO: The Company shall and the Promoter shall ensure that the Company shall complete the Proposed IPO by December 31, 2019 ("Proposed IPO Date"). If the Proposed IPO is not completed on or before the Proposed IPO Date, then the Company, the Promoters and the Investors may, mutually agree to, further extend the period of completion of the Proposed IPO, wherein such extension shall in no event exceed 3 (three) months from the Proposed IPO Date ("Extended IPO Date"). (u) Notwithstanding anything contained in this Agreement or the other Transaction Documents (excluding the Investment Framework Agreement) or any other documents, the Promoters shall ensure the release of any or all Encumbrance over the Encumbered Shares in accordance with the Promoter Loan Documents by March 31, 2021, subject to the extension of the time period specified under Article 130A(v), failing which: (i) the Conversion Ratio and Conversion Price of the Investor CCPS shall be immediately adjusted in the manner contemplated under the terms of the Investor CCPS provided under the SSA and provisions of clause 16.8 of the SHA shall apply; and (ii) the same shall amount to an Event of Default under Article 134 and the consequences set out under Article 134.5 shall apply. (v) Upon the execution of a term sheet or a memorandum of understanding with any potential investor for the acquisition of Equity Shares held by the Promoters for an amount of that is sufficient to release the Encumbrance on the Encumbered Shares on or prior to March 31, 2021, the period for release of the Encumbrance over the Encumbered Shares under the Promoter Loan Documents (as specified in Article 130A(u) above) shall be extended to June 30, 2021 and accordingly, the consequences set out in Article 130A (u) above (that is, the adjustment of the Conversion Ratio and Conversion Price of the Investor CCPS and the occurrence of an Event of Default) shall apply only if the Promoters are unable to release the entire Encumbrance over the Encumbered Shares on or prior to June 30, 2021
INFORMATION RIGHTS OF THE INVESTORS		
131		Subject to Applicable Law, the Company shall provide the following information to the Investors in relation to the Company, as long as such Investors holds any Equity Securities in the Company: 131.1 copies of management reports at the end of each month; amongst others, the management reports should summarize progress against the Annual Business Plan, including (i) actual vs. forecast financial results, (ii) actual vs. forecast capital expenditures, and (iii) progress against business development targets, as well as noting of any significant operational issues; 131.2 audited financial statements comprising (i) balance sheet; (ii) profit and loss statement; (iii) cash flow statement; and (iv) the management discussion and analysis of the operations of the Company for that period, within 180 (one hundred eighty) days after the end of each Financial Year; 131.3 (a) unaudited quarterly income, balance sheet and cash flow statements; and (b) other information including correspondence with the Company's Auditors, litigation,

		filings made with Governmental Authorities, etc., within 30 (thirty) days after the end of each fiscal quarter; 131.4 monthly MIS and marketing reports, within 30 (thirty) days after the end of each month in a format agreed upon by the Investors with the Company's Chief Financial Officer or statutory auditor either before or after the Closing Date; 131.5 any instances of breach of or non-compliance with Applicable Laws relating to environment, health, safety and labour or any notice received from the Governmental Authorities in relation to non-compliance with such Applicable Laws; 131.6 Any other information which the Investors may reasonably require, within 30 (thirty) days of receipt of a written notice requesting such information.
QUALIFIED INITIAL PUBLIC OFFERING		
132		132.1 Subject to 130. A. (t) of these Articles, on or prior to the expiry of 4 (four) years from the Closing Date ("IPO Due Date"), the Company and the Promoters shall, on a best effort basis, undertake the listing of its Equity Securities on the Stock Exchanges pursuant to a QIPO. 132.2 The QIPO shall be undertaken by the Company in compliance with all Applicable Laws. The Company, the Promoters and the Investors shall take all reasonable steps and extend all necessary cooperation to the lead managers, underwriters, and other advisors as may be required for undertaking the QIPO, including to obtain all relevant approvals which are necessary for the QIPO and provide valuations. 132.3 The QIPO shall be managed by a reputed investment banking firm of recognized high standing in the market, appointed in consultation with the Investors, in which the Equity Securities of the Company are to be offered. Further, the Company may appoint a merchant banker registered with the Securities and Exchange Board of India for the purposes of evaluating the QIPO, in consultation with the Investors ("QIPO Banker"). 132.4 In relation to the QIPO, the following matters shall be determined by the Board in accordance with this Article 132 and based on the advice of the QIPO Banker, the Company, the Promoters and the Investors hereby agree that this decision of the Board shall be final and binding on them: 132.4.1 the method of listing the Equity Securities; 132.4.2 the timing of the QIPO; 132.4.3 the offer price per Equity Security; 132.4.4 the size of the QIPO; 132.4.5 the appointment of merchant bankers, lead managers, registrars, financial advisors, issue managers, underwriters and legal counsels; and 132.4.6 the stock exchanges on which the Equity Securities are to be listed. Provided that, if the Investors are participating in the Offer for Sale in an IPO (including QIPO), the Board shall seek prior written consent of the Investors for any decision in relation to Article 132.4.3 (the offer price per Equity Security), Article 132.4.4 (the size of the QIPO); Article 132.4.5, to the extent it relates to the appointment of merchant bankers, lead managers and investment bankers.

		132.5 Notwithstanding anything contained in Article 132.4 above, the QIPO undertaken by the Company under this Article 132 may include an Offer for Sale component, where the number of Equity Securities to be offered by way of Offer for Sale as well as the identity of the Shareholders selling them, shall, subject to compliance with Applicable Laws, be decided by the Company on the basis of the advice of the QIPO Banker, and subject to the prior written consent of the Investors. 132.6 The Investors shall have the right, but not the obligation, to offer, in an Offer for Sale, all or any of their respective Equity Securities in priority to the Promoters, on the same terms and conditions as the primary shares offered to the public by the Company, provided that the quantum of the secondary component shall be decided in accordance with Article 132.5 above, subject to statutory lock in requirements under Applicable Laws applicable to the Investors. 132.7 The Company and the Promoters hereby confirm that (a) the Investors and its Affiliates shall not be considered, or named as (whether in the offer documents, or any other document), "promoters" or part of the "promoter group" of the Company including with respect to any QIPO; and (b) if any of the Shares are required to be locked-in or are required to be subject to any Encumbrance as applicable to 'promoters', the Promoters alone shall be responsible for meeting such lock-in and / or Encumbrance requirements. 132.8 The Investors shall not be required to give any representation, warranty or indemnity in connection with the QIPO, other than in case of an Offer for Sale of any Equity Securities held by the Investors, where the Investors agrees to provide such customary representations and warranties only in relation to the Equity Securities proposed to be sold and as may be required to be provided by the Investors. 132.9 The Company, the Promoters and the Investors undertake to do the following, in the connection with a QIPO: 132.9.1 Undertake to exercise their voting rights (at the Shareholder or Board level) to cause the Board to take all steps necessary for the Company to undertake a QIPO. 132.9.2 Provide all material information that is necessary to file the prospectus and other documents in relation to the QIPO, and ensure compliance with all Laws including the Act, the SEBI Regulations etc. 132.10 Subject to Applicable Law, all expenses in connection with the QIPO shall be borne by the Company.
OTHER EXIT OPTIONS		
133		133.1 Where no IPO (including the Proposed IPO or the QIPO) has occurred within the IPO Due Date and the Investors has not been able to liquidate its shareholding in the Company at the expiry of 5 (five) years from the Closing Date ("No Liquidity Event"), the Investors shall, without prejudice to the Investors' right to transfer its securities at any point in time in accordance with Clause 5 (Transfer by Investor) of the SHA, have the rights provided for under this Article 133. 133.2 Upon the occurrence of a No Liquidity Event, the Promoters and the Company shall identify a Person(s) who is willing to purchase all of the Equity Securities held by the Investors either in single or multiple tranches, and which Purchaser is acceptable to the Investors. It is clarified that all costs and expenses incurred by the Company with respect to

the identification of a Person willing to purchase the Equity Securities (including appointment of a reputed investment banker(s) as may be required by the Investors in this regard), shall be borne solely by the Company, without any recourse to the Investors.

133.3 Once such Person(s) have been identified for the Transfer of the Investor Securities or if the Investors has identified a purchaser to purchase the Investor Securities in accordance with Clause 5 (each of such event to be referred as "Trade Sale" and each of such proposed transferee to be referred as "Exit Purchaser")), the Investors shall have the sole discretion to agree to the terms of the Trade Sale pertaining to the sale of its Equity Securities as proposed by the Exit Purchaser.

133.4 The Investors shall not be required to make any representations or warranties or provide any indemnities to the Exit Purchaser(s), other than fundamental representations and warranties in relation to the Equity Securities being transferred under the Trade Sale. The Company and the Promoters agree and undertake to provide representations and warranties (which are customary for a transaction of this nature) as required by the Exit Purchaser(s) in respect of the business and operations of the Company.

133.5 The Company and/or the Promoters shall provide all necessary Approvals and assist the Investors in obtaining any such Approvals as required to complete the Trade Sale.

133.6 In the event that the Exit Purchaser(s) intend to purchase Equity Securities in addition to those held by the Investors to complete the Trade Sale, the Investors shall be entitled to require the Promoters to Transfer any or all of the Equity Securities held by such Promoters, (including the Encumbered Shares in the manner contemplated under the IFA), pursuant to a notice ("Drag Notice") setting out the number of Equity Securities required to be Transferred by the Promoters ("Drag Securities") and the price per Equity Security for such Transfer along with details of the proposed transferee and the Promoters shall be bound to Transfer the Drag Securities held by them, free and clear of any Encumbrance, on the terms set out in the Drag Notice which shall be the same terms as offered to the Investors (such sale to be referred to as "Drag Sale" and such right of the Investors to be referred to as "Drag Right").

Provided however that in the event the Drag Securities, along with the Investor Securities collectively exceed 26% (twenty six percent) of the total shareholding of the Company on a Fully Diluted Basis ("Trade Sale Securities") and the Promoters do not intend to transfer their portion of the Trade Sale Securities, the Investors shall, (A) have the right to require the Promoters to purchase, the Investor Securities ("Put Option") on terms and conditions that are no less favourable to the Investors than those offered by the Exit Purchaser(s) and, subject to the provisions specified under Applicable Laws, at a price which is the higher of: (i) the price as offered by the Exit Purchaser(s) or (ii) the fair market value of the Equity Securities determined by an independent valuer jointly appointed by the Investors and the Company and (B) have a right to require the Company to buyback the Investor Securities in accordance with Applicable Laws at a price which is the higher of: (i) the price as offered by the Exit Purchaser(s) or (ii) the fair market value of the Equity Securities determined by an independent valuer jointly appointed by the Investors and the Company ("Buyback

		Option”). 133.7 In the event the Investors exercise the Put Option and/or the Buyback Option, and the Promoters and/or the Company do not complete the purchase of the Investor Securities in accordance with Article 133.6 above within 120 Business Days from the exercise of such option by the Investors, then the Investors shall require the Promoters to transfer the entire Drag Securities as may be required by the Exit Purchaser. 133.8 Pursuant to the exercise of the Put Option by the Investors, if the Promoters intend to raise third party financing to purchase the Equity Securities of the Investors in accordance with Applicable Laws, the Investors agree to provide their written consent for creation of Encumbrance over the Equity Securities held by the Promoters to secure such third party financing, provided that the Encumbrance shall be created simultaneously with the consummation of the Transfer of the Equity Securities held by the Investors to the Promoters pursuant to the exercise of the Put Option. 133.9 All costs and expenses incurred in relation to the Drag Sale shall be borne entirely by the Company. Each Promoter shall co-operate and take all necessary and desirable actions in connection with the consummation of the Drag Sale including without limitation, timely execution and delivery of any agreements and instruments to complete the Drag Sale, providing access and information as may be requested by any potential purchaser and co-operating in any due diligence conducted by the potential purchaser or be subject to any restrictive covenants pursuant to or in relation to the Drag Sale. 133.10 Further, in the event a Third Party Funding is proposed to be undertaken by the Company, the Investors hereby agree to extend in good faith, cooperation and assistance required (including entering into any supporting documents) to provide for and agree with the Third Party investor providing such Third Party Funding, to a suitable mechanism to jointly exercise the Drag Right set out herein.
EVENT OF DEFAULT		
134	Event of Default Consequences of Event of Default Investor Event of Default Consequences of Investor Event of Default	134.1 Event of Default Upon the occurrence of any of the following events in respect of the Promoters and/or the Company (“Defaulting Party”), an event of default shall be deemed to have occurred (“Event of Default”): 134.1.1 (A) any breach or default by any of the Defaulting Party of the following provisions: a) Board Related Matters Articles 124.1.1 (Composition and size of the Board), 124.1.2. (Observer), 124.1.6 (Committees of the Board), 124.1.8, 124.1.9, 124.1.10, 124.2.5 (Quorum), b) Shareholder Meetings Related Article 124.3.6 (Quorum- Shareholder Meetings) c) Article 128 (Further Issue of Shares), Article 129 (Anti-Dilution), Article 130 (Liquidation Preference) d) Article 127 (Transfer by Promoters)

		e) Covenants Clause 10.4 (Foreign Corrupt Practices Act), Clause 10.5 (Controlled Foreign Corporation), Clause 10.6 (Transaction with Prohibited Persons), Clause 10.7 (OFAC), Clause 10.13 (Information Rights of Investors), Clause 10.16 (Non-compete), extension of the Proposed IPO Date in breach of Clause 10.23, Clause 10.24 and Clause 10.25 of the SHA f) Failure to honour put option / buyback option (subject to provisions of Applicable Laws) under Article 133.6. (B) any material breach by any of the Defaulting Party of Article 125 (Reserved Matters). 134.1.2 If: (a) notice for Event of Default is received by the Company/ Promoters except when such Event of Default is caused due to any act or omission by the Investors under the IFA as more specifically provided under clause 12.16 of the IFA; or (b) in case of default in payment of debt obligations by the Company/Promoter, under any borrowing related documents executed by the Company and/or the Promoters including the Promoter Loan Documents and if any cure period is available under the respective loan documents, such default is not cured within the cure period to the satisfaction of the relevant lender/trustee under such borrowing related documents; 134.1.3 breach of any EOD Warranties by the Company and/or the Promoters, as the case maybe; or 134.1.4 failure to release the Encumbrance over the Encumbered Shares by March 31, 2021 or as maybe extended to June 30, 2021 in accordance with Clause 10.25 of the SHA; or 134.1.5 any issues relating to the ESAP such that: (a) such issues result in a criminal conviction against the Company, Promoters or any of its employees, unless such conviction is vacated or removed, within the periods prescribed under Applicable Law; and/or (b) such issues result in the closure of any of the premises of the Company or impacts business continuity of the Company for more than 30 (thirty) days and/or has any material adverse impact on the output of factories operated by the Company; and/or (c) such issues result in a cumulative aggregate penalty of INR 10,00,00,000 (Indian Rupees Ten Crores, unless such penalty is stayed by the appropriate Governmental Authority in accordance with Applicable Law; or 134.1.6 (a) if further Encumbrance is created on the Equity Securities held by the Promoter which is in excess of 20% (twenty percent) of the percentage of the Pledged Shares; and/or (b) if further Encumbrance (by way of a non-disposal undertaking or drag right or otherwise) is created on the Equity Securities held by the Promoter which is in excess of 20% (twenty percent) of the percentage of the NDU Shares; and/or (c) increase in the principal amount by more than 20% of the existing principal amount under the Promoter Loan Documents; and/or (d) increase in the interest rate by more than 20% of the existing interest rate under the Promoter Loan Documents. 134.1.7 Failure to appoint Chief EHS Officer in accordance with the SHA by September 2020.

134.1.8 any act or omission by the Defaulting Party, through their agents or employees or advisors or representatives, constituting fraud, or wilful default in respect of or concerning the Company or the Promoters.

134.2 It is clarified that on the occurrence of an Event of Default vis-à-vis any of the Promoters and/or the Company, the Promoters and the Company shall, jointly and severally, be deemed to be the Defaulting Parties.

134.3 Consequences of an Event of Default

Upon the occurrence of an Event of Default, the Defaulting Parties shall have a period of 30 (thirty) days from such occurrence to rectify the Event of Default ("Cure Period") to the satisfaction of the Investors. If such Event of Default is not rectified within the Cure Period to the satisfaction of the Investors, then the Investors shall, without prejudice to any other rights under the Transaction Documents or Applicable Law, be entitled to the following:

134.3.1 Cause the Promoters and the Company to provide any or all of exit rights as set out in Article 126.5 (Transfer to Competitor) and Article 133 (Other Exit Options) as if such exit rights have been triggered at such time and as if the No Liquidity Event has occurred.

134.3.2 All the obligations of the Investors under the SHA and these Investment Amending Articles, including in relation to the Transfer of Equity Securities by the Investors (except as provided for in Article 126.3), shall lapse.

134.3.3 All the rights of the Promoters (except the rights under Article 124.1.1 (Composition and size of the Board), Article 124.2 (Board Meetings) Article 124.3 (Shareholders' Meetings), Clause 5.5.2 and Clause 12.8 of the SHA) under the SHA and these Investment Amending Articles, shall lapse.

134.3.4 The Investors shall have the right to convert the CCPS held by them at the Adjusted Conversion Ratio in accordance with Article 136.

134.4 Investor Event of Default

Upon the occurrence of any of the following events in respect of the Investors ("Defaulting Investors"), an event of default shall be deemed to have occurred on the breach of the following ("Investor Event of Default"):

134.4.1 Completion of the Transfer of the Shares by the Investors in contravention of Clause 5 (Transfer by Investors) of the SHA;

134.4.2 Breach of Clause 17.7 (Assignment) of the SHA at the time of assignment by the Investors;

134.4.3 Breach of the representations and warranties set out in paragraphs a), b) and c) of Clause 15 of the SHA by the Investors.

It is clarified that on the occurrence of an Event of Default vis-à-vis any of the Investors under this Article 134.4, the Investors shall, jointly and severally, be deemed to be the Defaulting Investors.

134.5 Consequences of an Investor Event of Default

		Upon the occurrence of an Investor Event of Default, the Defaulting Investors shall have a period of 30 (thirty) days from such occurrence to rectify the Investor Event of Default ("Investor Cure Period") to the satisfaction of the Promoters. If such Investor Event of Default is not rectified within the Investor Cure Period to the satisfaction of the Promoters, then all the rights of the Investors (except the rights under Article 124.1.1 (Composition and size of the Board), Article 124.2 (Board Meetings) Article 124.3 (Shareholders' Meetings)) under these Investment Amending Articles, shall lapse. For avoidance of doubt, occurrence of an Investor Event of Default shall not affect the terms of the Investor CCPS and the rights of the Investors under Clause 16.8 of the SHA in any manner.
TERMINATION		
135		135.1 Subject to Article 130A(t), Article 135.2 and Article 135.4, the Company, Promoters and Investors hereby agree that the rights and obligations provided under these Articles shall continue even after the consummation of Proposed IPO or QIPO or any other IPO undertaken in accordance with the SHA and these Articles, unless to the extent such rights and obligations fall away under Applicable Laws, or as may be required by SEBI. 135.2 Subject to the provisions of Applicable Laws, the Company, the Promoters and the Investors hereby agree that only the following rights of the Investors under these Articles shall survive and continue to be valid upon the consummation of the Proposed IPO: (a) Right under Article 124.1.1. (in relation to appointment of Investor Nominee Directors), subject to ratification of the appointment of such Investor Nominee Directors by the Shareholders of the Company in the first general meeting after the completion of the Proposed IPO; and (b) Right under Article 124.1.2 (in relation to appointment of the Observer), unless it is not acceptable to the Securities and Exchange Board of India, subject to ratification of the appointment of such Observer by the Shareholders of the Company in the first general meeting after the completion of the Proposed IPO. It is clarified that until such ratification by the Shareholders of the Company, the relevant Investor Nominee Director's / Observer's appointment shall continue. The Company, the Promoters and the Investors hereby agree that other than as provided under this Article 135.2, the Investment Amending Articles and the Framework Articles shall stand automatically terminated on the date of receipt of the final listing and trading approval from the Stock Exchanges in relation to the Proposed IPO. 135.3 Further, in the event that the SHA is terminated in accordance with Clause 16 of the SHA, the Investment Amending Articles (except Article 136 and provisions relating thereto) shall cease to be in force and shall stand lapsed on the date of such termination. 135.4 In the event that the Proposed IPO is not consummated for any reason whatsoever, then the rights and obligations that have been suspended or terminated in accordance with Article 135.2 above, shall be reinstated and shall be applicable to the Company, Promoters and Investors in the manner provided under this Part B and Part C of these Articles and as if no rights had been suspended or terminated

		prior to the consummation of the Proposed IPO. The Parties hereby agree that in order to give effect to this provision, the Company, Promoters and Investors shall enter into appropriate agreements/documentation (as maybe necessary) in good faith for purposes of giving effect to and for the enforceability of such rights and obligations (including specifically any rights that cannot be automatically reinstated on account of any reason whatsoever including specifically that such rights are intrinsically linked to the Investor holding CCPS). 135.5 In the event that the CCPS is converted into Equity Shares in accordance with the terms of such CCPS and in respect to any Equity Shares subscribed to by the Investors, the Company, Promoters and Investors hereby agree that in order to give effect to the rights of the Investors under these Articles, the Company, Promoters and Investors shall agree to suitable mechanisms and execute appropriate agreements/documentation (as maybe necessary) in good faith for purposes of giving effect to and for the enforceability of such rights and obligations (including Transfer or issuance of additional Equity Securities to the Investors at the specified valuation in accordance with the provisions of these Articles.
TERMS OF THE CCPS		
136	Issue Conversion Price Conversion Liquidation Preference Voting Rights	The terms of CCPS are as follows and shall be mutatis mutandis reproduced in the Articles as well as on the back of the share certificates issued for the CCPS: 136.1 Issue (a) Subject to Applicable Laws, each CCPS shall be compulsorily convertible into Equity Shares in accordance with Paragraph 3 of SCHEDULE II of the SSA. (b) Each CCPS shall have a par value of INR 100/- (Rupees Hundred only) each ("Par Value"). (c) Dividend: The CCPS shall confer on the holder of CCPS the right to receive, in priority to the holders of Equity Shares and on a pari passu basis with other holders of preference shares (if any), a preference dividend equal to 0.01% (zero point zero one percent) (the "Preference Dividend") per Financial Year. The right to receive the Preference Dividend shall be non-cumulative. The Preference Dividend shall become due and payable to the holder of CCPS from the date of Shareholders' meeting of the Company in which the Preference Dividend has been declared but in no event later than 15 (fifteen) days from such declaration. No dividend or distribution may be paid to or set aside for holders of Equity Shares unless the Preference Dividend is paid to the holder of CCPS. 136.2 Conversion Price (a) As on the Closing Date, the conversion ratio of each CCPS shall be 1:10 ("Conversion Ratio") and the conversion price of each CCPS shall be INR 178 (Rupees One Hundred Seventy Eight only) ("Conversion Price"). Subject to Applicable Law, the Conversion Price shall be, and the Conversion Ratio shall be correspondingly adjusted upon the occurrence of the following events listed under (ii) below. (b) Adjustments. (i) Except in case of occurrence of the event specified in sub-clause (b) below, if the Promoters have been unable to secure release of all Encumbrances over the Pledged Shares (including specifically the pledge created pursuant to the Promoter Loan Documents) on or before March 31, 2021, then the Conversion Price shall be INR 142.4 (Indian Rupees

		One Hundred and Forty Two Point Four)("Adjusted Conversion Price"), and the Conversion Ratio shall be 1:12.5 ("Adjusted Conversion Ratio"). (ii) Upon the execution of a term sheet or a memorandum of understanding with any potential investor for the acquisition of Equity Shares held by the Promoters for an amount that is sufficient to release the Encumbrance on the Encumbered Shares, on or prior to March 31, 2021, the period for release of the Encumbrance under the Promoter Loan Documents (as specified in (a) above) shall be extended to June 30, 2021 and accordingly, the Adjusted Conversion Price and the Adjusted Conversion Ratio shall apply only if the Promoters are unable to release the pledge on or prior to June 30, 2021. (iii) The Conversion Price and Conversion Ratio or the Adjusted Conversion Price (if applicable) and Adjusted Conversion Ratio (if applicable), shall be adjusted pursuant to the provisions of clause 8.1 or clause 8.2 of the SHA, as the case maybe. (c) If, whilst any CCPS remains capable of being converted into Equity Shares, the Company splits, sub-divides (stock split) or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the Conversion Ratio or the Adjusted Conversion Ratio, as applicable shall be proportionately decreased in the case of a split or sub-division (stock split), and likewise, the Conversion Ratio or the Adjusted Conversion Ratio shall be proportionately increased in the case of a consolidation or (reverse stock split). 136.3 Conversion (a) Voluntary Conversion: The CCPS shall be converted to Equity Shares on a day selected by the holder of CCPS by issuing a notice in writing to the Promoters and the Company, (the "Conversion Date"). Within 10 (ten) days of the receipt of the notice, each CCPS shall on such Conversion Date, be converted into Equity Shares in the manner specified in this Schedule, subject to stock splits, combinations, reclassification or reorganisation of share capital and anti-dilution adjustments provided herein. (b) Mandatory Conversion: Further, at the end of the 19th (nineteenth) year from the Closing Date, the CCPS which are not so converted shall stand automatically converted into Equity Shares. In relation to the listing of the Equity Shares on any stock exchange, if mandated by Applicable Law, CCPS shall automatically convert to Equity Shares on the last date permitted under such Applicable Laws. (c) For avoidance of doubt, if the Company files a red herring prospectus for the Proposed IPO in accordance with the provisions of the Transaction Documents, it is hereby clarified that the Investors shall convert the CCPS to Equity Shares at or before the time of filing of the red herring prospectus for such Proposed IPO. (d) The Company shall pay the expenses arising on the issue of the Equity Shares pursuant to any conversion including any stamp duty payable, if applicable. (e) The Company shall, from the date of subscription of the CCPS till the Conversion Date, maintain sufficient authorised but unissued share capital in the Company to be

		able to issue Equity Shares to the holder of CCPS in accordance with this Schedule, assuming that the CCPS shall convert basis the Adjusted Conversion Ratio. (f) As soon as practicable after and, in any event, not later than 5 (Five) days after the Conversion Date, the Company will issue the following to the Investors: (i) duly stamped and executed share certificates with respect to the Equity Shares issued on conversion of the CCPS; (ii) certified true copies of resolution passed by the Company, and all filings made to give effect to and validate the issue of the Equity Shares issued upon conversion of the CCPS; (iii) certified true copy of the register of members of the Company showing the CCPS holders as the registered owner of the Equity Shares issued pursuant to this paragraph; and (iv) file necessary returns of allotment with the Registrar of Companies in the relevant jurisdiction and other Governmental Authorities as required under Applicable Law. (g) The Equity Shares issued upon conversion of the CCPS shall be fully-paid and free of all liens, charges and Encumbrances and will in all respects rank pari passu with the Equity Shares already issued as on the Conversion Date and shall be freely transferable subject only to restrictions in the SHA and Restated Articles. (h) No Fractional Shares. No fractional Equity Shares shall be issued upon conversion of CCPS. If the computation of the number of Equity Shares to be issued results in a fraction, then, subject to Applicable Law: (i) If the fraction is up to 0.49, then the number of Equity Shares shall be rounded off to the lower whole number; and (ii) If the fraction is 0.5 or more, then the number of Equity Shares shall be rounded off to the higher whole number. (i) All Equity Shares that are issued as a result of the conversion of the CCPS shall (i) be validly issued as per the provisions of Applicable Laws; (ii) be issued free from Encumbrances; and (iii) rank pari passu with the then issued Equity Shares. 136.4 Liquidation Preference Upon the occurrence of a Liquidity Event, the holder of CCPS shall be entitled to receive the proceeds from such Liquidity Event in accordance with the provisions of Clause 9 (Liquidation Preference) of the SHA. 136.5 Voting rights (a) Each holder of CCPS shall have such rights to attend and vote at general meetings of the Company as are from time to time prescribed by Applicable Laws on an 'as if converted' basis. Accordingly, each CCPS shall confer on the holder, all the Relevant Rights, pari passu with the Relevant Rights conferred on the holder of an Equity Share (on a Fully Diluted Basis).

		(b) In this Article 136.5 'Relevant Rights' means the right to receive notice of, and to be present and to vote, either in person or by proxy, at any general meeting of the Company as set out for the Investors under the SHA.
ANNEXURE 1		
	Reserved Matters Part I	1. Approval of the Annual Business Plan, any amendment to the approved Annual Business Plan or take any actions that are inconsistent with such Annual Business Plan. 2. Enter into any contracts with any Persons which involves payment of consideration by the Company in excess of INR 2,00,00,000 (Indian Rupees Two Crores), unless provided in the Annual Business Plan. 3. Making capital expenditure, by way of single transaction or series of transaction, in excess of INR 10,00,00,000 (Indian Rupees Ten Crores) on an aggregate basis in a Financial Year, which is not budgeted in the Annual Business Plan. 4. Adoption of or amendment to plans for granting incentives to employees in the form of stock options in the Company or other performance-based compensation.
	Part II	5. Withdrawal of the Proposed IPO or modification or variation of the terms on which the Proposed IPO is undertaken (including the issue size, size of the Offer for Sale component etc.). 6. Any amendment to the Memorandum and Articles; 7. Any variation of rights attached to the Equity Securities held by the Investors or any action or omission which would adversely affect the rights of the Investors in relation to its Equity Securities. 8. Create, allot or issue or Transfer any Equity Securities or securities of the Company, or grant any option, warrant or other right to require the allotment or issue of any such securities whether conditional or otherwise to any Person below a valuation of INR 1600,00,00,000 (Indian Rupees Sixteen Hundred Crores). 9. Permit the liquidation, dissolution or winding-up of the Company. 10. Mergers (except for a the merger of Express Infra Projects LLP into the Company undertaken pursuant to the Promoter Loan Documents), demergers, restructuring, acquisitions, change of Control, sale or transfer of the Company or any of its business, amalgamations, consolidations, spin-offs, compromise with creditors, other similar or related actions, either by or of the Company, including occurrence of any Liquidity Event. 11. Divestment of or sale of assets of businesses, lease, license or exchange or pledge in any other way proposing to dispose all or substantially all of the assets of the Company or undertaking of the Company in excess of INR 5,00,00,000 (Indian Rupees Five Crores) on a cumulative basis, in any Financial Year other than: (a) as approved under the Annual Business Plan; or (b) in the ordinary course of business of the Company. 12. Any transaction (including by way of dividends, buy back of shares etc.) with a Related Party or any Promoters or their Affiliates, including payment of any remuneration,

		salary or perquisites or any other form of compensation/payout to the Promoters (collectively) exceeding 10% (ten percent) of the profit after tax of the Company for the previous Financial Year as reflected in the audited financial statement of the Company for such Financial Year. 13. Increase, reduce, repay, purchase, redeem, subdivide, consolidate, buy-back or otherwise vary or enter into a contract to vary the authorized or issued share capital of any Company (other than the issue of shares upon the exercise of options granted under the ESOP Scheme). 14. Create, issue or allow to come into being any mortgage or charge or Encumbrance over any assets of the Company in respect of the debt raised by the Company in accordance with the provisions of the Transaction Documents (including paragraph 15 of this ANNEXURE 1). 15. Any debt raised by the Company (whether through loans, issuance of debt securities or in any other manner including non-fund based limits, excluding the margin money requirement for availing such non-fund based debt), in excess of 3.5x (three point five times) the EBITDA of the Company. 16. Enter into any guarantee or indemnity obligations, except (i) in the ordinary course of business of the Company; (ii) for availing of any debt financing by the Company; and/ or (iii) for availing of any equity financing by the Company. 17. Formation/ dissolution of any subsidiary or entering into any joint venture or similar arrangement by the Company, acquisition of other businesses by the Company or any other investments by the Company wherein such investments are in excess of INR 1,00,00,000 (Indian Rupees One Crore). 18. Disposal of assets whose value on an aggregate basis in each Financial Year exceeds 10% of the Company's net asset value (on the basis of the latest audited financial statements). 19. Appointment or removal of the Independent Director 20. Change in composition of the Board of the Company (except for any appointment of Directors on the Board pursuant to the Promoter Loan Documents) or any changes to the Key Managerial Personnel of the Company. 21. Appoint or remove statutory auditors and internal auditors to the Company. 22. Commencement of any litigation/dispute by the Company, which is outside the ordinary course of Business of the Company, in respect of (i) matters wherein the quantum of money involved is more than INR 1,00,00,000 (Indian Rupees One Crore); (ii) any criminal litigation; (iii) any claims/issues raised by Governmental Authorities. 23. Settlement of any litigation/dispute by the Company in respect of (i) matters wherein the quantum of money involved is more than INR 1,00,00,000 (Indian Rupees One Crore); (ii) any criminal litigation; (iii) any claims / issues raised by Governmental Authorities; and (iii) involving the admission of any non-monetary liability by the Company. 24. In relation to any IPO for the Company's Equity

		Securities: If the Investors are participating in the Offer for Sale in such public offering, the valuation at which such public offering may be undertaken, the merchant bankers and investment bankers to be appointed for the purposes of such public offering. 25. Filing of the updated draft red herring prospectus/red herring prospectus with the Governmental Authorities for the Proposed IPO. 26. Notwithstanding anything contained in these Articles, the thresholds specified in paragraphs 2 and 3 of Part A and paragraph 11 of Part B of this Annexure 1 are absolute and are not subject to the permissible deviation limit for each of the line items specified in the Annual Business Plan.
Part C		
DEFINITIONS AND INTERPRETATION		
137		137.1. Subject to the requirements of the applicable Law, in the event of any conflict between the provisions of Articles 1 to 122 (except Article 37A) and Articles 137 to 147 (Articles 137 to 147 being and are referred to as the "Framework Articles"), the provisions of the Framework Articles shall prevail and apply. The provisions of the Investment Amending Articles shall be read together with the Framework Articles. The Company and the Shareholders acknowledge that Article 37A has been incorporated pursuant to the provisions of the Promoter Loan Documents (as defined in Part B of these Articles) and the provisions of the Framework Articles shall not in any manner adversely affect the operation of Article 37A. 137.2. Notwithstanding the provisions of Articles 1 to 122 (except Article 37A), the Company and the Shareholders shall not be bound by, or subject to, any duties, obligations or covenants under the Articles 1 to 122 (except Article 37A) to the extent of any conflict in any manner with the Framework Articles. 137.3. Subject to Article 137.1, the plain meaning of the Framework Articles shall always be given effect to, and no rules of harmonious construction shall be applied to resolve conflicts between: 137.3.1. Articles 1 to 122 (excluding Article 37A) and/ or the Investment Amending Articles on the one hand; and 123.3.3 The Framework Articles, on the other. 137.4. In this Part C of these Articles, the following capitalized words and expressions shall have the following meanings: "Bonds" means up to 20,000 unlisted, secured, redeemable, non-convertible bonds of nominal value of INR 100,000 each, aggregating to not more than INR 2,000,000,000 to be issued by the LLP in three or more Tranches pursuant to the Bond Trust Deed. "Bond Holders" means the persons who are, for the time being and from time to time, the holders of the Bonds, and "Bond Holder" means each such person. "Bond Documents" means: (a) the Bond Trust Deed; (b) the pledge agreement dated 30 March 2019

		executed among others, the Pledgors and the Bond Trustee, and related powers of attorney provided by the Pledgors; (c) the deed of hypothecation dated 30 March 2019 executed between the LLP and the Bond Trustee; (d) the deed of guarantee dated 30 March 2019 executed between the guarantors named therein and the Bond Trustee; and (e) amendment deed dated 21 October 2019 to the Bond Trust Deed executed among others, the LLP and the Bond Trustee. "Bond Trust Deed" means the bond trust deed dated March 30, 2019 by and between the LLP, the Guarantors, the Pledgors and the Bond Trustee as amended by the amendment deed dated 21 October 2019 and from time to time. "Bond Trustee" means IDBI Trusteeship Services Limited, a company incorporated under the Companies Act, 1956 with corporate identification number U65991MH2001GOI131154 and having its registered office at Ground Floor, Asian Building, 17, R Kamani Marg, Ballard Estate, Mumbai – 400001 and a branch office at 1105, Arunachal Building, Barakhamba Road, New Delhi – 110001. "Buyback Option" means the right provided to the Investors to require the Company to undertake a buy back of the Equity Securities held by the Investors in accordance with Articles 133.6, 133.7 and 134.3. "Company" shall mean Prince Pipes and Fittings Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at Plot NO.1, Honda Industrial Estate, Phase II, Honda Sattari, Goa 403530, India. "DR Shares" means the Equity Shares of the Company held by Promoters constituting 16% (sixteen percent) of the Share Capital of the Company on a Fully Diluted Basis under the Bond Documents. "Encumbered Shares" means the DR Shares and the Pledged Shares. "Encumbrance" means, without limitation, any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other Persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, Transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same "Equity Securities" means Equity Shares, membership interests, or other ownership interests in the Company and any options, warrants, convertible preference shares, convertible debentures, foreign currency convertible bonds, share / stock options, (whether or not vested), loans or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, Equity Shares, membership interests, or other ownership interests in the Company (whether or not

		such derivative securities are issued by the Company and whether or not then currently convertible, exercisable or exchangeable). "Equity Shares" means the equity shares of the Company, having a face value of INR 10 (Indian Rupees Ten) each. "Financial Indebtedness" means any indebtedness for or in respect of: (a) moneys borrowed; (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent; (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument; (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted accounting principles (GAAP), be treated as a finance or capital lease; (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price including any credit support arrangement in respect thereof (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account); (h) shares (or any instruments convertible into shares) which are expressed to be redeemable or the subject of a put option or any form of guarantee or any obligation under any put option in respect of any shares; (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and (j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above. "Fully Diluted Basis" means that the calculation is to be made assuming that all outstanding Equity Securities (whether or not by their terms then currently convertible, exercisable or exchangeable), and all outstanding commitments to issue Equity Shares, membership or ownership interests, at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged, as of the date with respect to which the calculation is being made. "Investment Framework Agreement" or "IFA" means the investment framework agreement entered into by the Company, the Promoters, the Investors, the Bond Trustee and the LLP, as may be amended or restated from time to time and shall include all the annexures of and schedules to it. "Investment Framework Documents" means: (a) the IFA; (b) the SSA; (c) the SHA; (d) the Bond Documents; and (e) the Articles (including Parts A and B).

		"Investor(s)" means South Asia Growth Funds II Holdings LLC and South Asia EBT Trust. "Investor Drag Along Right" means the drag along right of the Investors exercised in accordance with Articles 133.6, 133.7 and 134.3. "IPO" has the meaning ascribed to it under the SHA. "LLP" means Express Infra Projects LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008 with LLPIN AAL-7584 and having its registered office at 8th Floor, The Ruby, SB Marg, Dadar (W), Mumbai – 400028. "Offer for Sale" means an offer for sale of specified securities to the public by any existing shareholder(s) of such securities as a part of an initial public offer, as understood under provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. "Pledged Shares" means the Equity Shares of the Company pledged by the Promoters under the Bond Documents and any other arrangements (whether oral or written) constituting 35% (thirty five percent) of the Share Capital of the Company on a Fully Diluted Basis. "Promoter" means each of Jayant Chheda, Tarla Chheda, Parag Chheda, Heena Chheda and Vipul Chheda. "Proposed IPO" means the IPO proposed to be undertaken by the Company pursuant to the filing of the draft red herring prospectus dated October 15, 2018 (including any addendum or corrigendum to it) filed with the Securities Exchange and Board of India. "Put Option" means the right provided to the Investors to require the Promoters to purchase the Equity Securities held by the Investors in accordance with clauses 12.6, 12.7 and clause 14.3 of the SHA. "QIPO" means: (a) a public offer of Equity Shares by the Company and the consequent listing of the Equity Shares on the National Stock Exchange and Bombay Stock Exchange which satisfies the following conditions: (i) such offer includes a secondary sale by way of an offer for sale by the guarantors (as defined under the Bond Documents) for a minimum amount of INR 1000,000,000; and (ii) such offer occurs at a post money valuation of not less than INR 16000 million; and (b) the IPO that is undertaken pursuant to the requirements set out in clause 11 of the SHA. "SHA" means the shareholders agreement dated November 20, 2019 entered into by and between the Investors, Promoters and the Company, as amended from time to time.

"Share Capital" shall mean the issued and fully paid-up equity share capital of Company, on a Fully Diluted Basis.

"Stock Exchange" means the BSE Limited and the National Stock Exchange of India Limited

"South Asia EBT Trust" shall mean South Asia EBT Trust, a trust established under the laws of India and having its office at 5, Kamu Villa, Khotwadi, Sir Phiroz Shah Mehta Road Santacruz West, Mumbai 400054, India and through its trustee being Orbis Capital Limited, having its registered office address at Orbis Capital Limited, 4A, Ocus Technopolis, Golf Club Road, Sector 54, Gurugram – 122 002.

"South Asia Growth Funds II Holdings LLC" shall mean South Asia Growth Fund II Holdings LLC, a limited liability company organized under the laws of the State of Delaware, United States of America and having its office at 4800 Montgomery Lane, Suite 450, Bethesda, MD 20814.

"SSA" means the share subscription agreement dated November 20, 2019 entered into by and between the Investors, Promoters and the Company, as amended from time to time.

"Subscription Shares" means 596,500 (Five Lakh Ninety Six Thousand Five Hundred) CCPS.

"Transfer" (including the terms "Transferred by", "Transferring" and "Transferability") means to directly or indirectly transfer, sell, assign, exchange, gift, dispose off in any manner, or subject to any Encumbrance, whether or not voluntarily, and whether by operation of law or otherwise.

SALE OF PROMOTER'S SHARES, LIQUIDITY PREFERENCE AND ESCROW MECHANISM

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138.1 The Promoters, Company, LLP, Investors and the Bond Trustee agree that on occurrence of the following: (a) invocation of pledge by the Bond Trustee and sale of the Pledged Shares and/or exercise of drag-along right over the DR Shares pursuant to the Bond Documents; or (b) exercise of the Investor Drag Along Right pursuant to the provisions of the SHA, or (c) sale of any Equity Securities held by the Promoters, the proceeds received by the Bond Trustee and/or the Promoters (as applicable) shall be utilized in the following manner:

138.1.1 first, towards the repayment of the Debt outstanding on such date pursuant to the Bond Documents; and

138.1.2 second, to satisfy Liquidation Preference of the Investor under clause 9 of the SHA.

138.2 The Promoters shall deposit all proceeds received on account of sale of any Equity Securities held by such Promoters (including on occurrence of events mentioned in Article 137.1) in an escrow account duly opened by the Promoters to the satisfaction of the Bond Trustee (acting on the instructions of the Bond Holders) (the "Escrow Account"). The Escrow Account shall be charged in favour of the Bond Trustee (for the benefit of the Bond Holders) and shall be operated as per the instructions of the Bond Trustee (acting on the instructions of the Bond Holders). Each of the Company, the Promoters, the Investors, the LLP and the Bond Trustee shall perform such further acts and execute such further documents as may be required to carry out and give full effect to the provisions of this Article 137.2 and the intentions of the Company, the Promoters, the Investors, the LLP and the Bond

		Trustee, as reflected thereby.
TAG RIGHT OF THE INVESTORS		
139		139.1 The Investors acknowledge the encumbrance over Pledge Shares and DR Shares created for the benefit of the Bond Holders and agree that provisions of Clause 6 of the SHA shall not apply in relation to any transfer of Equity Shares on account of enforcement of pledge over Pledge Shares or exercise of drag along rights in relation to the DR Shares. 139.2 The Investors' Tag Right (pursuant to Clause 6 of the SHA (Transfer by Promoters)) shall not be applicable to any Transfer of the Pledged Shares on account of enforcement of pledge or Transfer of DR Shares on exercise of drag along rights in accordance with the Bond Documents and no Transfer Consent (as defined in the SHA) will be required in relation to such transfer of Equity Shares.
EXIT RIGHTS OF THE INVESTORS		
140	Investor Drag Along Rights Put Option Buyback Option	1Investor Drag Along Rights. 140.1.1 The Bond Trustee (acting on behalf of the Bond Holders) hereby grants consent to the exercise of the Investor Drag Along Right (not including the Buyback Option and the Put Option) in furtherance of the provisions of the SHA and the Bond Trustee acknowledges that no further consent will be required from the Bond Trustee at the time of the Investors exercising the Investor Drag Along Rights (and not the Buyback Option or the Put Option) , subject to the terms of the IFA. 140.1.2 If the debt in relation to the Bonds has not been paid in full prior to the exercise of the Investor Drag Along Right, the exercise of Investor Drag Along Right shall be subject to the following: (a) The Investors, the Promoters, the Company and the LLP shall ensure that at least such number of Equity Shares held by the Promoters are sold as a result of the exercise of the Investor Drag Along Right as are sufficient to repay the debt in relation to the Bonds in full (to the satisfaction of the Bond Trustee acting on the instructions of the Bond Holders). (b) The proceeds of the proposed sale of Equity Shares held by the Promoters (including the Encumbered Shares) pursuant to the exercise of the Investor Drag Along Right shall be deposited in the Escrow Account in accordance with Article 137.2. Pursuant to such deposit and on confirmation from the Bond Holders to the Bond Trustee that the amount deposited in the Escrow Account is sufficient to repay the outstanding debt in relation to the Bonds in full, the Bond Trustee (acting on the instructions of the Bond Holders) shall immediately release the Encumbrance over the Encumbered Shares in accordance with the terms of the Bond Documents. (c) Each of the Company, the Promoters, the Investors, the LLP and the Bond Trustee hereby agree to cooperate and undertake necessary actions, as maybe required to give effect to the process contemplated above. 140.2 Put Option and Buyback Option The Promoters shall obtain prior written consent of the Bond Trustee (acting on the instructions of the Bond Holders), as required under the provisions of the Bond Documents, at the time of honouring the Put Option or Buyback Option, as exercised by the Investors pursuant to the provisions of the SHA, and nothing contained in these Framework Articles shall be deemed to be a consent provided by the Bond Trustee

		and the Bond Holders in relation to exercise or consummation of such rights. 140.3 The Promoters shall promptly provide the Bond Trustee with details regarding the Transfer of Equity Securities pursuant to an exercise of the Investor Drag Along Right, Put Option or Buyback Option including the term sheet (whether proposed or in agreed form, if applicable) the proposed purchaser (if applicable), number of shares to be transferred, the consideration, valuation and any other information as the Bond Trustee may reasonably require.
IPO		
141		141.1 The Promoters covenant and undertake to the Bond Trustee, Company, LLP and Investors that any proceeds that may accrue to the Promoters pursuant to an Offer for Sale (whether with respect to the Proposed IPO, the QIPO or the IPO) shall be utilized by the Promoters, to first pay the Bond Holders towards the repayment of the Debt outstanding on such date under the Bond Documents. 141.2 If the IPO fails to meet the requirement of the QIPO, the Company, the Promoters, the Investors, the LLP and the Bond Trustee agree that the Company shall take a prior written consent of: (i) the Bond Trustee as provided for in Bond Documents and (ii) the Investors under the SHA.
RESERVED MATTERS		
142		142.1 The Company, the Promoters, the Investors, the LLP and the Bond Trustee agree that any exercise of the affirmative voting rights, of the Investors, provided for in Clause 4 of the SHA read with Schedule 2 (Reserved Matters) of the SHA shall not be applicable to the following matters, and the Investors hereby provide their consent in relation to the following matters and shall do every act, deed or thing as may be necessary to enable such actions: 142.1.1 Appointment of the Nominee Director pursuant to clause 10.6 (Nominee Director) of the Bond Trust Deed; 142.1.2 Settlement of the dispute between the Aditya Developers and Montana Developers Private Limited; 142.1.3 Merger of the LLP with the Company, in accordance with paragraph 2.5 (Liquidity) of schedule 4 (Covenants and Undertakings) of the Bond Trust Deed; and 142.1.4 Transfer of any Equity Shares pursuant to enforcement of pledge or exercise of drag rights under the terms of the Bond Documents. 142.2 In the event of any merger of the LLP with the Company in furtherance of schedule 2 of the Bond Trust Deed, the Promoters, Company and Bond Trustee hereby agree that at the time of such merger, the LLP shall have no other Financial Indebtedness except for the debt of upto INR 2,000,000,000 provided to the LLP by the Bond Holders under the Bond Documents, along with applicable interest, charges and any other monies due from the LLP in relation to the Bonds. 142.3 The LLP hereby represents and covenants that as of the date of the IFA, the only Financial Indebtedness availed by it is the Debt outstanding pursuant to the Bonds, and that it shall not incur any other Financial Indebtedness without the prior written consent of the Bond Trustee.
PAYMENT OF DEBT		
143		The Bond Trustee acknowledges that the Bonds may be prepaid by the LLP in accordance with the terms of the Bond

		Documents relating to the process for repayment of the Debt (including but not limited to paragraphs 6, 8 and 10 of schedule 1 and clauses 17 and 22 of the Bond Trust Deed).
INFORMATION		
144		The Promoters hereby agree and undertake that in the event of any amendment to the Bond Documents which relate to or impact: (i) the IFA and/or (ii) the matters covered in clause 14.1.6 of the SHA, then the Promoters shall immediately, and no later than 2 (two) Business Days, inform the Investors of such amendment and provide a copy of such amendment to the Investors. The Promoters hereby agree and undertake that in the event of any amendment to the SHA which relate to or impact the IFA, then the Promoters shall immediately, and no later than 2 (two) Business Days, inform the Bond Trustee (acting on behalf of the Bond Holders) of such amendment and provide a copy of such amendment to the Bond Trustee (acting on behalf of the Bond Holders).
TERMINATION		
145		In the event that the IFA is terminated in accordance with Clause 9 of the IFA, the Framework Articles shall cease to be in force and shall stand lapsed on the date of such termination.
146		146. The LLP, the Company, the Promoters and the Investors acknowledge and agree that any breach of the terms of the Framework Articles by any of them shall constitute an 'Event of Default' under the Bond Trust Deed.
147		147. The Company and the Promoters acknowledge and agree that any breach of the terms of the Framework Articles by such Promoters and/or the Company shall constitute an 'Event of Default' under the SHA.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

Copies of the following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Red Herring Prospectus), which are or may be deemed material have been entered or to be entered into by our Company, copies of which will be attached to the copy of this Red Herring Prospectus/the Prospectus, filed with the Registrar of Companies and also the documents for inspection referred to hereunder, may be inspected at our Registered Office and our Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of this Red Herring Prospectus until the Bid/Offer Closing Date, except for such contracts and documents that will be executed subsequent to the completion of the Bid/Offer Closing Date.

Material Contracts to the Offer

1. Offer agreement between our Company, the Promoter Selling Shareholders and the BRLMs dated October 15, 2018 and the amendment to the offer agreement dated November 29, 2019 entered among our Company, the Promoter Selling Shareholders and the BRLMs.

2. Registrar agreement among our Company, the Promoter Selling Shareholders and Registrar to the Offer dated October 12, 2018 and the amendment to the registrar agreement dated November 29, 2019 entered into among our Company, the Promoter Selling Shareholders and the Registrar to the Offer.

3. Cash escrow and sponsor bank agreement dated December 10, 2019 among our Company, the Promoter Selling Shareholders, the BRLMs, the Escrow Collection Bank, the Refund Bank, Public Offer Bank and the Registrar to the Offer.

4. Share escrow agreement dated December 10, 2019 among our Company, the Promoter Selling Shareholders, the Share Escrow Agent and the Registrar to the Offer.

5. Syndicate agreement dated December 10, 2019 among our Company, the Promoter Selling Shareholders, the BRLMs and the Syndicate Members.

6. Underwriting agreement dated [●] among our Company, the Promoter Selling Shareholders and the Underwriters.

7. Tripartite agreement dated February 7, 2017 among NSDL, our Company and Adriot Corporate Services Private Limited, read with letter from NSDL to our Company dated September 8, 2017 substituting Adroit Corporate Services Private Limited with the Registrar to the Offer as the RTA.

8. Tripartite agreement dated September 11, 2017, among CDSL, our Company and the Registrar to the Offer.

9. Monitoring agency agreement dated December 10, 2019, among our Company and the Monitoring Agency.

Material Documents

1. Certified copies of our Memorandum and Articles of Association, as amended from time to time.

2. Our certificates of incorporation dated November 13, 1987 and August 11, 2017.

3. Resolution of the Board of Directors dated September 24, 2018, authorising the Offer.

4. Resolution of the Shareholders dated September 29, 2018, under section 62(1)(c) of the Companies Act, 2013 authorising the Offer.

5. Resolutions of the Board dated September 24, 2018 and November 22, 2019, taking note of the Offer for Sale.

6. Agreements dated September 26, 2017 and November 27, 2019 between our Company and Jayant Shamji Chheda in relation to his appointment as the Managing Director of our Company.

7. Agreements dated September 26, 2017 and November 27, 2019 between our Company and Parag Jayant Chheda in relation to his appointment as an Executive Director of our Company.

8. Agreements dated September 26, 2017 and November 27, 2019 between our Company and Vipul Jayant Chheda in relation to his appointment as an Executive Director of our Company.

9. Resolution of the Board of Directors dated September 24, 2018, approving the Draft Red Herring Prospectus.

10. Resolution of the Board of Directors dated December 11, 2019, approving this Red Herring Prospectus.

11. Consent letters from the Promoter Selling Shareholders giving consent for their participation in the Offer.

12. Examination report of the Statutory Auditor, M/s. Khimji Kunverji & Co. LLP (Formerly Khimji Kunverji & Co. – FRN 105146W), Chartered Accountants, dated November 22, 2019 on the Restated Financial Statements included in this Red Herring Prospectus, along with the Restated Financial Statements.

13. Statement of possible special tax benefits available to our Company and its Shareholders from M/s. Khimji Kunverji & Co. LLP (Formerly Khimji Kunverji & Co. – FRN 105146W), Chartered Accountants dated November 25, 2019.

14. Written consent from our Statutory Auditor, namely, M/s Khimji Kunverji & Co. LLP (Formerly Khimji Kunverji & Co. – FRN 105146W), Chartered Accountants, to include its name as an "expert" as defined under the Companies Act, 2013 in respect of its (a) examination report dated November 22, 2019 on the Restated Financial Statements, and (b) report dated November 25, 2019 on the statement of possible special tax benefits available for our Company and the Shareholders.

15. Written consent dated November 26, 2019 from Rajesh Patel, Reliable Testing, Chartered Engineer, to be named as an "expert" as defined under the Companies Act, 2013.

16. Industry report titled *"Assessment of the polymer pipes industry"* dated November, 2019, prepared by CRISIL Research along with consent from CRISIL Limited dated November 22, 2019.

17. Consents of the Bankers to our Company, BRLMs, Syndicate Members, Registrar to the Offer, Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Statutory Auditor, legal counsel, as referred to, in their respective capacities, the Monitoring Agency, Escrow Collection Bank/Public Offer Bank/Sponsor Bank/Refund Bank and CRISIL.

18. Personal guarantees dated November 23, 2016 and July 15, 2019 from Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda in relation to the certain loans availed by our Company.

19. Share Subscription Agreement and Shareholders' Agreement, each dated November 20, 2019, entered into between our Company, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust and the Promoters.

20. Investor Framework Agreement dated November 20, 2019, entered into between our Company, the Investors, the IDBI Trusteeship Services Limited, Express Infra Projects LLP and the Promoters.

21. Pledge Agreement dated March 30, 2019, entered into between our Company, the Promoters, Jayant Shamji Chheda HUF, and IDBI Trusteeship Services Limited; letter dated November 20, 2019 from our Company to the IDBI Trusteeship Services Limited; and letter dated November 29, 2019 from IDBI Trusteeship Services Limited to our Company, our Promoters, Jayant Shamji Chheda HUF and Express Infra Projects LLP.

22. A letter of undertaking dated November 20, 2019 executed by our Company to adhere to the specific environmental, social, labour, health and safety or security measures.

23. Copies of annual reports of our Company for Fiscal Years 2014, 2015, 2016, 2017, 2018 and 2019.

24. Copy of the audit report and the audited financial statements for the three-month period ended June 30, 2019.

25. In-principle listing approvals dated November 16, 2018 and November 14, 2018 received from NSE and BSE, respectively.

26. Due diligence certificate dated October 15, 2018 to SEBI from the BRLMs.

27. SEBI observation letter dated December 28, 2018.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time, if so required in the interest of our Company, or if required by other parties, without notification to the Shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules/guidelines/regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act, the SCRR or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Jayant Shamji Chheda
(Chairman and Managing Director) ______________________

Parag Jayant Chheda ______________________
(Executive Director)

Vipul Jayant Chheda
(Executive Director) ______________________

Rajesh R. Pai ______________________
(Non-executive Director)

Ramesh Chandak ______________________
(Independent Director)

Mohinder Pal Bansal ______________________
(Independent Director)

Dilip Deshpande ______________________
(Independent Director)

Uma Mandavgane ______________________
(Independent Director)

Date: December 11, 2019

Place: Mumbai

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Shyam Sharda ______________________

Date: December 11, 2019

Place:Mumbai ______________________

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

I confirm that all statements and undertakings made or confirmed by me in this Red Herring Prospectus in relation to myself, as a Selling Shareholder and the Equity Shares which are being offered by me by way of the Offer for Sale pursuant to the Offer, are true and correct. I assume no responsibility for any other statements including statements made by the Company or any other person(s) in this Red Herring Prospectus.

SIGNED BY:

Jayant Shamji Chheda
(on behalf of himself and as power of attorney holder of the second joint holder, Tarla Jayant Chheda)

Date: December 11, 2019

Place: Mumbai

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

I confirm that all statements and undertakings made or confirmed by me in this Red Herring Prospectus in relation to myself, as a Selling Shareholder and the Equity Shares which are being offered by me by way of the Offer for Sale pursuant to the Offer, are true and correct. I assume no responsibility for any other statements including statements made by the Company or any other person(s) in this Red Herring Prospectus.

SIGNED BY:

Tarla Jayant Chheda **(on behalf of herself and as power of attorney holder of the second joint holder, Jayant Shamji Chheda)**	_________________________

Date: December 11, 2019

Place: Mumbai

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

I confirm that all statements and undertakings made or confirmed by me in this Red Herring Prospectus in relation to myself, as a Selling Shareholder and the Equity Shares which are being offered by me by way of the Offer for Sale pursuant to the Offer, are true and correct. I assume no responsibility for any other statements including statements made by the Company or any other person(s) in this Red Herring Prospectus.

SIGNED BY:

Parag Jayant Chheda
(on behalf of himself and as power of attorney holder of the second joint holder, Tarla Jayant Chheda)

Date: December 11, 2019
Place: Mumbai

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

I confirm that all statements and undertakings made or confirmed by me in this Red Herring Prospectus in relation to myself, as a Selling Shareholder and the Equity Shares which are being offered by me by way of the Offer for Sale pursuant to the Offer, are true and correct. I assume no responsibility for any other statements including statements made by the Company or any other person(s) in this Red Herring Prospectus.

SIGNED BY:

Vipul Jayant Chheda
(on behalf of himself and as power of attorney holder of the second joint holder, Tarla Jayant Chheda)

Date: December 11, 2019

Place: Mumbai