DRAFT RED HERRING PROSPECTUS
Dated September 26, 2017
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
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 147.

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: Shailesh Bhaskar, 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 ₹ 7,000 MILLION (THE "OFFER"), COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 5,000 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 2,000 MILLION, INCLUDING UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 200 MILLION BY JAYANT SHAMJI CHHEDA, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 900 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.

OUR COMPANY MAY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), CONSIDER A PRIVATE PLACEMENT OF UP TO 3,600,000 EQUITY SHARES FOR CASH CONSIDERATION AGGREGATING UP TO ₹1,000 MILLION, AT ITS DISCRETION, PRIOR TO REGISTERING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). IF THE PRE-IPO PLACEMENT IS COMPLETED, THE NUMBER OF EQUITY SHARES ISSUED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO 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) BEING OFFERED TO THE PUBLIC.

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 ENGLISH NATIONAL NEWSPAPER [●], ALL EDITIONS OF HINDI NATIONAL NEWSPAPER [●], AND [●] EDITION OF REGIONAL LANGUAGE NEWSPAPER [●], EACH WITH WIDE CIRCULATION, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

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 press release 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 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 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 294.

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 89 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "*Risk Factors*" on page 15.

COMPANY'S AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. 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 Draft 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 the 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 [●] and [●], respectively. For the purposes of the Offer, [●] shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to 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 registration of the Red Herring Prospectus with the RoC, until the Bid/ Offer Closing Date, see the section titled "*Material Contracts and Documents for Inspection*" on page 352.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
JM Financial Institutional Securities 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:*	[●]
BID / OFFER CLOSES ON:**	[●]

* *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.*
** *Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, decide to close Bidding for QIBs one day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft 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., Chartered Accountants.
Audit Committee	The audit committee of our Board, as described in the section titled "*Our Management*" on page 152.
"Board" or "Board of Directors"	The board of directors of our Company (including any duly constituted committee thereof).
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 152.
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 Director	The executive directors of our Company, namely, Jayant Shamji Chheda, Parag Jayant Chheda, Vipul Jayant Chheda and Heena Parag Chheda, as disclosed in the section titled "*Our Management*" on page 152.
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 16, 2017, as disclosed in the section titled "*Our Group Companies*" on page 175.
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 152.
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 152.
"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 152.
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 170.
Promoter Group	The promoter group of our Company comprising of such persons and entities, as disclosed in the section titled "*Our Promoters and Promoter Group*" on page 170.
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	The audited financial statements of our Company for the fiscal years ended March 31,

Term	Description
	2013, March 31, 2014, March 31, 2015, March 31, 2016, and March 31, 2017 and the related notes, schedules and annexures thereto, prepared in accordance with applicable provisions of the Companies Act and Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
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.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as disclosed in the section titled "*Our Management*" on page 152.

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.
"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 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 the Red Herring Prospectus and 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 the 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 the 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.
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. 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"	The application (whether physical or electronic) used by an ASBA Bidder to make a Bid authorising the SCSB to block the Bid Amount in the ASBA Account.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form.
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 the Red Herring Prospectus and the Prospectus.
"Banker(s) to the Offer"	The Escrow Collection Bank(s), the Public Offer Bank(s), and the Refund Bank(s), 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 294.
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

Term	Description
	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, in terms of the 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 the 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 English national newspaper [●], all editions of Hindi national newspaper [●], and [●] edition of regional language newspaper [●], 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. 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 English national newspaper [●], all editions of Hindi national newspaper [●], and [●] edition of regional language newspaper [●], 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.
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and 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 XI of the SEBI ICDR Regulations, 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 Institutional Securities 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.
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 the BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and

Term	Description
	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 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.
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 http://www.sebi.gov.in/cms/sebi_data/attachdocs/1470395458137.html, 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 the 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	[●].
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated September 26, 2017, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto.
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 the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
Escrow Account	An account 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 Agreement	The agreement dated [●] amongst our Company, the Promoter Selling Shareholders, 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 where applicable, refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof.
Escrow Collection Bank	The Banker to the Offer with whom the Escrow Account(s) will be opened, in this case being [●].
"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 ₹ 5,000 million by our Company for subscription pursuant to the terms of the Red Herring Prospectus.
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, and the circular

Term	Description
	(SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, issued by SEBI and included in the section titled "*Offer Procedure*" on page 294.
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement dated [●], 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 ₹ 7,000 million, comprising of a Fresh Issue of [●] Equity Shares aggregating up to ₹ 5,000 million by our Company, and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 2,000 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 ₹ 900 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.
Offer Agreement	The agreement dated September 26, 2017 entered among our Company, the Promoter Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to [●] Equity Shares aggregating up to ₹ 2,000 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 ₹ 900 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 the Red Herring Prospectus.
Offer Price	The final price at which Equity Shares will be Allotted to successful bidders in terms of the 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	The private placement of up to 3,600,000 Equity Shares for cash consideration aggregating up to ₹ 1,000 million. For further details in relation to the Pre-IPO Placement, see "*Capital Structure – Notes to the Capital Structure*" on page 66.
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 the Red Herring Prospectus with the RoC, in all editions of English national newspaper [●], all editions of Hindi national newspaper [●], and [●] edition of regional language newspaper [●], 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.
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 containing, among other things, the Offer Price, the size of the Offer and certain other

Term	Description
	information, including any addenda or corrigenda thereto.
Public Offer Account	The bank account opened with the Banker(s) 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(s) to the Offer with whom the Public Offer Account will be opened, in this case being [●].
"QIBs" or "Qualified Institutional Buyers"	The qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations.
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	In the event our Company and the Promoter Selling Shareholders, in consultation with the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/Offer Closing Date, the date one day prior to the Bid/Offer Closing Date; otherwise it shall be the same as the Bid/Offer Closing Date.
"Red Herring Prospectus" or "RHP"	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to unsuccessful Anchor Investors shall be made.
Refund Bank(s)	The Bankers to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
Registrar Agreement	The agreement dated September 26, 2017, entered into among our Company, the Promoter 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.
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 in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1470395458137.html or such other websites and updated from time to time.
Promoter Selling Shareholders	Jayant Shamji Chheda, Tarla Jayant Chheda, Parag Jayant Chheda and Vipul Jayant Chheda.
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely [●].
Share Escrow Agreement	The agreement dated [●], entered into among the Promoter Selling Shareholders, our Company and the Share Escrow Agent in connection with 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

Term	Description
	Members, to collect ASBA Forms and Revision Forms.
Syndicate Agreement	The agreement dated [●] entered into among our Company, the Promoter Selling Shareholders, the BRLMs and the Syndicate Members in relation 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, [●].
"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.
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.

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 "*Market Assessment of Polymer Pipes Industry*" dated August 2017.
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 manufactured goods, less employee benefit expenses, 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.
PMAY	Pradhan Mantri Awas Yojana.
PMKSY	Pradhan Mantri Krishi Sinchayee Yojana.
PP	Polypropylene.
PPR	Polypropylene random.

Term	Description
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 rainwater.
Supreme Industries	Supreme Industries Limited.
Trubore brand	The Trubore Piping Systems' brand.
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 II FPI	FPIs registered as "Category II foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Category III FPI	FPIs registered as "Category III foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
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 Draft 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.
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.
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.

Term	Description
"GoI", "Government", or "Central Government"	Government of India.
GST	Goods and services tax.
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 the 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.
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.
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.
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, 2014.
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

Term	Description
	Requirements) Regulations, 2009.
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 and Sub-Brokers) Regulations, 1992.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
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, 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 92, 182, 95, 89, 261, 294 and 343 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

All references to "India" contained in this Draft 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 Draft Red Herring Prospectus are to page numbers of this Draft 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 Draft 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 on (*in* ₹)**				
	March 31, 2017	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**[(2)]	**March 31, 2013**[(1)]
1 USD	64.84	66.33	62.59	60.10	54.39
1 Euro	69.25	75.10	67.51	82.58	69.54

[#]*Source: RBI reference rate*

(1) Exchange rate as on March 28, 2013, as RBI reference rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, a Saturday and a public holiday, respectively

(2) Exchange rate as on 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.

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 or the context requires otherwise, our financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Statements, included in this Draft Red Herring Prospectus. As on and for the Fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013, our Company did not have any subsidiary and, consequently, the Restated Financial Statements included in this Draft 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.

We prepare our financial statements in accordance with Indian GAAP, which differs in some respects from IFRS and U.S. GAAP. Accordingly, the degree to which Indian GAAP financial statements restated in accordance with the SEBI ICDR Regulations included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, 2013, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our Restated Financial Statements to those under IFRS or U.S. GAAP, and we urge you to consult your own advisors regarding such differences and

their impact on our financial data.

India has decided to converge its existing standards with IFRS, referred to as the Indian Accounting Standards or Ind AS. The Companies (Indian Accounting Standards) Rules, 2015 ("**IAS Rules**"), as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, enacted changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial statements of the companies to which they apply shall be prepared and audited in accordance with Ind AS. We will adopt Ind AS based on applicable laws, rules and regulations. Given that Ind AS is different in many respects from Indian GAAP (under which our financial statements are currently prepared), our financial statements that will be prepared in accordance with Ind AS may not be comparable to our Restated Financial Statements. In accordance with the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/47, dated March 31, 2016, no financial statements have been prepared in accordance with Ind AS for inclusion in this Draft Red Herring Prospectus. We have not attempted to quantify the impact of Ind AS on the financial information included in this Draft Red Herring Prospectus, nor have we provided a reconciliation of our financial statements to those under Ind AS. See the sections titled "*Risk Factors – We will adopt Indian Accounting Standards ("Ind AS") and prepare our financial statements under Ind AS, as per applicable laws, rules and regulations. As Ind AS is different in many respects from Indian GAAP, our financial statements prepared under Ind AS may not be comparable to our Restated Financial Statements."* on page 32 and "*Significant Differences between Indian GAAP and Ind AS"* on page 227.

All the figures in this Draft 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 Draft 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. Except for figures derived from our Restated Financial Statements (which are rounded off to the second decimal), all figures in decimals have been rounded off to the second decimal. 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 Draft 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 Draft 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 Draft 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 Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. 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 Draft Red Herring Prospectus may be inaccurate, incomplete or unreliable*" on page 31.

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 36, 46, 95, 125, 15 and 234, respectively, have been derived from an industry report titled *"Market Assessment of Polymer Pipes Industry"* dated August, 2017, 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 Draft 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 Draft 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 Draft 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 and changes in competition in our industry.

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 agricultural sector;
- 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 facilities; and
- failure to successfully implement our product and geographical expansion plans for our Trubore Piping Systems.

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 15, 125 and 234, 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 Draft 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 the 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 Draft 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 95, 125, 182 and 234, 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 Draft Red Herring Prospectus. See "Forward-Looking Statements" on page 14.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

1. Demand for our plumbing products and sewage 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 our plumbing products represented 32.71%, 39.34% and 42.04% of our gross revenue from the sale of manufactured goods for Fiscal 2015, Fiscal 2016, and Fiscal 2017, respectively. Sales of our sewage products represented 20.74%, 21.66% and 20.75% of our gross revenue from the sale of manufactured goods for Fiscal 2015, Fiscal 2016, and Fiscal 2017, respectively. Demand for our plumbing products and sewage 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 in urban infrastructure to be around ₹ 3.6 trillion between Fiscal 2018 and Fiscal 2022, which is twice the expenditure in the previous five fiscal years (i.e., April 1, 2012 to March 31, 2017). CRISIL Research expects water supply and sanitation ("**WSS**") projects to account for approximately 58.6% of the total urban infrastructure investments over the next five fiscal years (April 1, 2017 to March 31, 2022). Plastic pipes are primarily used in irrigation and WSS projects. The major demand sources are public sector projects undertaken by 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 by 2022 scheme). *(Source: CRISIL Research Report*). For details on these schemes and projects, see "*Industry Overview*" on page 95. 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 by the agriculture segment is influenced by the growth of the agricultural segment and any reduction in the activity in this market could have a material adverse effect on our business, results of operations and financial condition.

Sales of our products for use by the agriculture segment represented 40.99%, 37.57% and 36.01% of our total sales revenue for Fiscal 2015, Fiscal 2016, and Fiscal 2017, respectively. Demand for these products is affected by the levels of the growth in the agricultural segment in India. The level of growth in the agricultural 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 agricultural 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 138.

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; and (d) the end-use segments they cater to and (e) presence in pipes as well as fittings segment. (*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 increases 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 products for use in irrigation also compete with HDPE pipes, our plumbing products also compete with galvanized iron products and our sewage products also compete with cement pipes and cast iron pipes. 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 and PPR resins, which are derived from crude oil by-products. Our cost of materials consumed (raw materials costs) represented 74.50%, 69.84% and 66.25% of our revenue from operations for Fiscal 2015, Fiscal 2016 and Fiscal 2017, respectively. Crude oil prices are volatile and any increases in the price of crude oil would lead to increases in the price of the raw materials required to manufacture our products. We have not entered into any long-term supply contracts and, therefore, we are subject to the risk of increases in the costs of UPVC, CPVC and PPR resins. 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 Indian 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. In Fiscal 2017, we imported ₹ 3,156.87 million equivalent of raw materials on a CIF basis, representing 37.74% of our raw material costs (cost of materials consumed). While our principal revenues are in Indian Rupees, since the cost of the imported raw material and plant and machinery is denominated in foreign currency, primarily in USD, any depreciation in the Indian Rupee vis-a-vis these foreign currencies would adversely affect our financial condition and results of operations.

8. We plan to use ₹ 2,245.11 million of the Net Proceeds towards setting up a new plant in Telangana with an estimated total cost ₹ 2,322.17 million. We also intend to set up a new plant in Rajasthan with an estimated total cost of ₹ 1,348.40 million. The estimated cost of setting up each 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 two new manufacturing plants. If there are delays or cost overruns in the setting up of these plants, it would have an adverse effect on our business, financial condition, results of operations and growth prospects.

We plan to use ₹ 2,245.11 million of the Net Proceeds towards setting up a new plant Telangana. The estimated total cost for the setting up of the plant in Telangana is ₹ 2,322.17 million. 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 condition or business strategies. 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. We plan to commence operations at this plant in Fiscal 2020. For further details, see "*Objects of the Offer – Financing the project cost towards establishment of a new manufacturing facility*" and "*Our Business – Proposed New Plants*" on pages 84 and 132, respectively.

We also plan to set up a new plant in Rajasthan with an estimated total cost of ₹ 1,348.40 million. We intend to fund this project through internal accruals and borrowings. The estimated cost is based on internal management estimates and has not been appraised by any bank or financial institution. The estimated cost is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial conditions or business strategies. We have acquire the land to set up this plant, but we are yet to place orders for the construction of the plant or for the machinery for the plant. We plan to commence operations at this plant in Fiscal 2019. For further details, see "*Our Business – Proposed New Plants*" on page 132.

As a consequence of any increased costs or delays in implementation, the actual costs to set up these two new plants 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 two new manufacturing plants. For details, see "*Government and Other Approvals – Approvals applied for but not received*" and "*Government and Other Approvals –Approvals which are required but not obtained or applied for*" on pages 270 and 270, 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 plants 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 schedules.

If the construction of the new plants 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.

9. 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.

Our Company, certain of our Promoters and Directors are currently involved in certain 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 which 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	7	15.77
Indirect tax matters	11	5.16
Action by regulatory/ statutory authorities	1	-
Other matters exceeding ₹ 7.43 million or other material litigation	1	-

Litigation against certain of our Promoters/Directors

Nature of the cases	No. of cases outstanding	Amount involved (in ₹ million)
Direct tax matter	8	121.48
Criminal matter	1	-
Other matters exceeding ₹ 7.43 million or other material litigation	1	9.64

For further details, see "*Outstanding Litigation and Material Developments*" beginning on page 261.

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.

10. If we are unable to successfully implement our product and geographical expansion plans for our Trubore Piping Systems ("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 primarily in Tamil Nadu. For Fiscal 2017, sales of our Trubore brand products in Tamil Nadu represented 82.43% of our total sales revenue for our Trubore brand products. We plan to increase the product portfolio under the Trubore brand name to cater to the building industry and infrastructure segment. We also to increase sales of our Trubore brand products by increasing our marketing efforts and the number of distributors for our Trubore brand products outside of Tamil Nadu. For more details, see "*Our Business – Strategies – Expand the Trubore brand to new product lines and new states"* on page 129. There can be no assurance that we will be able to successfully implement our product and 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.

11. We plan on entering 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.

We plan on entering the HDPE segment with DWC pipes. We have ordered four machines with an

approximate installed capacity of 36,624 tonnes per annum for a total cost of ₹ 184.75 million. For further details, see "*Our Business – Strategies – Expand our product portfolio*" on page 128. 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.

12. 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 trade mark "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. We sent a notice to the company dated May 25, 2017 objecting to the use of the term "Prince" by it in its brand name, pursuant to which we received a response dated June 16, 2017 denying our objection. We are currently evaluating our options for the purpose of resolving this issue.

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.

13. 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. We currently hold 31 trademarks with respect to our brands in India. For details, see "*Our Business – Intellectual Property*" on page 137. We hold a certificate of Registration of Design for our Floor Drain Trap, which is valid until the year 2024 and can be extended for five years.

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 Telegu. 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 also made applications in India to register the trademarks for "TRUBORE" brand logo and the "Corfit" logo under various classes. We have applied to register the Prince Piping Systems logo as a trademark in Bangladesh, Bhutan, 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 trademarks for these.

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 19, 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. 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.

14. Negative publicity about our Company, the "Prince Piping Systems" brand or our products 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 and the "Prince Piping Systems" brand. Any negative publicity regarding the Company, the "Prince Piping Systems" brand or our products could adversely affect our reputation and thereby our business and our results of operations.

15. We have entered into a technology license agreement with Wavin Overseas B.V. ("Wavin") through which we receive advice relating to management systems, product know-how, and production technology. If we are unable to maintain a satisfactory relationship with Wavin or if Wavin establishes similar or more favourable relationships with one or more of our competitors, our business, financial condition and results of operations may suffer.

We have a technology license agreement with Wavin dated December 10, 2014, which is valid until January 1, 2020, through which we receive advice relating to management systems, product know-how, and production technology. If we are unable to maintain a satisfactory relationship with Wavin or if Wavin establishes similar or more favourable relationships with one or more of our competitors our operating results and our business would be adversely affected. In certain circumstances, such as if we breach the terms of the license, Wavin may be entitled to terminate our license. We cannot assure you that Wavin will not terminate the existing license agreement. The early termination of our agreement with Wavin could harm our business, financial condition and results of operations.

16. 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.

17. 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 September 15, 2017, we had ₹ 1,619.33 million of outstanding fund based debt and ₹ 1,509.68 million of outstanding non-fund based debt raised to finance our 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.

18. 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 September 15, 2017, we had ₹ 3,223.53 million of outstanding fund-based debt and ₹ 1,570.80 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 259 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 operating results. 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.

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

As at September 15, 2017, we had ₹ 3,215.69 million of fund based debt outstanding that was subject to floating rates of interest, representing 99.76% 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.

20. 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 credit ratings are CARE BBB+ for long term bank facilities and CARE A3+ for short term bank facilities. 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, which could have a material adverse effect on our business, financial condition and results of operations.

21. 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 March 31, 2017, our total trade receivables amounted to ₹ 2,367.37 million, out of which ₹ 75.49 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.

22. We have been able to claim a deduction under Section 80-IC of the Income Tax Act with respect to our plant in Haridwar (Uttaranchal) since June 2008, which benefit will cease to be available to us after June 2018. In addition, we were exempted from having to pay excise duty on raw materials purchased for our Haridwar plant from June 2008 to June 2018. However, as GST replaced excise duty effective July 1, 2017, this benefit is no longer available.

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 June 2008 up to and including June 2013 and thereafter we have claimed a deduction of 30% of the profits of the said undertaking. This benefit is only available for 10 consecutive years and we will no longer benefit from it after June 2018. See "*Statement of Tax Benefits*" on page 92 for further details. The amount of such tax deduction for Fiscals 2015, 2016 and 2017 amounted to ₹ 102.63 million, ₹ 176.60 million and ₹ 317.08 million, respectively,

In addition, we were exempted from having to pay excise duty on raw materials purchased for our Haridwar plant from June 2008 to June 2018. However, as GST replaced excise duty effective July 1, 2017, this benefit is no longer available. The loss of the excise duty exemption means that since July 1, 2017, the products produced at our Haridwar plant do not have a competitive cost advantage over those

products produced at plants that did not have the excise duty exemption.

23. We purchase some imported raw materials via certain related parties as they have been extended credit facilities and we get the practical benefit of these credit facilities. If they withdraw from this arrangement and we are unable to obtain alternative financing arrangements on the same terms, it could have a material adverse effect on our business, results of operations and financial condition.

We purchase domestic raw materials directly from third party suppliers. However, we purchase some imported raw materials via Prince Marketing, a member of our Promoter Group, and Ace Polyplast Private Ltd, one of our Group Companies and a member of our Promoter Group. These transactions are entered into on an arm's length basis. We purchased raw materials amounting to ₹ 1,597.03 million, ₹ 1,982.92 million and ₹ 2,684.53 million constituting 16.68%, 19.65% and 21.26% of our Revenue from operations in Fiscals 2015, 2016 and 2017, respectively, from Prince Marketing and Ace Polyplast Private Ltd together. For further details, see "*Related Party Transactions*" and Note 38 in "*Restated Financial Statements-Annexure VA*" on pages 180 and 218, respectively. We purchase imported raw materials via these related parties as they have been extended credit facilities of approximately 90 days, and we get the practical benefit of these credit facilities. If these related parties decide not to purchase raw materials on our behalf, we would need to obtain alternative credit facilities in order to be able to purchase imported raw materials. There can be no assurance that such credit facilities will be available to us on the same terms that our related parties receive or at all and as such it could have a material adverse effect on our business, results of operations and financial condition.

24. We have entered into and may continue to enter into related party transactions in the future. For Fiscals 2015, 2016, and 2017, the amount of such transactions was ₹ 1,972.59 million, ₹ 2,137.96 million and ₹ 3,504.02 million, respectively. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.

Our Company has entered into certain related party transactions with our Promoter/Promoter Group/Group Entities/Key Managerial Personnel. For further details, see *"Related Party Transactions"* and Note 38 in "*Restated Financial Statements-Annexure VA*" on pages 180 and 218, respectively. Our Promoters and Key Managerial Personnel may be deemed to be interested in our Company to the extent of the Equity Shares held by them, or their relatives, benefits derived from their directorship in our Company and arising from transactions entered into between our Company and themselves 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. ***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. 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.

26. 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) a leave and license agreement with our Promoters, Jayant Shamji Chheda and Tarla Jayant Chheda for the lease of premises at Flat No. 10-A, 10th Floor, "Mont Blanc" Building, 550, Jam e-Jamshed Road, Matunga, Mumbai – 400 019; (b) a leave and license agreement with our Promoter, Parag Jayant Chheda for lease of the premises situated at Flat No. 10-B, 10th Floor, "Mont Blanc" Building, 550 Jam e-Jamshed Road, Matunga, Mumbai-400019; and (c) a leave and license agreement with our Promoter, Vipul Jayant Chheda and his wife Ashwini Vipul Chheda 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. For further details, see "*Our Management*" on page 152.

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 152. 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. 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. Three of our Promoters, Jayant Shamji Chheda, Parag Jayant Chheda, and Vipul Jayant Chheda, have given personal guarantees in relation to certain debt facilities obtained by our Company. Certain of our Promoters Group Companies, Group Companies and other Promoters. In the event our Company, Group Companies, Promoter Group Companies or other Promoters default on any of these debt 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 our 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 the Promoters, Jayant Shamji Chheda, Parag Jayant Chheda, and Vipul Jayant Chheda, have given personal guarantees, totalling ₹ 5,725.30 million as at September 15, 2017, in relation to certain debt facilities obtained by our Company. In the event of default on the debt obligations, the guarantees may be invoked by our lenders thereby adversely affecting our 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. 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.

All of the Promoters have given personal guarantees and/or acted as co-borrowers in relation to certain debt facilities obtained by our Group Companies, Promoter Group Companies and/or other Promoters.

The total amount of these Guarantees was ₹ 3,440.80 million as at September 15, 2017. In event of default on the debt obligations, the guarantees may be invoked by the lenders or the co-borrowed amount may be called for repayment, as applicable, thereby adversely affecting our 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.

30. Three of our Promoters, Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Chheda, have pledged a total of 23,404,113 Equity Shares of the Company, representing 26.00% of the Equity Shares outstanding prior to the Offer, in relation to certain debt facilities obtained by them. Any default on these debt obligations may lead to invocation of the pledge on those Equity Shares and those Equity Shares may be sold by the lender. This could lead to a dilution of the Promoters' holding in our Company, thereby adversely affecting these Promoters' ability to manage the affairs of our Company.

Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Chheda, three of our Promoters, have pledged a total of 23,404,113 Equity Shares, representing 26.00% of the Equity Shares outstanding prior to the Offer and 39.48% of the Equity Shares held by them prior to the Offer, with JM Financial Products Limited for securing personal loans totaling ₹ 1,000 million availed from JM Financial Products Limited. Any default on these loans may lead to invocation of the pledge on these Equity Shares and the sale of those Equity Shares to third parties. This could lead to a dilution of the Promoters' holding in our Company, thereby adversely affecting these Promoters' ability to manage the affairs of our Company.

31. Delays or outages in our information technology ("IT") systems and computer networks could have a material adverse effect on our business, financial condition, results of operations and cash flows.

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 136. 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, results of operations and cash flows.

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

We currently own and operate five manufacturing plants. Our manufacturing plants could unexpectedly stop operating because of events unrelated to us or beyond our control, 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 and any material disruption at one or more of our plants could have a material adverse effect on our business, results of operations and financial condition.

33. 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. 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. 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 please refer "*Our Business –Properties*" on page 139.

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

We have a pan-India distribution network that consisted of 766 distributors as at August 31, 2017. Our distributors sell the products they buy from us to retailers, wholesalers, and plumbers. For further details, see the section titled "*Our Business – Sales and Marketing*" on page 134. We continuously seek to increase the penetration of our 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 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 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, it could have an adverse effect on our business, results of operations and financial condition.

35. 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 0.80% of our total revenue from operations for Fiscal 2017. 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.

36. We rely on contractors for the recruitment of contract labourers, and are therefore exposed to execution risks, including the risk of non-availability 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.

37. 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 August 31, 2017, we had 1,793 full-time employees and 1,445 contract labourers. 253 of our full-time employees working at our Athal plant are in a union. While we believe 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.

38. We utilize the services of contract manufacturers to produce some UPVC pipes for us in Maharashtra, Bihar and Uttarakhand. We have entered into contracts with two of these manufacturers. If our contract with any of these 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 three contract manufacturers to produce some UPVC pipes for us, which products accounted for 2.24% of our revenue from operations for Fiscal 2017. One of these manufacturers produces products for us on a job lot basis. We have entered into contracts with two of these manufacturers for one year periods, subject to renewal. Each contract may be terminated by either party giving prior 60 days' written notice to the other party. We provide the raw materials and other material required for the manufacturing of the UPVC pipes to the contract manufacturers who are paid

a negotiated fixed cost per kilogram. If our contract with one of these two 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.

39. 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. 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.

40. 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. For details on our insurance policies, see "*Our Business-Insurance*" on page 137. We do not have any key man insurance policy in place and are not insured against business interruption, consequential damages, environmental damages, terrorist acts and war-related events. 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."

41. 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 266.

Additionally, if we fail to comply with, or if we are unable to renew, obtain 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.

42. A shortage or non-availability 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.

43. 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.

44. 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.

45. 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.

The Promoters currently own 99.88% of the outstanding Equity Shares. Immediately upon the closing of the Offer, the Promoters will hold [●]% of the outstanding Equity Shares. 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 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.

46. 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.

47. We have issued Equity Shares during the last one year from the date of filing of this Draft Red Herring Prospectus at a price that is below the Offer Price.

During the last one year from the date of filing of this Draft Red Herring Prospectus we have issued Equity Shares at a price that is lower than the Offer Price as detailed in the following table:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of allotment	Name of allottees
July 12, 2017	45,007,908	10	-	Other than cash	Bonus issue in the ratio of 1:1	See footnote 11 in "*Capital Structure -Notes to Capital Structure – Share Capital History – History of Equity Share capital of our Company*" on page 66.

Additionally, our Company may undertake a Pre-IPO Placement at a price to be determined by our Company in accordance with the Companies Act, 2013 and other applicable law. The details of allotment and the price at which Equity Shares allotted under the Pre-IPO Placement, shall be disclosed in the Red Herring Prospectus prior to registering it with the RoC. The price at which Equity Shares will be allotted is not indicative of the price that will prevail in the open market following the listing of our Equity Shares and such price may also be lower than the Offer Price. For further details, see "*Capital Structure*" on page 66.

48. 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.

Our ability to pay dividends in the future will depend on 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.

49. One of our Group Companies made a loss after tax for the years ended March 31, 2015, 2016 and 2017 and another of our Group Companies had a negative net worth as at March 31, 2015 and 2016.

Accord Infra Projects Private Limited, one of our Group Companies, made a loss after tax for the period stated below, as per its audited financial statements.

Name of Entity	Profit After Tax (Amount in ₹ millions)		
	Fiscal 2017	Fiscal 2016	Fiscal 2015
Accord Infra Projects Private Limited	(0.02)	(0.01)	(0.02)

Pinnacle Realty Projects Private Limited, one of our Group Companies, had a negative net worth for the period stated below.

Name of Entity	Net Worth (Amount in ₹ millions)		
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Pinnacle Realty Projects Private Limited	69.77	(5.42)	(26.82)

50. We had negative cash flows from investment and financing activities.

Although we had positive net cash flows from operation for the years ended March 31, 2013, 2014, 2015, 2016 and 2017, we had negative net cash flows from investment and financing activities for the periods indicated below.

(in ₹ millions)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013
Net cash flow from/(used in) operating activities	939.05	858.56	1,221.32	127.77	216.70
Net cash flow from/(used in) investing activities	(669.43)	(508.24)	(301.99)	(364.06)	(787.93)
Net cash flow from/(used in) financing activities	(242.89)	(350.25)	(920.42)	225.38	552.34
Net increase/(decrease) in cash and cash equivalents	**26.73**	**0.07**	**(1.09)**	**(10.91)**	**(18.89)**

51. Statistical and industry data in this Draft 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 Draft Red Herring Prospectus. This Draft 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 Draft 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 Draft Red Herring Prospectus, when making their investment decisions.

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. 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.

3. 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 142. 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.

4. We will adopt Indian Accounting Standards ("Ind AS") and prepare our financial statements under Ind AS, as per applicable laws, rules and regulations. As Ind AS is different in many respects from Indian GAAP, our financial statements prepared under Ind AS may not be comparable to our Restated Financial Statements.

We currently prepare our financial statements under Indian GAAP. The Companies (Indian Accounting Standards) Rules, 2015 ("**IAS Rules**"), as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, enacted changes to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial statements of the companies to which they apply shall be prepared and audited in accordance with Ind AS. We will adopt Ind AS based on applicable laws, rules and regulations. Ind AS is different in many respects from Indian GAAP. We have not determined with any degree of certainty the impact the adoption of Ind AS will have on our financial statements. However, the adoption of Ind AS will change our methodology of accounting and reporting for certain items of our financial statements. For a summary of the significant differences between Indian GAAP and Ind AS, see "*Significant Differences between Indian GAAP and Ind AS*" on page 227. Accordingly, our financial statements prepared under Ind AS may not be comparable to our Restated Financial Statements.

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 the 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 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 89. 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 the NSE and the 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 and results of operations;
- 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; and
- The valuation of publicly traded companies that are engaged in business activities similar to ours.

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 of the Fresh Issue.

This Offer includes an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 2,000 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 82.

We intend to use the Net Proceeds of the Fresh Issue as described in "*Objects of the Offer*" on page 82. Further, our management will have broad discretion to use the Net Proceeds of the Fresh Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds of the Fresh Issue.

Further, pursuant to Section 27 of the Companies Act 2013, any variation in the objects 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 of our Company 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 66, 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 66, 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. 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 our Equity Shares. Such securities may also be issued at prices below the then current trading price of our Equity Shares. Sales of Equity Shares by the Promoters could also adversely affect the trading price of our Equity Shares.

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

Under the Income Tax Act, capital gains arising from the sale of equity shares in an Indian company

within 12 months of purchase are generally taxable in India. Any gain realized on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the STT has been paid on the sale transaction. The STT is collected by the Indian stock exchange on which equity shares are sold. Any gain realized on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. The recent Finance Act 2017 amendments provided that where the shares have been acquired on or after October 1, 2004 and on which STT has not been paid at the time of acquisition, then the exemption of long term capital gains under section 10(38) of the Income Tax Act would not be available. This amendment further provides that the Government will notify certain modes of acquisition to which the recent amendment made by Finance Act 2017 would not be applicable and the shares acquired by such modes of acquisition would continue to get the benefit of section 10(38) of the Income Tax Act. The Government has issued a notification dated June 5, 2017 listing out certain modes of acquisition where the benefit of section 10(38) will not be applicable, subject to certain exceptions.

Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a 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 jurisdictions on gains arising from a sale of the shares subject to relief that may be available under the applicable tax treaty or under the laws of their own jurisdiction.

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.

Prominent Notes

- The BRLMs have submitted a due diligence certificate with SEBI. Investors may contact the BRLMs, for any complaints pertaining to the Offer.

- 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 ₹ 7,000 million, comprising a Fresh Issue of [●] Equity Shares aggregating up to ₹ 5,000 million by our Company, and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 2,000 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 ₹ 900 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.

- As at March 31, 2017, the Net Worth of our Company was ₹ 2,355.32 million, as per our Restated Financial Statements.

- As at March 31, 2017, the net asset value per Equity Share of our Company was ₹ 52.33, 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	0.11
Parag Jayant Chheda	0.12
Vipul Jayant Chheda	0.12
Heena Parag Chheda	11.86

** 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 66.

- Except as stated in the sections titled "*Our Group Companies*" and "*Related Party Transactions*" on page 180, 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 2017, and the cumulative amounts involved in these transactions, see the section titled "*Related Party Transactions*" on page 180.

- 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. As the change in name was only on account of conversion from a private limited to a public limited company, the condition that at least 50% of the revenue from the preceding one year shall be earned from the activity indicated in the new name, will not be triggered.

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

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

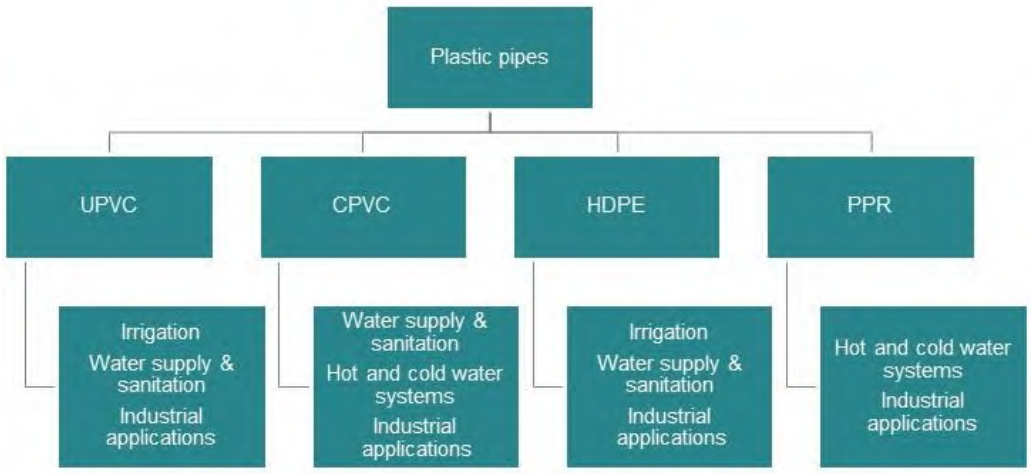
The following is a summary of the Industry Overview section. For a more detailed description of the Indian polymer pipes and fittings industry, see the "Industry Overview" section beginning on page 95.

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 12. 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's Book Running Lead Managers and our 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.

INDIAN PLASTIC PIPES INDUSTRY OVERVIEW

Plastic pipes are made using various types of polymers. Unplasticised polyvinyl chloride (UPVC), CPVC, high density polyethylene (HDPE), and polypropylene (PPR) are the four main types of polymers. Other plastic materials such as acrylonitrile butadiene styrene and polyvinylidene fluoride (PVDF) find usage in niche industrial applications, and comprise a miniscule share of the overall industry.

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

	Galvanised iron (GI)	UPVC	CPVC	HDPE	PPR
Leakage	Vulnerable to leakage	Leakage-free	Leakage-free for lifetime	Leakage-free	Relatively leak-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	Higher thermal conductivity than CPVC, requires insulation

Organised players increased focus on fittings segment in the past decade

Due to intense competition owing to the presence of large number of unorganised players, there has been pressure on the revenues and margins of the organised players. To mitigate this pressure, one of the strategies adopted by organised players is to expand their fittings capacity. Manufacturing fittings requires a higher precision, thereby constraining the unorganised players from entering this space. Because of this specialised product nature, the fittings segment also has 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 come up with new products over the years to cater to the high demand in this segment.

Going forward, GST to benefit organised players in plastic piping industry to increase their market share

CRISIL Research expects implementation of GST to be a major factor driving long-term growth in the plastic pipes industry, especially for organised players. The GST rate for plastic pipes and fittings is 18%. In the pre-GST era, effective tax rate including excise and VAT was also approximately 18%. Due to differential VAT rates across the states, effective tax difference across states was very marginal at under 0.5%. Consequently, post GST implementation, there is no change in effective tax in the plastic pipes industry. However, CRISIL Research believes that a smoother inter-state goods movement and greater tax compliance will benefit the branded players.

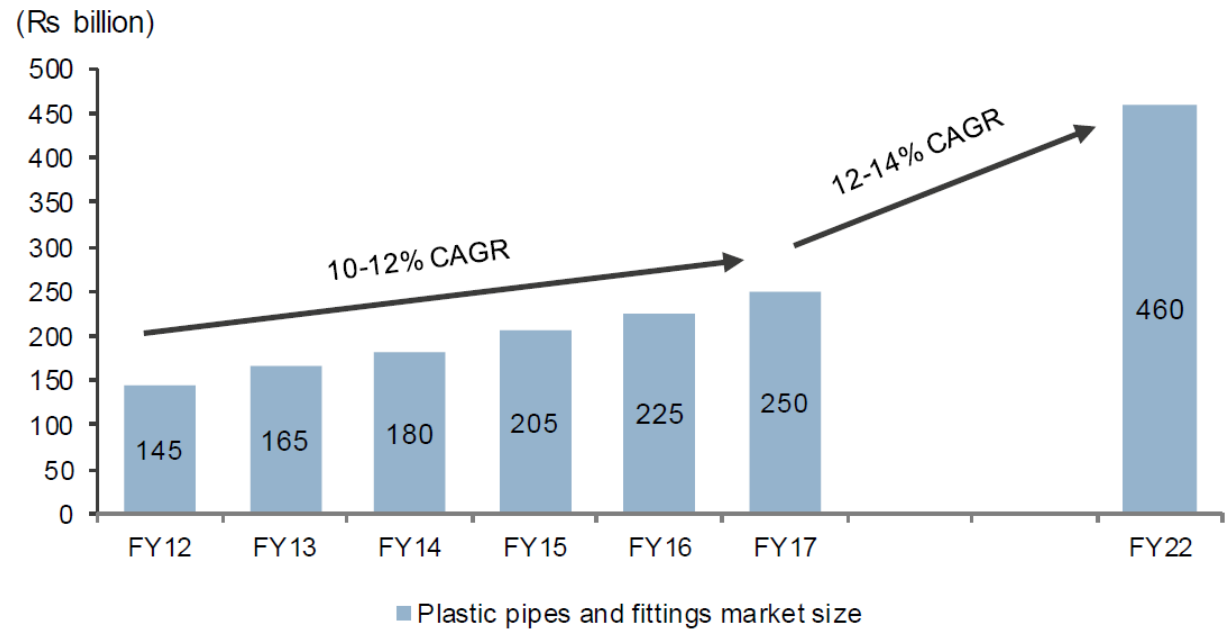
DOMESTIC DEMAND – REVIEW AND OUTLOOK

The Indian plastic pipes and fittings industry rose at a healthy 10-12% CAGR between 2011-12 and 2016-17 to approximately ₹ 250 billion. Industry growth was driven by rising demand from the construction and irrigation sectors. Within the construction space, the sub-segments propelling offtake were increasing investments in WSS projects, substitution of metal pipes with polymer pipes, as well as 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.

Also providing a boost to the industry was 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, the demand for soil, waste and rain, and drainage pipes was robust.

Domestic market size for plastic pipes



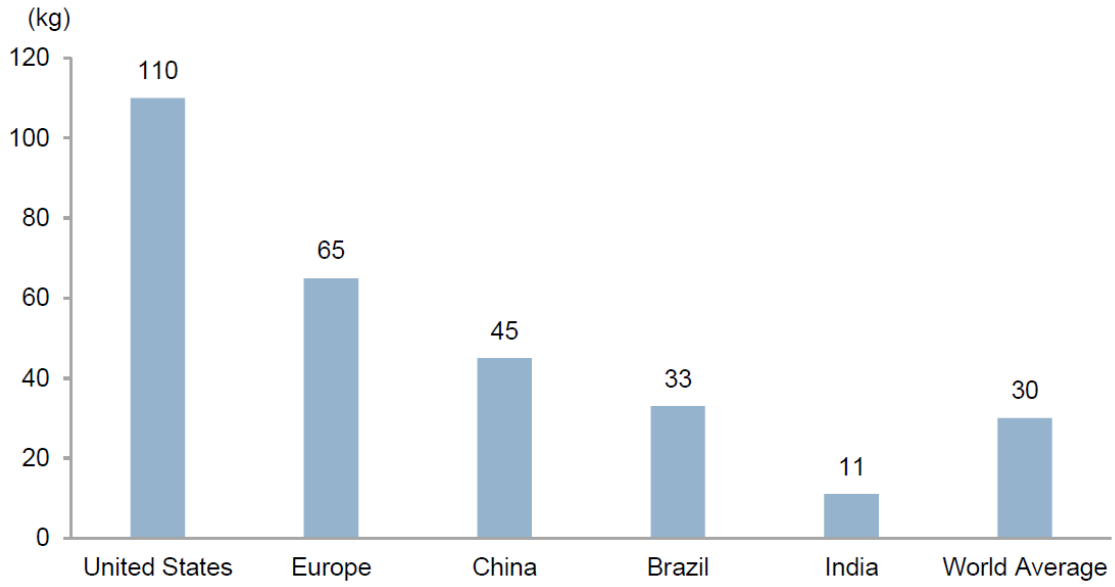
(Source: industry, CRISIL Research)

The industry's pace of growth is projected to accelerate over the next five fiscal years (i.e. from April 1, 2017 to March 31, 2022). CRISIL Research forecasts the plastic pipes and fittings industry to post a CAGR of 12-14%, reaching approximately ₹ 460 billion. The factors that are expected to contribute to the growth in demand are as follows:

Low plastic per capita consumption

India has very low per capita plastic consumption of approximately 11 kg compared with the global average of 30 kg. Traditional materials dominate the application areas of plastic. However, over the past two to three fiscal years (i.e. from April 1, 2014 to March 31, 2017), low crude oil prices along with superior properties of plastic have increased plastic usage in India. Hence, CRISIL Research expects per capita consumption to slowly inch up towards the global average. Over the next five fiscal years (i.e. from April 1, 2017 to March 31, 2022), CRISIL Research expects demand for polymers to grow at a healthy 9-10% CAGR.

India's per capita plastic consumption comparison



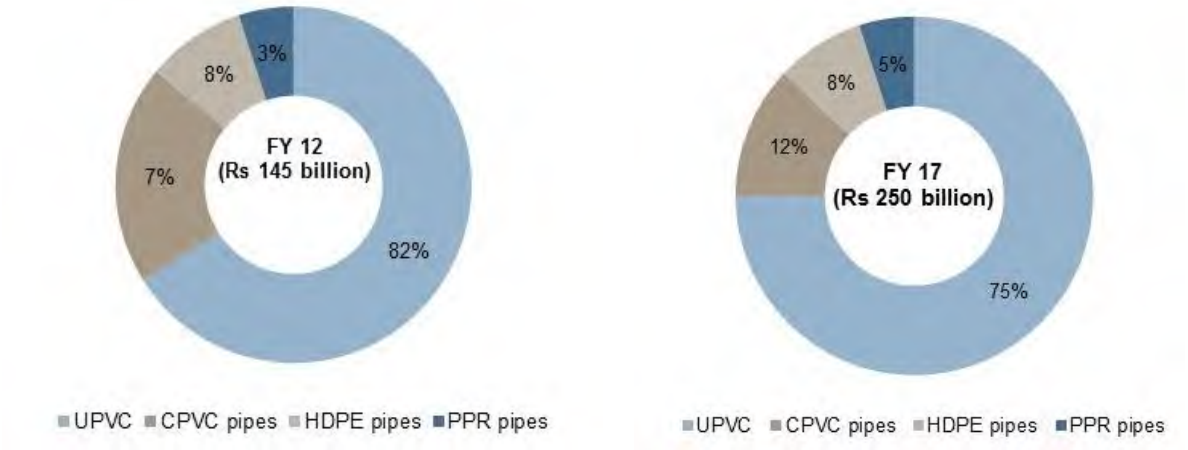
(Source: CRISIL Research)

Substitution and replacement demand

Plastic pipes have several advantages over metal pipes. For instance, the price of plastic pipes is declining. Plastic pipe raw materials are derivatives of crude oil. Hence, prices of plastic pipes are correlated to crude oil prices. The fall in crude oil prices has lowered raw material prices, and, thus, plastic pipe prices. Superior real estate properties and low prices have accelerated the substitution of metal pipes by plastic pipes. Going forward, the increase in 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 potable 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., from April 1, 2017 to March 31, 2022), CRISIL Research expects growth from this segment to be healthy at 10-11% 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., from April 1, 2012 to March 31, 2017) 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, being corrosion free, fire resistant, being lead-free, and their ability to withstand high temperatures. By 2021-22, CRISIL Research expects the share of CPVC pipes in overall plastic pipes industry to increase from 12% in 2016-17 to approximately 20%, registering the highest growth of 24-25%.

HDPE pipes

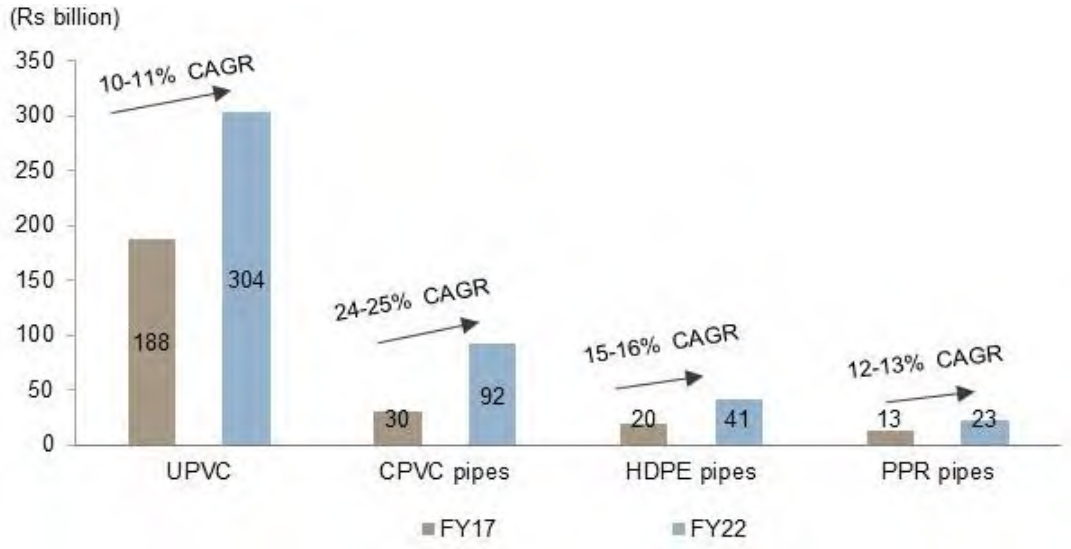
These pipes are used in the irrigation sector, sewerage and drainage, city gas distribution and in chemical and processing industries. HDPE pipes account for approximately 8% share in the total plastic pipes industry. These pipes have been gaining prominence over traditional metal and cement pipes, owing to durability, low maintenance and longevity vis-à-vis 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 15-16% CAGR over the next five fiscal years (i.e., from April 1, 2017 to March 31, 2022).

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 12-13% CAGR over from April 1, 2017 to March 31, 2022.

Plastic pipes - Growth across each segment



(Source: CRISIL Research)

Investments in end use segments

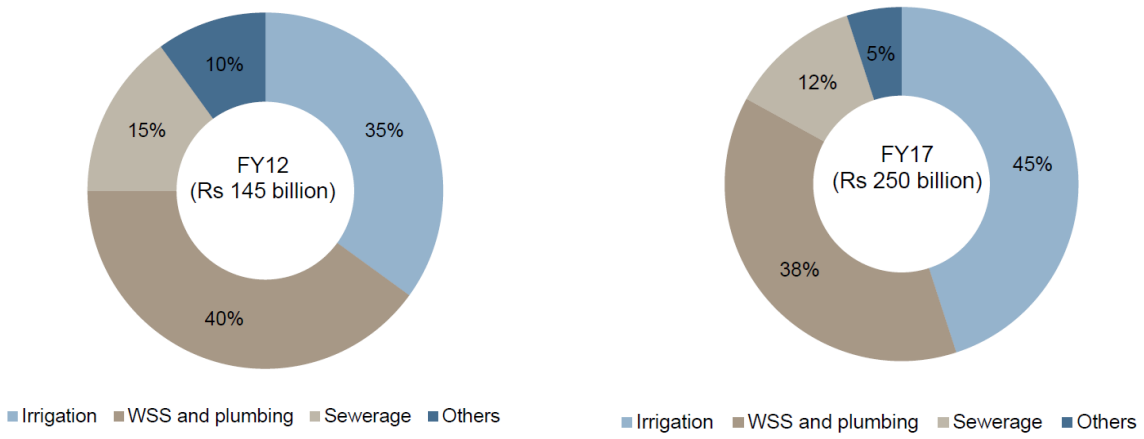
Plastic pipes are primarily used in irrigation and WSS projects. The major demand sources are public sector projects undertaken by central, state and municipal level bodies. Key growth drivers are:

- 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 of such schemes 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 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

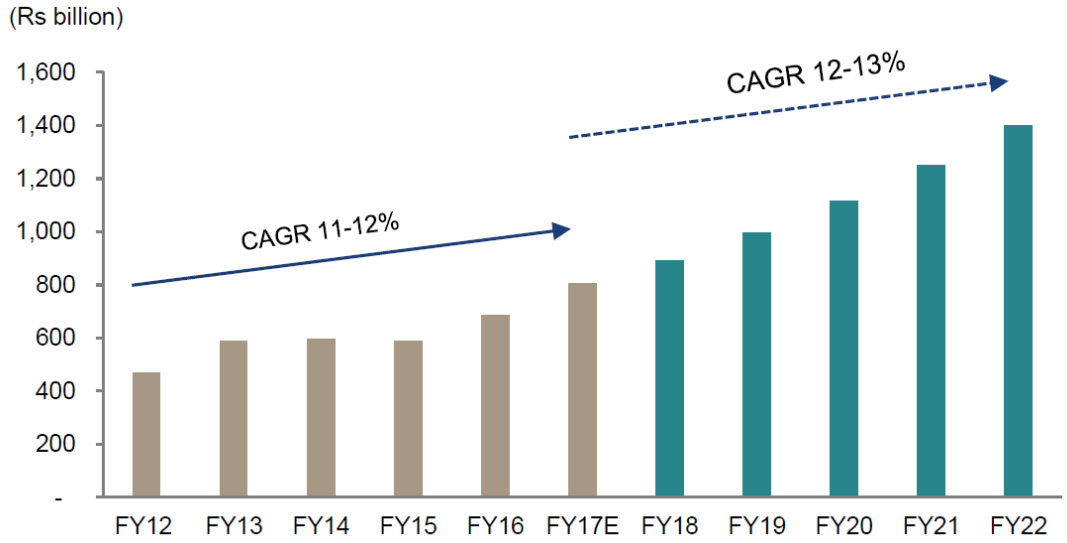


(Source: CRISIL Research)

Irrigation sector

The irrigation sector is the key end-use segment for plastic pipes, accounting for 45% share of the industry. Of India's approximately 142 million hectares of cultivated land, a little less than 50% is irrigated. Aiming to enhance the area under cultivation by 2.85 million hectares in 2017-18 and by 8 million hectares by 2019-20, the central government converged irrigation schemes under PMKSY in 2015-16, with a spending target of ₹ 500 billion until 2019-20. CRISIL Research expects overall irrigation investments to be ₹ 5,656 billion over the next five fiscal years, i.e., from April 1, 2017 to March 31, 2022 compared to ₹ 3,264 billion over the past five fiscal years i.e., from April 1, 2012 to March 31, 2017. Central government expenditure will be ₹ 700 billion accounting for 10-15% of overall investments. With irrigation being a state subject, the remaining 85-90% of the overall investments will flow from state governments, which is about ₹ 4,950 billion.

Investments in irrigation



(Source: CRISIL Research)

CRISIL Research believes investments in irrigation will rise by 12-13% CAGR by 2021-22 compared with 11-12% CAGR over the past five fiscal years, i.e. from April 1, 2012 to March 31, 2017. Of the total investment in irrigation, construction expenditure is estimated at 75%. This translates into a construction expenditure of ₹ 4,242 billion up to 2021-22 compared with ₹ 2,448 billion over the past five fiscal years i.e., from April 1, 2012 to March 31, 2017. The rise in construction activity will lend support to the pipes and fittings industry.

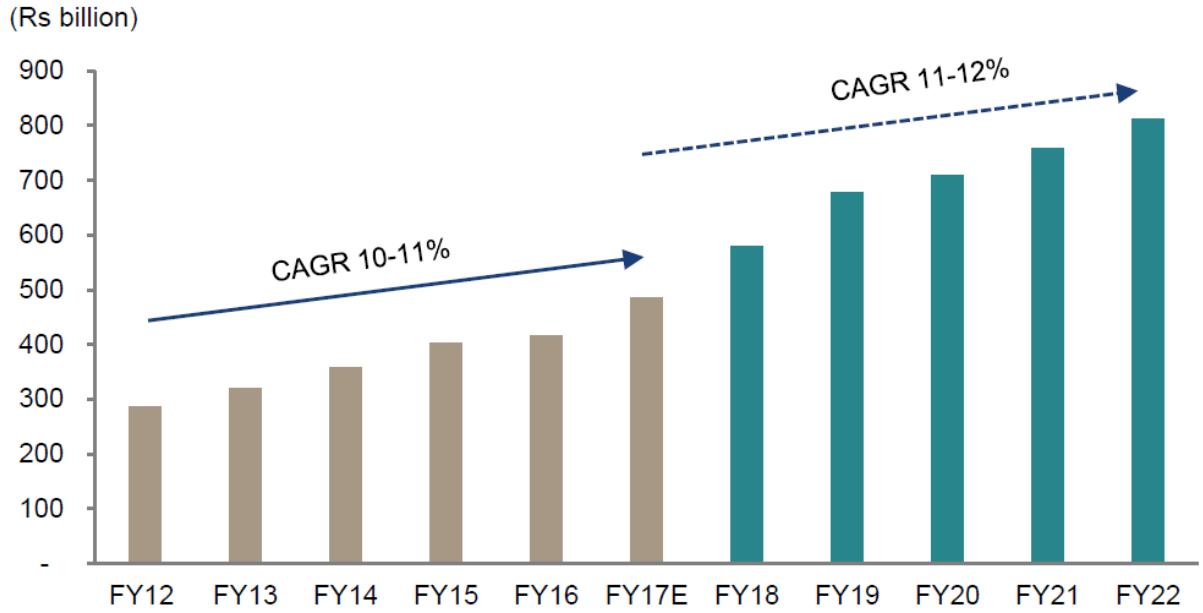
Urban infrastructure

CRISIL Research expects construction expenditure in urban infrastructure to be approximately ₹ 3.6 trillion between 2017-18 and 2021-22, which is twice the expenditure of the previous five fiscal years (i.e., from April 1, 2012 to March 31, 2017). CRISIL Research expects WSS projects to account for approximately 58.6% of the total urban infrastructure investment over the next five fiscal years (i.e., from April 1, 2017 to March 31, 2022), driven primarily by state governments and through centrally sponsored programmes. Andhra Pradesh, Gujarat, Karnataka, Rajasthan, Telangana, and Uttar Pradesh will lead state investments in WSS projects.

Healthy growth in government investments towards WSS

WSS and plumbing is the second largest end-use segment for plastic pipes, accounting for 38% share of plastic pipes market. In the past five fiscal years (i.e., from April 1, 2012 to March 31, 2017), government expenditure in the sector rose at 10-11% CAGR to approximately ₹ 485 billion in 2016-17. 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, etc.

Investment trajectory in WSS



(Source: CRISIL Research)

Real estate sector

Real estate is a key end-use 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 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 approximately 1.8% CAGR during 2000-01 to 2010-11, is expected to grow approximately 1.6% CAGR over 2010-11 to 2020-21 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 approximately 31% in calendar year 2011. Nearly 36% of the country's population is expected to live in urban locations by calendar year 2020, which will drive demand for housing in these areas.

- **Traction in tier II and III cities:** Pick-up in plastic pipe demand in tier II and III cities has been observed in recent years. The healthy growth trajectory is expected to continue over the next four to five fiscal years (i.e. from April 1, 2017 to March 31, 2022).

- **Surging demand from rural sector:** The rural market has low penetration and less availability of branded PVC pipes and fittings. Demand is surging from this sector, driven by increase in disposable incomes of farmers due to government initiatives such as an increase in the Minimum Support Price and Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA). Marketing efforts coupled with 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 2013-14 to 2016-17, reaching ₹ 93,653 in 2016-17. Increasing disposable income, typically, has a positive correlation with demand for housing units, as it increases affordability.

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

- **Increase in** finance **penetration:** Finance penetration in urban areas is projected to rise to 44.8% by 2018-19 from 42.3% in 2016-17, aiding real estate purchases.

(Source: Census 2011, World Urbanisation Prospects: The 2011 Revision (UN))

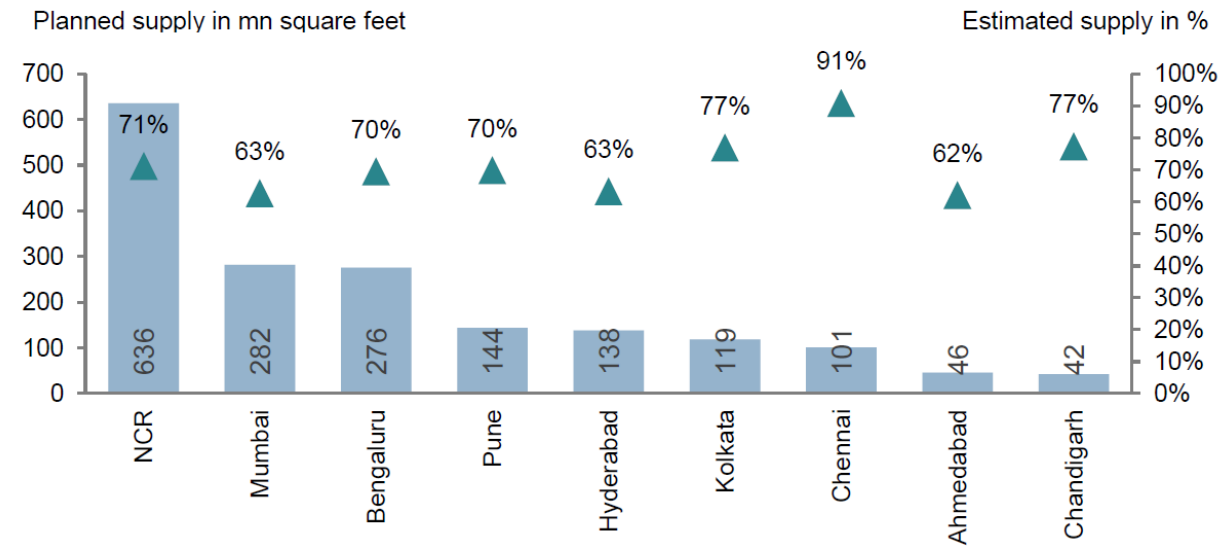
CRISIL Research estimates Indian real estate is an ₹ 8.0 - 9.0 trillion industry

CRISIL Research estimates the current size of real estate industry in the range of ₹ 8.0 - 9.0 trillion (2016-17). Going ahead, the segment is estimated to witness an annual growth of 3% to 4% for the next five fiscal years (i.e. from April 1, 2017 to March 31, 2022) and is likely to be an ₹ 9.5 - 10.5 trillion industry by 2021-22. While capital values are likely to increase marginally, industry's growth will mainly be supported by growth in housing stock.

Plastic pipes demand to get a boost by 1.8 billion sq ft of housing supply under execution across select cities

Select cities – the National Capital Region, Mumbai, Bengaluru, Pune, Hyderabad, Kolkata, Chennai, Ahmedabad, and Chandigarh – have an ongoing supply (planned and under construction) of 1.8 billion sq ft (super built-up area) with an average completion schedule for 3-4 fiscal years (i.e., 2016-17 to 2020-21). CRISIL Research's supply estimate is based on project execution status and scheduled completion estimates of 1.3 billion sq ft in the medium term (2017-18 to 2019-20). In the wake of pressure on land banks in cities and high prices, CRISIL Research expects compact unit sizes to be built. Therefore, there will be a need for plumbing and drainage piping systems, which have low noise properties. Organised players will be at the forefront of tapping this opportunity because of the portfolio of quality products and presence across fittings segment. Of the total housing supply in select cities, around 11% falls under affordable housing category. Accordingly, these cities have an ongoing affordable housing supply of (planned and under construction) 204 million sq ft in terms of built-up area. Of this supply, and based on the project execution status and scheduled completions, CRISIL Research expects 134 million sq ft to be completed in the medium term (during 2017-18 to 2019-20).

Planned and estimated overall housing supply across select cities

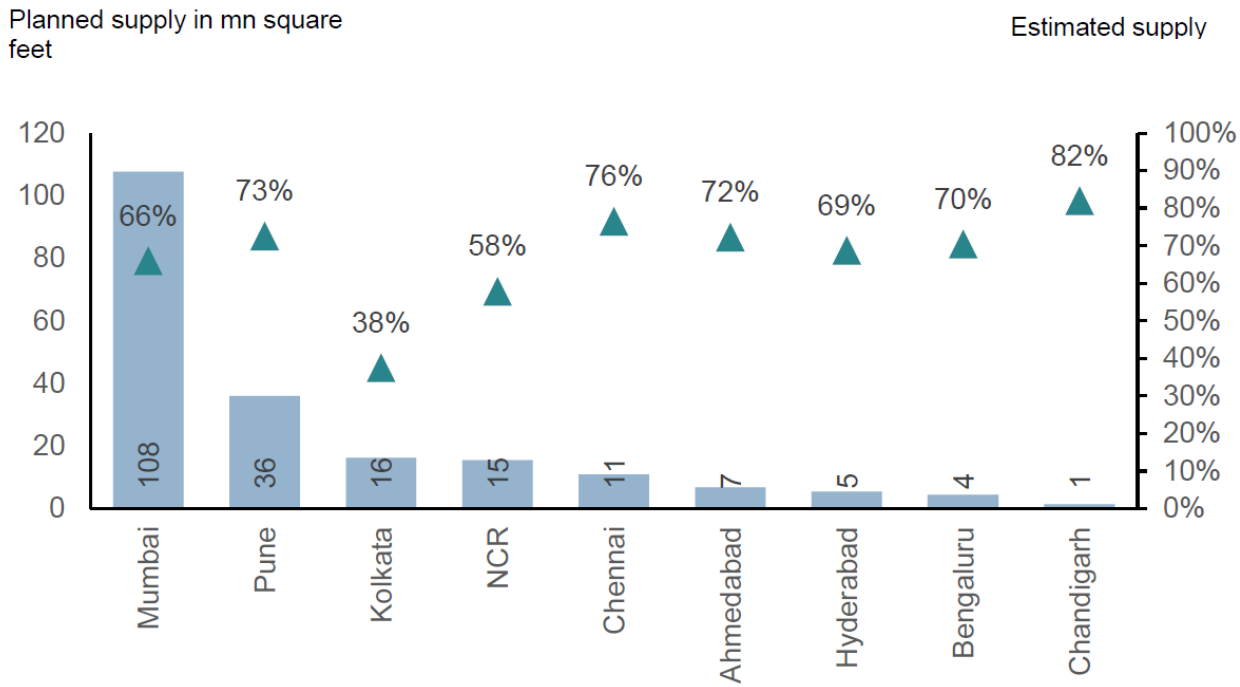


(*Source: CRISIL Research*)

Note:

(1) Bar graphs indicate overall ongoing supply across cities; The figures in % indicates share of supply likely to be completed over the next two fiscal years (from April 1, 2017 to March 31, 2019).

Planned and estimated affordable housing supply across select cities



(Source: CRISIL Research)

Note:

(1) Bar graphs indicate overall ongoing supply across cities; the figures in % indicate the share of supply likely to be completed over the next three fiscal years (April 1, 2018 to March 31, 2021).

Growth in investments in end-use segments and plastic pipes and fittings industry

CAGR	April 1, 2012 to March 31, 2017 (%)	April 1, 2017 to March 31, 2022 (%)
Irrigation	11-12	12-13
WSS	10-11	11-12
Plastic pipes and fittings	**10-12**	**12-14**

(Source: CRISIL Research)

Thus, as discussed, CRISIL Research expects investments in irrigation and WSS to rise 12-13% CAGR and 11-12% CAGR, respectively, over the next five fiscal years (i.e., from April 1, 2017 to March 31, 2022). Healthy growth in the real estate segment is also 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 forecast will translate into 12-14% CAGR for the plastic pipes and fittings industry over the next five fiscal years (i.e., from April 1, 2017 to March 31, 2022).

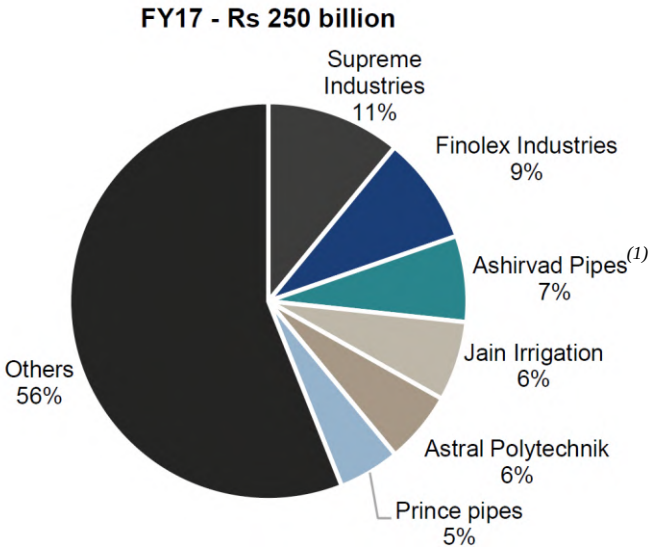
Meanwhile, CRISIL Research expects the share of the organised segment in the industry to expand with the implementation of GST. Furthermore, increasing focus of organised players on marketing and expanding their distribution network, and launching innovative and branded products will see their revenue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

COMPETITIVE LANDSCAPE OF THE PLASTIC PIPES INDUSTRY

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

Supreme Industries continues to enjoy the largest share of the market at approximately 11% in 2016-17, followed by Finolex Industries (9%). The share of Prince Pipes and Fittings increased to 5% in 2016-17 from 4.5% from 4.5% in 2015-16.

Market share in 2016-17



(Source: CRISIL Research, company)

Note:

(1) The market share of Ashirvad Pipes is estimated as the 2016-17 financials are not available.

The success of players in the industry depends on a pan-India presence, distribution network, product portfolio, end-use sectors they cater to, and a presence in the pipes and fittings segment.

SUMMARY OF BUSINESS

OVERVIEW

Our Company is recognized as one of the leading polymer pipes and fittings manufacturers in India in terms of production capacity, number of distributors, and number and variety of products manufactured *(Source: CRISIL Research Report)*. We market our products under two brand names: Prince Piping Systems; and Trubore Piping Systems. 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 manufacturing polymer pipes and more than 20 years' experience in manufacturing fittings.

We currently manufacture polymer pipes and fittings using four different polymers: UPVC; CPVC; PPR; and PP. As at August 31, 2017, we have a product range of more than 7,500 SKUs. Our products are used for varied applications in plumbing, irrigation, and sewage disposal. Our product range meets the requirements of both the rural and urban markets.

We have five strategically located manufacturing plants, which has enabled us to develop 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); and Kolhapur (Maharashtra). The total installed capacity of our five existing plants is 210,646 tonnes per annum as at August 31, 2017. We use contract manufacturers in Hajipur (Bihar); Aurangabad (Maharashtra); and Roorkee (Uttarakhand).

We plan to set up two new manufacturing plants, one in Jobner (Rajasthan), which is near Jaipur, and the other in Sangareddy (Telangana).

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

We currently sell our products to distributors who then resell them to wholesalers, retailers, and consumers. As at August 31, 2017, we had 766 distributors spread across India.

Our revenue from operations for Fiscal 2015, Fiscal 2016 and Fiscal 2017 were ₹ 9,571.91 million, ₹ 10,089.87 million, and ₹ 12,625.80 million, respectively, representing a CAGR of 14.85%. Our EBITDA for Fiscal 2015, Fiscal 2016 and Fiscal 2017 was ₹ 817.09 million, ₹ 978.07 million, and ₹ 1,618.99 million, respectively, representing a CAGR of 41.20%. Our profit after tax for Fiscal 2015, Fiscal 2016 and Fiscal 2017 was ₹ 156.81 million, ₹ 293.63 million, and ₹ 743.62 million, respectively, representing a CAGR of 117.77%. Our EBITDA margin (EBITDA/total revenue) and net profit margin (profit after tax/total revenue) for Fiscal 2017 was 12.81% and 5.88%, respectively.

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 pipes segment and more than two decades in the fittings segment. We market our products under two brand names: Prince Piping Systems; and Trubore Piping Systems. We believe that consumers have a strong loyalty to both our brands, which has enabled us to consistently grow our brands. The Trubore Piping Systems' brand (the "**Trubore brand**") has a long history in the Tamil Nadu market. We acquired the Trubore brand in October 2012.

We have an advantage being one of the leading organized players in this highly fragmented market. We had a market share of approximately 5% in Fiscal 2017 and are amongst the top six organised players, which collectively have a total market share of 44%. *(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 penetration in the fittings segment.

We have been the recipient of numerous awards, including:

- ‘Bloomberg EPC World - 2010’ award for outstanding quality contribution in the pipe segment;
- Asia’s Most Promising Brand Award by the World Consulting and Research Corporation Delhi - 2014;
- Outstanding Contribution to the Plumbing Industry - awarded by the Brihan Mumbai Licensed Plumbers’ Association – 2015;
- Indian Manufacturing Excellence Award (Silver Certificate of Merit) by Frost & Sullivan - 2015; and
- Economic Times Polymers Award (Excellence in Plastics) for excellence in building and construction (plumbing) in the large enterprises’ category - 2017.

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 pipes and fittings using four different polymers: UPVC; CPVC; PPR; and PP. We are one of only two companies in India to manufacture products across UPVC; CPVC; and PPR as shown in the table below.

Company Name	Product Diversification
Our Company	UPVC, CPVC, PPR pipes and fittings[(1)]
Supreme Industries	UPVC, CPVC, HDPE, PPR pipes and fittings
Finolex Industries	UPVC pipes and fittings
Astral Polytechnik	UPVC, CPVC pipes and fittings
Jain Irrigation	UPVC, HDPE pipes and fittings
Ashirvad Pipes	UPVC, CPVC and fittings

Note:

1. *We also manufacture products using PP but as the revenue from this is not significant,, the same has not been reflected in the CRISIL Research Report.*

(Source: CRISIL Research Report)

We have different SKUs for different products under each polymer type. We have more than 7,500 SKUs as at August 31, 2017. Our products are used for varied applications in the field of plumbing, irrigation, and sewage disposal. For Fiscal 2017, our gross revenue from sale of manufactured goods based on the estimated end-use based application comprised 42.04% from plumbing, 36.01% from irrigation, 20.75% from sewage disposal use and 1.20% from others.

We have a product development team, which is responsible for expanding our product portfolio. Our product development team regularly interacts with the plumbing consultants and contractors to understand the demand for new products. Our SKUs increased from 6,415 as at March 31, 2016 to 6,954 as at March 31, 2017, representing an increase of 8.40%.

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 five 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); and Kolhapur (Maharashtra). We use contract manufacturers in Hajipur (Bihar); Aurangabad (Maharashtra); and Roorkee (Uttarakhand). The multi-location facilities have assisted in market penetration and developing a strong presence in North, West and South India. For Fiscal 2017, our sales in North, South, West and East India represented 40.22%, 26.12%, 24.88% and 8.46% of our total sales revenue, respectively.

One of the major factors contributing to players’ success is the presence of its brands in regional markets and across India. Our manufacturing presence as compared to our competitors is shown in the table below.

Company	Location of Plants - State(s)/Union Territory
Our Company	Maharashtra; Tamil Nadu; Uttarakhand; and Dadra and Nagar Haveli
Supreme Industries	Maharashtra; Uttar Pradesh; Madhya Pradesh; Rajasthan; West Bengal; Assam; Gujarat and Tamil Nadu
Finolex Industries	Maharashtra; and Gujarat

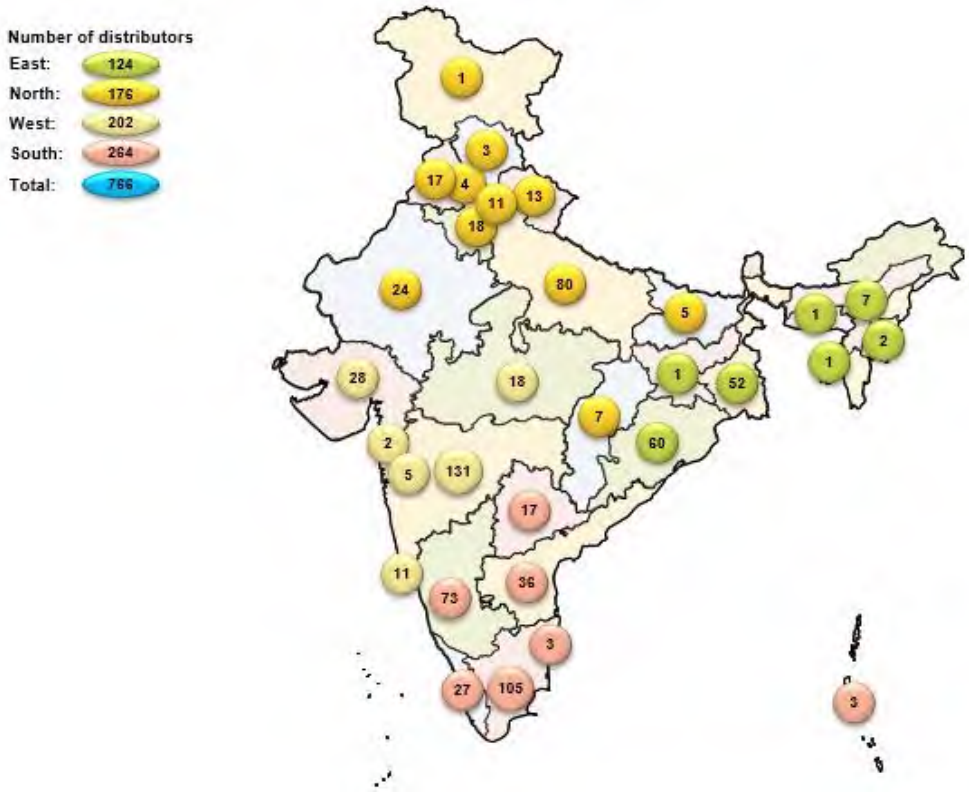
Company	Location of Plants - State(s)/Union Territory
Astral Polytechnik	Gujarat; and Tamil Nadu
Jain Irrigation	Maharashtra; Gujarat; and Tamil Nadu
Ashirvad Pipes	Karnataka

(*Source: CRISIL Research Report*)

We have an ISO 9001:2008 certified manufacturing process for each of our plants. We have an ISO 14001:2015 certification for our Haridwar plant and an EMS certification ISO 50001:2011 (relating to energy efficiency) for our Chennai plant. 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 have a pan-India network of distributors. We had 635 distributors as at March 31, 2016 compared to 766 distributors as at August 31, 2017, a 20.63% increase in 17 months. Set forth below is a map showing our pan-India distribution network as at August 31, 2017.



Our technical collaboration with a reputed international player, which helps 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. 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 molding 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: http://overseas.wavin.com/web/about-wavin/about-wavin-overseas-1.htm accessed on August 15, 2017).*

As a result of our technical collaboration with Wavin, we have seen significant improvements in our production process and quality of products produced. As an example, data from our Athal and Dadra plants is set forth in the table below:

	Parameter	Athal Plant		Dadra plant	
		Fiscal 2016	Fiscal 2017	Fiscal 2016	Fiscal 2017
1.	Average number of breakdowns per week (Availability)	40.18	31.71	50.42	20.17
2.	Total number of customer complaints	7	6	11	9

Strong management team

We have a strong management team led by Jayant Shamji Chheda, our Chairman, 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 2015 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 - 2016 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. Heena Parag Chheda, one of our executive Directors and one of our Promoters, has more than 14 years' 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. Shailesh Kanji Bhaskar, our Company Secretary, has approximately 11 years of experience, of which seven are in the field of secretarial and compliance functions and five in the field of accounts and finance.

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

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 plumbing products have higher gross margins than our other products. Our revenue from plumbing products, as a percentage of our gross revenue from sale of manufactured products, increased from 32.71% in Fiscal 2015 to 42.04% in Fiscal 2017. Our fittings have higher margins than our pipes and we endeavor to optimize our mix of pipes and fittings to maximize our margins.

Expand our product portfolio

Until now our focus has been on products for application above ground, namely, plumbing, irrigation, and sewage disposal. We now plan on expanding the reach of our products for application in underground drainage as well by entering the HDPE segment with 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 underground sewer systems, industrial waste water systems, storm water drainage, cable ducting, and culvert and cross drainage. They are optimized for maximum efficiency in underground sewer systems and have advantages in handling, storage, installation and maintenance. HDPE pipes have a minimum service life of 50 years and are resistant to weathering, chemical fluids and abrasion. HDPE pipes have been gaining prominence over traditional metal and cement pipes, owing to durability, low maintenance and longevity compared with metal pipes. *(Source: CRISIL Research Report).*

CRISIL Research has forecast that spending on pipes and fittings for water supply and sanitation will grow at a CAGR of 11-12% in the five-year period Fiscal 2017 to Fiscal 2022. The major demand sources are public sector projects undertaken by central, state and municipal level bodies. 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) Government schemes such as Jawaharlal, JNNURM, AMRUT, Swachh Bharat Mission and Smart Cities Mission, which are likely to boost spending in water supply and sanitation. *(Source: CRISIL Research Report).*

We have also 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 plan on entering this segment with DWC pipes. We have ordered four machines for manufacturing DWC pipes with an installed capacity of 36,624 tonnes per annum for a total cost of ₹184.75 million, including insurance and freight. We expect to begin producing DWC pipes by the end of October 2017.

Set up two new manufacturing plants

We plan to set up two new manufacturing plants, one in Jobner (Rajasthan), which is near Jaipur, with an installed capacity of 55,750 tonnes per annum and the other in Sangareddy (Telangana) with an installed capacity of 91,332 tonnes per annum. We plan to commence production at the Rajasthan plant in Fiscal 2019 and at the Telangana Plant in Fiscal 2020. The opening of these two new plants will improve our efficiency thus making us more competitive. The opening of the Rajasthan plant will increase our capacity and enable us to maintain and improve our order to delivery time. Increased government spending in drinking water and sewerage in northern India will increase demand for our products. The Rajasthan plant will enable us to be close to these markets. (*Source: CRISIL Research Report*) Currently, our markets in south India are catered to by our plants in Athal and Haridwar. The lead-time for our stock to reach our distributors is between four and 15 days, which puts us at a disadvantage in comparison to our competitors. The opening of the Telangana plant will enable up to compete in these markets more effectively. For more details on these proposed new plants, see *"−Manufacturing-Proposed New Plants*" on page 132.

Expand the Trubore brand to new product lines and new states

The Trubore brand has a long history in the Tamil Nadu market and we believe that this brand has established a good reputation in Tamil Nadu. We acquired the Trubore brand in October 2012 and it is now our premium brand. Trubore brand products are currently sold mainly in Tamil Nadu primarily to the agriculture segment

We plan to increase the product portfolio under the Trubore brand name to cater to the building industry and infrastructure segment.

We plan to increase sales of our Trubore brand products by increasing our marketing efforts and the number of distributors for our Trubore brand products outside of Tamil Nadu, which will help us in increasing our sales in existing as well as new geographies. Also, CRISIL Research expects branded players to increase their market share. We believe that our plans for the Trubore brand will enable the Trubore brand products to likewise increase their market share *(Source: CRISIL Research Report).* In the first phase of our expansion plan for the Trubore brand, we will be introducing the full range of Trubore brand products in the other states in South India.

We plan to use a different distribution model for our Trubore brand products compared to our Prince Piping Systems products in that we will distribute the Trubore brand products directly to wholesalers and retailers, thereby eliminating the third party distributors from the distribution chain.

Increase our focus on building our brands

In November 2016, in the endeavor to differentiate our brands from other brands, we launched a loyalty program called 'Udaan' to connect with and reward our distributors, retailers, wholesalers, and plumbers. Under this scheme, buyers receive reward points on every purchase of our products and they can then redeem the points against a number of gifts available. This scheme is currently operational in the Mumbai region and we are in the process of rolling it out to other regions across India. For more details on this program, see *"-Sales and Marketing*" on page 134.

We plan to spend the majority of our below the line advertising budget on activities such as dealer meets, plumber meets, buying merchandise, branding in trade rural activation, new product launch meets, media event sponsorship and exhibitions, customer loyalty programs, industrial projects and digital marketing. We plan to spend the majority of our above the line advertising budget on television commercials. We also plan to spend on hoardings, advertisement on buses, newspapers and magazines. We plan on spending approximately 30% of our total advertising budget on above the line advertising and approximately 70% on below the line advertising as our primary target audience are influencers and channel partners. Our online and social media marketing strategy for the next five years includes revamping the Prince Piping Systems and Trubore brand websites, creating Facebook and twitter pages, developing an e-commerce portal, collaborating with various real estate

portals, and setting up an online query resolving system.

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 products by increasing the number of retailers who stock our products. We plan to expand the sale of our 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.

As at August 31, 2017, we had a salesforce of 194 persons. Our salespersons meet with 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. We also encourage our existing distributors to meet with their existing retailers to encourage them to stock a wider range of our products.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Statements. The Restated Financial Statements have been prepared in accordance with Indian GAAP, the Companies Act, and the SEBI ICDR Regulations and are presented in the section titled "*Financial Statements*" beginning on page 182. As at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, 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 234.

Restated Summary of Assets and Liabilities

(in ₹ millions)

	Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
I.	**EQUITY and LIABILITIES**					
1	**Shareholders' Funds**					
	Share Capital	450.08	480.08	480.08	480.08	240.04
	Reserves and Surplus	1,973.33	1,357.69	1,064.06	910.79	900.04
2	**Non-Current Liabilities**					
	Long Term Borrowings	1,057.65	894.63	714.14	883.56	882.81
	Deferred Tax Liabilities	114.95	107.50	116.24	135.56	132.58
	Other Long Term Liabilities	154.51	139.75	137.88	112.72	72.48
	Long Term Provisions	45.48	43.13	41.84	22.56	14.35
3	**Current Liabilities**					
	Short Term Borrowings	1,887.64	1,858.86	2,061.40	2,440.04	1,850.44
	Trade Payables					
	- Micro, Small and Medium Enterprises	67.79	49.86	57.96	45.38	40.21
	- Others	953.40	941.56	705.33	408.24	796.39
	Other Current Liabilities	862.80	613.33	551.41	495.61	530.09
	Short Term Provisions	24.12	21.34	20.22	13.31	10.30
	Total	**7,591.75**	**6,507.73**	**5,950.56**	**5,947.85**	**5,469.73**
II.	**ASSETS**					
1	**Non-Current Assets**					
	Fixed Assets					
	i) Tangible assets	2,637.12	2,313.92	2,199.66	2,193.31	2,075.33
	iii) Intangible assets	37.27	39.30	42.07	49.19	51.64
	ii) Capital work in progress	180.31	141.26	43.49	26.33	48.22
	Non-Current Investments	3.23	3.23	1.57	3.93	8.77
	Long Term Loans and Advances	11.03	23.83	4.05	6.90	13.04
	Other Non-Current Assets	51.70	53.88	50.33	48.75	45.21
2	**Current Assets**					
	Current Investments	-	9.93	-	-	-
	Inventories	1,742.40	1,005.18	1,125.64	1,291.98	1,227.68
	Trade Receivables	2,367.37	2,389.93	2,120.36	2,037.70	1,719.65
	Cash and Bank Balances	123.68	85.73	60.40	56.09	67.61
	Short Term Loans and Advances	193.40	156.32	165.88	183.96	178.75
	Other Current Assets	244.24	285.22	137.11	49.71	33.83
	Total	**7,591.75**	**6,507.73**	**5,950.56**	**5,947.85**	**5,469.73**

Restated Summary Statement of Profit and Loss

(in ₹ millions)

	Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016	Year Ended March 31, 2015	Year Ended March 31, 2014	Year Ended March 31, 2013
I	Revenue from Operations	12,625.80	10,089.87	9,571.91	10,063.42	8,017.87
II	Other Income	12.87	5.61	20.61	44.01	48.72
III	**Total Revenue (I+II)**	**12,638.67**	**10,095.48**	**9,592.52**	**10,107.43**	**8,066.59**

	Particulars	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	Expenses:					
	Cost of Material Consumed	8,364.74	7,047.06	7,130.97	6,838.53	5,623.86
	Purchases of Stock In Trade	1,075.44	327.43	197.79	713.56	723.10
	Changes in Inventories of Finished Goods	(515.97)	73.11	(74.10)	178.90	(409.44)
	Employee Benefits Expense	610.14	529.87	487.67	458.72	390.89
	Finance Cost	359.88	332.57	373.95	480.49	314.28
	Depreciation	317.15	285.25	285.45	264.54	206.13
	Other Expenses	1,472.46	1,134.33	1,012.49	849.39	724.53
IV	**Total Expenses**	**11,683.84**	**9,729.62**	**9,414.22**	**9,784.13**	**7,573.35**
V	**Profit Before Exceptional Items and Tax (III-IV)**	**954.83**	**365.86**	**178.30**	**323.30**	**493.24**
VI	**Exceptional Items**	-	-	-	-	-
VII	**Profit from Ordinary Activities Before Tax**	**954.83**	**365.86**	**178.30**	**323.30**	**493.24**
VIII	**Tax Expense:**					
	Current Tax	203.76	80.97	38.93	69.54	99.38
	Deferred Tax	7.45	(8.74)	(17.44)	2.97	13.34
	Total Tax Expense	**211.21**	**72.23**	**21.49**	**72.51**	**112.72**
IX	**Profit from Ordinary Activities After Tax (VII-VIII)**	**743.62**	**293.63**	**156.81**	**250.79**	**380.52**
X	Extraordinary Item (Net of Tax Expense)	-	-	-	-	-
XI	**Profit For The Year (IX-X)**	**743.62**	**293.63**	**156.81**	**250.79**	**380.52**
XII	**Earnings Per Equity Share** (Face Value of ₹ 10 Each):					
	Basic and Diluted (in Rupees)	**15.74**	**6.12**	**3.27**	**5.22**	**15.85**

Restated Summary Statement of Cash Flows

(in ₹ millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit Before Tax	954.83	365.86	178.30	323.30	493.24
Adjustments					
Depreciation and Amortisation Expenses	317.15	285.25	285.45	264.54	206.13
Provision for Gratuity and Leave Encashment	5.13	2.61	26.14	11.15	24.57
Interest paid	315.35	299.38	339.20	355.77	252.77
Provision for Doubtful Debts	8.16	-	8.21	-	-
Bank Commission and Charges paid	39.38	30.72	22.17	17.76	21.97
Unrealised Foreign Exchange Difference	(11.66)	(7.13)	(8.72)	(9.36)	(6.32)
Miscellaneous expenditure	-	-	-	-	0.73
(Profit)/Loss on sale of Fixed Assets	5.69	2.19	0.41	5.94	(27.25)
Investments Written off	-	-	-	4.90	-
Adjustment in Reserves due to loan waiver	-	-	-	-	7.51
(Profit)/Loss on sale of investments	(3.61)	-	(3.22)	-	(0.81)
Dividend Received	(0.03)	(0.06)	(0.09)	(0.07)	(0.05)
Interest Received	-	-	-	(25.17)	(1.47)
Operating Profit before Working Capital Changes	**1,630.39**	**978.82**	**847.85**	**948.76**	**971.02**
Adjustments for					
Inventories	(737.22)	120.46	166.34	(64.30)	(421.74)
Trade & Other Receivables	36.90	(462.86)	(170.18)	(321.52)	(561.00)
Trade & Other Payables	227.59	297.17	410.31	(351.41)	309.61
Cash Generated from Operations	**1,157.66**	**933.59**	**1,254.32**	**211.53**	**297.89**
Taxes paid (net)	(218.61)	(75.03)	(33.00)	(83.76)	(81.19)
Net Cash Flow from Operating	**939.05**	**858.56**	**1,221.32**	**127.77**	**216.70**

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Activities (A)					
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets	(684.71)	(509.51)	(311.71)	(373.44)	(843.77)
Sale of Fixed Assets	1.71	12.80	4.06	9.38	55.17
Purchase of Long Term Investments	(1.60)	(11.59)	(0.62)	(0.07)	(0.19)
Sale of Long Term Investments	15.14	-	6.19	-	0.81
Dividend Received	0.03	0.06	0.09	0.07	0.05
Net Cash Flow from Investing Activities (B)	**(669.43)**	**(508.24)**	**(301.99)**	**(364.06)**	**(787.93)**
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Long Term/Short Term Borrowings (Net)	259.53	(20.15)	(559.05)	573.74	825.61
Proceeds on buyback of shares	(147.69)	-	-	-	-
Interest Received	-	-	-	25.17	1.47
Bank Commission and Charges paid	(39.38)	(30.72)	(22.17)	(17.76)	(21.97)
Interest paid	(315.35)	(299.38)	(339.20)	(355.77)	(252.77)
Net Cash Flow from Financing Activities (C)	**(242.89)**	**(350.25)**	**(920.42)**	**225.38**	**552.34**
D. NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	**26.73**	**0.07**	**(1.09)**	**(10.91)**	**(18.89)**
Cash and Cash Equivalents at the beginning of the year	0.45	0.38	1.47	12.38	31.27
Cash and Cash Equivalents at the end of the year	27.18	0.45	0.38	1.47	12.38
Net Increase/(Decrease) in Cash & Cash Equivalents	**26.73**	**0.07**	**(1.09)**	**(10.91)**	**(18.89)**
Components of Cash and Cash Equivalents:					
- Cash on Hand	0.29	0.36	0.30	0.42	0.45
- Cheques on Hand	-	-	-	-	-
- Balance with Banks					
On Current Account	26.89	0.09	0.08	1.04	11.93

Reservations, Qualifications and Adverse Remarks

There have been no reservations, qualifications and adverse remarks highlighted by our Statutory Auditors in their examination reports on the Restated Financial Statements for the last five Fiscal Years.

THE OFFER

The following table summarises the Offer details:

Offer [(1) (2) (3)]	Up to [●] Equity Shares aggregating up to ₹ 7,000 million
Comprising of:	
Fresh Issue[(2)]	Up to [●] Equity Shares aggregating up to ₹ 5,000 million
Offer for Sale [(3)]	Up to [●] Equity Shares aggregating up to ₹ 2,000 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 ₹ 900 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 Draft Red Herring Prospectus[(5)]	90,015,816 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See the section titled "*Objects of the Offer*" on page 82. 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 294.*

(1) The Offer has been authorised by a resolution of our Board dated August 21, 2017 and by a special resolution of our Shareholders at the AGM held on September 15, 2017.

(2) Pursuant to the resolutions passed by the Board and the Shareholders dated August 21, 2017 and September 15, 2017, respectively, our Company may, in consultation with the BRLMs, issue and allot up to 3,600,000 Equity Shares for an amount up to ₹ 1,000 million through a private placement, prior to filing of the Red Herring Prospectus with the RoC, at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to 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) being offered to the public.

(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	September 26, 2017
Tarla Jayant Chheda	900	September 26, 2017
Parag Jayant Chheda	500	September 26, 2017
Vipul Jayant Chheda	400	September 26, 2017

The Board has taken on record the Offer for Sale by the Promoter Selling Shareholders pursuant to its resolution dated September 16, 2017 and our Board has approved this Draft Red Herring Prospectus pursuant to its resolution dated September 26, 2017. 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 290.

(5) Our Company has granted 900,158 options to its eligible employees, in accordance with ESOP 2017 and applicable law. This figure does not factor in the Equity Shares that may be granted pursuant to exercise of such options, once they are vested. For further details, see section titled "*Capital Structure*" on page 66.

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 331.

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 147.

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 147.

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, Jam-e Jamshed Road, Matunga C.Rly, Mumbai, Maharashtra 400 019
Parag Jayant Chheda	Executive Director	00013222	1002, 10th floor, Mont Blanc, Plot no. 550, Jam-e 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
Heena Parag Chheda	Executive Director	02667541	1002, 10th floor, Mont Blanc, Plot no. 550, Jam-e Jamshed Road, Matunga C.Rly,

Name	Designation	DIN	Address
			Mumbai, Maharashtra 400 019
Ramesh Chandak	Additional Independent Director	00026581	1202, Shrushti Towers, Old Prabhadevi Road, Prabhadevi, Mumbai 400 025, Maharashtra, India
Mohinder Pal Bansal	Additional Independent Director	01626343	1403/B, Casa Grande Tower-1, Opp. Peninsula Complex, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra 400 013, Maharashtra, India
Anup Pravin Shah	Additional Independent Director	00293207	8, Jal Kiran, Cuffe Parade, Mumbai 400 005, Maharashtra, India
Uma Mandavgane	Additional 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 152.

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

Shailesh Bhaskar 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 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 Institutional Securities 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
7.	International institutional marketing strategy · Finalize the list and division of investors for one to one meetings, in consultation with the Company, and · Finalizing the International road show schedule and investor meeting schedules	JM Financial, Edelweiss	JM Financial

S.No.	Activity	Responsibilities	Co-ordination
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 the Company	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, India, 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

Luthra & Luthra Law Offices
Indiabulls Finance Center
Tower 2, Unit A2, 20th Floor
Elphinstone Road, Senapati Bapat Marg
Mumbai 400 013, Maharashtra, India
Telephone: +91 22 6630 3600
Facsimile: +91 22 6630 3700

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., Chartered Accountants
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: 008246

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
Contact Person: Subhash Pathak

Bank of India
Mid corporate branch
70/80, MG Road, Mezzanine Floor
Bank of India Building, Fort
Mumbai 400 001, Maharashtra, India
Telephone: +91 22 2265 1622
Facsimile: +91 22 2269 2196
E-mail: mcb.mumbaisouth@bankofindia.co.in
Website: www.bankofindia.co.in
Contact Person: Rekha Kodkani

IDFC 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

State Bank of India
Overseas Branch, 'The Arcade'
2nd Floor, World Trade Centre, Cuffe Parade,
Colaba, Mumbai 400 005, Maharashtra, India
Telephone: +91 22 2218 0589 / +9178938 40253
Facsimile: +91 22 2215 4795
E-mail: bnsahoo@sbi.co.in

Website: www.idfcbank.com
Contact Person: Rahul Agarwal

Website: www.sbi.co.in
Contact Person: Baikunthanath Sahoo

Syndicate Members

[●]

Banker(s) to the Offer/ Escrow Collection Bank / Refund Bank/Public Offer Account Bank

[●]

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 http://www.sebi.gov.in/cms/sebi_data/attachdocs/1470395458137.html 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 the BSE and the 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 the 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 the 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 Section 26(1)(a)(v) of 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., Chartered Accountants, with respect of its (a) examination report dated September 16, 2017 on the Restated Financial Statements, (b) report dated September 23, 2017 on the statement of possible special tax benefits available for our Company and the

Shareholders, and (c) the summary of significant differences between Indian GAAP and Ind AS, which have been included in this Draft Red Herring Prospectus.

ii. Rajesh Patel, chartered engineer, with respect to his certificate dated September 21, 2017.

Further, such consents have not been withdrawn as on the date of this Draft 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 16(1) of the SEBI ICDR Regulations, our Company is required to appoint a monitoring agency for the purposes of the Offer. Accordingly, our Company has appointed [●] as the monitoring agency, in relation to the Offer by way of the Monitoring Agency Agreement.

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 the 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 English national newspaper [●], all editions of Hindi national newspaper [●], and [●] edition of regional language newspaper [●], each with wide circulation, each with wide circulation, respectively, 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 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 SCSBs;
(8) the CDPs;
(9) the RTAs; and
(10) 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, 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 290 and 294 respectively.

Our Company will comply with the SEBI ICDR Regulations 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 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 (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for, after Allotment; and (ii) the final approval of the RoC after the Prospectus is registered with the RoC.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid. For further details, see the section titled "*Offer Procedure*" on page 294.

- 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 stated in this Draft Red Herring Prospectus, the 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 number MRD/DoP/Cir-20/2008, 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 number MRD/DoP/Dep/Cir-09/06, 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, 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. 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 the section titled "*Offer Procedure*" on page 294). 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, 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, the bank account details, occupation given in the Bid cum Application Form, with the details recorded with your Depository Participant;

- Bids by 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. Bidders should

ensure that the ASBA Accounts have an 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 Bidders is not rejected.

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

For further details, see the section titled "*Offer Procedure*" on page 294.

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 330.

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 (₹ million)
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

The above-mentioned amount will be finalised after determination of the Offer Price and 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 Draft Red Herring Prospectus, is set forth below:

(in ₹ million, except share data)

		Aggregate nominal value	Aggregate value at Offer Price
A)	**AUTHORISED SHARE CAPITAL**		
	150,000,000 Equity Shares	1,500.00	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	90,015,816 Equity Shares	900.16	-
C)	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Public offer of up to [●] Equity Shares aggregating up to ₹ 7,000 million[(1)(3)]	[●]	[●]
	Comprising:		
	a) Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 5,000 million [(2)]	[●]	[●]
	b) Offer for Sale of up to [●] Equity Shares by the Promoter Selling Shareholders aggregating up to ₹ 2,000 million [(3)]	[●]	[●]
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	[●] Equity Shares	[●]	[●]
E)	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	Nil	
	After the Offer (assuming full subscription in the Offer)	[●]	

(1) The Offer has been authorised by a resolution of our Board dated August 21, 2017 and a special resolution of our Shareholders at the AGM held on September 15, 2017.

(2) Pursuant to the resolutions passed by the Board and the Shareholders dated August 21, 2017 and September 15, 2017, respectively, our Company may, in consultation with the BRLMs, issue and allot up to 3,600,000 Equity Shares aggregating up to ₹ 1,000 million through a private placement, prior to registering of the Red Herring Prospectus with the RoC, at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to 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) being offered to the public.

(3) 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	September 26, 2017
Tarla Jayant Chheda	900	September 26, 2017
Parag Jayant Chheda	500	September 26, 2017
Vipul Jayant Chheda	400	September 26, 2017

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 this 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 this 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 this Draft Red Herring Prospectus and not through utilization of revaluation reserves or unrealized profits of the 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 147.

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

* *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.	Mulchand Shamji Chheda and Sunder Mulchand Chheda	70,000
3.	Kishore Shamji Chheda and Amrut Kishore Chheda	60,000
4.	Tarla Jayant Chheda and Jayant Shamji Chheda	60,000
5.	Arvind Shamji Chheda and Nirmala Arvind Chheda	45,000
6.	Nirmala Arvind Chheda and Arvind Shamji Chheda	45,000
7.	Prabhavati Gangji Chheda and Gangji Shamji Chheda	35,000
8.	Mahendra Gangji Chheda and Kala Mahendra Chheda	22,500
9.	Kala Mahendra Chheda and Mahendra Gangji Chheda	22,500

Sr. No.	*Name of the allottee*	*Number of equity shares allotted*
10.	Piyush Gangji Chheda and Rupal Piyush Chheda	12,500
11.	Rupal Piyush Chheda and Piyush Gangji Chheda	12,500
12.	Rakesh Kishore Chheda and Nina Rakesh Chheda	12,500
13.	Nina Rakesh Chheda and Rakesh Kishore Chheda	12,500
14.	Gangji Shamji Chheda and Prabhavati Gangji Chheda	10,000
15.	Sunder Mulchand Chheda and Mulchand Shamji Chheda	10,000
16.	Manish Mulchand Chheda and Sunder Mulchand Chheda	10,000
17.	Amrut Kishore Chheda and Kishore Shamji Chheda	10,000
18.	Dharmesh Kishore Chheda and Ekta Dharmesh Chheda	10,000
19.	Bhavesh Kishore Chheda and Amrut Kishore Chheda	10,000
20.	Jayant Shamji Chheda and Tarla Jayant Chheda	10,000
21.	Parag Jayant Chheda and Tarla Jayant Chheda	10,000
22.	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 149. List of allottees who were allotted Equity Shares is as follows:*

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

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

(b) 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*	-

Date of allotment	Number of Equity Shares	Face value (₹)	Issue price (₹)	Reasons for allotment	Allottees	Benefits accrued to our Company
					of Equity Share capital of our Company" on page 66.	
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 66.	-
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 66.	-
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 149.	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 66.	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 149.
March 22, 2013	12,001,977	10	-	Bonus issue of one Equity Share for every one Equity Share held.	See footnote 8 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 69.	-
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 69.	-
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 69.	-

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	-	0.18	[●]
December 17, 2005	Bonus issue	240,000	NA	10	-	0.27	[●]
March 7, 2009	Bonus issue	480,000	NA	10	-	0.53	[●]
March 22, 2013	Bonus issue	960,000	NA	10	-	1.07	[●]
March 29, 2014	Bonus issue	1,920,000	NA	10	-	2.13	[●]
July 12, 2017	Bonus issue	3,840,000	NA	10	-	4.27	[●]
Total		**7,680,000(1)**				**8.53**	**[●]**
Tarla Jayant Chheda							
March 26, 1994	Further issue	60,000	Cash	10	10	0.07	[●]
March 31, 1995	Further issue	60,000	Cash	10	10	0.07	[●]
July 25, 1996	Transfer	150,000	Cash	10	10	0.17	[●]
	Transfer	(1,000)	Cash	10	10	Negligible	[●]
March 11, 1997	Transfer	50,000	Cash	10	16	0.06	[●]
June 4, 2002	Bonus issue	638,000	NA	10	-	0.71	[●]
December 17, 2005	Bonus issue	957,000	NA	10	-	1.06	[●]
March 7, 2009	Bonus issue	1,914,000	NA	10	-	2.13	[●]
March 22, 2013	Bonus issue	3,828,000	NA	10	-	4.25	[●]
March 29, 2014	Bonus issue	7,656,000	NA	10	-	8.51	[●]
July 12, 2017	Bonus issue	15,312,000	NA	10	-	17.01	[●]
Total		**30,624,000(2)**				**34.02**	**[●]**
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	0.26	**[●]**
March 11, 1997	Transfer	50,000	Cash	10	16	0.06	**[●]**
June 4, 2002	Bonus issue	600,000	NA	10	-	0.67	**[●]**
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	-	1.00	[●]
March 7, 2009	Bonus issue	1,799,800	NA	10	-	2.00	[●]
March 22, 2013	Bonus issue	3,599,600	NA	10	-	4.00	[●]
March 29, 2014	Bonus issue	7,199,200	NA	10	-	8.00	[●]
December 26, 2016	Buyback	(1,500,000)	-	10	-	(1.67)	[●]
July 12, 2017	Bonus issue	12,898,400	NA	10	-	14.33	[●]
Total		**25,796,800(3)**				**28.66**	**[●]**

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
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	0.26	**[●]**
March 11, 1997	Transfer	50,000	Cash	10	16	0.06	**[●]**
June 4, 2002	Bonus issue	600,000	NA	10	-	0.67	**[●]**
December 17, 2005	Bonus issue	900,000	NA	10	-	1.00	**[●]**
March 7, 2009	Bonus issue	1,800,000	NA	10	-	2.00	**[●]**
March 22, 2013	Bonus issue	3,600,000	NA	10	-	4.00	**[●]**
March 29, 2014	Bonus issue	7,200,000	NA	10	-	8.00	**[●]**
December 26, 2016	Buyback	(1,500,000)	-	10	-	(1.67)	**[●]**
July 12, 2017	Bonus issue	12,900,000	NA	10	-	14,33	**[●]**
Total		**25,800,000(4)**				**28.66**	**[●]**
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	**[●]**
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	-	0.01	**[●]**
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.

Except as stated below, none of the Equity Shares held by our Promoters are pledged as on the date of this Draft Red Herring Prospectus:

Name of Promoter#	Number of pledged Equity Shares	Percentage of pre-Offer Equity Share Capital
Jayant Shamji Chheda	2,700,475	3.00
Parag Jayant Chheda	9,901,740	11.00
Vipul Jayant Chheda	10,801,898	12.00

Names of first holders.

The aforementioned Equity Shares have been pledged in favour of JM Financial Products Limited for loans taken by Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda, 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 Draft 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	8.53	[●]	[●]

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 (%)
2.	Tarla Jayant Chheda	30,624,000	34.02	[●]	[●]
3.	Parag Jayant Chheda	25,796,800	28.66	[●]	[●]
4.	Vipul Jayant Chheda	25,800,000	28.66	[●]	[●]
5.	Heena Parag Chheda	12,616	0.01		
Sub-total (A)		**89,913,416**	**99.88**	**[●]**	**[●]**
Promoter Group					
1.	Jayant Shamji Chheda[*]	96,000	0.11	[●]	[●]
2.	Ashwini Vipul Chheda	6,400	0.01	[●]	[●]
Sub-total (B)		**102,400**	**0.12**	**[●]**	**[●]**
Total Promoters & Promoter Group (A+B)		**90,015,816**	**100.00**	**[●]**	**[●]**

[#] Names of first holders. All Equity Shares, except those held by Jayant Shamji Chheda as karta of Jayant Shamji Chheda HUF, 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 Promoter, Tarla Jayant Chheda, has, pursuant to a letter dated September 26, 2017, provided consent to include such number of Equity Shares held by her as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution and has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' Contribution from the date of this 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	[●]						**20.00**

[*]Equity Shares were fully paid-up on the date of allotment/acquisition.

Our Promoter, as identified in the table above, has confirmed to our Company and the BRLMs that acquisition of the Equity Shares held by them and which will be locked in as Promoters' contribution have been financed from her individual account and no loans or financial assistance from any bank or financial institution have been availed for such purpose.

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 this 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 this Draft Red 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 this Draft Red Herring Prospectus upon conversion of a partnership firm; and

(iv) Equity Shares held by the Promoters that are 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 this Draft Red Herring Prospectus.

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 this Draft Red Herring Prospectus.

4. Issue of Equity Shares in the last two preceding years

For details of issue of Equity Shares by our Company in the last two preceding years, see the section titled "*Capital Structure – Notes to the Capital Structure – Share Capital History of our Company*" on page 66.

5. 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 to the employees of our Company who are employees as on date of Allotment, under the ESOP 2017 Scheme (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), 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.

The Equity Shares held by our Promoters which are locked-in as per Regulation 36 of the SEBI ICDR Regulations for a period of one year from the date of Allotment, may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that: (i) such pledge of the Equity Shares is one of the terms of the sanction of the loan; and (ii) if the Equity Shares are locked-in as Promoters' Contribution, then in addition to the requirement in (i) above, such Equity Shares may be pledged only if the loan has been granted by the scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Offer.

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.

6. Our shareholding pattern

The table below represents the equity shareholding pattern of our Company as on the date of this Draft 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						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class	Class	Total	Total as a % of (A+B+C)							
								Equity	NA									
(A)	**Promoter and Promoter Group**	7	90,015,816	-	-	90,015,816	100	90,015,816	-	90,015,816	100	-	100	-	-	23,404,1	26.0	90,015,816
(B)	**Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C)	**Non Promoter-Non Public**																	
(C) (1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C) (2)	Shares held by Employee Trusts	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A) + (B) + (C)	7	90,015,816	-	-	90,015,816	100	90,015,816	-	90,015,816	100	-	10	-	-	23,404,1	26.0	90,015,816

7. 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 Draft 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 77.

Name[#]	Number of Equity Shares	% of pre-Offer Equity Share capital
Directors		
Vipul Jayant Chheda	25,800,000	28.66
Parag Jayant Chheda	25,796,800	28.66
Jayant Shamji Chheda	7,680,000	8.53
Heena Parag Chheda	12,616	0.01
Total	**59,289,416**	**65.86**

[#] *Names of first holders.*

8. As on the date of this Draft Red Herring Prospectus, our Company has seven Equity Shareholders.

9. Top ten shareholders

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

Sr. No.	Shareholder[#]	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital
1.	Jayant Shamji Chheda	7,680,000	8.53
2.	Tarla Jayant Chheda	30,624,000	34.02
3.	Parag Jayant Chheda	25,796,800	28.66
4.	Vipul Jayant Chheda	25,800,000	28.66
5.	Heena Parag Chheda	12,616	0.01
6.	Ashwini Vipul Chheda	6,400	0.01
7.	Jayant Shamji Chheda[*]	96,000	0.11
	Total	**90,015,816**	**100.00**

[*] *held as karta of Jayant Shamji Chheda HUF*
[#] *Names of first holders. All Equity Shares, except those held by Jayant Shamji Chheda as the karta of Jayant Shamji Chheda HUF, are held jointly.*

None of the top 10 Shareholders as on date of this Draft 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 Draft Red Herring Prospectus:

Sr. No.	Shareholder[#]	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital
1.	Jayant Shamji Chheda	7,680,000	8.53
2.	Tarla Jayant Chheda	30,624,000	34.02
3.	Parag Jayant Chheda	25,796,800	28.66
4.	Vipul Jayant Chheda	25,800,000	28.66
5.	Heena Parag Chheda	12,616	0.01
6.	Ashwini Vipul Chheda	6,400	0.01
7.	Jayant Shamji Chheda[*]	96,000	0.11
	Total	**90,015,816**	**100.00**

[*] *held as karta of Jayant Shamji Chheda HUF*
[#] *Names of first holders. All Equity Shares are held jointly, except those held by Jayant Shamji Chheda as the karta of Jayant Shamji Chheda HUF.*

None of the top 10 Shareholders as on 10 days prior to the date of filing of this Draft 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 Draft Red Herring Prospectus:

Sr. No.	Shareholder[#]	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital

Sr. No.	Shareholder[#]	Number of Equity Shares held	Percentage of pre-Offer Equity Share capital
1.	Jayant Shamji Chheda	3,840,000	8.00
2.	Tarla Jayant Chheda	15,312,000	31.89
3.	Parag Jayant Chheda	14,398,400	29.99
4.	Vipul Jayant Chheda	14,400,000	30.00
5.	Heena Parag Chheda	6,308	0.01
6.	Ashwini Vipul Chheda	3,200	0.01
7.	Jayant Shamji Chheda[*]	48,000	0.10
	Total	**48,007,908**	**100.00**

[*] *held as karta of Jayant Shamji Chheda HUF*

[#] *Names of first holders. All Equity Shares, except those held by Jayant Shamji Chheda as the karta of Jayant Shamji Chheda HUF, are held jointly.*

None of the top 10 Shareholders as on two years prior to the date of filing of this Draft 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 34.

10. *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 the date of this DRHP, under ESOP 2017 our Company had granted 900,028 options.

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 September 23, 2017 from our Statutory Auditor.

Particulars	Details
Options granted	900,028 options on September 16, 2017. **Period** / **ESOP 2017** Number of options as at the beginning of Fiscal Year 2014 — N.A. Fiscal Year 2015 — N.A. Fiscal Year 2016 — N.A. Fiscal Year 2017 — N.A. Period between April 1, 2017 to September 16, 2017 — 900,028 Total options granted — 900,028
Pricing formula	₹ 200 per option
Exercise price of options (in ₹)	200 per option
Vesting period	Vesting spread over four years
Options vested (excluding the Options that have been exercised)	Nil
Options exercised	Nil
The total number of Equity Shares arising as a result of exercise of options	Nil
Options lapsed/ forfeited/ cancelled	Nil
Variation of terms of options	None
Money realised by exercise of options	Nil
Total number of options in force as on September 25, 2017	900,028
Employee-wise detail of options granted to	
(i) Senior managerial	Shyam Kishanchand Sharda: 25,718 options;

Particulars	Details
personnel i.e., Directors and Key Managerial Personnel	Ashok Mehra: 25,718 options; Hemant Kumar: 25,718 options; Ram Manohar: 25,718 options; Prakash Hegde: 25,718 options; and Shailesh Kanji Bhaskar: 6,632 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 the 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	Nil
Where the 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 the Company	Nil
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><td>Model used</td><td>The Black - Scholes Formula</td></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 months after the listing of Equity Shares pursuant to the Offer</td><td>The options are not vested and cannot be exercised prior to a period of one year from the date of grant i.e. September 16, 2018.</td></tr>
<tr><td>Intention to sell Equity Shares arising out of the ESOP 2017 within three months 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>The options are not vested and cannot be exercised prior to a period of one year from the date of grant i.e. September 16, 2018.</td></tr>
</table>

11. Except as stated in "*Capital Structure – Notes to the Capital Structure – Share Capital History of our Company*" on page 66, our Company has not issued Equity Shares in the last one year preceding the date of filing of this Draft Red Herring Prospectus which may be at a price lower than the Offer Price.

12. 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.

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

14. 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.

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

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

17. 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 Draft Red Herring Prospectus.

18. 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 66 and *"History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets"* on page 149.

19. 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.

20. Except for the Pre-IPO Placement and ESOP 2017, there 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 this 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.

21. Except as stated in "*Notes to Capital Structure – Share Capital History - History of Equity Share capital of our Company*" on page 66, as on the date of this Draft 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.

22. During the period of six months immediately preceding the date of this 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.

23. 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.

24. 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.

25. 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.

26. 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.

27. 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.

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

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

30. 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 registering the 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.

Utilization of the proceeds of the Fresh Issue

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

Particulars	Amount *(₹ million)*
Gross proceeds of the Fresh Issue	5,000.00[#]
(Less) Offer related expenses in relation to the Fresh Issue[*]	[●]
Net Proceeds[*]	[●]

[*] *To be finalised upon determination of the Offer Price.*
[#] *Includes the proceeds, if any, received by our Company pursuant to the Pre-IPO Placement.*

The objects for which our Company intends to use the Net Proceeds 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;
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 as set forth below:

(₹ million)

Particulars	Total estimated amount/cost	Amount deployed/utilized as on September 15, 2017	Balance amount to be deployed from Net Proceeds	Amount to be deployed from the Net Proceeds in	
				Fiscal Year 2019	Fiscal Year 2020
Repayment or prepayment, in full or part, of certain outstanding loans of our Company	1,150.00	-	1,150.00	1,150.00	-
Financing the project cost towards establishment of a new manufacturing facility[*]	2,322.17	77.06[*]	2,245.11	1,420.15	824.96
Upgradation of equipment at our manufacturing facilities	685.06	-	685.06	463.42	221.64
General corporate purposes[**]	[●]	-	[●]	[●]	[●]
Total	[●]		[●]	[●]	[●]

[*] *Our Company has deployed ₹77.06 million towards purchase of land situated at Sadashivpet Mandal, Sangareddy district, Telangana. Except for the required land already acquired by our Company, the entire estimated cost for establishment of the new facility is proposed to be met out of the Net Proceeds.*
[**] *To be finalised upon determination of the Offer Price. The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.*

The above fund requirements are based on internal management estimates, and quotations received from vendors and third party agencies, 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. In the event the Offer is not completed in Fiscal Year 2018, the deployment schedule will be revised. 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 33.

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*" and "*Financial Statements - Restated Statement of Short Term Borrowings*" on pages 259 and 204, respectively.

We intend to utilize the Net Proceeds aggregating up to ₹ 1,150.00 million towards repayment and/or pre-payment, in full or in part, of the 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 on September 15, 2017, the outstanding borrowings arising on account of certain outstanding term loans of our Company are ₹ 1,294.41 million.Out of this an outstanding amount of ₹ 1,020.67 million pertains to the term loan agreement dated April 7, 2017 among our Company and the consortium lenders, as well as the sanction letters from the respective consortium lenders. The balance outstanding amount of ₹ 273.74 pertains to a term loan availed from Federal Bank Limited pursuant to sanction letter dated September 12, 2017. The details of these term loans are set forth below:

S. No.	Name of lender and the date of the sanction letter/loan agreement	Amount outstanding as on September 15, 2017 (₹ in million)	Interest rate (in % per annum) as on September 15, 2017	Repayment schedule	Pre-payment penalty*
1.	Bank of India	207.50	10.85	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 that typically ranges from 0.50% to 4.00%
2.	State Bank of India	382.14	10.85	To be repaid on or prior to July 1, 2022 by way of quarterly instalments.	
3.	Federal Bank Limited	237.33	10.50	To be repaid on or before January 16, 2021 by way of quarterly instalments.	
		273.74	9.75	To be repaid after a moratorium of 12 months, by way of 28 quarterly instalments.	
4.	ICICI Bank Limited	193.70	11.05	To be repaid on or prior to	

S. No.	Name of lender and the date of the sanction letter/loan agreement	Amount outstanding as on September 15, 2017 (₹ in million)	Interest rate (in % per annum) as on September 15, 2017	Repayment schedule	Pre-payment penalty*
				October 25, 2023 in monthly instalments.	
	Total	**1,294.41**			

** 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.*

As per the certificate dated September 18, 2017 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 utilised for repayment and/or prepayment of any other loans, including loans availed by our Company after the date of filing of this Draft Red Herring Prospectus. However, the quantum of the Net Proceeds that will be utilised for prepayment or scheduled repayment of the loans shall not exceed ₹ 1,150.00 million.

2. Financing the project cost towards establishment of a new manufacturing facility

We propose to establish a new manufacturing facility in Telangana. For setting up this facility, we have purchased land, through multiple sale deeds, each dated August 31, 2017, admeasuring approximately 30.33 acres, situated at Sadashivpet Mandal, Sangareddy district, Telangana for a total consideration of ₹ 77.06 million.

The following table depicts the break-down of the estimated expenses related to the proposed manufacturing facilities at Telangana:

Sr. No.	Particulars	Total cost* (in ₹ million)
1.	Civil and related works	802.70
2.	Plant and machinery	1,390.46
3.	Electrical equipment and installation	51.95
	Total Cost	**2,245.11**

** 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 of the respective date of the quotation has been considered. Customs duty rate of 27.12% 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.*

As certified by L. D. Joshi & Co., Chartered Accountants, pursuant to a certificate dated September 25, 2017, except for ₹ 77.06 million deployed towards acquiring land at for the new manufacturing, 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 and related works:* We have received quotations dated July 22, 2017 from Anand Oak & Rupa Oak, Architects (registered with the Counsel of Architecture, under registration number CA/83/07781) ("**Oak Architects**") in relation to the land development and civil and related works. These works include land filling and levelling, construction of concrete roads and reinforced concrete cement gutters; and related infrastructure.

The particulars of civil and related works for our manufacturing facility to be set up at Telangana and the break-up of cost involved are as follows:

Sr. No.	Particulars	Total cost* (in ₹ million)
1.	Site development	176.00
2.	Administration and infrastructure area	25.00
3.	Raw material, production and finished goods storage area	563.50
4.	Contingencies	38.20

Sr. No.	Particulars	Total cost* (in ₹ million)
	Total estimated cost for civil and related works	**802.70**

* *Based on quotations dated July 22, 2017 received from Anand Oak & Rupa Oak, Architects.*

However, we have not entered into any definitive agreements with Oak Architects respect to any of the proposed land development or civil and other works and there can be no assurance that Oak Architects will be engaged to eventually provide these services. If we engage someone other than Oak Architects, such architect's estimates and actual costs for the services may differ from the current estimates. For further details, see "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 33.

(ii) *Plant and machinery:* 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 machines which are used for mixing raw materials in the production of UPVC, PP and CPVC polymer and grinders and pulverisers to recycle runner and other plastic waste generated during the production process. We also intend to install computer numerical controlled machines which are used in post extrusion processing of pipes, namely, threading and chamfering and raw material conveying automation system for both pipes and fitting polymers. In relation to manufacturing of pipes, we also intend to install a weight control instrument which optimizes and ensures consistency in the weights of pipes manufactured and for manufacturing of fittings, we 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 vendors. However, we have not entered into any definitive agreements with any of such 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 vendors, such vendor's estimates and actual costs for the plant and machinery may differ from the current estimates.

The break-up of estimated cost is as follows:

Sr. No.	Particulars	Total cost* (in ₹ million)
1.	Pipes	537.33
2.	Fittings	853.13
	Total estimated cost	**1,390.46**

* *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 of the respective date of the quotation has been considered. Customs duty rate of 27.12% 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.*

(iii) *Electrical equipment and installation:* Includes purchase and installation of vacuum circuit breaker panels for moulding and extrusions, and transformers. This also includes DG sets and UPS which are required to ensure uninterrupted power supply at the facility. We have received quotations for purchase of such electrical equipments from several vendors. However, we have not entered into any definitive agreements with any of such vendors and there can be no assurance that the same vendors would be engaged to eventually supply the electrical equipments 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 vendors, such vendor's estimates and actual costs for the plant and machinery may differ from the current estimates.

3. Upgradation of equipment at our manufacturing facilities (through replacement of certain plant and machinery)

We propose to upgrade equipment at certain of our manufacturing facilities.

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

(i) *Machinery for pipes:* Machinery for pipes includes machinery such as 75-28 Rollepaal Extruder, TC-55 Milacron and KM 90-26 Extruder, which are used for manufacturing UPVC as well as CPVC polymer pipes. These machines have the flexibility to manufacture both UPVC as well as CPVC polymer pipes.

(ii) *Machinery for fittings:* Machinery for fittings includes 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.

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	158.61
2.	Machinery - Fittings	526.45
Total		**685.06**

* *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 of the respective date of the quotation has been considered. Customs duty rate of 27.12% 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.*

4. General Corporate Purposes

We intend to deploy the balance Net Proceeds, 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 Net Proceeds for general corporate purposes, as mentioned above, subject to such utilization not exceeding 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 approximate ₹ [●] 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 and selling commission)	[●]	[●]	[●]
2.	Selling commission and processing fees for SCSBs (1)(3)	[●]	[●]	[●]
3.	Brokerage, selling commission and bidding charges for the Members of the Syndicate, Registered Brokers, RTAs and CDPs (2) (3)	[●]	[●]	[●]
4.	Fees payable to the Registrar to the Offer	[●]	[●]	[●]
5.	Others: i. Listing fees, SEBI filing fees, book building software fees and other regulatory expenses; ii. Printing and stationery expenses; iii. Advertising and marketing for the Offer; and iv. Miscellaneous	[●]	[●]	[●]

S. No.	Activity	Estimated amount* (₹ in million)	As a % of total estimated Offer related expenses*	As a % of Offer size*
	Total Estimated Offer Related Expenses	[●]	[●]	[●]

** To be incorporated in the Prospectus after finalisation of the Offer Price.*

(1) SCSBs will be entitled to a processing fee of ₹ [●] (plus applicable service tax) per Bid cum Application Form, for processing the Bid cum Application Form procured by the members of the Syndicate, the Registered Brokers, RTAs or CDPs from Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSBs.

(2) Registered Brokers will be entitled to a commission of ₹ [●] (plus applicable service tax) per valid ASBA Form which are directly procured by the Registered Brokers from Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSBs for processing.

(3) Selling commission payable to SCSBs, RTAs and CDPs on Bids directly procured from Retail Individual Bidders and Non-Institutional Bidders would be as follows:

- *Portion for Retail Individual Bidders: [●]% of the Amount Allotted (Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price)*
- *Portion for Non-Institutional Bidders: [●]% of the Amount Allotted (Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price)*

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

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. 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.

Interim Use of Net Proceeds

Pending utilization for the purposes described above, we intend to deposit the Net Proceeds 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 (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 16(1) of the SEBI ICDR Regulations, our Company is required to appoint a monitoring agency for the purposes of the Offer. Accordingly, our Company has appointed [●] as the monitoring agency in relation to the Offer.

Our Company will disclose the utilization of the Net Proceeds, including interim use, under a separate head in the balance sheet, specifying the details, if any, in relation to all proceeds of the Offer 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. Additionally, the Audit Committee shall make recommendations to our Board for further action, if appropriate. Till such time as all the Net Proceeds 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 Draft 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 Draft 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 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, 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 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 125, 15, 182 and 234, 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 125.

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 Ended	Basic EPS (in ₹)	Weight	Diluted EPS (in ₹)	Weight
March 31, 2015	3.27	1	3.27	1
March 31, 2016	6.12	2	6.12	2
March 31, 2017	15.74	3	15.74	3
Weighted Average	**10.45**		**10.45**	

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.

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.

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 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.

iv) Earnings per share calculations are done in accordance with Accounting Standard 20 '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 VA of Restated Financial Statements as appearing in the section titled "Financial Statements" on page 200 .

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

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

Particulars	As per our Restated Financial Statements
P/E ratio based on Basic EPS for the financial year ended March 31, 2017 at the Floor Price:	[●]
P/E ratio based on Diluted EPS for the financial year ended March 31, 2017 at the Floor Price:	[●]

Particulars	As per our Restated Financial Statements
P/E ratio based on Basic EPS for the financial year ended March 31, 2017 at the Cap Price:	[●]
P/E ratio based on Diluted EPS for the financial year ended March 31, 2017 at the Cap Price:	[●]

Industry P/E Ratio

	P/E Ratio
Highest	59.55
Lowest	21.47
Average	38.30

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 on September 22, 2017 on BSE, divided by Diluted EPS (on consolidated basis) based on the financial results of such companies for the Fiscal Year 2017.

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

Year ended	RoNW (%)	Weight
March 31, 2015	10.48	1
March 31, 2016	16.41	2
March 31, 2017	31.57	3
Weighted Average	**23.00**	

Note:

1. Return on net worth (%) = Net profit after tax (as restated)/ net worth as at the end of year.

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, 2017:

a) To maintain pre-Offer Basic EPS for the year ended March 31, 2017

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

b) To maintain pre-Offer Diluted EPS for the year ended March 31, 2017

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
As on March 31, 2015	31.16
As on March 31, 2016	37.27
As on March 31, 2017	52.33
Offer Price*	[●]
After the Offer	[●]

* *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.

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 (₹)	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[6] (₹)
1	Prince Pipes and Fittings Limited[3]	10	12,638.67	15.74	15.74	[●]	[●]	31.57%	52.33
2	Peer Group[1]								
	Astral Poly Technik	1	21,326.16	12.08	12.08	59.55x	59.55x	17.07%	70.71
	Finolex Industries	10	30,108.16	28.59	28.59	21.47x	21.47x	15.33%	186.53
	Supreme Industries	2	44,673.90	33.88	33.88	33.86x	33.86x	22.21%	133.49
3	Industry Composite[7]					**38.30x**	**38.30x**	**18.20%**	**130.24**

Notes:

1. Peer Group Companies' financial details set out in the above table are based on their respective consolidated audited financial statements as at and for the year ended March 31, 2017 and have been sourced from the respective annual reports for the said period
2. Total Income refers to sum of Revenue from Operations and Other Income
3. Company information is based on the Restated Financial Statements for the year ended March 31, 2017
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 September 22, 2017, 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. NAV 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 15, 182 and 234 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
(Formerly known as Prince Pipes and Fittings Private 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 (Formerly known as Prince Pipes and Fittings Private 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 ₹ 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 Draft Red Herring Prospectus ("**DRHP**"), Red Herring Prospect ("**RHP**") and Prospectus (collectively with the DRHP, RHP and Prospectus, the "**Offer Documents**") for the proposed Offer.

Several of these 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 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 submit to the Securities and Exchange Board of India ("SEBI"), register 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.**
Chartered Accountants
Firm Registration No: 105146W

Gautam V Shah
Partner
Membership No: F-117348

Place: Mumbai
Date: September 23, 2017

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 Income Tax Act, 1961 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 Income Tax Act, 1961 (The "Act")

a) The Company has set up a manufacturing unit in Haridwar (Industrial undertaking) in the state of Uttaranchal and commenced its manufacturing operations from 16 July, 2008 i.e. Financial Year 2008-09. Accordingly, the company is eligible to claim deduction under Sec.80-IC commencing from Assessment Year 2009-10 and same is available up to Assessment Year 2018-19.

b) Subject to the fulfillment of conditions such as obtaining Audit report in Form 10CCB and other conditions specified u/s 80-IC, the quantum of deduction available is 100% of the profits and gains derived from the aforesaid business for first five years commencing from AY 2009-10 up to AY 2013-14 and thereafter from AY 2014-15 to AY 2018-19 to claim deduction of 30% of the profits and gains of the said undertaking , in such a manner that total period of deduction does not exceed ten consecutive years. Further, no deduction shall be allowed under any other section contained in Chapter VIA or in section 10A or section 10B of the Act, in relation to the profits and gains of the said undertaking.

B. Special tax benefits available to the Shareholders under the Income Tax Act, 1961 (The "Act")

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

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 12. 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's Book Running Lead Managers and our 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 "2014-15", "2015-16" and "2016-17", etc., or "FY 15", "FY 16" and "FY 17", etc. or "Mar-15", "Mar-16" and "Mar-17" in these tables and charts are to the financial years ended March 31, 2015, 2016 and 2017, etc., or as at March 31, 2015, 2016 and 2017, 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.

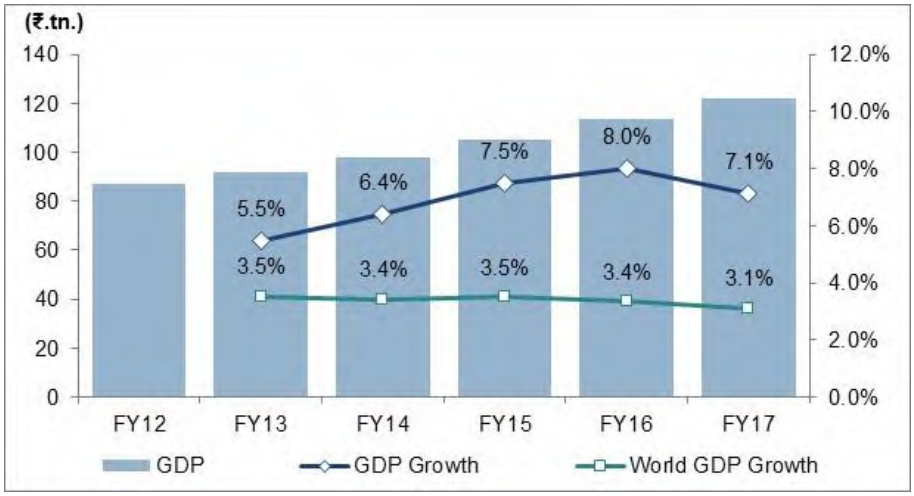
MACROECONOMIC SCENARIO IN INDIA

India, with a population of over 1.3 billion and gross domestic product (GDP) of approximately ₹121.9 trillion in 2016-17, is the world's third-largest economy when adjusted for purchasing-power parity, according to CRISIL Research. The country also enjoys favourable demographics, having the world's largest working population. According to World Bank data, over 52% of the population is in the working age group of 15-64 years and more than half is below 25 years. Seen in perspective, the country's working population is more than the populations of Russia, Brazil, and the United States. This growing working population, which expanded at approximately 2% compound annual growth rate (CAGR) over 2005-2006 to 2016-17, will drive consumption.

Review and outlook on GDP in India

India's absolute GDP rose at 6.8% CAGR between 2011-12 and 2016-17 to ₹122 trillion. As per the Central Statistical Organisation's (CSO) second advance estimates, India's GDP clocked 7.1% in 2016-17, well above the world average of 3.1%.

Real GDP growth in India (new GDP series)

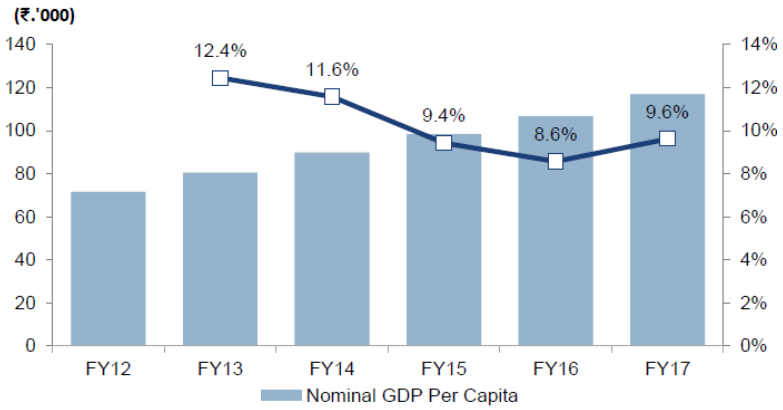


(Source: CSO, CRISIL Research)

In fact, the economy sustained a 7% on-year growth trajectory in the third quarter of 2016-17 (October-December) despite the government's demonetisation move in November 2016, which CRISIL Research

expected to impact growth. The reason for the buoyancy was because growth in the same quarter of 2015-2016 was revised downwards, giving a favourable statistical base effect to the numbers this year, and the unorganised sector – presumably the hardest-hit by demonetisation – does not get effectively captured in the initial GDP estimates. Therefore, subsequent estimates are likely to show a downward revision in growth, particularly in private consumption. At approximately 58%, private consumption is the biggest contributor to India's GDP. To gauge private consumption and income growth, nominal per capita GDP is used as a proxy. Nominal per capita GDP growth slowed till 2015-16. It picked up in 2016-17, rising 10.1% on-year compared with 8.6% in 2015-16.

Nominal per capita GDP growth



(Source: CSO, CRISIL Research)

CRISIL Research has trimmed its 2017-18 growth forecast for India by 40 basis points to 7% from 7.4% earlier, after data for the first quarter of 2017-18 showed GDP growth at 5.7%, the slowest in the past three fiscal years (i.e. from April 1, 2014 to March 31, 2017). The demonetisation driven cash crunch hurt growth, especially that of small enterprises. Similarly, the imminent rollout of the Goods and Services Tax (GST) spurred destocking even as the slowing production lowered manufacturing growth.

CRISIL Research believes the sharp decline in growth in the first quarter of 2017-18 is transitory and the economy will pick up slowly over the next few quarters as the impact of demonetisation and destocking fades. At the same time, the benefit of 2016-17's extremely low commodity prices may not be available this year. Hence, the bottom line may remain under pressure.

The improving economic growth rates will be driven by a rebound in consumption demand, which was postponed after demonetisation. At the same time, consumption demand will be aided by the monsoon, benign inflation and softer interest rates. CRISIL Research assumes the monsoon to be normal (in terms of temporal and spatial distribution) in 2016-17, which will support agricultural growth. Interest rates will soften owing to better transmission of policy rate cuts by the Reserve Bank of India (RBI). However, subdued global growth and a weak investment cycle, will curtail further acceleration in growth rates. CRISIL Research expects 2017-18 to see some added headwinds in the form of GST-related disruptions, even as the economy tries to recover from demonetisation.

Figure 1: Real GDP growth (% on-year)

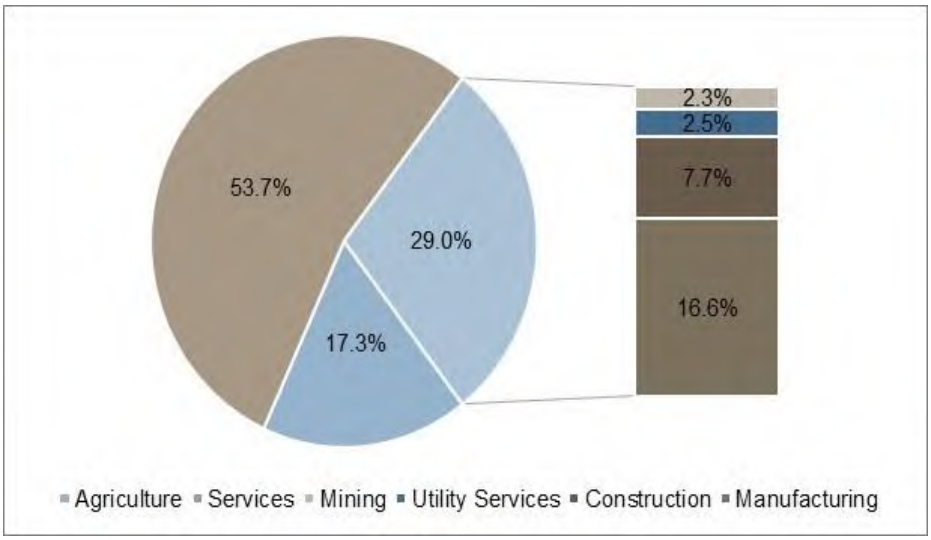
(Source: CSO, CRISIL Research)

Over the next two fiscal years, i.e., April 1, 2018 to March 31, 2020, CRISIL Research expects GDP growth to be in the range of 7.5-8.0%. GDP growth is expected to get a boost on account of the efficiency-enhancing structural reforms that the government is undertaking, the key being GST. The government is also making a concerted effort to improve the ease of doing business, which will also support GDP growth. At the same time, the focus on Make in India may revive the manufacturing sector. In addition, there is a focus on improving the state of agriculture – the government aims to double farm incomes by 2021-22.

Indian plastic piping industry grew at higher pace than GDP growth

Investments in the agriculture and construction sectors are closely linked to GDP growth, with agriculture and construction comprising approximately 17.3% and approximately 7.7% of GDP respectively in 2016-17.

GDP sector-wise break-up (2016-17)

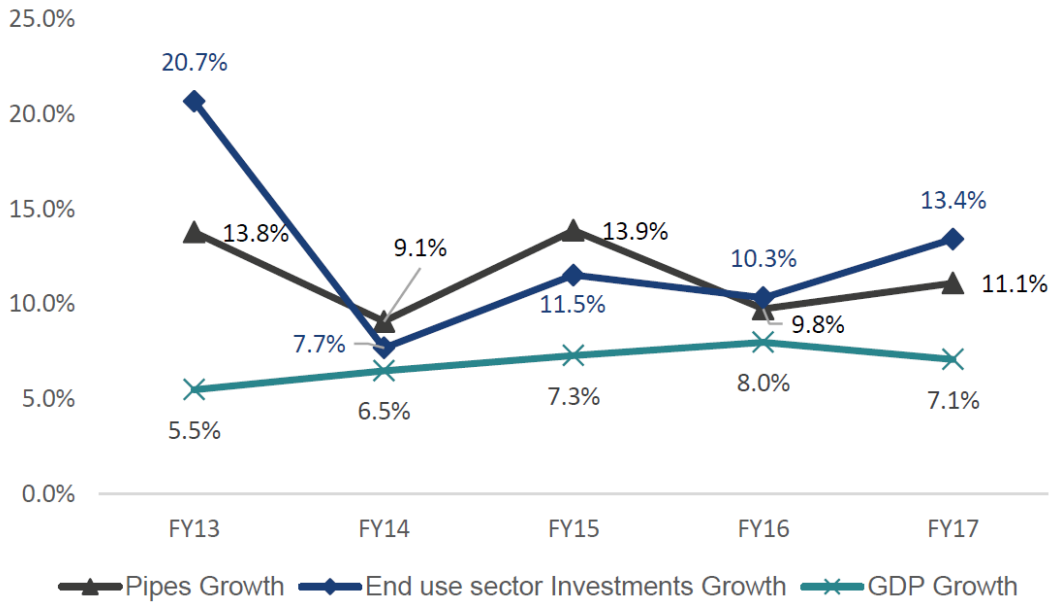


(Source: CSO, CRISIL Research)

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 the past five fiscal years (i.e. from April 1, 2012 to March 31, 2017), the plastic piping industry has grown at a higher pace than GDP growth due to high growth in end-use-sector investments such as irrigation and urban infrastructure. Increased awareness, and adoption and substitution of metal pipes by plastic pipes has also led to higher growth. Organised players especially grew at a much higher pace compared with the piping 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 vs plastic piping industry growth



(Source: CRISIL Research)

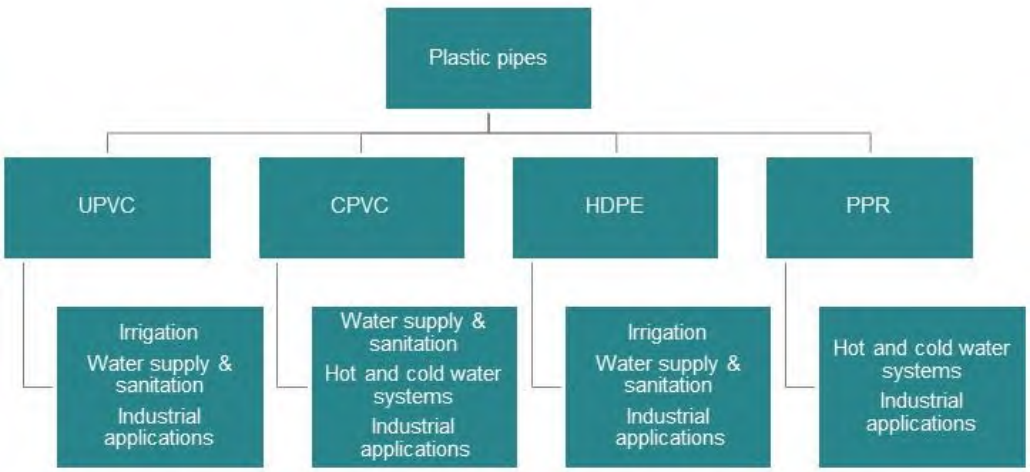
Note:

(1) The end-use sectors included are irrigation and WSS.

INDIAN PLASTIC PIPES INDUSTRY OVERVIEW

Plastic pipes are made using various types of polymers. Unplasticised polyvinyl chloride (UPVC), CPVC, high density polyethylene (HDPE), and polypropylene (PPR) are the four main types of polymers. Other plastic materials such as acrylonitrile butadiene styrene and polyvinylidene fluoride (PVDF) find usage in niche industrial applications, and comprise a miniscule share of the overall industry.

Types and applications

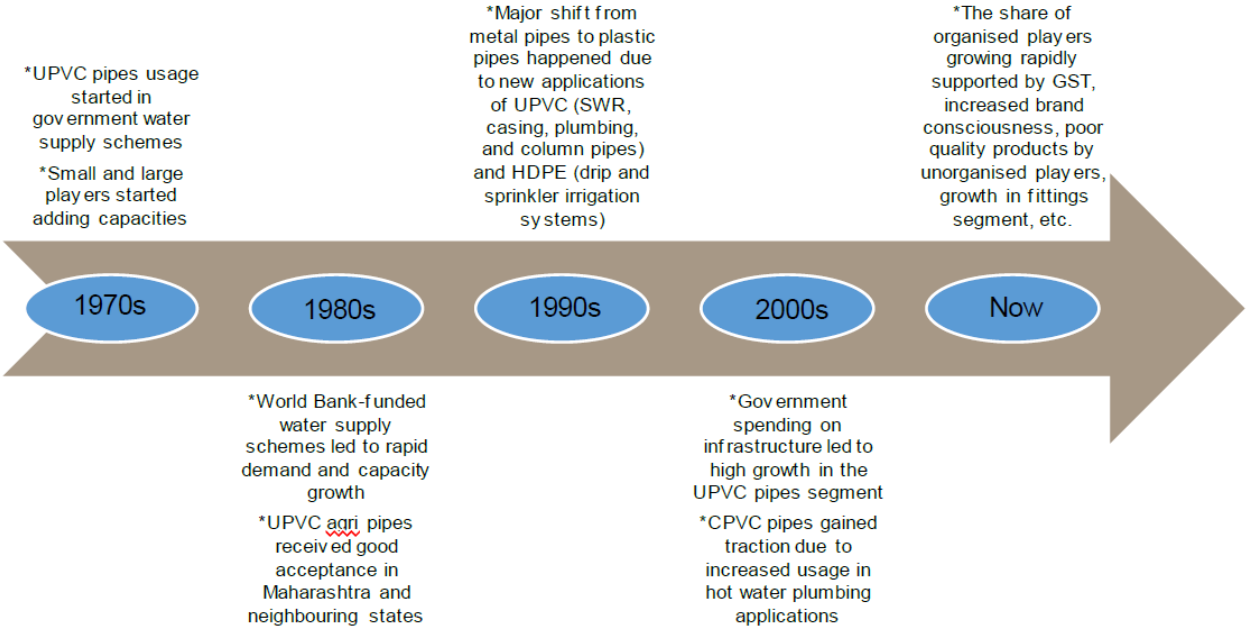


Comparison Table

	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**	**Relatively leak-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**	**Higher thermal conductivity than CPVC, requires insulation**

Evolution of the Indian plastic pipes industry

The plastic piping 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 5 years. Between 1985-1995, 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, i.e., from April 1, 2012 to March 31, 2017. The major reasons for the growth is increasing demand for pipes in the construction and building industry and irrigation sector, nationwide infrastructural development, government's focus on urban/rural development, and smart city initiatives. Among several variants of plastic pipes available in the market, the demand for UPVC and CPVC, in particular, is rising due to their affordability, high quality, and high durability.



Branded players recorded higher sales growth in the past decade due to rise in demand for specialised products

In the past decade, many new emerging needs have led to a rise in demand for specialised plastic piping products. One of the biggest changes came in the real estate plumbing sector in which piping was no longer a low-involvement category product as it was a decade ago. Consumers started demanding better products and newer plumbing systems for their homes and projects. This was due 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 due to advancements in construction technology which has forced changes in the design and layout of drainage systems. The trends of 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 compared with unorganised players.

Plastic pipes, especially CPVC, gained prominence in the past decade

Over the last 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. 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 and opportunity to increase their market share. Until then, UPVC dominated the plastic piping 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 the hit in the early 1980s due to the large-scale failure of pipes made from scrap HDPE and sold to prestigious government projects as prime grade pipes. While the HDPE pipe market languished due 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 like 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 fittings segment in the past decade

Due to intense competition owing to the presence of large number of unorganised players, there has been pressure on the revenues and margins of the organised players. To mitigate this pressure, one of the strategies adopted by organised players is to expand their fittings capacity. Manufacturing fittings requires a higher

precision, thereby constraining the unorganised players from entering this space. Because of this specialised product nature, the fittings segment also has 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 come up with 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 greatly 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 also 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.

GST impact

CRISIL Research believes that the introduction of GST, which resulted in an emphasis on value addition, the amalgamation of a large number of central and state taxes into a single tax, and the set-off allowance of prior-stage taxes will mitigate the ill effects of cascading taxes. CRISIL Research expects this will also allow the free flow of tax credit in intra and inter-state transactions, leading to a more efficient and leaner tax structure.

CRISIL Research believes that the reform will improve tax efficiency on account of three major changes over the existing system:

- The limitation in central value added tax (CENVAT), pre GST, lay in non-inclusion of several central taxes such as additional customs duty and surcharges. At the state level, there were several taxes, such as luxury tax and entertainment tax, which were not subsumed in the value added tax (VAT). Pre GST, state VAT was also applied on the value of goods including CENVAT, leading to a cascading effect on the CENVAT load.

- Pre GST, service tax was not allowed for set-off against VAT

- Pre GST, CST was levied on inter-state transfer of goods but did not carry any set-off relief. CRISIL Research believes that industry stabilisation, under the new tax regime, will take several fiscal years.

Manufacturing companies to benefit

While the new regime will have a structural impact on the supply chains of goods and services, in the medium term (2017-18 to 2019-20), the extent of efficiency is estimated to be higher in the supply chain of goods. Seamless transport of goods is also estimated to benefit companies/ industries which have a pan- India logistic network, wherein supply clusters are concentrated around specific geographies and demand regions are spread across different states.

Structural changes in supply chains

CRISIL Research expects many companies to migrate from a current strategy of 'multiple warehousing' to the 'hub and spoke' model as tax treatment across India will be same. From now on, most business decisions will be focused on supply chain efficiency and not on state-wise tax arbitrage. This in turn, may lead to a major business opportunity for organised warehousing players operating large sized warehouses in key geographies.

Going forward, GST to benefit organised players in plastic piping industry to increase their market share

CRISIL Research expects implementation of GST to be a major factor driving long-term growth in the plastic pipes industry, especially for organised players. The GST rate for plastic pipes and fittings is 18%. In the pre-GST era, effective tax rate including excise and VAT was also approximately 18%. Due to differential VAT rates across the states, effective tax difference across states was very marginal at under 0.5%. Consequently, post GST implementation, there is no change in effective tax in the plastic pipes industry. However, CRISIL Research believes that a smoother inter-state goods movement and greater tax compliance will benefit the branded players.

Currently, the organised segment accounts for nearly 60-65% share of the country's plastic piping industry. The unorganised segment caters mainly to sectors such as irrigation and plumbing that have low quality requirements. The unorganised segment largely competes on prices rather than on quality. Prices of products manufactured by the unorganised sector are lower as tax compliance by these players is lower unlike organised players. However, after GST implementation, CRISIL Research expects greater tax compliance by unorganised players will result in reduced price differential between organised and unorganised players.

This is because input tax credit, being the crux of GST mechanism, will ensure wider coverage of tax payers in the supply chain. As supply from registered taxpayers only will be allowed for input tax credit, businesses and stakeholders will insist on registration of their suppliers and traders leading to increase in the share of organised participants. Furthermore, failing to comply with the timelines of GST returns will have an impact on suppliers' compliance ratings.

In addition, due to smooth interstate goods moment, organised players will now be able to cater to the regions that were earlier serviced by only local small, unorganised players. Consequently, organised players are expected to greatly benefit from GST increasing their market share.

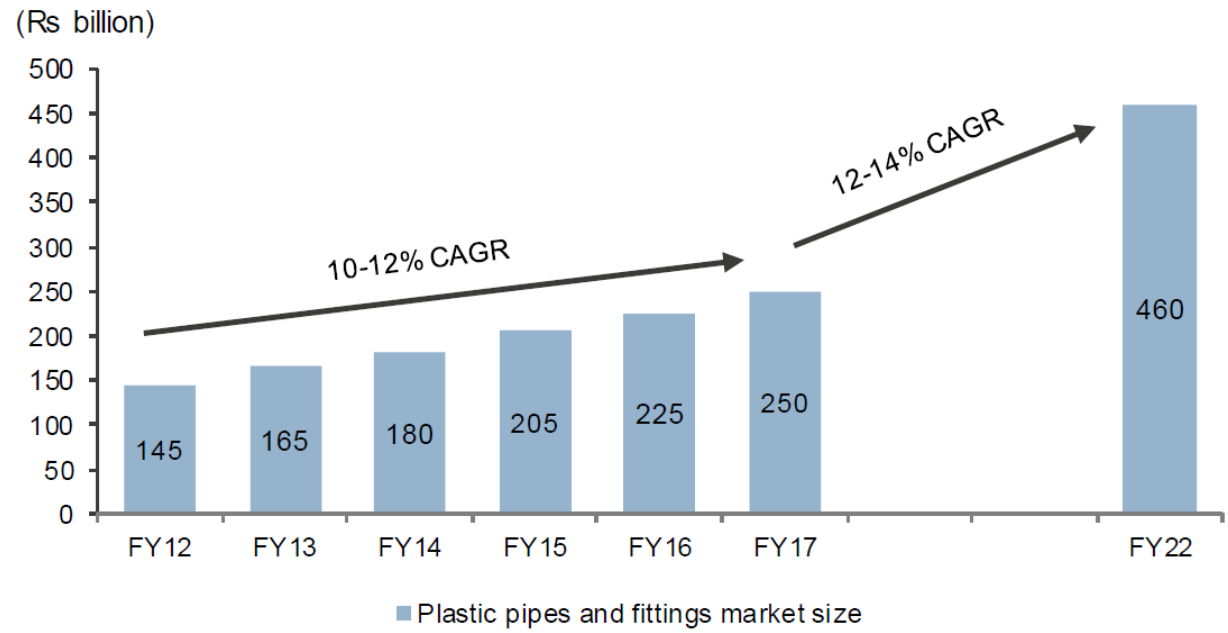
DOMESTIC DEMAND – REVIEW AND OUTLOOK

The Indian plastic pipes and fittings industry rose at a healthy 10-12% CAGR between 2011-12 and 2016-17 to approximately ₹250 billion. Industry growth was driven by rising demand from the construction and irrigation sectors. Within the construction space, the sub-segments propelling offtake were increasing investments in WSS projects, substitution of metal pipes with polymer pipes, as well as 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.

Also providing a boost to the industry was 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, the demand for soil, waste and rain, and drainage pipes was robust.

Domestic market size for plastic pipes



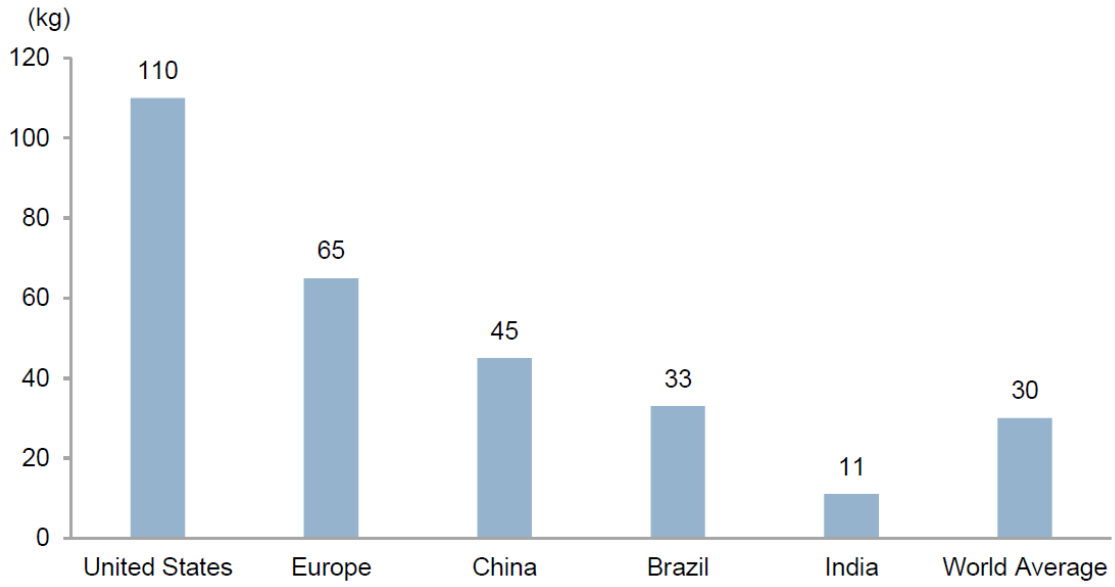
(Source: industry, CRISIL Research)

The industry's pace of growth is projected to accelerate over the next five fiscal years (i.e. from April 1, 2017 to March 31, 2022). CRISIL Research forecasts the plastic pipes and fittings industry to post a CAGR of 12-14%, reaching approximately ₹ 460 billion. The factors that are expected to contribute to the growth in demand are as follows:

Low plastic per capita consumption

India has very low per capita plastic consumption of approximately 11 kg compared with the global average of 30 kg. Traditional materials dominate the application areas of plastic. However, over the past two to three fiscal years (i.e. from April 1, 2014 to March 31, 2017), low crude oil prices along with superior properties of plastic have increased plastic usage in India. Hence, CRISIL Research expects per capita consumption to slowly inch up towards the global average. Over the next five fiscal years (i.e. from April 1, 2017 to March 31, 2022), CRISIL Research expects demand for polymers to grow at a healthy 9-10% CAGR.

India's per capita plastic consumption comparison



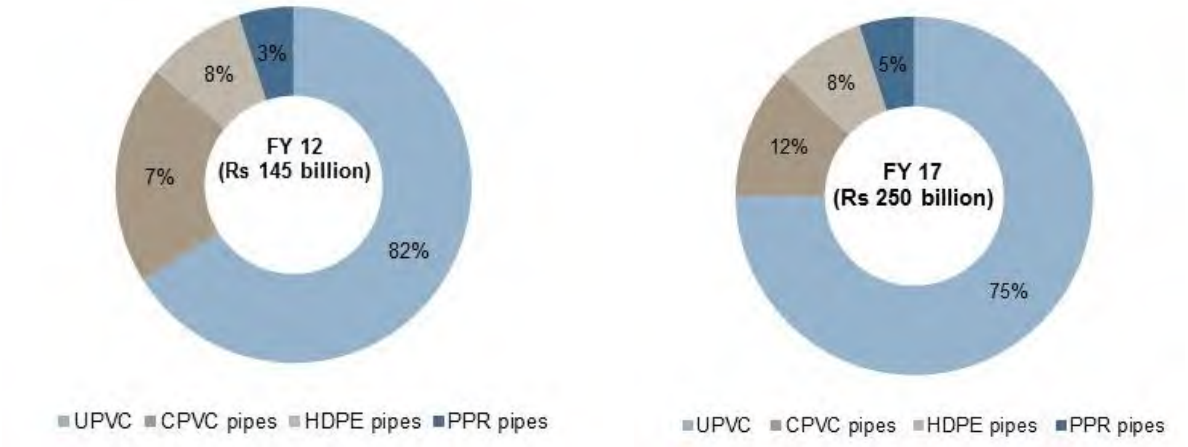
(Source: CRISIL Research)

Substitution and replacement demand

Plastic pipes have several advantages over metal pipes. For instance, the price of plastic pipes is declining. Plastic pipe raw materials are derivatives of crude oil. Hence, prices of plastic pipes are correlated to crude oil prices. The fall in crude oil prices has lowered raw material prices, and, thus, plastic pipe prices. Superior real estate properties and low prices have accelerated the substitution of metal pipes by plastic pipes. Going forward, the increase in 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 potable 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., from April 1, 2017 to March 31, 2022), CRISIL Research expects growth from this segment to be healthy at 10-11% 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., from April 1, 2012 to March 31, 2017) 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, being corrosion free, fire resistant, being lead-free, and their ability to withstand high temperatures. By 2021-22, CRISIL Research expects the share of CPVC pipes in overall plastic pipes industry to increase from 12% in 2016-17 to approximately 20%, registering the highest growth of 24-25%.

HDPE pipes

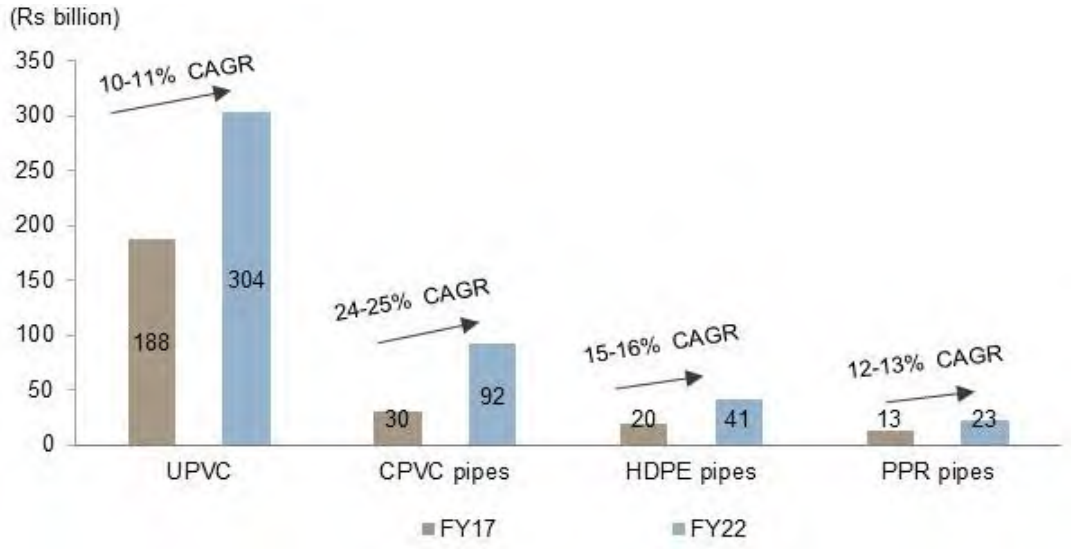
These pipes are used in the irrigation sector, sewerage and drainage, city gas distribution and in chemical and processing industries. HDPE pipes account for approximately 8% share in the total plastic pipes industry. These pipes have been gaining prominence over traditional metal and cement pipes, owing to durability, low maintenance and longevity vis-à-vis 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 15-16% CAGR over the next five fiscal years (i.e., from April 1, 2017 to March 31, 2022).

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 12-13% CAGR over from April 1, 2017 to March 31, 2022.

Plastic pipes - Growth across each segment



(Source: CRISIL Research)

Investments in end use segments

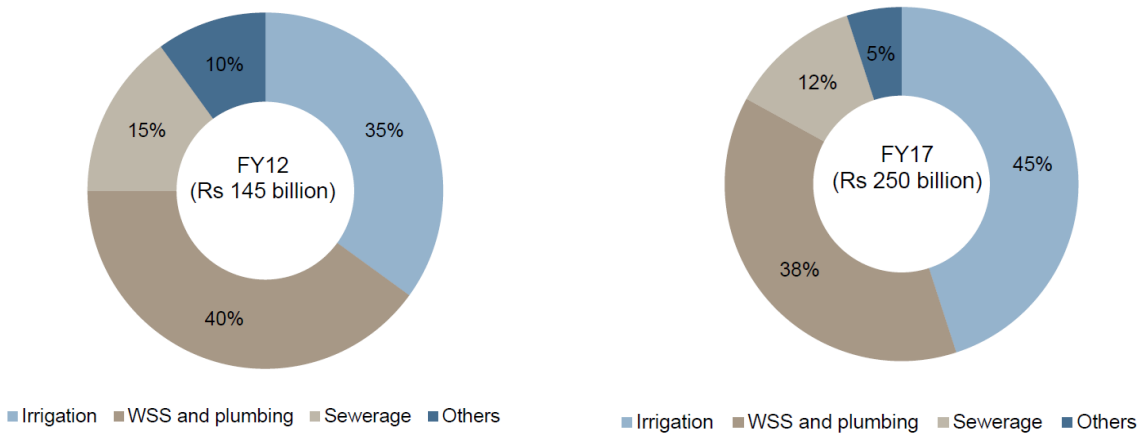
Plastic pipes are primarily used in irrigation and WSS projects. The major demand sources are public sector projects undertaken by central, state and municipal level bodies. Key growth drivers are:

- 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 of such schemes 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 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

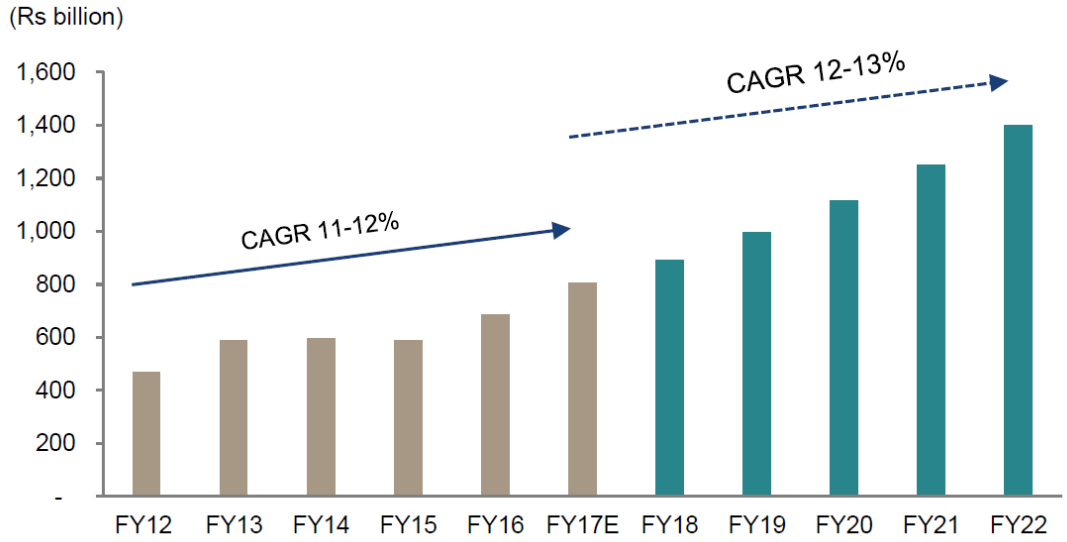


(Source: CRISIL Research)

Irrigation sector

The irrigation sector is the key end-use segment for plastic pipes, accounting for 45% share of the industry. Of India's approximately 142 million hectares of cultivated land, a little less than 50% is irrigated. Aiming to enhance the area under cultivation by 2.85 million hectares in 2017-18 and by 8 million hectares by 2019-20, the central government converged irrigation schemes under PMKSY in 2015-16, with a spending target of ₹ 500 billion until 2019-20. CRISIL Research expects overall irrigation investments to be ₹ 5,656 billion over the next five fiscal years, i.e., from April 1, 2017 to March 31, 2022 compared to ₹ 3,264 billion over the past five fiscal years i.e., from April 1, 2012 to March 31, 2017. Central government expenditure will be ₹ 700 billion accounting for 10-15% of overall investments. With irrigation being a state subject, the remaining 85-90% of the overall investments will flow from state governments, which is about ₹ 4,950 billion.

Investments in irrigation



(Source: CRISIL Research)

CRISIL Research believes investments in irrigation will rise by 12-13% CAGR by 2021-22 compared with 11-12% CAGR over the past five fiscal years, i.e. from April 1, 2012 to March 31, 2017. Of the total investment in irrigation, construction expenditure is estimated at 75%. This translates into a construction expenditure of ₹ 4,242 billion up to 2021-22 compared with ₹ 2,448 billion over the past five fiscal years i.e., from April 1, 2012 to March 31, 2017. The rise in construction activity will lend support to the pipes and fittings industry.

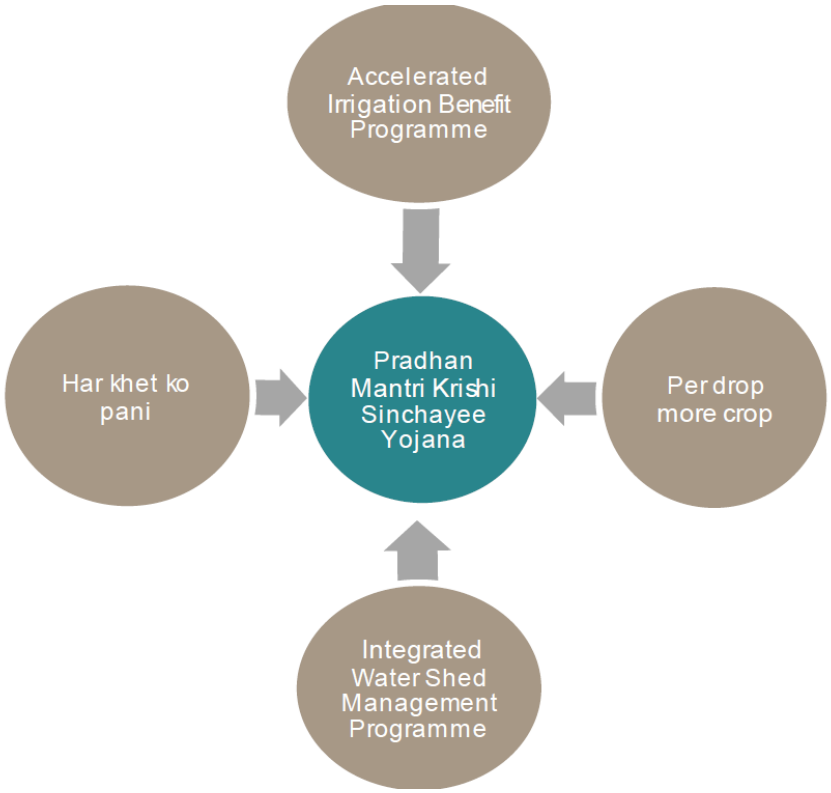
Irrigation investments are heavily skewed, with the top six states - Andhra Pradesh (including Telangana), Maharashtra, Karnataka, Gujarat, Madhya Pradesh and Uttar Pradesh - accounting for nearly 75% of the total investments during the past five fiscal years from April 1, 2012 to March 31, 2017. Also, a budget analysis of the top six states indicates that the average achievement ratio for these states has been as high at approximately 95% in 2015-16 and approximately 94% in 2016-17. Over the next three fiscal years, i.e. from April 1, 2017 to March 31, 2020, the share of the top six states is expected to remain at approximately 75%, as investments in Andhra Pradesh, Karnataka, Madhya Pradesh and Gujarat rise significantly. Most states are expected to focus on completing existing major and medium irrigation projects. Also, other states like Odisha, Rajasthan and Chhattisgarh have significantly increased their allocations towards irrigation.

Moreover, in Union Budget 2017-18, the budget allocation to PMKSY was increased by 28% to ₹ 73.77 billion. Also, the total corpus of National Bank for Agriculture & Rural Development's (NABARD) Long Term Irrigation Fund was doubled to ₹ 400 billion. A new micro-irrigation fund with a corpus of ₹50 billion was set up as well.

PMKSY

Key schemes converged include AIBP, 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)

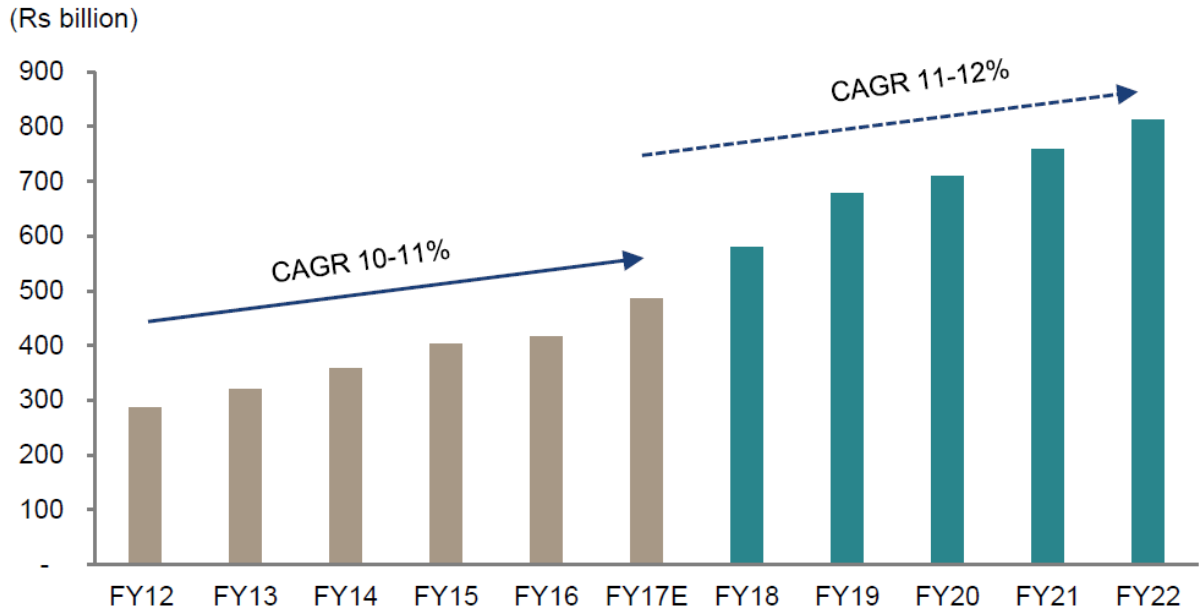
Urban infrastructure

CRISIL Research expects construction expenditure in urban infrastructure to be approximately ₹ 3.6 trillion between 2017-18 and 2021-22, which is twice the expenditure of the previous five fiscal years (i.e., from April 1, 2012 to March 31, 2017). CRISIL Research expects WSS projects to account for approximately 58.6% of the total urban infrastructure investment over the next five fiscal years (i.e., from April 1, 2017 to March 31, 2022), driven primarily by state governments and through centrally sponsored programmes. Andhra Pradesh, Gujarat, Karnataka, Rajasthan, Telangana, and Uttar Pradesh will lead state investments in WSS projects.

Healthy growth in government investments towards WSS

WSS and plumbing is the second largest end-use segment for plastic pipes, accounting for 38% share of plastic pipes market. In the past five fiscal years (i.e., from April 1, 2012 to March 31, 2017), government expenditure in the sector rose at 10-11% CAGR to approximately ₹ 485 billion in 2016-17. 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, etc.

Investment trajectory in WSS



(Source: CRISIL Research)

Swachh Bharat Mission

Government schemes such as the Swachh Bharat Mission and the National Mission for Clean Ganga (NMCG) are likely to boost WSS investments. On October 2, 2014, the Prime Minister of India launched the Swachh Bharat Mission to focus on sanitation and accelerate efforts to achieve universal sanitation coverage. It comprises two sub-missions - Swachh Bharat Mission (Gramin) and Swachh Bharat Mission (Urban) – which together aim to achieve the target of Swachh Bharat Mission by 2018-19. Components of the mission are: construction of household, community and public toilets, including conversion of insanitary latrines into pour-flush latrines.

Atal Mission for Rejuvenation and Urban Transformation

In May 2015, the government approved replacement of JNNURM with AMRUT to focus on basic infrastructure services, such as water supply, sewerage, storm water drains, transport, and development of green spaces and parks. The scheme also covers JNNURM projects sanctioned between 2003-2004 and 2010-11, and those that have achieved 50% physical progress (102 projects), or have availed of 50% central government funding up to now (296 projects).

Smart Cities Mission

In June 2015, the Ministry of Urban Development laid down operational guidelines for formulation, approval and execution of projects under the Smart Cities Mission. The purpose of the mission is to drive economic growth and improve the quality of life by enabling local area development and harnessing technology.

Core infrastructure elements of a smart city include adequate water supply, sanitation, affordable housing, etc. The mission will cover 100 cities (distributed among states and union territories over 2015-16 to 2019-20. Central assistance for the mission will be used only for infrastructure projects that have wide public benefit.

Real estate sector

Real estate is a key end-use 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 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 approximately 1.8% CAGR during 2000-01 to 2010-11, is expected to grow approximately 1.6% CAGR over 2010-11 to 2020-21 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 approximately 31% in calendar year 2011. Nearly 36% of the country's population is expected to live in urban locations by calendar year 2020, which will drive demand for housing in these areas.

- **Traction in tier II and III cities:** Pick-up in plastic pipe demand in tier II and III cities has been observed in recent years. The healthy growth trajectory is expected to continue over the next four to five fiscal years (i.e. from April 1, 2017 to March 31, 2022).

- **Surging demand from rural sector:** The rural market has low penetration and less availability of branded PVC pipes and fittings. Demand is surging from this sector, driven by increase in disposable incomes of farmers due to government initiatives such as an increase in the Minimum Support Price and Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA). Marketing efforts coupled with 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 2013-14 to 2016-17, reaching ₹ 93,653 in 2016-17. Increasing disposable income, typically, has a positive correlation with demand for housing units, as it increases affordability.

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

- **Increase in finance penetration:** Finance penetration in urban areas is projected to rise to 44.8% by 2018-19 from 42.3% in 2016-17, aiding real estate purchases.

(Source: Census 2011, World Urbanisation Prospects: The 2011 Revision (UN))

Government initiatives

- **RERA:** CRISIL Research believes RERA, which came into force on May 1, 2017, will result in improved transparency, timely delivery, and organised operations.

- **Housing for all by 2022:** Housing for All by 2022, also known as the Pradhan Mantri Awas Yojana (PMAY) was launched on 25th June, 2015. The project aims to minimize 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.

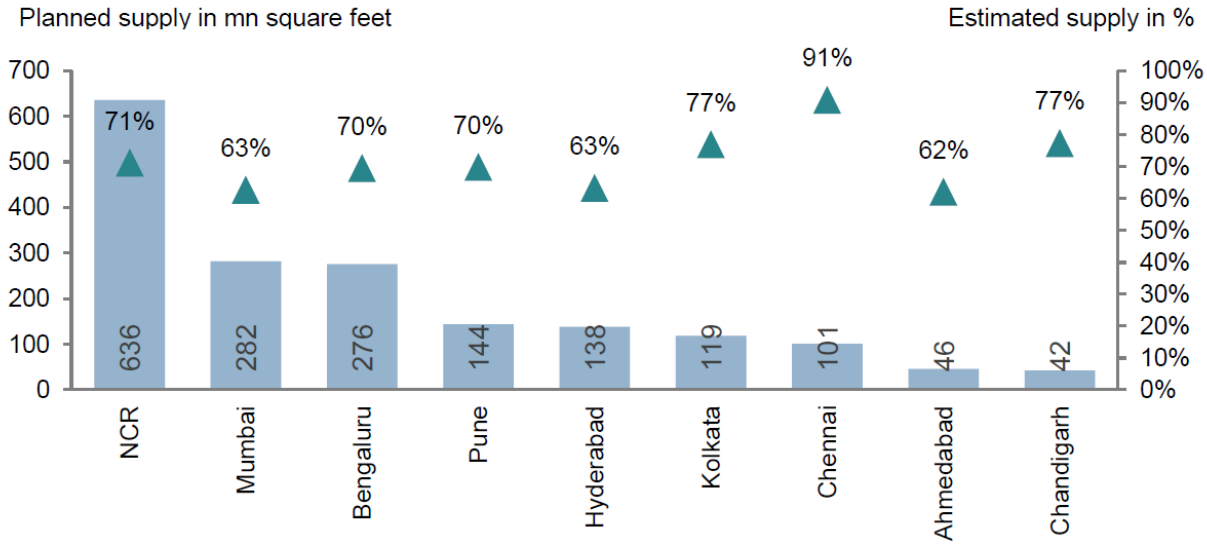
CRISIL Research estimates Indian real estate is an ₹ 8.0 - 9.0 trillion industry

CRISIL Research estimates the current size of real estate industry in the range of ₹ 8.0 - 9.0 trillion (2016-17). Going ahead, the segment is estimated to witness an annual growth of 3% to 4% for the next five fiscal years (i.e. from April 1, 2017 to March 31, 2022) and is likely to be an ₹ 9.5 - 10.5 trillion industry by 2021-22. While capital values are likely to increase marginally, industry's growth will mainly be supported by growth in housing stock.

Plastic pipes demand to get a boost by 1.8 billion sq ft of housing supply under execution across select cities

Select cities – the National Capital Region, Mumbai, Bengaluru, Pune, Hyderabad, Kolkata, Chennai, Ahmedabad, and Chandigarh – have an ongoing supply (planned and under construction) of 1.8 billion sq ft (super built-up area) with an average completion schedule for 3-4 fiscal years (i.e., 2016-17 to 2020-21). CRISIL Research's supply estimate is based on project execution status and scheduled completion estimates of 1.3 billion sq ft in the medium term (2017-18 to 2019-20). In the wake of pressure on land banks in cities and high prices, CRISIL Research expects compact unit sizes to be built. Therefore, there will be a need for plumbing and drainage piping systems, which have low noise properties. Organised players will be at the forefront of tapping this opportunity because of the portfolio of quality products and presence across fittings segment. Of the total housing supply in select cities, around 11% falls under affordable housing category. Accordingly, these cities have an ongoing affordable housing supply of (planned and under construction) 204 million sq ft in terms of built-up area. Of this supply, and based on the project execution status and scheduled completions, CRISIL Research expects 134 million sq ft to be completed in the medium term (during 2017-18 to 2019-20).

Planned and estimated overall housing supply across select cities

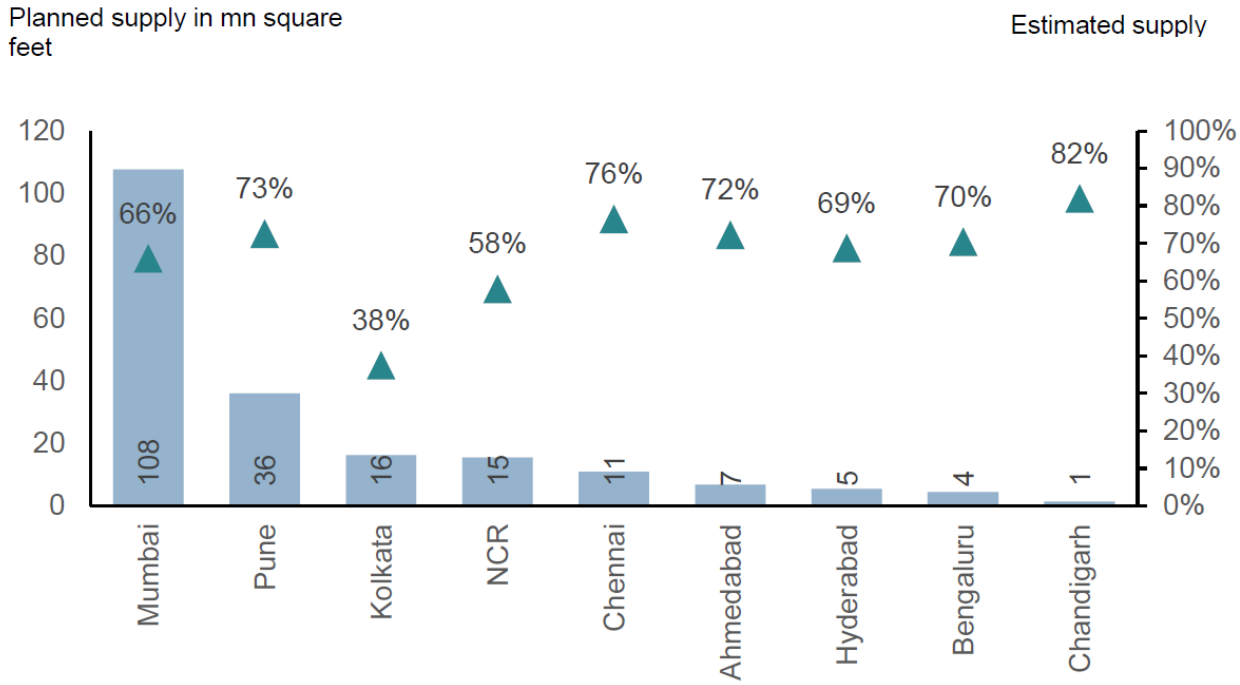


(*Source: CRISIL Research*)

Note:

(1) Bar graphs indicate overall ongoing supply across cities; The figures in % indicates share of supply likely to be completed over the next two fiscal years (from April 1, 2017 to March 31, 2019).

Planned and estimated affordable housing supply across select cities



(Source: CRISIL Research)

Note:

(1) Bar graphs indicate overall ongoing supply across cities; the figures in % indicate the share of supply likely to be completed over the next three fiscal years (April 1, 2018 to March 31, 2021).

Growth in investments in end-use segments and plastic pipes and fittings industry

CAGR	April 1, 2012 to March 31, 2017 (%)	April 1, 2017 to March 31, 2022 (%)
Irrigation	**11-12**	**12-13**
WSS	**10-11**	**11-12**
Plastic pipes and fittings	**10-12**	**12-14**

(Source: CRISIL Research)

Thus, as discussed, CRISIL Research expects investments in irrigation and WSS to rise 12-13% CAGR and 11-12% CAGR, respectively, over the next five fiscal years (i.e., from April 1, 2017 to March 31, 2022). Healthy growth in the real estate segment is also 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 forecast will translate into 12-14% CAGR for the plastic pipes and fittings industry over the next five fiscal years (i.e., from April 1, 2017 to March 31, 2022).

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

RAW MATERIALS FOR PLASTIC PIPES INDUSTRY

Naphtha and natural gas (ethane/propane component) are the key raw materials used in the petrochemicals industry, prices of which are linked to the global demand-supply dynamics, and movements in crude prices. Crude oil price is highly volatile, thus imparting volatility to prices of petrochemical products. Over the next five fiscal years (i.e., from April 1, 2017 to March 31, 2022), CRISIL Research expects crude oil prices to hover around $50-55 per tonne. CRISIL Research also expects that a slowdown in global demand, and increasing supply from the US and OPEC will keep oil prices under pressure.

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 scenario and import-export regulations. India currently relies completely on imports to meet its CPVC requirements.

PVC

Domestic PVC capacity stood at approximately 1.6 million tonnes in 2016-17. 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 of the demand is met through imports. Taiwan, Japan, South Korea and China collectively account for over 70% of India's imports. CRISIL Research expects that PVC prices, which were stable in calendar year 2016, will increase marginally by 3-4% in calendar year 2017, given an increase in raw material ethylene dichloride and vinyl chloride monomer prices during this period. Thereafter, CRISIL Research expects prices to remain around the same level in calendar year 2018, given the steady demand-supply scenario and that no major fluctuation is anticipated in upstream prices.

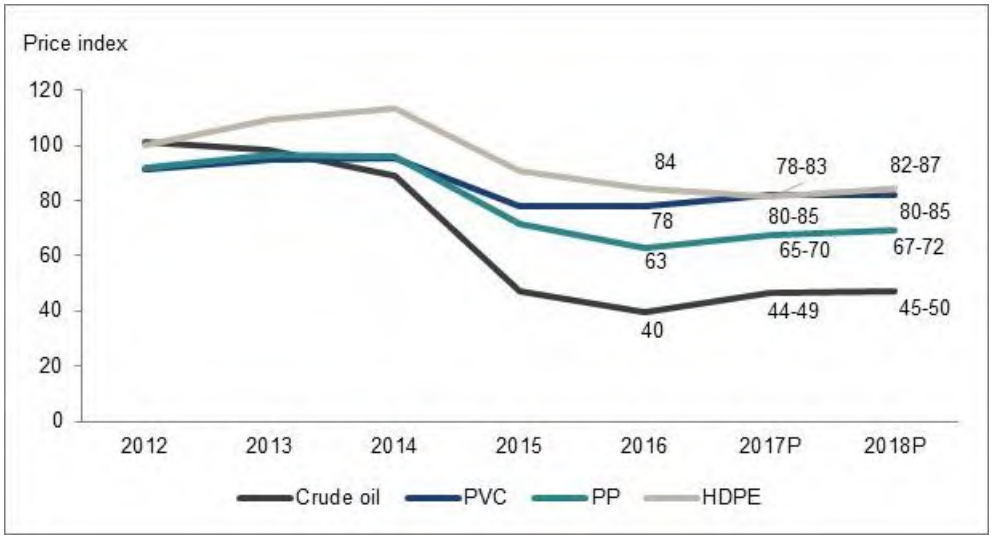
PPR

Domestic PP capacity was estimated at 4.9 million tonnes in 2016-17. India is self-sufficient in terms of demand supply. PP price declined 12% on-year in 2015-16 following a fall in feedstock (naphtha and propylene) and crude oil prices. Significant capacity additions amid steady demand led to a higher fall in PP prices as against feedstock prices. CRISIL Research expects PP prices to increase approximately 2% on-year in calendar year 2017, following a rise in feedstock and crude prices. CRISIL Research expects PP prices to increase further in calendar year 2018, albeit marginally, owing to an increase in propylene prices.

HDPE

Domestic PE capacity was estimated at 4.6 million tonnes in 2016-17. Players such as Reliance Industries Ltd, Gas Authority of India Ltd and Haldia Petrochemicals have swing plants (HDPE/ linear low-density polyethylene (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 Thailand) collectively accounted for 75% of India's imports in 2016-17, with the UAE having the highest share. In calendar year 2016, the price of HDPE fell approximately 7%, primarily due to a drop in feedstock naphtha prices following a fall in crude prices. CRISIL Research expects the price of HDPE to decline 3-4% in calendar year 2017 owing to incremental supply, coupled with shifting demand from PE to PPR. CRISIL Research expects global PE demand to grow approximately 3% on-year against higher capacity additions of nearly 8,000 kilo-ton per annum (KTPA), which will account for approximately 7.5% on-year supply growth. However, CRISIL Research expects PE prices to increase in calendar year 2018 with a rise in feedstock ethylene prices. However, gradual ramping up of capacities added in calendar year 2017 will restrict any sharp rise in prices.

Trend in raw material prices



(Source: CRISIL Research)

Note:

(1) The above prices are indexed prices, base year 2011.
(2) Crude oil - $111 per tonne; PVC - $1,068 per tonne; PP - $1,515 per tonne; HDPE - $1,347 per tonne

Thus, even though India has significant capacities of these polymers, India 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 exchange rate, and demand-supply mismatch are the key risks faced by the players in the pipes and fittings industry. Given that 40% of the pipes and fittings industry continues to be unorganised, players are only partially able to pass on the increase in raw material prices to end users due to intensive competition in the industry. 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 the end users.

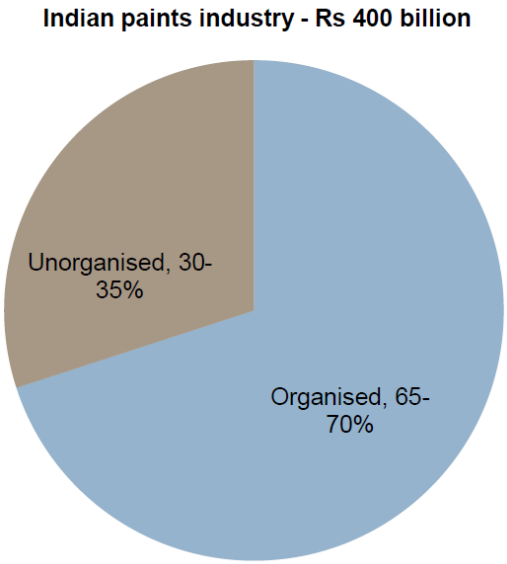
ASSESSMENT OF BUILDING MATERIALS INDUSTRY

Paints, sanitary ware 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 can be a good indicator of demand prospects of plastic pipes from the real estate sector.

Paints industry

The industry is relatively organised, with top players Asian Paints, Kansai Nerolac, Berger Paints, Akzo Nobel and Shalimar accounting for 65-70% market share, as of 2016-17. The unorganised segment comprises about 2,000 small and medium-sized paint manufacturing plants.

Share of organised and unorganised players in 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 existing capacity is expected to be added by leading players in the next few years.

Paints segregated into decorative and industrial

Decorative paints: Major segments in decorative paints are exterior wall paints, interior wall paints, wood finishes and enamel and ancillary products, such as primers and putties. Decorative paints are used in 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: Industrial paints 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 macro-economic drivers such as a rise in population levels, income levels, government initiatives, urbanisation, number of nuclear families, and availability of retail financing options, demand for the paints industry 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 2.6 kg per year, compared with 4 kg in China, 20 kg in developed countries, and the global average of 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 spurred 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 rising 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 expects industry to grow at 8-10% over next five fiscal years

For India's paints industry, revenue clocked 10-12% CAGR in the past five fiscal years, i.e., from April 1, 2012 to March 31, 2017, led by growth in key end-user sectors such as real estate and automobiles; higher per capita consumption of paints; and better penetration of players in semi-urban and rural areas. The real estate and automobile industries are key growth drivers for the paints industry, with their fortunes driven by higher disposable incomes, rise in the number of nuclear families, and urbanisation. However, sluggish growth in these two end-user segments in the past 2 years, i.e., between April 1, 2015 to March 31, 2017, coupled with demonetisation, affected the overall revenue growth of key players. Consequently, revenue clocked 9-11% CAGR during 2013-14 and 2016-17 vis-à-vis 24-26% CAGR witnessed between 2009-10 and 2012-13. Going ahead, CRISIL Research forecasts industry revenue to grow 8-10% over the next five fiscal years, i.e., from April 1, 2017 to March 31, 2022, propelled by the above-mentioned demand drivers.

Ceramic tiles and sanitary ware

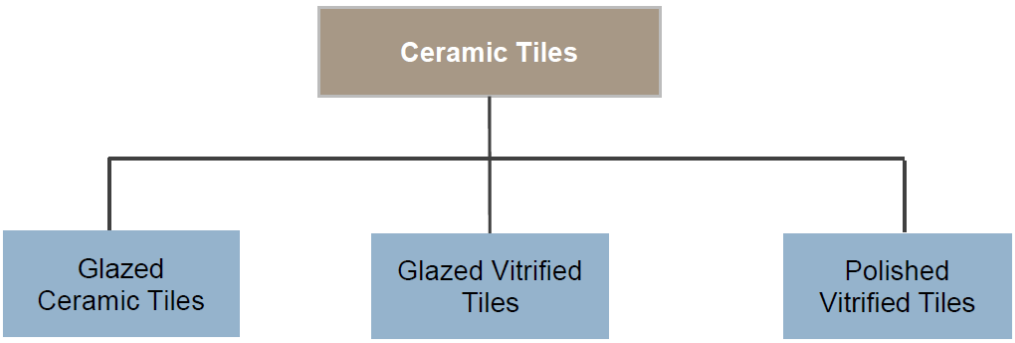
CRISIL Research estimates the Indian ceramic tiles and sanitary ware industry to be worth almost ₹ 245-250 billion as of 2016-17. Ceramic tiles account for 90% (or ₹ 220-225 billion) of the industry and sanitary ware 10% (₹ 25-30 billion). In terms of production, India ranks third in the world in the ceramic tiles and sanitary ware sector.

Note:

(1) CRISIL Research has only included water closets (WC), basins, bath and other fittings as part of the sanitary ware market. Faucets have not been included.

Ceramic tiles are used in residential and commercial spaces, primarily for flooring but also for covering walls. These are classified as glazed, glazed vitrified (GVT) and polished vitrified (PVT), and are manufactured by both large players and small and medium enterprises (SMEs), with wide variance in type, size, quality and standard.

Types of ceramic tiles



(Source: CRISIL Research)

Ceramic tiles industry segments

Based on type of tiles, the industry can be segregated into three major segments:

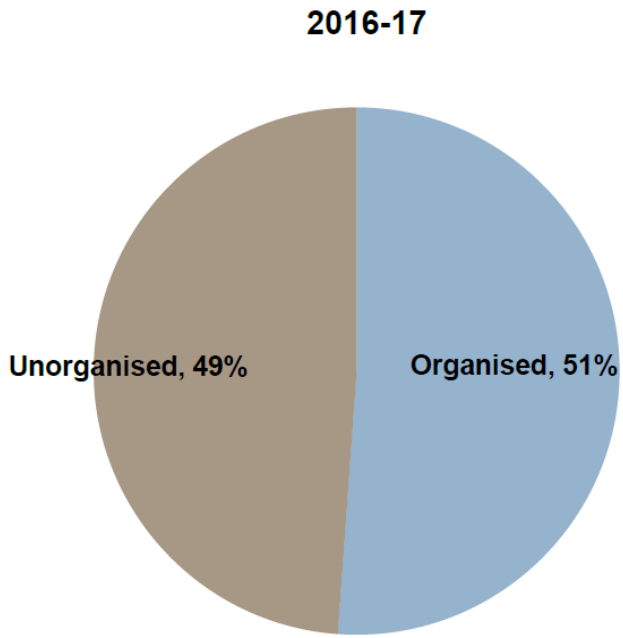
- The ceramic floor and wall tiles segment, which accounts for 46% of market value, is estimated at ₹ 110-120 billion.
- The PVT segment, accounting for 41% of market value, is estimated at ₹ 95-105 billion.
- The GVT segment, accounting for 13% of market value, is estimated at ₹ 30-35 billion.

Organised versus unorganised market

While the organised segment accounts for approximately 51% of the market in value terms, the component of smaller players is sizeable. CRISIL Research expects the organised sector to further 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 also because of their entry into long-term joint ventures with smaller unorganised players.

Break-up (value terms)

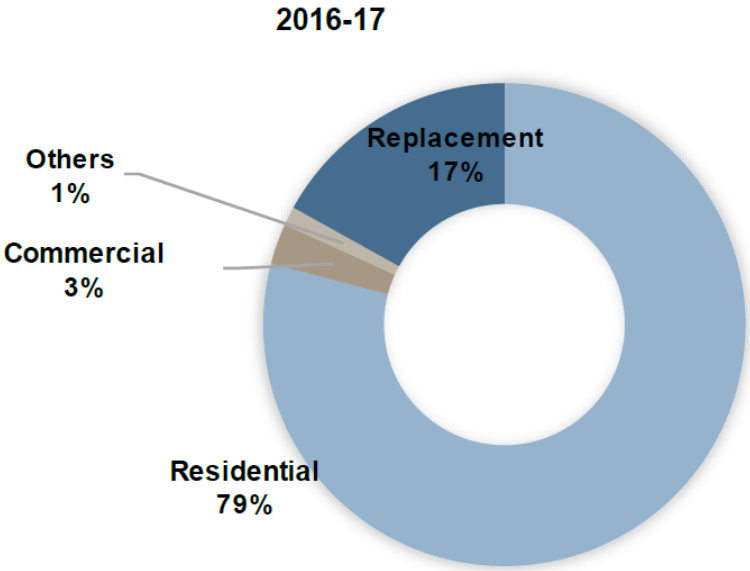


(Source: CRISIL Research)

In case of ceramic tiles, key players in the organised segment include Kajaria Ceramics Ltd, Somany Ceramics Ltd, and HR Johnson India. Morbi, situated in Gujarat, is the major manufacturing hub of ceramic tiles in India. The cluster accounts for nearly 60% of industrial production.

In case of sanitary ware, key players like Hindware Home Retail Pvt Ltd (HSIL), Parryware Roca Pvt Ltd (PRPL) and Cera sanitary ware account for the bulk of revenue within the organised segment. While small and medium enterprises (SME) contribute to 25-40% of industry revenue, large players account for 60-75%.

Break-up among end-users (volume terms)



(Source: CRISIL Research)

Demand/growth drivers

Apart from macro-economic factors such as growth in population, urbanisation, number of nuclear families and penetration of retail finance, growth in the ceramic tiles and sanitary ware segment will be driven by:

- **Increase in tile intensity in residential construction:** CRISIL Research foresees that tile intensity will increase in residential construction. Historically, tile intensity in urban areas has been higher than in rural areas, due 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.

- **Introduction of innovative tiles:** Increase in innovations such as digital and 3D tiles are expected to heighten replacement demand for ceramic tiles. Nevertheless, CRISIL Research expects replacement demand for tiles in India to be around 17% of total demand as of 2016-17, compared to 35-40% for developed nations.

- **Real estate regulatory authority:** For decades, India's home buyers bought the most expensive asset class without sectoral protection. From 2016-17, 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:** In 2016-17, 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.

- **Declining interest rate:** With fall in inflation, RBI has reduced the repo rate, which is further expected to fall. This would lead to higher demand for the real estate and ceramic tile industries.

- **Government push by imposing anti-dumping duty:** The commerce ministry has suggested the imposition of anti-dumping duty of up to $1.87 per sq mt on certain types of Chinese tiles, with a view to protecting domestic players from cheap imports. The ministry's investigation arm - Directorate General of Anti-dumping and Allied Duties (DGAD) has concluded in its final findings that there has been a significant increase in the volume of dumped imports of vitrified tiles from China. DGAD in a notification has recommended imposition of anti-dumping duty on imports of "glazed/unglazed porcelain/vitrified tiles in polished or unpolished finish with less than 3% water absorption" to remove the injury to domestic players. The suggested duty ranged between $0.79 and $1.87 per sq mt. The levy provided a much-needed push to plain tile manufacturers who cater to the middle and low population segments.

- **GST implementation:** For decades, manufacture and distribution of products in India was affected by various taxes at various levels. This affected national competitiveness, economic growth and competitive fairness. In 2017, the introduction of the GST is intended to remove anomalies, catalyse economic growth, and strengthen the organised sector. This reform will be more pronounced in India's ceramic tile sector, which is dominated by unorganised players.

Growth trend

The ceramic tiles and sanitary ware industry expanded at an estimated 7-9% CAGR in volume terms over the past five fiscal years, i.e., from April 1, 2012 to March 31, 2017, largely driven by quick urbanisation and residential and commercial construction activity in metros and tier I cities. Replacement demand expanded at a healthy 11-12% CAGR in volume terms owing to a significant shift in preference from marbles to ceramic tiles and from plain ceramic tiles to polished and glazed vitrified tiles. Replacement demand currently accounts for 16% of domestic demand. Residential real estate continues to be the key growth driver, contributing 78-80% of revenue.

CRISIL Research expects the ceramic tiles industry to grow at a moderate 5-7% CAGR in value terms, from April 1, 2017 to March 31, 2022, largely driven by volume growth of 5-7% CAGR for the next five fiscal years,

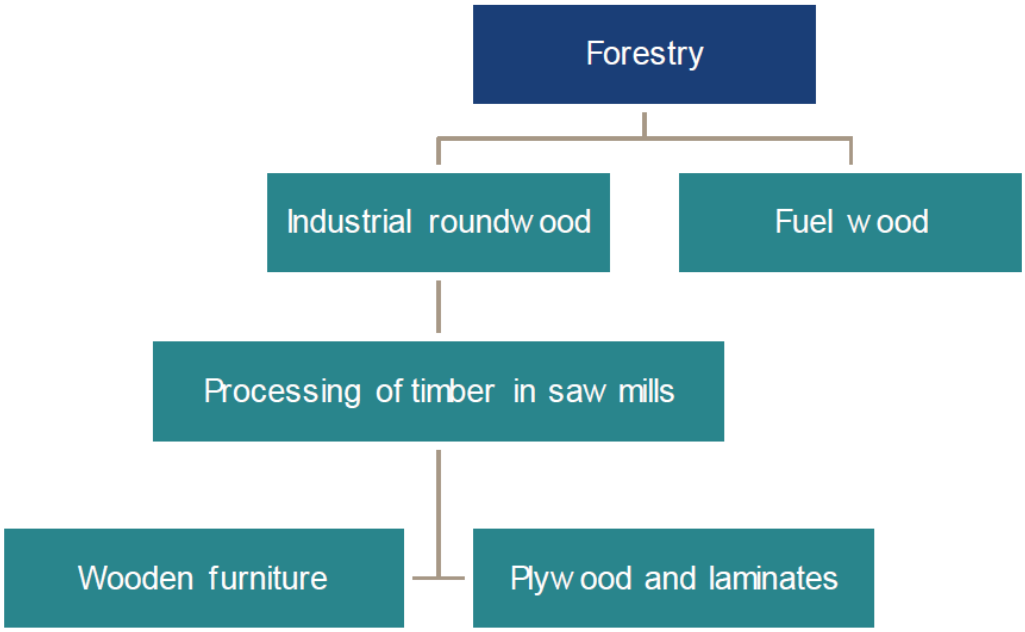
i.e., from April 1, 2017 to March 31, 2022. Realisations are expected to grow marginally, aided by greater market share of rich value products like vitrified, glazed and digital tiles.

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, due to its resistance to cracks, shrinkage, splitting, and twisting/warping, and its 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



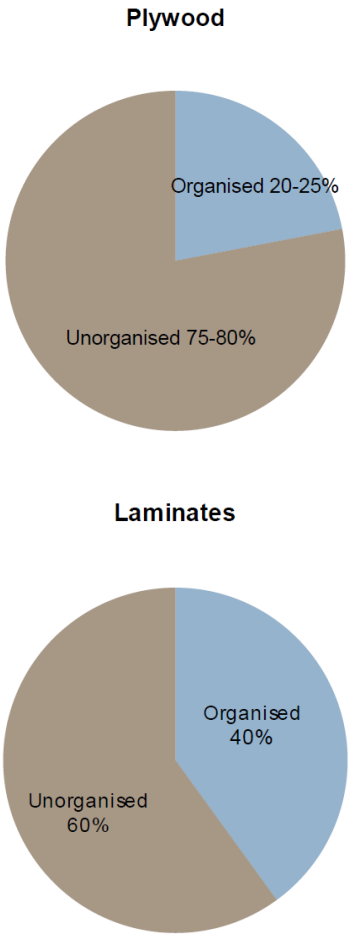
(Source: CRISIL Research)

Organised versus unorganised segments

The plywood and laminates industry is highly fragmented and unorganised with a significant presence of SMEs, due 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 as on 2016-17.

Organised versus unorganised share - Plywood and laminates industry



(Source: CRISIL Research, industry)

Macro-economic factors to drive demand growth:

Demand for plywood and laminates industry is expected to be driven by macro-economic factors such as:

- **Growth in real estate activity:** Translates to increased demand for plywood and laminates.
- **Rise in income levels:** It boosts consumption of lifestyle products such as furniture and interiors.
- **Favourable demographics:** India has a sizeable youth population, with sub-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:** It is expected to generate fresh demand for plywood and laminates.

CRISIL Research expects industry to grow at 8-10% CAGR over next five fiscal years

CRISIL Research estimated the size of the plywood and laminates industry to be ₹ 200-220 billion in 2016-17. The industry grew at 6-8% CAGR over the past five fiscal years, i.e., from April 1, 2012 to March 31, 2017, driven by growth in real estate activity. Factors such as rise in per capita and disposable income, and increased urbanisation and number of nuclear families have supported growth.

While CRISIL Research expected demand to be subdued in 2016-17 owing to demonetisation, CRISIL Research expects to see a recovery to the tune of 8-10% CAGR over the next five fiscal years (i.e., from April 1, 2017 to March 31, 2022).

Overview of building materials categories

	Plastic Pipes	Paints	Ceramic tiles and sanitary ware	Plywoods and Laminates
Industry size in 2016-17 (₹ billion)	**240-260**	**400**	**245-250**	**200-220**
Share of organised segment	**60-65%**	**65-70%**	**51%**	**20-25% (Plywood); 40% (Laminates)**
Past CAGR (From March 31, 2012 to April 1, 2017)	**10-12%**	**10-12%**	**7-9%**	**6-8%**
Future CAGR (April 1, 2017 to March 31, 2022)	**12-14%**	**8-10%**	**5-7%**	**8-10%**

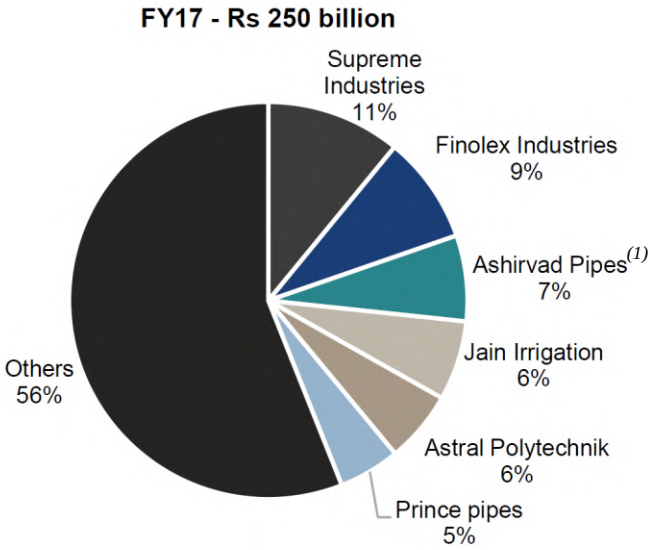
As seen from the table above, growth in plastic pipes is expected to be the fastest as compared with the other building materials, driven by various Government initiatives, private sector investments, and other drivers such as increasing substitution and replacement demand, amongst others. Moreover, launching of new innovative products to cater to the needs of various end users also adds to the attractiveness of the pipes.

COMPETITIVE LANDSCAPE OF THE PLASTIC PIPES INDUSTRY

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

Supreme Industries continues to enjoy the largest share of the market at approximately 11% in 2016-17, followed by Finolex Industries (9%). The share of Prince Pipes and Fittings increased to 5% in 2016-17 from 4.5% from 4.5% in 2015-16.

Market share in 2016-17



(Source: CRISIL Research, company)

Note:

(1) The market share of Ashirvad Pipes is estimated as the 2016-17 financials are not available.

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 pipes as well as fittings segment.

Pan-India presence

One of the major factors contributing to players' success is the presence of its brands in regional markets and across India.

Manufacturing base and distribution network of peer companies

Company	Manufacturing base	Number of distributors	Total no. of touch points
Prince Pipes and Fittings	**Maharashtra, Tamil Nadu, Uttarakhand, Dadra and Nagar Haveli**	**approximately 750**	**N.A.**
Supreme Industries	**Maharashtra, Uttar Pradesh, Madhya Pradesh, Rajasthan, West Bengal, Assam, Gujarat, Tamil Nadu**	**916**	**25,000**
Finolex Industries[(1)]	**Maharashtra, Gujarat**	**800**	**18,000**
Astral Polytechnik	**Gujarat, Tamil Nadu**	**750**	**25,000**
Jain Irrigation[(1)]	**Maharashtra, Gujarat, Tamil Nadu**	**6,526**	**16,000**
Ashirvad Pipes	**Karnataka**	**1,100**	**36,000**

(Source: company reports)

Note:

(1) The distribution network includes all products and not just plastic pipes.

While most players have established positions in the western region, Prince Pipes and Fittings has a manufacturing base in western, southern and northern region. Continuous efforts by organised players to increase channel partners and widen their distribution networks are fundamental in providing a competitive edge and catering to the needs of the underpenetrated market.

Product diversification

Company name	Product diversification
Prince Pipes and Fittings	**UPVC, CPVC, PPR pipes and fittings**
Supreme Industries	**UPVC, CPVC, HDPE, PPR pipes and fittings**
Finolex Industries	**UPVC pipes and fittings**
Astral Polytechnik	**UPVC, CPVC pipes and fittings**
Jain Irrigation	**UPVC, HDPE pipes and fittings**
Ashirvad Pipes	**UPVC, CPVC and fittings**

(Source: company reports)

As seen above, presently, most players are present in the UPVC segment, however emphasis on high-value products such as CPVC and HDPE have seen them gaining share. HDPE and CPVC pipes demand a higher premium and therefore, players are increasing focus on these segments due to the huge growth potential.

Presence in fittings market and exposure to diversified end-use sectors

The fittings segment typically earns higher margins due to the specialised nature and precision required vis-à-vis the pipes segment. Consequently, many branded players have been intensifying their focus to expand their fittings capacity to cater to the high demand in this segment. Prince Pipes and Fittings has also been focusing on increasing its fittings presence to the high demand in this segment. In fact, as per the company interactions, Prince Pipes and Fittings derives approximately 38% of its revenue from the fittings segment. Similarly, the ability to meet the requirements of various end-user segments, such as irrigation, housing, sewerage, etc., also provides a competitive advantage to the players. Players such as Prince Pipes and Fittings and Supreme Industries continue to maintain a strong position with regards to the same.

Financial parameters

		Prince Pipes and Fittings	Supreme Industries Ltd	Finolex Industries Ltd	Astral Poly Technik Ltd	Jain Irrigation Systems Ltd[(2)]	Ashirvad Pipes Private Ltd[(3)]
Year	**Unit**	**31-Mar-17**	**31-Mar-17**	**31-Mar-17**	**31-Mar-17**	**31-Mar-17**	**31-Mar-16**
Operating Income	₹ Million	**12,592**	**44,421**	**29,876**	**14,768**	**37,102**	**16,141**
Share of plastic pipes	%	**100**	**62**	**74**	**100**	**44**	**100**
OPM	%	**12.90**	**17.17**	**19.03**	**14.45**	**16.33**	**15.05**
RoCE	%	**22.46**	**33.33**	**24.09**	**17.79**	**10.02**	**23.06**
ROE	%	**30.53**	**27.56**	**18.27**	**13.66**	**3.8**	**23.67**
NPM	%	**5.14**	**8.54**	**11.79**	**7.22**	**4.41**	**6.67**
Sales growth	%	**24.8**	**13.05**	**5.88**	**12.32**	**-12.55**	**15.33**
NP growth	%	**108.14**	**33.60**	**38.43**	**46.36**	**167.87**	**-8.63**

(Source: company reports, CRISIL Research)

Notes:

(1) The above financials are on a standalone basis.
(2) For 2014-15, the year end for Supreme Industries was June 2015. Hence, revenue for 2015-16 is only 9 months i.e., July 2015 to March 2016. Accordingly, sales growth and net profit growth for 2016-17 is calculated by annualising revenue and net profit of 2015-16.
(3) The financials of Jain Irrigation Systems Ltd. are derived from their quarterly reports. Actuals may differ when the annual report for 2016-17 is released. For Jain Irrigation, segmental revenue is for its plastic division, and not only pipes.
(4) The financials for 2016-17 of Ashirvad Pipes Private Ltd are not available as their annual reports have not been released.

Organised players' revenue growth outpaces industry

While the overall plastic pipes industry grew approximately 11% during the year to reach ₹ 250 billion, Supreme Industries and Prince Pipes and Fittings have reported the highest sales growth primarily led by increasing focus on value-added products. However, Supreme Industries reported only nine months of financials in 2015-16. To that extent, the increase in sales growth is not comparable.

Segmental revenue (Plastic Pipes)

(₹ million)	Mar-15	Mar-16	Mar-17
Prince Pipes and Fittings	**9,572**	**10,090**	**12,592**
Revenue growth (%)		***5.41%***	***24.80%***
Supreme Industries[(2)]	**21,131**	**18,082**	**27,648**
Revenue growth (%)		***14.09%***	***14.68%***
Finolex Industries	**16,938**	**20,305**	**22,169**
Revenue growth (%)		***19.88%***	***9.18%***
Astral Polytechnik	**12,531**	**13,148**	**14,768**
Revenue growth (%)		***4.92%***	***12.32%***
Ashirvad Pipes	**13,995**	**16,141**	**N.A.**
Revenue growth (%)		***15.33%***	
Jain Irrigation[(3)]	**N.A.**	**15,691**	**16,395**
Revenue growth (%)			***4.49%***

(Source: company reports, CRISIL Research)

Notes:

(1) The above financials are on a standalone basis.
(2) For 2014-15, the year end for Supreme Industries was June 2015. Hence, revenue for 2015-16 is only 9 months i.e., July 2015 to March 2016. Accordingly, sales growth and net profit growth for 2016-17 is calculated by annualising revenue and net profit of 2015-16.
(3) For Jain Irrigation, the segmental revenue is for its plastic division, and not only pipes. The revenue for 2016-17 may differ when annual report is released.

Increasing focus on high margin products and improving efficiency help to expand margins

Factors such as a well-established brand presence, improving operating efficiencies, 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, PPR, 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 vis-à-vis unorganised players and have greater ability to pass on the increase in raw material costs. Consequently, operating margins typically vary between 10-15%. In our sample set, Astral Polytechnik enjoys the highest margin of approximately 14.4% in 2016-17. This is followed by Prince Pipes and Fittings, with margin of 12.9% in 2016-17. Expansion in margins can be attributed to increasing focus on high value products, as well as presence in fittings segment, where the margins are typically higher.

Segmental margins (Plastic Pipes)

(%)	Mar-15	Mar-16	Mar-17
Prince Pipes and Fittings	**9.0**	**10.2**	**12.9**
Supreme Industries[(2)]	**13.4**	**10.3**	**12.2**
Finolex Industries	**7.9**	**8.8**	**8.0**
Astral Polytechnik	**12.1**	**12.7**	**14.4**
Ashirvad Pipes	**12.9**	**15.0**	**N.A.**
Jain Irrigation[(3)]	**N.A.**	**8.6**	**10.0**

(Source: company reports, CRISIL Research)

Notes:

(1) The above financials are on a standalone basis.
(2) For 2014-15, the year-end for Supreme Industries was June 2015.
(3) For Jain Irrigation, the figures relate to its plastic division, and not only pipes. The margins may differ when annual report for 2016-17 is released.

Overall company-level margins

(%)	Mar-15	Mar-16	Mar-17
Prince Pipes and Fittings	**9.0**	**10.2**	**12.9**
Supreme Industries[(2)]	**13.7**	**15.6**	**17.2**
Finolex Industries	**8.8**	**14.3**	**19.0**
Astral Polytechnik	**12.1**	**12.7**	**14.4**
Ashirvad Pipes	**12.9**	**15.0**	**N.A.**
Jain Irrigation[(3)]	**15.0**	**15.7**	**16.3**

(Source: company reports, CRISIL Research)

Notes:

(1) The above financials are on a standalone basis.
(2) For 2014-2015, the year-end for Supreme Industries was June 2015.
(3) For Jain Irrigation, the margins may differ when the annual report for 2016-2017 is released.

The companies in the sample set enjoy healthy return on capital employed (RoCE) and return on equity (RoE) ratios. During 2016-17, the RoCE of Prince Pipes and Fittings and Supreme Industries improved exponentially, driven by higher profitability. In fact, Prince Pipes and Fittings reported the highest ROE in 2016-17.

RoCE (%)	Mar-15	Mar-16	Mar-17
Prince Pipes and Fittings	**12.2**	**15.8**	**22.5**
Supreme Industries[(2)]	**32.2**	**28.9**	**33.3**
Finolex Industries	**7.0**	**24.3**	**24.1**
Astral Polytechnik	**18.2**	**15.6**	**17.8**
Ashirvad Pipes	**29.2**	**23.1**	**N.A.**
Jain Irrigation[(3)]	**7.5**	**8.9**	**10.02**

(Source: company reports, CRISIL Research)

Notes:

(1) The above financials are on a standalone basis.
(2) For 2014-15, the year-end for Supreme Industries was June 2015. Accordingly, ROCE for 2015-16 is annualised.
(3) For 2016-17, the ratios for Jain Irrigation may differ when the annual report is released.

RoE (%)	Mar-15	Mar-16	Mar-17
Prince Pipes and Fittings	**11.4**	**18.1**	**30.5**
Supreme Industries[(2)]	**28.8**	**24.5**	**27.6**
Finolex Industries	**3.5**	**21.6**	**18.3**
Astral Polytechnik	**13.5**	**10.9**	**13.7**
Ashirvad Pipes	**31.7**	**23.7**	**N.A.**
Jain Irrigation[(3)]	**1.6**	**2.7**	**3.8**

(Source: company reports, CRISIL Research)

Notes:

(1) The above financials are on a standalone basis.
(2) For 2014-15, the year-end for Supreme Industries was June 2015. Accordingly, ROCE for 2015-16 is annualised
(3) For 2016-17, the ratios for Jain Irrigation may differ when the annual report is released.

OUR BUSINESS

OVERVIEW

Our Company is recognized as one of the leading polymer pipes and fittings manufacturers in India in terms of production capacity, number of distributors, and number and variety of products manufactured *(Source: CRISIL Research Report)*. We market our products under two brand names: Prince Piping Systems; and Trubore Piping Systems. 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 manufacturing polymer pipes and more than 20 years' experience in manufacturing fittings.

We currently manufacture polymer pipes and fittings using four different polymers: UPVC; CPVC; PPR; and PP. As at August 31, 2017, we have a product range of more than 7,500 SKUs. Our products are used for varied applications in plumbing, irrigation, and sewage disposal. Our product range meets the requirements of both the rural and urban markets.

We have five strategically located manufacturing plants, which has enabled us to develop 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); and Kolhapur (Maharashtra). The total installed capacity of our five existing plants is 210,646 tonnes per annum as at August 31, 2017. We use contract manufacturers in Hajipur (Bihar); Aurangabad (Maharashtra); and Roorkee (Uttarakhand).

We plan to set up two new manufacturing plants, one in Jobner (Rajasthan), which is near Jaipur, and the other in Sangareddy (Telangana).

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

We currently sell our products to distributors who then resell them to wholesalers, retailers, and consumers. As at August 31, 2017, we had 766 distributors spread across India.

Our revenue from operations for Fiscal 2015, Fiscal 2016 and Fiscal 2017 were ₹ 9,571.91 million, ₹ 10,089.87 million, and ₹ 12,625.80 million, respectively, representing a CAGR of 14.85%. Our EBITDA for Fiscal 2015, Fiscal 2016 and Fiscal 2017 was ₹ 817.09 million, ₹ 978.07 million, and ₹ 1,618.99 million, respectively, representing a CAGR of 41.20%. Our profit after tax for Fiscal 2015, Fiscal 2016 and Fiscal 2017 was ₹ 156.81 million, ₹ 293.63 million, and ₹ 743.62 million, respectively, representing a CAGR of 117.77%. Our EBITDA margin (EBITDA/total revenue) and net profit margin (profit after tax/total revenue) for Fiscal 2017 was 12.81% and 5.88%, respectively.

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 pipes segment and more than two decades in the fittings segment. We market our products under two brand names: Prince Piping Systems; and Trubore Piping Systems. We believe that consumers have a strong loyalty to both our brands, which has enabled us to consistently grow our brands. The Trubore Piping Systems' brand (the "**Trubore brand**") has a long history in the Tamil Nadu market. We acquired the Trubore brand in October 2012.

We have an advantage being one of the leading organized players in this highly fragmented market. We had a market share of approximately 5% in Fiscal 2017 and are amongst the top six organised players, which collectively have a total market share of 44%. *(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 penetration in the fittings segment.

We have been the recipient of numerous awards, including:

- 'Bloomberg EPC World - 2010' award for outstanding quality contribution in the pipe segment;
- Asia's Most Promising Brand Award by the World Consulting and Research Corporation Delhi - 2014;
- Outstanding Contribution to the Plumbing Industry - awarded by the Brihan Mumbai Licensed Plumbers' Association – 2015;
- Indian Manufacturing Excellence Award (Silver Certificate of Merit) by Frost & Sullivan - 2015; and
- Economic Times Polymers Award (Excellence in Plastics) for excellence in building and construction (plumbing) in the large enterprises' category - 2017.

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 pipes and fittings using four different polymers: UPVC; CPVC; PPR; and PP. We are one of only two companies in India to manufacture products across UPVC; CPVC; and PPR as shown in the table below.

Company Name	Product Diversification
Our Company	UPVC, CPVC, PPR pipes and fittings[(1)]
Supreme Industries	UPVC, CPVC, HDPE, PPR pipes and fittings
Finolex Industries	UPVC pipes and fittings
Astral Polytechnik	UPVC, CPVC pipes and fittings
Jain Irrigation	UPVC, HDPE pipes and fittings
Ashirvad Pipes	UPVC, CPVC and fittings

Note:

1. We also manufacture products using PP but as the revenue from this is not significant,, the same has not been reflected in the CRISIL Research Report.

(Source: CRISIL Research Report)

We have different SKUs for different products under each polymer type. We have more than 7,500 SKUs as at August 31, 2017. Our products are used for varied applications in the field of plumbing, irrigation, and sewage disposal. For Fiscal 2017, our gross revenue from sale of manufactured goods based on the estimated end-use based application comprised 42.04% from plumbing, 36.01% from irrigation, 20.75% from sewage disposal use and 1.20% from others.

We have a product development team, which is responsible for expanding our product portfolio. Our product development team regularly interacts with the plumbing consultants and contractors to understand the demand for new products. Our SKUs increased from 6,415 as at March 31, 2016 to 6,954 as at March 31, 2017, representing an increase of 8.40%.

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 five 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); and Kolhapur (Maharashtra). We use contract manufacturers in Hajipur (Bihar); Aurangabad (Maharashtra); and Roorkee (Uttarakhand). The multi-location facilities have assisted in market penetration and developing a strong presence in North, West and South India. For Fiscal 2017, our sales in North, South, West and East India represented 40.22%, 26.12%, 24.88% and 8.46% of our total sales revenue, respectively.

One of the major factors contributing to players' success is the presence of its brands in regional markets and across India. Our manufacturing presence as compared to our competitors is shown in the table below.

Company	Location of Plants - State(s)/Union Territory
Our Company	Maharashtra; Tamil Nadu; Uttarakhand; and Dadra and Nagar Haveli

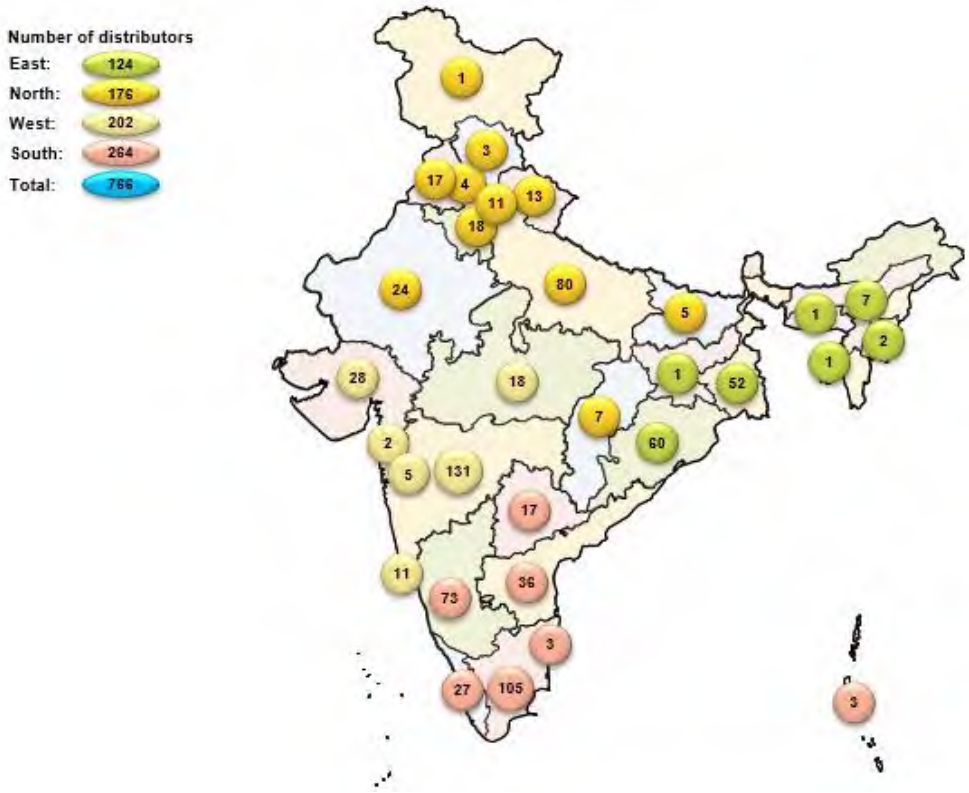
Company	Location of Plants - State(s)/Union Territory
Supreme Industries	Maharashtra; Uttar Pradesh; Madhya Pradesh; Rajasthan; West Bengal; Assam; Gujarat and Tamil Nadu
Finolex Industries	Maharashtra; and Gujarat
Astral Polytechnik	Gujarat; and Tamil Nadu
Jain Irrigation	Maharashtra; Gujarat; and Tamil Nadu
Ashirvad Pipes	Karnataka

(*Source: CRISIL Research Report*)

We have an ISO 9001:2008 certified manufacturing process for each of our plants. We have an ISO 14001:2015 certification for our Haridwar plant and an EMS certification ISO 50001:2011 (relating to energy efficiency) for our Chennai plant. 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 have a pan-India network of distributors. We had 635 distributors as at March 31, 2016 compared to 766 distributors as at August 31, 2017, a 20.63% increase in 17 months. Set forth below is a map showing our pan-India distribution network as at August 31, 2017.



Our technical collaboration with a reputed international player, which helps 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. 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 molding 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: http://overseas.wavin.com/web/about-wavin/about-wavin-overseas-1.htm accessed on August 15, 2017).*

As a result of our technical collaboration with Wavin, we have seen significant improvements in our production process and quality of products produced. As an example, data from our Athal and Dadra plants is set forth in the table below:

	Parameter	Athal Plant		Dadra plant	
		Fiscal 2016	Fiscal 2017	Fiscal 2016	Fiscal 2017
1.	Average number of breakdowns per week (Availability)	40.18	31.71	50.42	20.17
2.	Total number of customer complaints	7	6	11	9

Strong management team

We have a strong management team led by Jayant Shamji Chheda, our Chairman, 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 2015 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 - 2016 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. Heena Parag Chheda, one of our executive Directors and one of our Promoters, has more than 14 years' 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. Shailesh Kanji Bhaskar, our Company Secretary, has approximately 11 years of experience, of which seven are in the field of secretarial and compliance functions and five in the field of accounts and finance.

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

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 plumbing products have higher gross margins than our other products. Our revenue from plumbing products, as a percentage of our gross revenue from sale of manufactured products, increased from 32.71% in Fiscal 2015 to 42.04% in Fiscal 2017. Our fittings have higher margins than our pipes and we endeavor to optimize our mix of pipes and fittings to maximize our margins.

Expand our product portfolio

Until now our focus has been on products for application above ground, namely, plumbing, irrigation, and sewage disposal. We now plan on expanding the reach of our products for application in underground drainage as well by entering the HDPE segment with 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 underground sewer systems, industrial waste water systems, storm water drainage, cable ducting, and culvert and cross drainage. They are optimized for maximum efficiency in underground sewer systems and have advantages in handling, storage, installation and maintenance. HDPE pipes have a minimum service life of 50 years and are resistant to weathering, chemical fluids and abrasion. HDPE pipes have been gaining prominence over traditional metal and cement pipes, owing to durability, low maintenance and longevity compared with metal pipes. *(Source: CRISIL Research Report).*

CRISIL Research has forecast that spending on pipes and fittings for water supply and sanitation will grow at a CAGR of 11-12% in the five-year period Fiscal 2017 to Fiscal 2022. The major demand sources are public sector projects undertaken by central, state and municipal level bodies. 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) Government schemes such as Jawaharlal, JNNURM, AMRUT, Swachh Bharat Mission and Smart Cities Mission, which are likely to boost spending in water supply and sanitation. *(Source:*

CRISIL Research Report).

We have also 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 plan on entering this segment with DWC pipes. We have ordered four machines for manufacturing DWC pipes with an installed capacity of 36,624 tonnes per annum for a total cost of ₹ 184.75 million, including insurance and freight. We expect to begin producing DWC pipes by the end of October 2017.

Set up two new manufacturing plants

We plan to set up two new manufacturing plants, one in Jobner (Rajasthan), which is near Jaipur, with an installed capacity of 55,750 tonnes per annum and the other in Sangareddy (Telangana) with an installed capacity of 91,332 tonnes per annum. We plan to commence production at the Rajasthan plant in Fiscal 2019 and at the Telangana Plant in Fiscal 2020. The opening of these two new plants will improve our efficiency thus making us more competitive. The opening of the Rajasthan plant will increase our capacity and enable us to maintain and improve our order to delivery time. Increased government spending in drinking water and sewerage in northern India will increase demand for our products. The Rajasthan plant will enable us to be close to these markets. (*Source: CRISIL Research Report*) Currently, our markets in south India are catered to by our plants in Athal and Haridwar. The lead-time for our stock to reach our distributors is between four and 15 days, which puts us at a disadvantage in comparison to our competitors. The opening of the Telangana plant will enable up to compete in these markets more effectively. For more details on these proposed new plants, see *"−Manufacturing-Proposed New Plants*" on page 132.

Expand the Trubore brand to new product lines and new states

The Trubore brand has a long history in the Tamil Nadu market and we believe that this brand has established a good reputation in Tamil Nadu. We acquired the Trubore brand in October 2012 and it is now our premium brand. Trubore brand products are currently sold mainly in Tamil Nadu primarily to the agriculture segment

We plan to increase the product portfolio under the Trubore brand name to cater to the building industry and infrastructure segment.

We plan to increase sales of our Trubore brand products by increasing our marketing efforts and the number of distributors for our Trubore brand products outside of Tamil Nadu, which will help us in increasing our sales in existing as well as new geographies. Also, CRISIL Research expects branded players to increase their market share. We believe that our plans for the Trubore brand will enable the Trubore brand products to likewise increase their market share *(Source: CRISIL Research Report).* In the first phase of our expansion plan for the Trubore brand, we will be introducing the full range of Trubore brand products in the other states in South India.

We plan to use a different distribution model for our Trubore brand products compared to our Prince Piping Systems products in that we will distribute the Trubore brand products directly to wholesalers and retailers, thereby eliminating the third party distributors from the distribution chain.

Increase our focus on building our brands

In November 2016, in the endeavor to differentiate our brands from other brands, we launched a loyalty program called 'Udaan' to connect with and reward our distributors, retailers, wholesalers, and plumbers. Under this scheme, buyers receive reward points on every purchase of our products and they can then redeem the points against a number of gifts available. This scheme is currently operational in the Mumbai region and we are in the process of rolling it out to other regions across India. For more details on this program, see *"-Sales and Marketing*" on page 134.

We plan to spend the majority of our below the line advertising budget on activities such as dealer meets, plumber meets, buying merchandise, branding in trade rural activation, new product launch meets, media event sponsorship and exhibitions, customer loyalty programs, industrial projects and digital marketing. We plan to spend the majority of our above the line advertising budget on television commercials. We also plan to spend on hoardings, advertisement on buses, newspapers and magazines. We plan on spending approximately 30% of our total advertising budget on above the line advertising and approximately 70% on below the line advertising as our primary target audience are influencers and channel partners. Our online and social media marketing

strategy for the next five years includes revamping the Prince Piping Systems and Trubore brand websites, creating Facebook and twitter pages, developing an e-commerce portal, collaborating with various real estate portals, and setting up an online query resolving system.

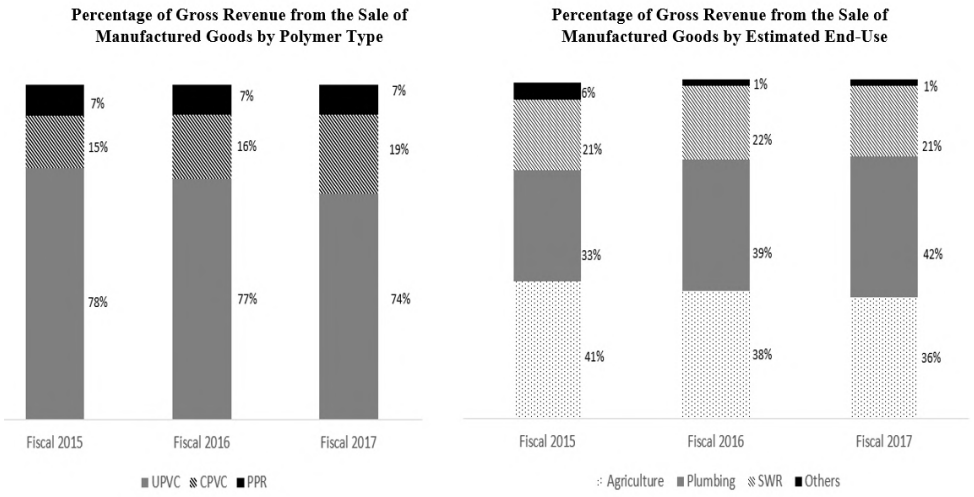
Increase sales of our Prince Piping Systems products by reaching out to more retailers and expanding our distribution network both in new areas as well as in areas where we already have a strong presence

We plan to increase sales of our products by increasing the number of retailers who stock our products. We plan to expand the sale of our 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.

As at August 31, 2017, we had a salesforce of 194 persons. Our salespersons meet with 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. We also encourage our existing distributors to meet with their existing retailers to encourage them to stock a wider range of our products.

PRODUCTS

We sell our products under two brand names: Prince Piping Systems; and Trubore Piping Systems. Due to our comprehensive product range, we are positioned as an end-to-end polymer piping systems solution provider. We currently manufacture products using four different polymers: UPVC; CPVC; PPR; and PP. As at August 31, 2017, we have a product range of more than 7,500 SKUs. We currently manufacture polymer pipes and fittings for applications in plumbing, irrigation, and sewage disposal. Set forth below are charts showing the percentage of our gross revenue from the sale of manufactured goods by type of polymer and by industry end-use for each of Fiscal 2015, Fiscal 2016 and Fiscal 2017:



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	Trubore Piping Systems

End Use	Polymer	Products	Brand
		utilities and swimming pools, RO and DM water plants, and for concealed, down take and terrace looping.	
	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^{o}C to 93^{o}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 Piping Systems
	PPR	GREENFIT – use in commercial buildings and industrial applications.	Prince Piping Systems
Irrigation	UPVC	SAFEFIT – borewell systems for groundwater extraction complement the agriculture piping systems.	Prince Piping Systems
		AQUAFIT – pressure and non-pressure piping systems in the agriculture segment.	
	UPVC	Agri Pressure and Non-Pressure Piping Systems – use in agriculture sector for water supply and distribution schemes, and irrigation; other uses – drinking water supply and distribution, cable ducting, ventilation pipe line and slurry lines.	Trubore Piping Systems
	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.	
Sewage Disposal	UPVC	ULTRAFIT – Soil, Waste and Rainwater (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 Piping Systems
	Others	DURAFIT – durable manhole and chamber covers.	Prince Piping Systems
	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 Piping Systems

MANUFACTURING

Polymer pipes are manufactured using extrusion machines and fittings are manufactured using injection molding machines.

We currently own five manufacturing plants and use three contract manufacturers.

Set forth below is a table summarizing each of the manufacturing plants that we currently own:

Parameter	Haridwar Plant	Dadra Plant	Chennai Plant	Kolhapur Plant	Athal Plant
Installed capacity (approx.)[(1)]	67,044 tonnes	61,517 tonnes	43,675 tonnes	23,501 tonnes	14,909 tonnes
Year of establishment	2008	2000	2012[(2)]	2012[(2)]	1995
Products	Pipes and fittings	Pipes	Pipes	Pipes	Fittings
Area of land on which plant is located	67,630 m^2	71,569 m^2	35,402 m^2	14,300 m^2	19,905 m^2
Owned/Leased	Owned	Owned	Owned	Owned	Owned

Notes:

1. As at August 31, 2017. The production capacity varies with changes in size, mould change and pressure

requirements.

2. We acquired this plant in 2012.

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 three of the plants: Chennai; Haridwar; 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 annual total installed capacity of the above plants and the total capacity utilisation for the last three fiscal years:

	Fiscal 2015	Fiscal 2016	Fiscal 2017
Total installed capacity in tonnes per annum	158,834	164,399	179,849
Capacity utilisation (%)	50.20	52.39	53.14

Our products are also manufactured by three contract manufacturers, namely: Shree Chintamani Multilayer in Aurangabad (Maharashtra); Shree Tel-Fab Industries Pvt Ltd in Hajipur, Vaishali district (Bihar); and Padmavati Pipes & Fittings Pvt Ltd in Roorkee (Uttarakhand). We supply them 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. We have entered into one-year agreements with each of Shree Chintamani Multilayer and Shree Tel-Fab Industries Pvt Ltd, which are renewable for further periods of one year on the mutual consent of the parties. Shree Chintamani Multilayer has been manufacturing our pipes since July 2014 and Shree Tel-Fab Industries Pvt Ltd has been manufacturing our pipes since September. Padmavati Pipes & Fittings Pvt Ltd has been manufacturing our pipes on a job lot basis. We have renewed an agreement with them to manufacture our pipes commencing on 1 June 2017, which is valid for one year. For Fiscal 2017, these contract manufacturers produced pipes for us that represented 2.24% of our total revenue from operations.

Proposed New Plants

As noted in "*–Strategies*" above, we plan to set up two new manufacturing plants: one in Jobner (Rajasthan), which is near Jaipur, and the other in Sangareddy (Telangana).

Set forth below is a table summarizing these proposed new manufacturing plants:

Parameter	Rajasthan Plant	Telangana Plant
Forecast Installed Capacity (approx.) tonnes per annum	55,750	91,332
Machinery	12	80
Products	UPVC Pipe, CPVC Pipe, DWC	UPVC Pipe, CPVC Pipe, DWC, UPVC Fitting, CPVC Fitting
Area of land	62 acres	30.33 acres
Area of land on which plant is located	30 acres	23 acres
Planned Commencement of Operations	Fiscal 2019	Fiscal 2020
Leased or Owned	Owned[(1)]	Owned
Estimated Total Cost (in ₹ million)	1,348.40	2,322.17

Note:

1. *We have paid the money for this land but do not have a registered sale deed yet.*

The estimated total cost for the setting up of the plant in Telangana is ₹ 2,322.17 million. We plan to use ₹ 2,245.11 million of the Net Proceeds of the Fresh Issue 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 84.

The estimated total cost for the setting up of the plant in Rajasthan is ₹ 1,348.40 million. We intend to fund the setting up of the plant through borrowings and internal accruals.

The estimated total cost for the new Telangana plant is based on quotations received from vendors, as well as internal management estimates. Neither project has been appraised by any bank or financial institution. The

estimate cost for the Rajasthan plant is based on internal management estimates. We have not yet entered into any contracts for the construction of the plants and purchase, installation and commissioning of the plant and machinery. As a consequence of any increased costs, the actual costs to set up these two new plants 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 two new manufacturing plants. For details, see "*Government and other Approvals*".

QUALITY ASSURANCE

Our manufacturing facilities are ISO 9001:2008 certified. 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 plant and an EMS certification ISO 50001:2011 (relating to energy efficiency) for our Chennai plant.

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

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 PP 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. India currently relies completely on imports to meet its CPVC requirements. *(Source: CRISIL Research Report)*.

Over the next five fiscal years, CRISIL Research expects crude oil prices to hover around $50-55 per tonne. CRISIL Research expects that a slowdown in global demand and increasing supply from the United States and OPEC will keep oil prices under pressure. *(Source: CRISIL Research Report)*

We procure our raw materials mainly from the domestic market. We also indirectly procure raw materials from foreign companies. While we effectively arrange for these purchases from foreign companies, two related parties, namely Prince Marketing, a member of our Promoter Groups, and Ace Polyplast Private Ltd, one of our Group Companies and a member of our Promoter Group, actually make the purchases and then on-sell them to us. We enter into these transactions on an arm's length basis. For further details, see Note 38 in "*Financial Statements-Annexure VA*" on pages 218. We purchase our imported raw materials via these related parties as they have been extended credit facilities and we get the practical benefit of these credit facilities. In Fiscal 2017, the purchases of raw materials from related parties amounted to ₹ 2,684.53 million. If these related parties decide not to purchase imported raw materials on our behalf, we would need to obtain alternative credit facilities in order to be able to purchase imported raw materials. There can be no assurance that such credit facilities will be available to us on the same terms or at all.

The primary raw material for manufacturing DWC pipes is HDPE compound, which is a widely available and substantially traded commodity globally. DWC pipes are manufactured with a combination of blow molding and PE100 grades of HDPE. We expect sourcing of these HDPE compounds will initially be restricted to domestic manufacturers due to the availability of the current cheaper prices in comparison to imported HDPE.

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 an initial period of five years. 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 molding 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 process and quality of products produced. As an example, data from our Athal and Dadra plants is set forth in the table below:

	Parameter	Athal Plant		Dadra plant	
		Fiscal 2016	Fiscal 2017	Fiscal 2016	Fiscal 2017
1.	Average number of breakdowns per week (Availability)	40.18	31.71	50.42	20.17
2.	Total number of customer complaints	7	6	11	9

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

Our distributors sell the products they buy from us to retailers, wholesalers, and plumbers. As at August 31, 2017, we sold our products to 766 distributors in India.

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 May 2016. IMON has reduced the turnaround time for processing orders as orders are now entered directly into our system, whereas previously our salesforce had to manually take orders and then have their order inputted into the system.

As at August 31, 2017, we had a salesforce of 194 persons who meet with distributors, retailers and plumbers to market our products.

We regularly hold meetings with distributors, 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 the endeavor to differentiate our brands from other brands, we launched a loyalty program called 'Udaan' to connect with and reward our distributors, wholesalers, retailers, and plumbers. Under this scheme, buyers receive reward points on every purchase of our products and they can then redeem the points against a number of gifts available. The invoice for every purchase above a specified threshold carries coupons. For example, distributors who make a purchase of ₹ 3,900 will get a coupon worth 9 points. The coupon has nine sub-coupons – one for the distributor himself and the remaining eight for its wholesaler, retailers and plumbers. The gifts can be chosen from the WorldSwipe Rewards Online Catalogue – in partnership with over 300 brands, Pan-India, across multiple sectors, and the product categories range from personal care items, hotels and travel to gift vouchers, gift cards, and charity. This entire activity is managed on a technology platform by Loyalty Program Partners. This scheme is currently operational in the Mumbai region and we are in the process of rolling it out to other regions across India.

Brand Development and Media Strategy

We plan to spend the majority of our below the line advertising budget on activities such as dealer meets, plumber meets, buying merchandise, branding in trade rural activation, new product launch meets, media event sponsorship and exhibitions, customer loyalty programs, industrial projects and digital marketing. We plan to spend the majority of our above the line advertising budget on television commercials. We also plan to spend on hoardings, advertisement on buses, newspapers and magazines. We plan on spending approximately 30% of our total advertising budget on above the line advertising and approximately 70% on below the line advertising as our primary target audience are influencers and channel partners. Our online and social media marketing strategy for the next five years includes revamping the Prince Piping Systems and Trubore brand websites, creating Facebook and twitter pages, developing an e-commerce portal, collaborating with various real estate portals, and setting up an online query resolving system.

LOGISTICS

We endeavor to deliver a full order quantity in the stipulated timeline by the customer. We have adopted an on time in full ("**OTF**") 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 eight 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); and Vijayawada (Andhra Pradesh). 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. A cumulative ratio of more than 10% price increase in fuel prices during any quarter in a financial year will be considered for amendment in freight rates as well as work order. 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. We pay the transporters directly.

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 Sify Technologies Ltd. to provide us with access to the domestic Layer 3 MPLS VPN services offered by Sify on a 24-hour per day basis, seven days a week. From October 2017, we will be changing our service provider to Tikona Infinet Ltd.

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.NET, MVC, and JQuery, while the back-end technology comprises SQL Server, and Navision Web Services.

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 21 trademarks with respect to our brands Durafit, Easyfit, Silentfit, Foamfit, Safefit, Rainfit, Novofit, Greenfit, Aquafit, and for Agri Pipes (class 17) in India. Further 10 trademarks (under various classes) including for the mark "TRUBORE" 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 extended for five years.

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 Telegu. However, there have been competing claims to it due to pending applications, involving our Company and another company with "Prince" in its name in this regard and objections have been raised in regard to our application.

We have also made applications in India to register the trademarks for "TRUBORE" brand logo and the "Corfit" logo under various classes.

Other Countries

We have registered the Prince Piping Systems logo as a trademark in Kenya.

We have applied to register the Prince Piping Systems logo as trademark in Bangladesh, Bhutan, 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 insurance policies on our production facilities, buildings, machinery and inventories, transit and warehouse stock, import of consignment and damage due to fire, earthquakes, floods and other natural disasters as well as insurance policies for Staff Health, Staff Personal Accident, and Staff Group Mediclaim. We do not have any key man insurance policy in place, and are not insured against business interruption, consequential damages, environmental damages, terrorist acts and war-related events. Only the furniture and fixtures in our office in Dadar, Mumbai is insured. The office building is not insured. The stock in our warehouse in Vijaywada is 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 had a 60-65% share of India's plastic piping industry for Fiscal 2017. However, depending on the plastic piping category, the share of organised players fluctuates accordingly. The unorganised segment caters mainly to segments have low quality requirements, such as irrigation and plumbing. The unorganised segment largely competes on prices rather than on quality. Prices of products manufactured by the unorganised segment are lower as tax compliance by these players is lower unlike organized players. However, after GST implementation, CRISIL Research expects greater tax compliance by unorganised players will result in reduced price differential between organised and unorganised players. In addition, due to smooth interstate goods moment, organised players will now be able to cater to the regions that were earlier serviced by only local small, unorganised players. Consequently, organised players are expected to greatly benefit from GST by increasing their market share. *(Source: CRISIL Research Report)*

Our primary competitors in the organised segment and their share of the pipes and fittings market in India for Fiscal 2017 are as follows: Supreme Industries (11%); Finolex Industries (9%); Ashirvad Pipes (7%); Jain Irrigation (6%); and Astral Polytechnik (7%). Our share of this market was 5% for Fiscal 2017. *(Source: CRISIL Research Report)*

Over the last 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 of the Plastic Pipes Industry*" on page 120.

WORKFORCE

As at August 31, 2017, we had 1,793 full-time employees and 1,445 contract labourers. 253 of our full-time employees working at our Athal plant are in a union, 118 of our full-time employees work at our corporate and registered offices and 1,481 of our full-time workers work at our plants and warehouses and 194 are part of our salesforce.

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. As on the date of this DRHP, our Company had granted 900,028 options, under ESOP 2017. For more details, see "*Capital Structure*" on page 66.

PROPERTIES

We own the following properties:

Description	Address	Area	Seller	Date of Agreement
Commercial office, Mumbai	"Ruby House" situated lying and being at 4th floor, Dadar, Mumbai(1)	665.47 m^2 plus 4 car parking spaces	The Ruby Mills Limited	July 21, 2005
Commercial office, Mumbai	No. 501, Business Square, 5th floor, Wing C, Village of Chakala, Andheri (East), Mumbai	347.94 m^2 plus 4 car parking spaces	M/s. BBN Enterprises	February 1, 2006
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	2,024.20 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 factory	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
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

Description	Address	Area	Seller	Date of Agreement
Land used for Chennai factory	Survey Nos. 190/1A3 and Survey Nos. 190/1B3	6,865.66 m^2	Uma Ramamoorthi	January 1, 2017
Freehold property, Bhuj[(2)]	Plot No. 451/452, Bhuj Bachav Highway Road, Mamura, Tal. Bhuj, Kutch, Gujarat – 370 001	64,356.70 m^2	Vide order of the Gujarat High Court in Scheme of Amalgamation of Kenson Manufacture Private Limited with Prince Pipes and Fittings Private Limited	February 7, 2012
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	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 24, 1999
Industrial plot, Dadra factory	Survey No. 85, Village Dadra of Union Territory of Dadra & Nagar Haveli	2,300 m^2	Shri Rashikbhai Chhotubhai Patel	May 29, 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. 160/1, 161, 161/1, 161/2/2, Village of Yenkepally, Sadashivpet Mandal, Sangareddy	30.33 acres	Smt. Namburi Sobha Rani W/O N.Kumara Swamy	August 31, 2017

Description	Address	Area	Seller	Date of Agreement
	District, Telangana			

Notes:

(1) 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.

(2) We had acquired Kenson Manufacturing, which at the time was a sick unit, based in Bhuj in a one-time settlement with Syndicate Bank. We moved the resources at the Bhuj facility to Dadra in June 2013. This land is currently vacant.

We also lease an office in Goa and eight warehouses.

CORPORATE AND SOCIAL RESPONSIBILITY

We aim to comply with Section 135 and Schedule VII of the Companies Act, 2013 for Corporate Social Responsibility ("**CSR**") activities. We have a 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.

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 the 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, 1986 is proposed to be repealed by the Consumer Protection Bill, 2015, once it comes into effect. The Consumer Protection Bill, 2015 has been introduced in Lok Sabha and is still pending approval.

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 Regulations. 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. The Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA Regulations. In case of any conflict, the FEMA Regulations prevail. Therefore, the regulatory framework, over a period of time consists of acts, regulations, press notes, press releases, clarifications among other amendments. The DIPP issued the consolidated FDI policy circular of 2017, dated August 28, 2017 (the "**FDI Circular**") which consolidates the policy framework on FDI issued by DIPP, in force on August 28, 2017 and reflects the FDI Policy as on August 28, 2017. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP.

Capital instruments are required to be issued within a period of 180 days from the date of receipt of the inward remittance received from non-resident investor. In the event that, the capital instruments are not issued within a period of 180 days from the date of receipt of the inward remittance, the amount of consideration so received is required to be refunded immediately to the non-resident investor by outward remittance. Non-compliance with the aforementioned provision shall be considered as a contravention under FEMA and would attract penal provisions.

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;
(vii) Minimum Wages Act, 1948;
(viii) Public Liability Insurance Act, 1991
(ix) Payment of Bonus Act, 1965;
(x) Payment of Gratuity Act, 1972;
(xi) Payment of Wages Act, 1936;
(xii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
(xiii) The Industrial Disputes Act, 1947;
(xiv) The Maternity Benefit Act, 1961;

(xv) Trade Unions Act, 1926; and
(xvi) Workmen Compensation Act, 1923.
(xvii) 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, 1956, to the extent applicable, 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 authorised share capital of the 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 authorised share capital of the 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 authorised share capital of the 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 the Company Law Board, Mumbai Bench.
February 5, 2013	Clause V of our Memorandum of Association was amended to reflect an increase in the authorised share of the 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 authorised share capital of the 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 authorised share capital of the 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 the Company.

* *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 Bruhan Mumbai 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 Chemplat Sanmar Limited
2013	Merger of Kenson Manufacture Private Limited into our Company
2017	Conversion from a private limited company to a public limited company

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 125, 234, 266 and 261, respectively.

For details of the management of our Company and its managerial competence, see the section titled "*Our Management*" on page 152.

As on the date of this Draft Red Herring Prospectus, our Company has seven shareholders. For further details on the shareholding of our Company, see the section titled "*Capital Structure*" on page 66.

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 September 15, 2017, have been provided in sections titled "*Capital Structure*" and "*Financial Indebtedness*" on pages 66 and 259, 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 261 and 27.

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.

Material Agreements

A. Share Purchase and Shareholders' Agreements

We are not currently party to any share purchase or shareholders' agreements.

B. Other Agreements

Our Company is not party to any material contract which is not in the ordinary course of business carried on or intended to be carried on or a contract entered into more than two years before the date of this Draft Red Herring Prospectus.

For details of agreements in relation to the business and operations of our Company, see the section titled "*Our Business*" on page 125.

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

Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda (the "**Guarantors**") have provided personal guarantees amounting to ₹ 5,725.30 million (as at September 15, 2017) to our lenders in relation to the outstanding loans availed by our Company, as detailed in the section titled "*Financial Indebtedness*" on page 259. 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 "*Risk Factors - Three of our Promoters, Jayant Shamji Chheda, Parag Jayant Chheda, and Vipul Jayant Chheda, have given personal guarantees in relation to certain debt facilities obtained by our Company. Certain of our Promoters Group Companies, Group Companies and other Promoters. In the event our Company, Group Companies, Promoter Group Companies or other Promoters default on any of these debt 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 our 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 24 and 259 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 two woman Directors.

Our Board

The following table sets forth the details regarding our Board as on the date of this Draft 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 for a term of three years. *DIN*: 00013206	71	• Accord Infra Projects Private Limited • Ace Polyplast 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 a Executive Director for a term of three years with effect from August 21, 2017 and is liable to retire by rotation. *DIN*: 00013222	46	• Accord Infra Projects 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 years with effect from August 21, 2017 and is liable to retire by rotation. DIN: 00013234	42	• Ace Polyplast Private Limited • Pinnacle Realty Projects Private Limited
Heena Parag Chheda	46	• Ace Polyplast Private Limited • Pinnacle Realty Projects Private Limited

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
Designation: Executive Director *Address*: Room no. 1002, 10th floor, Mont Blanc, Plot no. 550, Jame Jamshed Road, Matunga C.Rly, Mumbai, Maharashtra-400019 *Occupation*: Business *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*: 02667541		
Ramesh Chandak *Designation*: Independent Director *Address:* 1202, Shrushti Towers, Old Prabhadevi Road, Prabhadevi, Mumbai-400025 *Occupation*: Service *Nationality*: Indian *Term:* Appointed as Independent Director for a term of three years with effect from September 16, 2017. *DIN:* 00026581	70	• Global Procurements Consultants Limited • IndiaNivesh Fund Managers Private Limited • KEC International Limited • Parag Milk Foods Limited • Raychem RPG Private 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	60	• Allcargo Logistics Limited • Allnet Infotech Private Limited • Avvashya CCI Logistics Private Limited • Blacksoil Capital Private Limited • Blacksoil Asset Management Private Limited • Concorede Motors (India) Limited • Girik Wealth Advisors Private Limited • Hindustan Cargo Limited • K12 Techno Services Private Limited • Logbook Technosys Private Limited • Navneet Education Limited • Transindia Logistic Park Private Limited
Anup Pravin Shah *Designation*: Independent Director *Address*: 8, Jal Kiran, Cuffe Parade, Mumbai-400 005 *Occupation:* Professional *Nationality:* American *Term*: Appointed as Independent Director for a term of three years with effect from September 16, 2017. *DIN*: 00293207	41	• Claris Lifesciences Limited • Jaicorp Limitred • JM Financial Credit Solutions Limited • JM Financial Services Limited • Knowhowhub.com Private Limited • Landmark Business Service Centre Private Limited • Macro Investment and Financial Consultants Private Limited • Marathon Nextgen Realty Limited
Name: Uma Mandavgane *Designation*: Independent Director	50	• Bloom Systems Pvt. Limited • Diligent Media Corporation Limited • Zee Media Corporation Limited

Name, designation, address, occupation, nationality, term and DIN	Age (years)	Other directorships
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		

Brief profiles of our Directors

Jayant Shamji Chheda, aged 71 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 46 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 42 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.

Heena Parag Chheda, aged 46 years, is an Executive Director of our Company. She has been associated with Prince Marketing, a member of the Promoter Group, since 2004 and our Company as Vice President - Finance and Accounts since 2009. She has been our Director since October 1, 2016. She holds a bachelor's degree in commerce from the University of Bombay. She has over 14 years of experience in the piping industry.

Ramesh Chandak, aged 69 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 over four decades of experience as a chartered accountant.

Mohinder Pal Bansal, aged 60 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.

Anup Pravin Shah aged 41 years is an Independent Director of our Company. He was appointed on our Board on September 16, 2017. He holds bachelor's degrees in law and commerce from the University of Mumbai and a Ph.D. in commerce from the University of Mumbai. He is a fellow member of the Institute of Chartered Accountants of India. He has a degree in business consultancy studies from Jamnalal Bajaj Institute of Management Studies. He is the managing partner of Pravin P. Shah and Co. and has over 18 years of experience in the areas of tax and financial advisory, business restructuring, capital markets laws, foreign investments, international services, private equity investments, real estate structuring, management consultancy, valuations, property matters and accounting.

Uma Mandavgane, aged 50 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
	Heena Parag Chheda	Daughter-in-law
Parag Jayant Chheda	Jayant Shamji Chheda	Father
	Vipul Jayant Chheda	Brother
	Heena Parag Chheda	Wife
Vipul Jayant Chheda	Jayant Shamji Chheda	Father
	Parag Jayant Chheda	Brother
	Heena Parag Chheda	Sister-in-law
Heena Parag Chheda	Parag Jayant Chheda	Husband
	Jayant Shamji Chheda	Father-in-law
	Vipul Jayant Chheda	Brother-in-law

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 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 agreement dated September 26, 2017 between the 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 the Company in a particular financial year, as may be determined by the Board of the 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 agreement dated September 26, 2017 between the Company and Parag Jayant Chheda governing his terms of appointment, he is entitled to the following remuneration:

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

Particulars	Details
	with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the 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 agreement dated September 26, 2017 between the 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 the Company in a particular financial year, as may be determined by the Board of the 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*

Heena Parag Chheda

Pursuant to a resolution of our Board dated August 21, 2017 and a resolution of our shareholders dated September 15, 2017, Heena Parag Chheda was appointed as our Executive Director for a term of three years.

Pursuant to resolutions of our Board dated August 21, 2017, and a shareholders' resolution dated September 15, 2017 and agreement dated September 8, 2017 between the Company and Heena Parag Chheda governing her terms of appointment, she is entitled to the following remuneration:

Particulars	Details
Salary*	₹0.55 million per month.
Perquisites	Nil
Commission	Remuneration by way of commission, in addition to the salary and perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of the 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 2017(in ₹ million)
Jayant Shamji Chheda	12.00
Parag Jayant Chheda	10.50
Vipul Jayant Chheda	9.30
Heena Parag Chheda	3.30*

***** *Additionally, she was paid ₹1.80 million in her capacity as Vice President-Finance from April 1, 2016 to September 30, 2016.*

(2) **Details of sitting fees paid to our Independent Directors**

Name of Director	Sitting fees paid in Fiscal Year 2017(in ₹)
Ramesh Chandak	Not applicable*
Mohindar Pal Bansal	Not applicable*
Anup Pravin Shah	Not applicable*
Uma Mandavgane	Not applicable*

** Appointed as a Director of our Company after March 31, 2017 and hence there is no sitting fees paid to them in Fiscal Year 2017.*

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 72, our Directors do not have any other interest in our Company.

Service contracts with Directors

There are no service contracts entered into 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 170, our Directors have no interest in the promotion of our Company as of the date of this Draft 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 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:

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. In terms of the lease agreement, our Company is required to pay ₹ 0.15 million per month to Jayant Shamji Chheda and ₹ 0.15 million per month to Tarla Jayant Chheda starting from March 1, 2013. 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. In terms of the lease agreement, our Company is required to pay ₹0.30 million per month to Parag Jayant Chheda starting from March 1, 2013. 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. In terms of the lease agreement, our Company is required to pay ₹ 0.30 million per month to Vipul Jayant Chheda and ₹ 0.30 million per month to Ashwini Vipul Chheda starting from March 1, 2013. The rent is subject to an annual increase of five percent.

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 Draft 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.

Business interest

Except as stated in this section and the sections titled "*Financial Statements – Annexure VA – Restated Statement of Related Party Transactions*" on page 218, 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 VA – Restated Statement of Related Party Transactions*" on page 218, 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 Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE.

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).

For details of our Directors' association with the securities market, see the section titled "*Other Regulatory and Statutory Disclosures*" on page 272.

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 Draft Red Herring Prospectus are as follows:

Name of Director	Date of change	Reasons
Heena Parag Chheda	October 1, 2016	Appointment as Additional Director
Jayant Shamji Chheda	August 21, 2017	Re-appointment as Executive 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)*

* *The appointment and term of the independent Directors is subject to regularisation by our shareholders in the next general meeting of our Company*

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 the Company together with the monies already borrowed (apart from temporary loans obtained from the 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 the 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 three Executive Directors, out of which two are women Directors. 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, 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 (Additional)*
Ramesh Chandak	Member	Independent Director (Additional)*
Jayant Shamji Chheda	Member	Chairman and Managing Director

***** *The appointment and term of the independent Directors is subject to regularisation by our shareholders in the next general meeting of our Company*

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 the 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 the 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 the 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 the 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 the 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 the 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 the 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 the 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 the Company;

(c) management letters / letters of internal control weaknesses issued by the statutory auditors of the 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 the 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, 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
Anup Pravin Shah	Chairman	Independent Director (Additional)*
Uma Mandavgane	Member	Independent Director (Additional)*
Mohinder Pal Bansal	Member	Independent Director (Additional)*

***** *The appointment and term of the independent Directors is subject to regularisation by our shareholders in the next general meeting of our Company*

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 the 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 the 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, the 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, 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 (Additional)*
Heena Parag Chheda	Member	Executive Director
Vipul Jayant Chheda	Member	Executive Director

****** The appointment and term of the independent Directors is subject to regularisation by our shareholders in the next general meeting of our Company*

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 (Additional)*

***** *The appointment and term of the independent Directors is subject to regularisation by our shareholders in the next general meeting of our Company*

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.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

Name	Position in the committee	Designation
Anup Pravin Shah	Member	Independent Director (Additional)*

***** *The appointment and term of the independent Directors is subject to regularisation by our shareholders in the next general meeting of our Company*

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 the 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 the Company or other officer or officers of the 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 the Company and/or the lenders to the subsidiaries of the Company, industry data providers, parties with whom the Company has entered into various commercial and other agreements including without limitation customers, suppliers, strategic partners of the 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 the 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 the Company to negotiate, execute and deliver all or any of the aforestated documents;

(xii) to open and operate any bank account(s) required of the 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 the 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 the 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 the 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 the 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 the 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;

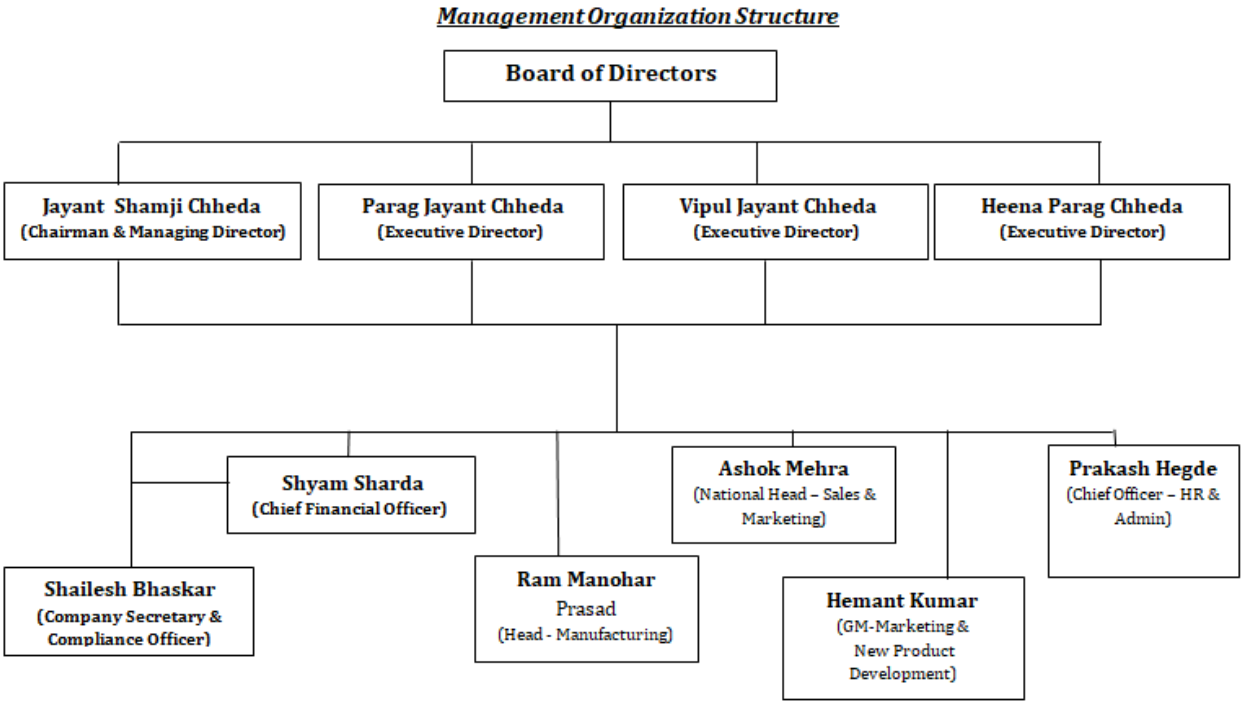
(xxiii) to settle all questions, remove any difficulties or doubts that may arise from time to time in regard to

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 the 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.



Key Management Personnel

Jayant Shamji Chheda, Parag Jayant Chheda, Vipul Jayant Chheda and Heena Parag 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 154.

The details of our other Key Management Personnel as of the date of this Draft Red Herring Prospectus are as follows:

Shyam Kishanchand Sharda, aged 46 years, is our Chief Financial Officer since February 1, 2016. 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 ₹6.36 million in Fiscal Year 2017.

Shailesh Kanji Bhaskar, aged 32 years, is our Company Secretary since April 24, 2017. He has been employed with our Company since April 24, 2017. He has a bachelor's degree in law and commerce from University of Mumbai. He is also an associate member of the Institute of Company Secretaries of India. He has previously worked with Bisleri International Private Limited as accounts assistant, Prime Focus Limited as assistant manager and Lykis Limited as company secretary and senior manager-legal & compliance. He has approximately 11 years of experience, including seven years of experience in the field of secretarial and compliance functions and five years of experience in the field of accounts and finance. Since he joined us in the current Fiscal Year, he has not received any remuneration in Fiscal Year 2017.

Hemant Kumar, aged 58 years, is our General Manager for Marketing and New Product Development. 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 ₹3.53 million in Fiscal Year 2017.

Ram Manohar, aged 48 years, is the Head of Manufacturing of our Company. He has been employed with our Company since 2013. He holds a master's degree in material science from the Indian Institute of Technology, Mumbai. He has previously worked with Videocon Industries Limited as a general manager. He has several years of experience in the field of operations and manufacturing. He received a gross remuneration of ₹4.63 million in Fiscal Year 2017.

Ashok Mehra, aged 51 years, is the National Head of Sales and Marketing of our Company. He has been employed with our Company since April 6, 2017. He holds a degree in 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. Since he joined us in the current Fiscal Year, he has not received any remuneration in Fiscal Year 2017.

Prakash Hegde, aged 49 years, is our Chief Officer of Human Resources and Administration. He has been employed with our Company since 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 ₹ 4.78 million in Fiscal Year 2017.

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 155, 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 157, none of our Key Management Personnel hold Equity Shares as on the date of this Draft 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 157, 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 159.

The changes in our Key Management Personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Name	Date of change	Reason
Shyam Kishanchand Sharda	January 21, 2015	Appointment as Chief Financial Officer
Ashok Mehra	April 6, 2017	Appointment as National Head-Sales and Marketing
Shailesh Bhaskar	April 24, 2017	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 77.

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 Draft 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

None of our Directors or Key Management Personnel has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

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 66.

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, Jam Jamshed Road, Matunga C. Rly, Mumbai 400 01 Maharashtra, India

Jayant Shamji Chheda, aged 71 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 152.

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, Jam Jamshed Road, Matunga C. Rly, Mumbai 400 01 Maharashtra, India

Tarla Jayant Chheda, aged 70 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 here 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, Jam Jamshed Road, Matunga C. Rly, Mumbai 400 01 Maharashtra, India

Parag Jayant Chheda, aged 46 years, one of our Promoters, is an Executive Director of our Company. For further details see the section titled "*Our Management*" on page 152.

Vipul Jayant Chheda

Identification Particulars	Details
Voter ID Number	ZHS4525812
Driving License Number	MH01 20130002373
Address	1004, 10th Floor, Bombay Dyeing Spring Mi Compound, Dadar (East) Mumbai 400 01 Maharashtra, India.

Vipul Jayant Chheda, aged 42 years, one of our Promoters, is an Executive Director of our Company. For further details see the section titled "*Our Management*" on page 152.

Heena Parag Chheda

Identification Particulars	Details
Voter ID Number	ZHS4525861
Driving License Number	MH01 19900022560
Address	1002, 10th floor, Mont Blanc, Plot no. 550, Jam Jamshed Road, Matunga C. Rly, Mumbai 400 01 Maharashtra, India

Heena Parag Chheda, aged 46 years, one of our Promoters, is an Executive Director of our Company. For further details see the section titled "*Our Management*" on page 152.

We confirm that the details of the PAN, bank account numbers and passport numbers of our Promoters shall be submitted with the Stock Exchanges at the time of submission of this 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 66 and 152, respectively.

Interest of Promoters in the property of our Company

Except as stated in the section "*Our Management*" on page 152, our Promoters do not have any interest in any property acquired by our Company within two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of filing of this Draft Red Herring Prospectus 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 125, 152, 147, 259 and 180, 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 Draft 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 section titled "*Related Party Transactions*" on page 180, no amount or benefit has been paid or given or intended to be paid or given by our Company to our Promoters or members of our Promoter Group in the two years preceding the date of this Draft Red Herring Prospectus.

Related party transactions

Except as stated in the section titled *"Related Party Transactions"* on page 180, our Company has not entered into any related party transactions with our Promoters.

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 this Draft Red Herring Prospectus.

Outstanding litigation

Except as disclosed in the section titled "*Outstanding Litigation and Material Developments – Litigation Involving our Promoters*" on page 264, 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 Draft 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
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

S. No.	Name	Relation with Promoters
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 Works
12.	Amar Plastics
13.	Amardeep Udyog
14.	Arena Developers
15.	Arena Enterprise
16.	Arena Realty
17.	Bharti Enterprise
18.	Ellora Chemical Works
19.	First Place Trading LLP
20.	Gayatri Associates
21.	Kingdom Commodities LLP
22.	N D Developer
23.	Nihar Investment
24.	Parshwanath Corporation
25.	Prince Marketing
26.	Raanjhanaa Ethnic LLP
27.	Vijay Associates
HUFs	
28.	Arvind Shamji Chheda HUF
29.	Jayantilal Kalyanji Gada HUF
30.	Jayant Shamji Chheda HUF
31.	Kalyanji Kunverji Gada HUF
32.	Mulchand Shamji Chheda HUF
33.	Navin Umarshi Shah HUF
34.	Parag Jayant Chheda HUF
35.	Vimal Jayantilal Gada HUF
36.	Vipul Jayant Chheda HUF

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 66.

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 (*i.e.*, Accounting Standard 18 issued by the Institute of Chartered Accountants of India) in the Restated Financial Statements; and other companies as considered material by our Board. Pursuant to a resolution of our Board dated September 16, 2017 for the purpose of disclosure in the Offer Documents, 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 the Company in the most recent financial year and any stub period (in respect of which restated financial statements are included in the Offer Documents) that cumulatively exceed 10.00% of the total revenue of the 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 the Company for such subsequent period, as a related party, as per the definition specified under Accounting Standard 18.

It is clarified that companies which, subsequent to the Relevant Period have ceased to be related parties of the Company in terms of Accounting Standard 18 shall not be considered as 'Group Companies'.

Based on the foregoing, and pursuant to the IPO Committee resolution dated September 18, 2017, 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 cloth and fabrics, 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, Jayant Shamji Chheda, Vipul 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 Draft 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, guarantees to the extent of ₹ 250.00 million given by all our Promoters, on behalf of Ace for certain of its borrowings and related party transactions between Ace and our Company as disclosed in the section "*Related Party Transactions*" on page 180, 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 2017	Fiscal Year 2016	Fiscal Year 2015
Equity capital	25.82	25.82	25.82
Reserves and surplus (excluding revaluation reserves)	39.39	25.49	16.32
Sales/Turnover	1,569.28	941.50	408.81
Profit/(Loss) after tax	13.91	9.16	5.64
Basic EPS (in ₹)	5.39	3.55	2.18
Diluted EPS (in ₹)	5.39	3.55	2.18
Net asset value per share (in ₹)	25.26	19.87	16.32

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 Draft 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	26,000	15.48
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
10.	Prince Pipes and Fittings Limited	600	0.36
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 ₹ 135.00 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 180, 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 2017	Fiscal Year 2016	Fiscal Year 2015
Equity capital	1.68	1.68	1.68
Reserves and surplus (excluding revaluation reserves)	68.09	(7.10)	(28.50)
Sales/Turnover	17.92	80.15	65.15
Profit/(Loss) after tax	75.19	21.40	(10.57)
Basic EPS (in ₹)	447.57	127.38	(62.90)
Diluted EPS (in ₹)	447.57	127.38	(62.90)
Net asset value per share (in ₹)	415.30	(32.26)	(159.64)

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 Draft 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	82.50
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 Pinnacle and our Company as disclosed in the section "*Related Party Transactions*" on page 180, 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 2017	Fiscal Year 2016	Fiscal Year 2015
Equity capital	0.56	0.56	0.56

Particulars	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Reserves and surplus (excluding revaluation reserves)	(0.55)	(0.53)	(0.53)
Sales/Turnover	Nil	Nil	Nil
Profit/(Loss) after tax	(0.02)	(0.01)	(0.02)
Basic EPS (in ₹)	(0.34)	(0.13)	(0.30)
Diluted EPS (in ₹)	(0.34)	(0.13)	(0.30)
Net asset value per share (in ₹)	0.09	0.43	0.57

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 180, 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 this 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 this 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 180.

Sale/Purchase between Group Companies and our Company

Except as stated in the section titled "*Related Party Transactions*" on page 180 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 this 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 Accord, none of our Group Companies have incurred losses in the preceding Fiscal Year. See the

section titled "*Risk Factors –One of our Group Companies made a loss after tax for the years ended March 31, 2015, 2016 and 2017 and another of our Group Companies had a negative net worth as at March 31, 2015 and 2016.*" on page 30.

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 Pinnacle, none of the Group Companies have negative net worth. For further details, please the section "*Risk Factors - One of our Group Companies made a loss after tax for the years ended March 31, 2015, 2016 and 2017 and another of our Group Companies had a negative net worth as at March 31, 2015 and 2016.*" on page 30.

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 Accounting Standard 18 "*Related Party Disclosures*", see the section titled "*Financial Statements – Annexure VA – Restated Statement on Related party disclosure as per AS 18*"on page 218, respectively.

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 the 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 259.

The dividends declared by our Company on the Equity Shares in each of the Fiscal Years 2013, 2014, 2015, 2016, and 2017, as per our Restated Financial Statements are given below:

Particulars	**Financial Performance (For the Fiscal Year)**				
	2013	**2014**	**2015**	**2016**	**2017**
Face value per share (in ₹)	10	10	10	10	10
Dividend (in ₹ million)	Nil	Nil	Nil	Nil	Nil
Dividend per share (in ₹)	Nil	Nil	Nil	Nil	Nil
Rate of dividend (%)	Nil	Nil	Nil	Nil	Nil
Dividend Distribution Tax (%)	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 15.

SECTION V – FINANCIAL INFORMATION
FINANCIAL STATEMENTS

To

The Board of Directors,
Prince Pipes and Fittings Limited
(Formerly known as Prince Pipes and Fittings Private Limited)
Plot No.1,
Honda Industrial Estate,
Phase II,
Honda Sattari Honda.
Goa 403 530

Auditor's Report on Restated Financial Information of Prince Pipes and Fittings Limited (formerly known as Prince Pipes and Fittings Private Limited) in connection with the Initial Public Offering

Dear Sirs,

1) The accompanying Restated Financial Information of Prince Pipes and Fittings Limited (Formerly known as Prince Pipes and Fittings Private Limited) ('the Company'), which comprise the Restated Summary Statement of Assets and Liabilities as at March 31, 2017, 2016, 2015, 2014 and 2013, the Restated Summary Statements of Profit and Loss and the Restated Summary Statement of Cash Flows and related notes and schedules thereto for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Company, prepared in terms of the requirements of :

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules''); and

   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.

   The preparation of the Restated Financial Information is the responsibility of the Management of the Company 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, Rules and ICDR Regulations. Our responsibility is to examine the Restated Standalone Financial Information and confirm whether such Restated Standalone Financial Information comply with the requirements of the Act, the Rules, ICDR Regulations and the Guidance Note.

2) 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 in connection with the proposed issue of equity shares of the Company; and

   b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI ("the Guidance Note").

   c) 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.

3) These Restated Financial Information have been compiled by the management from the Audited Financial Statements as at March 31, 2017, 2016, 2015, 2014 and 2013 and for each of the years ended March 31, 2017, 2016, 2015, 2014 and 2013 prepared on a standalone basis in accordance with accounting principles generally accepted in India at the relevant time and which have been approved by

Board of Directors at their meetings held on July 31, 2017, September 10, 2016, September 21, 2015, September 05, 2014 and July 05, 2013 respectively.

Audit for the financial year ended March 31, 2013 was conducted by previous auditors, M/s L. D. Joshi & Co., Chartered Accountants and accordingly reliance has been placed on Auditor's report issued by them dated July 05, 2013.

As on and for the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013, the Company did not have any subsidiary and consequently, the Restated Financial Information has been prepared and presented on a standalone basis.

4) In accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with the Rules, the ICDR Regulations and the Guidance Note, we report that:

a) The Restated Summary Statement of Assets and Liabilities of the Company, as at March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure I to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure V – Statement on Material Adjustments to prepare restated financial information.

b) The Restated Summary Statement of Profit and Loss of the Company, for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure II to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure V – Statement on Material Adjustments to prepare restated financial information.

c) The Restated Summary Statement of Cash Flows of the Company, for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 examined by us, as set out in Annexure III to this report, have been arrived at after making adjustments and regrouping/reclassifications as in our opinion were appropriate and more fully described in Annexure V – Statement on Material Adjustments to prepare restated financial information.

d) Based on the above and according to the information and explanations given to us, and also as per the reliance placed on the Auditor's report submitted by L. D. Joshi & Co., Chartered Accountants, for the financial year ended March 31, 2013, 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 periods;

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 and

iv) do not contain any qualification as at and for each of the years ended 31 March 2017, 2016, 2015, 2014 and 2013 which require adjustments.

5) We have also examined the following restated financial information of the Company set out in the Annexures I to IX prepared by the management and approved by the Board of Directors on September 16, 2017 for the years ended March 31, 2017, 2016, 2015, 2014 and 2013.

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 Long Term Provision

g) Annexure VA (note 6) – Restated statement of Other Long Term Liabilities
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
m) Annexure VA (note 12) – Restated statement of Non-Current Investments
n) Annexure VA (note 13) – Restated statement of Loans & Advances
o) Annexure VA (note 14) – Restated statement of Other Non-Current Assets
p) Annexure VA (note 15) – Restated statement of Current Investments
q) Annexure VA (note 16) – Restated statement of Inventories
r) Annexure VA (note 17) – Restated statement of Trade Receivables
s) Annexure VA (note 18) – Restated statement of Cash & Bank balances
t) Annexure VA (note 19) – Restated statement of Short-Term Loans & Advances
u) Annexure VA (note 20) – Restated statement of Other Current Assets
v) Annexure VA (note 21) – Restated statement of Revenue of operations
w) Annexure VA (note 22) – Restated statement of Other Income
x) Annexure VA (note 23) – Restated statement of Cost of Material consumed
y) Annexure VA (note 24) – Restated statement of Purchase of Stock-in-trade
z) Annexure VA (note 25) – Restated statement of Changes in inventories of finished goods
aa) Annexure VA (note 26) – Restated statement of Employee Benefit Expenses
bb) Annexure VA (note 27) – Restated statement of Finance cost
cc) Annexure VA (note 28) – Restated statement of Depreciation and amortization expenses
dd) Annexure VA (note 29) – Restated statement of Other Expenses
ee) Annexure VA (note 30) – Restated statement of Contingent liabilities & commitments
ff) Annexure VA (note 31) – Restated statement of Segment Reporting
gg) Annexure VA (note 32) – Restated statement of Leases
hh) Annexure VA (note 33) – Restated statement of Value of Import on CIF basis
ii) Annexure VA (note 34) – Restated statement of value of imported and indigenous raw Materials
jj) Annexure VA (note 35) – Restated statement of Expenses in foreign currency during the year
kk) Annexure VA (note 36) – Restated statement of Earning in foreign currency
ll) Annexure VA (note 37) – Restated statement of Dues to Micro, small and Medium Enterprises
mm) Annexure VA (note 38) – Restated statement of Related Party disclosure as per AS 18
nn) Annexure VA (note 39) – Restated statement of Derivative Instruments
oo) Annexure VA (note 40) – Restated statement of Earning per share
pp) Annexure VA (note 41) – Restated statement of Expenditure towards CSR activities
qq) Annexure VA (note 42) – Restated statement of Employee Benefits
rr) Annexure VI – Statement of Capitalization
ss) Annexure VII – Statement of Dividend
tt) Annexure VIII – Restated Statement of Accounting Ratios
uu) Annexure IX – Restated Statement of Tax Shelter

According to the information and explanations given to us and also as per the reliance placed on the Auditor's report submitted by the previous auditors in our opinion, the Restated Financial Information and the above restated financial information contained in Annexures I to IX accompanying this report, read with 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 Section 26 of Part I of Chapter III of the Companies Act, 2013 read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

6) 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.

7) 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.

8) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

9) Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited and Registrar of Companies, Goa in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

Yours very truly,
For and on behalf of
Khimji Kunverji & Co.
Chartered Accountants
FRN - 105146W

Gautam V Shah
Partner (F-117348)
Mumbai
Date: September 16, 2017

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure I

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

	Particulars	Note No.	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
I.	**EQUITY & LIABILITIES**						
1	**Shareholders funds**						
	Share Capital	1	450.08	480.08	480.08	480.08	240.04
	Reserves and Surplus	2	1,973.33	1,357.69	1,064.06	910.79	900.04
2	**Non-Current Liabilities**						
	Long term Borrowings	3	1,057.65	894.63	714.14	883.56	882.81
	Deferred Tax Liabilities	4	114.95	107.50	116.24	135.56	132.58
	Other Long Term Liabilities	5	154.51	139.75	137.88	112.72	72.48
	Long Term Provisions	6	45.48	43.13	41.84	22.56	14.35
3	**Current Liabilities**						
	Short Term Borrowings	7	1,887.64	1,858.86	2,061.40	2,440.04	1,850.44
	Trade Payables	8					
	- Micro, Small and Medium Enterprises		67.79	49.86	57.96	45.38	40.21
	- Others		953.40	941.56	705.33	408.24	796.39
	Other Current Liabilities	9	862.80	613.33	551.41	495.61	530.09
	Short Term Provisions	10	24.12	21.34	20.22	13.31	10.30
	Total		**7,591.75**	**6,507.73**	**5,950.56**	**5,947.85**	**5,469.73**
II.	**ASSETS**						
1	**Non-Current Assets**						
	Fixed Assets						
	i) Tangible assets	11	2,637.12	2,313.92	2,199.66	2,193.31	2,075.33
	ii) Intangible assets		37.27	39.30	42.07	49.19	51.64
	iii) CWIP		180.31	141.26	43.49	26.33	48.22
	Non Current Investments	12	3.23	3.23	1.57	3.93	8.77
	Long Term Loans and Advances	13	11.03	23.83	4.05	6.90	13.04
	Other Non-Current Assets	14	51.70	53.88	50.33	48.75	45.21
2	**Current Assets**						
	Current Investments	15	-	9.93	-	-	-
	Inventories	16	1,742.40	1,005.18	1,125.64	1,291.98	1,227.68
	Trade Receivables	17	2,367.37	2,389.93	2,120.36	2,037.70	1,719.65
	Cash and Bank Balances	18	123.68	85.73	60.40	56.09	67.61
	Short Term Loans and Advances	19	193.40	156.32	165.88	183.96	178.75
	Other Current Assets	20	244.24	285.22	137.11	49.71	33.83
	Total		**7,591.75**	**6,507.73**	**5,950.56**	**5,947.85**	**5,469.73**

Notes

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 IV and V.

As per our report attached
For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

Gautam V Shah
Partner (F-117348)

Place : Mumbai
Date: 16 September 2017

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

SHAILESH K. BHASKAR
Company Secretary

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure II

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS

(₹ in millions)

	Particulars	Note No.	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
I	Revenue from Operations	21	12,625.80	10,089.87	9,571.91	10,063.42	8,017.87
II	Other Income	22	12.87	5.61	20.61	44.01	48.72
III	**Total Revenue (I+II)**		**12,638.67**	**10,095.48**	**9,592.52**	**10,107.43**	**8,066.59**
	Expenses:						
	Cost of Material Consumed	23	8,364.74	7,047.06	7,130.97	6,838.53	5,623.86
	Purchases of Stock In Trade	24	1,075.44	327.43	197.79	713.56	723.10
	Changes in inventories of Finished Goods	25	(515.97)	73.11	(74.10)	178.90	(409.44)
	Employee Benefits Expense	26	610.14	529.87	487.67	458.72	390.89
	Finance Cost	27	359.88	332.57	373.95	480.49	314.28
	Depreciation	28	317.15	285.25	285.45	264.54	206.13
	Other Expenses	29	1,472.46	1,134.33	1,012.49	849.39	724.53
IV	**Total Expenses**		**11,683.84**	**9,729.62**	**9,414.22**	**9,784.13**	**7,573.35**
V	**Profit before exceptional items & tax (III-IV)**		**954.83**	**365.86**	**178.30**	**323.30**	**493.24**
VI	**Exceptional Items**		-	**-**	**-**	**-**	**-**
VII	**Profit from Oridinary Activities before tax**		**954.83**	**365.86**	**178.30**	**323.30**	**493.24**
VIII	**Tax Expense:**						
	Current Tax		203.76	80.97	38.93	69.54	99.38
	Deferred Tax	4	7.45	(8.74)	(17.44)	2.97	13.34
	Total Tax Expense		**211.21**	**72.23**	**21.49**	**72.51**	**112.72**
IX	**Profit from Ordinary Activities after tax(VII-VIII)**		**743.62**	**293.63**	**156.81**	**250.79**	**380.52**
X	Extraordinary Item (net of tax expense)		**-**	-	-	-	-
XI	**Profit for the year (IX-X)**		**743.62**	**293.63**	**156.81**	**250.79**	**380.52**
XII	**Earnings per equity share**(Face value of Rs. 10 each):						
	Basic and Diluted (in Rupees)	40	**15.74**	**6.12**	**3.27**	**5.22**	**15.85**

Notes

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 IV and V.

As per our report attached
For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

Gautam V Shah
Partner (F-117348)

Place : Mumbai
Date: 16 September 2017

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

SHAILESH K. BHASKAR
Company Secretary

Annexure III

RESTATED SUMMARY STATEMENT OF CASH FLOWS

(₹ in millions)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit Before Tax	954.83	365.86	178.30	323.30	493.24
Adjustments					
Depreciation and Amortisation Expenses	317.15	285.25	285.45	264.54	206.13
Provision for Gratuity and Leave Encashment	5.13	2.61	26.14	11.15	24.57
Interest paid	315.35	299.38	339.20	355.77	252.77
Provision for Doubtful Debts	8.16	-	8.21	-	-
Bank Commission and Charges paid	39.38	30.72	22.17	17.76	21.97
Unrealised Foreign Exchange Difference	(11.66)	(7.13)	(8.72)	(9.36)	(6.32)
Miscellaneous expenditure	-	-	-	-	0.73
(Profit)/Loss on sale of Fixed Assets	5.69	2.19	0.41	5.94	(27.25)
Investments Written off	-	-	-	4.90	-
Adjustment in Reserves due to loan waiver	-	-	-	-	7.51
(Profit)/Loss on sale of investments	(3.61)	-	(3.22)	-	(0.81)
Dividend Received	(0.03)	(0.06)	(0.09)	(0.07)	(0.05)
Interest Received	-	-	-	(25.17)	(1.47)
Operating Profit before Working Capital Changes	**1,630.39**	**978.82**	**847.85**	**948.76**	**971.02**
Adjustments for					
Inventories	(737.22)	120.46	166.34	(64.30)	(421.74)
Trade & Other Receivables	36.90	(462.86)	(170.18)	(321.52)	(561.00)
Trade & Other Payables	227.59	297.17	410.31	(351.41)	309.61
Cash Generated from Operations	**1,157.66**	**933.59**	**1,254.32**	**211.53**	**297.89**
Taxes paid (net)	(218.61)	(75.03)	(33.00)	(83.76)	(81.19)
Net Cash Flow from Operating Activities (A)	**939.05**	**858.56**	**1,221.32**	**127.77**	**216.70**
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets	(684.71)	(509.51)	(311.71)	(373.44)	(843.77)
Sale of Fixed Assets	1.71	12.80	4.06	9.38	55.17
Purchase of Long Term Investments	(1.60)	(11.59)	(0.62)	(0.07)	(0.19)
Sale of Long Term Investments	15.14	-	6.19	-	0.81
Dividend Received	0.03	0.06	0.09	0.07	0.05
Net Cash Flow from Investing Activities (B)	**(669.43)**	**(508.24)**	**(301.99)**	**(364.06)**	**(787.93)**
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Long Term/Short Term Borrowings (Net)	259.53	(20.15)	(559.05)	573.74	825.61
Proceeds on buyback of shares	(147.69)	-	-	-	-
Interest Received	-	-	-	25.17	1.47
Bank Commission and Charges paid	(39.38)	(30.72)	(22.17)	(17.76)	(21.97)
Interest paid	(315.35)	(299.38)	(339.20)	(355.77)	(252.77)
Net Cash Flow from Financing Activities (C)	**(242.89)**	**(350.25)**	**(920.42)**	**225.38**	**552.34**
D. Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	**26.73**	**0.07**	**(1.09)**	**(10.91)**	**(18.89)**
Cash and Cash Equivalents at the beginning of the year	0.45	0.38	1.47	12.38	31.27
Cash and Cash Equivalents at the end of the year	27.18	0.45	0.38	1.47	12.38
Net Increase/(Decrease) in Cash & Cash Equivalents	**26.73**	**0.07**	**(1.09)**	**(10.91)**	**(18.89)**
Components of Cash and Cash Equivalents:					
-Cash on hand	0.29	0.36	0.30	0.42	0.45
-Cheques on hand	-	-	-	-	-
-Balance with Banks					
-On current account	26.89	0.09	0.08	1.04	11.93

Notes

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 IV and V.

As per our report attached
For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

Gautam V Shah
Partner (F-117348)

Place : Mumbai
Date: 16 September 2017

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

SHAILESH K. BHASKAR
Company Secretary

Annexure –IV : Notes to restated summary statements of assets and liabilities, profits and losses and cash flows

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

The Restated Statement of Assets and Liabilities of Prince Pipes and Fittings Limited (hereinafter referred as "the Company") as at March 31, 2017, 2016, 2015, 2014 and 2013 and the Restated Statement of Profit and Loss and the Restated Statement of Cash flows for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 (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 bring them in line with the groupings as per the Audited Financial Statements of the Company as at and for the year ended March 31, 2017 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.

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 16 September 2017.

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 statements of assets and liabilities, profits and losses and cash flows

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 Profit and Loss 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 profit and loss 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 profit and loss 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.

Annexure –IV : Notes to restated summary statements of assets and liabilities, profits and losses and cash flows

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 Profit and Loss 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 Profit and loss.

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 profit and loss.

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 Profit and loss. 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 .

Annexure –IV : Notes to restated summary statements of assets and liabilities, profits and losses and cash flows

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 (Formerly Known as Prince Pipes and Fittings Private 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 profit and loss and restated summary statement of assets and liabilities:

(₹ in millions)

	Particulars	Note	For the year ended March 31 2017	For the year ended March 31 2016	For the year ended March 31 2015	For the year ended March 31 2014	For the year ended March 31 2013
I.	**Profit after tax (as per audited financial statements)**		**647.64**	**311.15**	**171.61**	**329.90**	**383.12**
II.	**Restatement adjustments:**						
	Prior Period Adjustment	Note 1	-	-	-	(22.93)	-
	Depreciation expense	Note 1	-	-	-	-	5.19
	Bank Commission & Charges adjustment	Note 2	-	-	-	3.11	1.55
	Exceptional item adjustment	Note 3	110.17	-	-	-	-
	Rates and taxes adjustment	Note 3	-	(41.03)	(45.52)	(23.62)	-
	Additional Provision for gratuity & Leave encashment	Note 4	-	-	-	-	(14.10)
	Reversal of Provision	Note 4	-	-	-	14.10	-
	Total		**110.17**	**(41.03)**	**(45.52)**	**(29.34)**	**(7.36)**
III.	**Tax adjustments**		(14.19)	23.51	30.72	(49.77)	4.75
IV.	**Total Adjustments (II + III)**		**95.98**	**(17.52)**	**(14.80)**	**(79.11)**	**(2.61)**
V	**Restated profit/ (loss) after tax (I + IV)**		**743.62**	**293.63**	**156.81**	**250.79**	**380.52**

B **Adjustment made in the opening balance of surplus in the statement of profit and loss as on 01 April 2012**

Particulars	Note	(₹ in millions)
Surplus in the Statement of Profit & Loss as on as at April 1, 2012		466.18
Adjustment on account of Restatements:-		
a) Provision for EPCG	Note 1	17.74
b) Deferred Revenue Expenditure	Note 2	(4.66)
c) Tax Adjustments of earlier years	Note 5	23.70
Total		**36.78**
Balance as per Restated Financial Information as at April 1, 2012		**502.97**

Notes to A & B:

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

a. Reversal of prior period adjustment made in FY 13-14 : (₹.22.93 million)

b. Reversal of depreciation charged on Import duty in FY 12-13 : ₹. 5.19 million

Adjustment to opening Reserve as at 01 April 2012 : (₹. 17.74 million)

2 **Bank Commission and Charges**

This represents reversal of deferred revenue expenditure pertaining to earlier year

Restatement Adjustment

a. Reversal of deferred revenue expenses in FY 13-14 : ₹.3.11 million

b. Reversal of deferred revenue expenses in FY 12-13 : ₹. 1.55 million

Adjustment to opening Reserve as at 01 April 2012 : ₹. 4.66 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 : (₹.23.62 million)

b. Liability pertaining to FY 14-15 : (₹.45.52million)

c. Liability pertaining to FY 15-16 : (₹.41.03million)

Adjustment to exceptional item FY 16-17 : (₹. 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.

Annexure V- Statement on Material Adjustments to prepare Restated 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 2016-17, 2015-16 and 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 and 2012-13.

FY 2016-17

Clause (viii) (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 (viii) (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 V- Statement on Material Adjustments to prepare Restated Financial Information

FY 2015-16

Clause (viii) (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 (viii) (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

Annexure V- Statement on Material Adjustments to prepare Restated Financial Information

FY 2014-15

Clause (viii) (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 (viii) (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

Annexure V- Statement on Material Adjustments to prepare Restated Financial Information

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.

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

Annexure V- Statement on Material Adjustments to prepare Restated Financial Information

FY 2012-13

Clause (ix) (a)

Undisputed Statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess have been regularly deposited with the appropriate authorities.

Clause (ix) (b)

According to information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty were outstanding, at the year end for a period of more than six months from the date they became payable.

Clause (ix) (c)

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
		0.85	AY 2005-06	Mumbai High Court
		1.80	AY 2006-07	Mumbai High Court
		3.34	AY 2007-08	Mumbai High Court

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 2017.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 1: Restated Statement of Share Capital

(₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Authorised					
Equity Shares of Rs. 10/- each	500.00	500.00	500.00	500.00	500.00
Issued, Subscribed and Fully paid up					
Equity Shares of Rs. 10 each fully paid	450.08	480.08	480.08	480.08	240.04
Total	**450.08**	**480.08**	**480.08**	**480.08**	**240.04**

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

3. During the year 2016-17, the Company has brought back 3 million shares

1.1 Reconciliation of number of shares and amounts outstanding

(₹ in millions)

Particulars	As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	No. of shares (in millions)	Amount	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	48.01	480.08	48.01	480.08	24.00	240.04	12.00	120.01
Add : Issued during the year	-	-	-	-	-	-	-	-	0.00	0.01
Add : Bonus shares issued during the year	-	-	-	-	-	-	24.00	240.04	12.00	120.02
Less : Shares brought back during the year	(3.00)	(30.00)	-	-	-	-	-	-	-	-
Equity Shares outstanding at the end of the year	**45.01**	**450.08**	**48.01**	**480.08**	**48.01**	**480.08**	**48.00**	**480.08**	**24.00**	**240.04**

1.2 Details of shareholders holding more than 5% shares in the company

Particulars	As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	No. of shares (in millions)	% of shareholding	No. of shares (in millions)	% of shareholding	No. of shares (in millions)	% of shareholding	No. of shares (in millions)	% of shareholding	No. of shares (in millions)	% of shareholding
Mr. Jayant Shamji Chheda	3.84	8.53%	3.84	8.00%	3.84	8.00%	3.84	8.00%	1.92	8.00%
Mrs. Tarla Jayant Chheda	15.31	34.02%	15.31	31.89%	15.31	31.89%	15.31	31.89%	7.66	31.89%
Mr. Parag Jayant Chheda	12.90	28.66%	14.40	29.99%	14.40	29.99%	14.40	29.99%	7.20	29.99%
Mr. Vipul Jayant Chheda	12.90	28.66%	14.40	30.00%	14.40	30.00%	14.40	30.00%	7.20	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 flows as appearing in Annexure – IV

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 2: Restated Statement of Reserve and Surplus

(₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Capital Reserve					
Balance at the beginning of the year	48.38	48.38	48.38	48.38	-
Add : Reserve created on waiver of loan	-	-	-	-	7.75
Add : Transfer from Amalgamation Adjustment Resrve	-	-	-	-	40.63
Balance at the end of the year	**48.38**	**48.38**	**48.38**	**48.38**	**48.38**
Capital Redemption Reserve					
Balance as at the beginning of the year	-	-	-	-	-
Add : Reserve created on Buy back of Shares	30.00	-	-	-	-
Balance as at the end of the year	**30.00**	**-**	**-**	**-**	**-**
Cash Flow Hedge Reserve					
Balance at the beginning of the year	-	-	-	-	-
Add : Marked to Market of effective portion of cash flow	(10.29)	-	-	-	-
Balance as at the end of the year	**(10.29)**	**-**	**-**	**-**	**-**
Amalgamation Adjustment Account					
Balance at the beginning of the year	-	-	-	-	109.07
Less : Adjusted on account of old Balances	-	-	-	-	(0.25)
Less : Transfer to Capital Reserve (Refer note 2.1)	-	-	-	-	(40.63)
Less : Transfer to General reserve (Refer note 2.1)	-	-	-	-	(68.19)
Balance as at the end of the year	**-**	**-**	**-**	**-**	**-**
General Reserve					
Balance at the beginning of the year	64.65	64.65	68.19	78.19	20.00
Add : Transfer from surplus in Statement of Profit and Loss	-	-	-	-	10.00
Add : Transferred from Amalgamation Adjustment Account	-	-	-	-	68.19
Less : Utilised for Issue of Bonus Shares	-	-	-	(10.00)	(20.00)
Less : Transitional provision of Schedule II of the Companies	-	-	(3.54)	-	-
Balance as at the end of the year	**64.65**	**64.65**	**64.65**	**68.19**	**78.19**
Surplus in the Statement of Profit and Loss					
Balance as at the beginning of the year	1,244.66	951.03	794.22	773.47	502.97
Add : Net Profit for the current year	743.62	293.63	156.81	250.79	380.52
Less : Utilisation for buy back of shares	(120.00)	-	-	-	-
Less : Tax on income distributed to Shareholders	(27.69)	-	-	-	-
Less : Transfer to General Reserve	-	-	-		(10.00)
Less : Utilised for Issue of Bonus Shares	-	-	-	(230.04)	(100.02)
Balance as at the end of the year	**1,840.59**	**1,244.66**	**951.03**	**794.22**	**773.47**
Total	**1,973.33**	**1,357.69**	**1,064.06**	**910.79**	**900.04**

Notes:

1. Amalgamation Adjustment Account as at March 31, 2012 represents adjustments to reserves on account of amalgamation of Kenson Manufacture Pvt Ltd with Prince Pipes and Fittings Pvt Ltd. As per the scheme of amalgamation, adjustments on account of share capital and on account of applying uniform accounting policies were required to be adjusted with General Reserve. Hence same have been reclassified from Amalgamation Adjustment Account to General Reserve. Further Capital Reserve of Kenson Manufacture Pvt Ltd aggregating Rs. 68.13 million have been transferred from Amalgamation Adjustment Account to General Reserve.

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 the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 3 : Restated Statement of Long Term Borrowings

(₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Secured					
Rupee Term Loan from Banks	792.27	893.80	713.21	847.60	819.72
Foreign Currency Term Loan from Banks	261.43	-	-	33.12	60.04
Vehicle Loan	3.95	0.83	0.93	2.84	3.05
Unsecured					
From Directors	-	-	-	-	-
From Shareholders	-	-	-	-	-
From Others	-	-	-	-	-
Total	**1,057.65**	**894.63**	**714.14**	**883.56**	**882.81**

3.1 Key Notes and Breakdown of Long Term Borrowings are as follows :

(₹ in millions)

Particulars	Note	As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
		Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current
a. Rupee Term Loan from Banks											
Term loan from Bank of India	3.2	-	-	-	-	-	-	-	-	-	9.42*
Term loan from Bank of India	3.3	-	-	-	-	-	-	-	-	-	28.00**
Term loan from ICICI Bank Ltd.	3.4	-	-	-	-	-	-	-	-	-	16.10*
Term loan from Indian Overseas Bank	3.5	-	-	-	-	-	-	-	2.78*	2.78*	11.11*
Term loan from Indian Overseas Bank	3.6	-	-	-	-	-	-	-	7.78*	7.78*	15.56*
Term loan from Indian Overseas Bank	3.7	-	-	-	-	-	18.75*	18.75*	37.50*	56.25*	37.50*
Term loan from ICICI Bank Ltd.	3.8	-	-	-	-	-	6.56#	6.56#	8.75#	15.31*	8.75*
Term loan from Bank of India	3.9, 3.30	57.50*	60.00*	117.50*	52.50*	170.00*	42.50*	212.50***	40.00***	252.50*	25.00*
Term loan from ICICI Bank Ltd.	3.10, 3.34	57.41*	22.22*	79.63*	20.37*	-	-	-	-	-	-
Term loan from Bank of India	3.11, 3.31	214.29*	85.71*	300.00*	85.71*	385.71*	85.71*	471.43***	85.71***	485.10*	42.86*
Term loan from Federal Bank Ltd.	3.12, 3.36	141.40*	-	-	-	-	-	-	-	-	-
Term loan from Bank of India	3.13, 3.32	97.50*	30.00*	127.50*	30.00*	157.50*	30.00*	138.36***	22.50***	-	-
Term loan from Bank of India	3.14, 3.33	112.50*	25.00*	137.50*	12.50*	-	-	-	-	-	-
Term loan from ICICI Bank Ltd.	3.15, 3.35	111.67*	20.00*	131.67*	18.33*	-	-	-	-	-	-
TOTAL (a)		**792.27**	**242.93**	**893.80**	**219.41**	**713.21**	**183.52**	**847.60**	**205.02**	**819.72**	**194.30**

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.
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.
Effective cost for the year 2012-13 are in the range of 13.75-15.25% per annum.

(₹ in millions)

Particulars	Note	As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
		Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current
b. Foreign Currency Term Loans from Banks											
ECB from ICICI Bank Ltd.	3.16	-	-	-	-	-	-	-	-	-	9.50***
Foreign Currency Loan from Bank of India	3.17	-	-	-	-	-	-	-	-	-	25.08*
ECB from ICICI Bank Ltd.	3.18	-	-	-	-	-	34.56#	33.12#	33.12#	60.04#	30.02#
ECB from Standard Chartered Bank.	3.19, 3.37	261.43*	30.40*	-	-	-	-	-	-	-	-
TOTAL (b)		**261.43**	**30.40**	**-**	**-**	**-**	**34.56**	**33.12**	**33.12**	**60.04**	**64.60**

Effective cost for the year 2016-17 are in the range of 3-4% per annum.
Effective cost for the year 2015-16 are in the range of 2-3% per annum.
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.
Effective cost for the year 2012-13 are in the range of 1.97-7.15% per annum.

Annexure VA-Notes to the Restated Financial Information

(₹ in millions)

Particulars		Note	As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
			Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current
c.	**Vehicle Loans**											
	Vehicle Loan from Kotak Mahindra Prime Ltd	3.20	-	-	-	-	-	-	0.41^	0.68^	1.18^	0.62^
	Vehicle Loan from HDFC Bank	3.21	-	-	-	-	0.53^	0.51^	0.88^	0.45^	-	-
	Vehicle Loan from Toyota Financial Services India Ltd.	3.22	-	-	-	-	-	0.62^	0.50^	0.67^	1.10^	0.78^
	Vehicle Loan from Kotak Mahindra Prime Ltd.	3.23	-	-	-	-	-	0.49^	-	-	-	-
	Vehicle Loan from ICICI Bank Ltd.	3.24, 3.41	0.71^	0.15^	-	-	-	-	-	-	-	-
	Vehicle Loan from ICICI Bank Ltd.	3.25, 3.42	0.70^	0.15^	-	-	-	-	-	-	-	-
	Vehicle Loan from HDFC Bank Ltd.	3.26	-	-	-	0.53^			0.45^	-	-	-
	Vehicle Loan from Toyota Financial Services India Ltd.	3.27, 3.40	-	0.22^	0.22^	0.25^	0.40^	0.29^	0.60^	0.20^	0.77^	0.29^
	Vehicle Loan from Axis Bank Ltd.	3.28, 3.39	2.23^	0.47^	-	-	-	-	-	-	-	-
	Vehicle Loan from Kotak Mahindra Prime Ltd.	3.29,3.38	0.31^	0.30^	0.61^	0.27^	-	-	-	-	-	-
	TOTAL (c)		**3.95**	**1.29**	**0.83**	**1.05**	**0.93**	**1.91**	**2.84**	**2.00**	**3.05**	**1.69**

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.
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.
Effective cost for the year 2012-13 are in the range of 9-13% per annum.

Terms of Repayment

3.2 Repayable in 16 equal quarterly installments, last installment falling due on 31-07-201
3.3 Repayable in 20 equal quarterly installments, last installment falling due on 30-01-201
3.4 Repayable in 18 equal quarterly installments, last installment falling due on 17-03-201
3.5 Repayable in 18 equal quarterly installments, last installment falling due on 15-06-201
3.6 Repayable in 18 equal quarterly installments, last installment falling due on 27-07-201
3.7 Repayable in 16 equal quarterly installments, last installment falling due on 05-07-201
3.8 Repayable in 16 equal quarterly installments, last installment falling due on 04-10-2015
3.9 Repayable in 28 ballooning quarterly installments, last installment falling due on 28-02-2019
3.10 Repayable in 54 equal monthly installments, last installment falling due on 25-10-2020
3.11 Repayable in 28 equal quarterly installments, last installment falling due on 31-07-2020
3.12 Repayable in 12 equal quarterly installments, last installment falling due on 16-01-2021
3.13 Repayable in 28 equal quarterly installments, last installment falling due on 29-06-2021
3.14 Repayable in 24 equal quarterly installments, last installment falling due on 01-07-2022
3.15 Repayable in 90 equal monthly installments, last installment falling due on 25-10-2023
3.16 Repayable in 10 equal half yearly installments, last installment falling due on 30-07-201
3.17 Repayable in 16 equal quarterly installments, last installment falling due on 19-07-201
3.18 Repayable in 9 equal half yearly installments, last installment falling due on 08-03-2016
3.19 Repayable in 16 equal quarterly installments, last installment falling due on 28-12-2021
3.20 Repayable on monthly basis. Repayable by November 2015

3.21 Repayable on monthly basis. Repayable by January 2016
3.22 Repayable on monthly basis. Repayable by January 2016
3.23 Repayable on monthly basis. Repayable by November 2015
3.24 Repayable on monthly basis. Repayable by January 2022
3.25 Repayable on monthly basis. Repayable by January 2022
3.26 Repayable on monthly basis. Repayable by February 2017
3.27 Repayable on monthly basis. Repayable by January 2018
3.28 Repayable on monthly basis. Repayable by February 2022
3.29 Repayable on monthly basis. Repayable by February 2019

Annexure VA-Notes to the Restated Financial Information

Terms of Re-schedulement, Prepayment, Penalties and Default

3.30 Outstanding Rupee term loan from Bank of India of Rs.117.50 million as on 31 March 2017: 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

3.31 Outstanding Rupee term loan from Bank of India of Rs.300.00 million as on 31 March 2017: 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 principa

3.32 Outstanding Rupee term loan from Bank of India of Rs.127.50 million as on 31 March 2017: 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

3.33 Outstanding Rupee term loan from Bank of India of Rs.137.50 million as on 31 March 2017: 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 principa

3.34 Outstanding Rupee term loan from ICICI Bank Ltd of Rs.79.63 million as on 31 March 2017: Prepayment Premium -Nil, Penal interest of 6% p.a payable monthly over documented rate for Default

3.35 Outstanding Rupee term loan from ICICI Bank Ltd of Rs.131.67 million as on 31 March 2017: Prepayment Premium -Nil, Penal interest of 6% p.a payable monthly over documented rate for Default

3.36 Outstanding Rupee term loan from Fedral Bank Ltd of Rs.141.40 million as on 31 March 2017: 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

3.37 Outstanding ECB term loan from Standard Chartered Bank of Rs.291.82 million as on 31 March 2017

3.38 Outstanding Vehicle loan from Kotak Mahindra Prime Ltd. of Rs.0.61 million as on 31 March 2017

3.39 Outstanding Vehicle loan from Axis Bank Ltd. of Rs.2.70 million as on 31 March 2017

3.40 Outstanding Vehicle loan from Toyota Financial Services India Ltd. of Rs.0.22 million as on 31 March 2017

3.41 Outstanding Vehicle loan from ICICI Bank Ltd. of Rs.0.86 million as on 31 March 2017 ,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

3.42 Outstanding Vehicle loan from ICICI Bank Ltd. of Rs.0.85 million as on 31 March 2017 ,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

^ 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.

** Term loan of ₹. 28 millions from Bank of India is secured by exclusive first charge over Company's office premises at Dadar and personal guarantees of Directors

\# 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 existin 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.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 4: Restated Statement of Deferred Tax liabilities (Net)

(₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Deferred Tax Liabilities on account of Depreciation	143.59	131.54	140.10	146.49	137.41
Deferred Tax Assets on account of Employee Benefits	(24.47)	(22.69)	(21.41)	(12.51)	(7.94)
Deferred Tax Assets on provision for Expenses / Debtors	(4.17)	(1.35)	(2.45)	1.58	3.11
Total	**114.95**	**107.50**	**116.24**	**135.56**	**132.58**

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 flows as appearing in Annexure – IV

Note 5: Restated Statement of Other long term Liabilities

(₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Security Deposit	154.51	139.75	137.88	112.72	72.48
Total	**154.51**	**139.75**	**137.88**	**112.72**	**72.48**

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 flows as appearing in Annexure – IV

Note 6: Restated Statement of Long Term Provisions

(₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Provisions for Employee Benefits	45.48	43.13	41.84	22.56	14.35
Total	**45.48**	**43.13**	**41.84**	**22.56**	**14.35**

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 flows as appearing in Annexure – IV

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 7: Restated Statement of Short Term Borrowings **(₹ in millions)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Rupee Loan Considered Secured	1,307.37	1,452.96	1,290.69	1,055.11	942.34
Foreign Currency Loan considered Secured	-	-	-	63.82	136.06
Short Term Loan considered Unsecured	580.27	405.90	770.71	994.33	509.22
From Directors	-	-	-	174.78	244.34
From Shareholders	-	-	-	-	8.21
From Others				152.00	10.27
Total	**1,887.64**	**1,858.86**	**2,061.40**	**2,440.04**	**1,850.44**

7.1 Key Notes and Breakdown of Short Term Borrowings are as follows : **(₹ in millions)**

	Particulars	Note	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
a.	**Rupee Loan (Secured)**						
	Working Capital Demand Loan-Bank Of India	7.2	386.46	440.04	701.71	475.58	384.71
	Working Capital Demand Loan-ICICI Bank	7.3	264.91	294.03	49.82	121.56	26.41
	Working Capital Demand Loan-Standard Chartered Bank	7.4	400.00	400.00	247.86	157.26	216.11
	Working Capital Demand Loan-Indian Overseas Bank	7.5	-	318.89	291.30	300.71	315.11
	Working Capital Demand Loan-Federal Bank	7.6	256.00	-	-	-	
	TOTAL (a)		**1,307.37**	**1,452.96**	**1,290.69**	**1,055.11**	**942.34**

(₹ in millions)

	Particulars	Note	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
b.	**Foreign Currency Loan (Secured)**						
	Working Capital Demand Loan-Bank Of India	7.7	-	-	-	63.82	57.84
	Working Capital Demand Loan-ICICI Bank	7.8	-	-	-	-	78.22
	TOTAL (b)		-	-	-	**63.82**	**136.06**

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 Federal 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.

7.7 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.

7.8 Working Capital/Demand Loans from ICICI Bank Ltd (Foreign Currency Loan) 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 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 flows as appearing in Annexure – IV.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 8: Restated Statement of Trade Payables

(₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Trade payables					
Outstanding to Micro, Small and Medium Enterprises	67.79	49.86	57.96	45.38	40.21
Trade Payables - Other than Micro, Small and Medium Enterprises	953.40	941.56	705.33	408.24	796.39
Total	**1,021.19**	**991.42**	**763.29**	**453.62**	**836.60**

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 flows as appearing in Annexure – IV

Note 9: Restated Statement of Other Current Liabilities

(₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Current maturity of Long Term Debt					
a. Rupee Loans From Banks	242.93	219.41	183.52	205.02	194.30
b. Foreign Currency Loans From Banks	30.40	-	34.56	33.12	64.60
c. Rupee Loans From Others	1.29	1.05	1.91	2.00	1.69
Interest Accrued but not due on Borrowings	8.34	2.41	6.23	1.08	5.01
Interest Accrued & due on borrowings	3.45	-	-	4.10	4.88
Advances received from Customers	27.38	9.65	11.37	6.45	51.64
Capital Advances	-	-	4.00	3.50	-
Employee Related Liabilities	64.68	57.01	49.63	58.50	49.59
Creditors for Capital Goods	14.45	20.88	10.21	11.49	20.87
Statutory Dues	91.16	45.91	44.51	49.58	52.71
Other Liabilities	378.72	257.01	205.47	120.77	84.80
Total	**862.80**	**613.33**	**551.41**	**495.61**	**530.09**

Notes

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV

Note 10: Restated Statement of Short Term Provisions

(₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Provisions for Employee Benefits	24.12	21.34	20.02	13.15	10.21
Provision for Wealth Tax	-	-	0.20	0.16	0.09
Total	**24.12**	**21.34**	**20.22**	**13.31**	**10.30**

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 flows as appearing in Annexure – IV

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 11: Restated Statement of Property Plant & Equipment **(₹ 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 2017											
Gross carrying Amount											
Opening Balance as on 01 April 2016	334.00	875.69	1,758.58	128.22	34.10	602.30	24.26	138.39	25.59	3,921.12	141.26
Additions	21.78	22.75	386.40	7.93	6.92	171.86	3.87	12.09	5.45	639.07	89.83
Disposals	0.00	0.00	(23.02)	(0.34)	(0.08)	(7.05)	(0.36)	(0.13)	(0.38)	(31.37)	-
Transfers	-	-	-	-	-	-	-	-	-	0.00	(50.78)
Closing Gross carrying amount	355.78	898.44	2,121.96	135.82	40.94	767.11	27.77	150.35	30.66	4,528.82	180.31
Accumulated Depreciation											
Accumulated Depreciation as on 01 April 2016	-	177.59	872.02	58.73	24.46	390.59	15.98	53.88	13.95	1,607.20	
Depreciation charged during the year	-	31.07	186.33	6.28	4.08	59.86	3.56	14.27	3.03	308.47	
Depreciation on Disposals during the year	-	0.00	(16.18)	(0.27)	(0.08)	(6.68)	(0.34)	(0.05)	(0.38)	(23.97)	
Closing Accumulated Depreciation	-	208.66	1,042.17	64.75	28.46	443.76	19.20	68.10	16.60	1,891.70	
Net Carrying Amount	**355.78**	**689.79**	**1,079.79**	**71.07**	**12.48**	**323.34**	**8.57**	**82.25**	**14.06**	**2,637.12**	
Year ended-31 March 2016											
Gross carrying Amount											
Opening Balance as on 01 April 2015	300.20	796.30	1,605.81	111.96	24.14	540.56	21.70	120.40	25.66	3,546.74	43.49
Additions	35.36	79.39	185.97	16.22	4.32	61.76	2.60	18.07	1.11	404.79	137.78
Disposals / Adjustments	(1.55)	0.00	(33.20)	0.05	5.63	(0.02)	(0.05)	(0.08)	(1.19)	(30.41)	-
Transfers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(40.01)
Closing Gross carrying amount	334.00	875.69	1,758.58	128.22	34.10	602.30	24.26	138.39	25.59	3,921.12	141.26
Accumulated Depreciation											
Accumulated Depreciation as on 01 April 2015	-	150.79	722.75	53.47	17.05	339.30	12.82	39.76	11.13	1,347.08	
Depreciation charged during the year	-	26.80	169.81	5.26	3.89	51.30	3.16	14.20	3.23	277.65	
Depreciation on Disposals during the year	-	-	(20.54)	0.00	3.53	(0.02)	0.00	(0.08)	(0.41)	(17.53)	
Closing Accumulated Depreciation	-	177.59	872.02	58.73	24.46	390.59	15.98	53.88	13.95	1,607.20	
Net Carrying Amount	**334.00**	**698.10**	**886.55**	**69.49**	**9.64**	**211.72**	**8.27**	**84.51**	**11.64**	**2,313.92**	
Year ended-31 March 2015											
Gross carrying Amount											
Opening Balance as on 01 April 2014	195.38	758.75	1,542.25	104.20	22.08	540.34	18.59	115.74	26.62	3,323.95	26.33
Additions	105.09	37.55	86.49	8.31	2.07	46.68	3.47	4.85	0.06	294.57	38.35
Disposals	(0.27)	0.00	(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	1,605.81	111.96	24.14	540.56	21.70	120.40	25.66	3,546.74	43.49
Accumulated Depreciation											
Accumulated Depreciation as on 01 April 2014	-	126.59	558.51	49.18	11.72	341.45	9.32	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	278.34	
Depreciation on Disposals during the year	-	0.00	(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	-	150.79	722.75	53.47	17.05	339.30	12.82	39.76	11.13	1,347.08	
Net Carrying Amount	**300.20**	**645.51**	**883.06**	**58.48**	**7.10**	**201.26**	**8.88**	**80.64**	**14.53**	**2,199.66**	

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 11: Restated Statement of Property Plant & Equipment **(₹ 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 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	48.21
Additions	0.01	115.53	150.05	16.57	2.85	44.76	3.84	51.06	6.22	390.90	26.33
Disposals	(2.03)	(0.25)	(68.29)	0.00	(7.98)	(3.82)	0.00	0.00	(5.09)	(87.46)	-
Transfers	0.00	0.00	0.00	-	0.00	0.00	-	-	0.00	0.00	(48.21)
Adjustment on EPCG			47.42			1.74				49.16	-
Closing Gross carrying amount	195.38	758.75	1,542.25	104.20	22.08	540.34	18.59	115.74	26.62	3,323.95	26.33
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	896.01	
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)	0.00	(7.98)	(3.34)	0.00	0.00	(2.90)	(40.21)	
Adjustment on EPCG			15.98			1.26				17.25	
Closing Accumulated Depreciation	-	126.59	558.51	49.18	11.72	341.45	9.32	25.64	8.23	1,130.64	
Net Carrying Amount	**195.38**	**632.15**	**983.73**	**55.02**	**10.37**	**198.90**	**9.27**	**90.10**	**18.39**	**2,193.31**	
Year ended-31 March 2013											
Gross carrying Amount											
Opening Balance as on 01 April 2012	172.20	563.41	946.76	66.76	21.36	408.65	10.80	51.84	20.23	2,262.01	48.69
Additions	25.20	106.33	519.68	21.09	5.95	90.74	3.98	14.95	6.97	794.89	
Disposals	-	(26.27)	(5.95)	(0.23)	(0.10)	0.00	(0.03)	(2.11)	(1.71)	(36.40)	-
Transfers	-	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00	(0.47)
Adjustment on EPCG			(47.42)			(1.74)				(49.16)	
Closing Gross carrying amount	197.40	643.47	1,413.07	87.62	27.21	497.65	14.75	64.68	25.49	2,971.34	48.22
Accumulated Depreciation											
Accumulated Depreciation as on 01 April 2012	-	79.84	327.54	30.21	14.60	232.51	6.22	16.02	7.86	714.80	
Depreciation charged during the year	-	23.67	116.10	8.57	2.26	49.56	1.27	3.43	2.09	206.95	
Depreciation on Disposals during the year	-	(2.77)	(3.88)	(0.23)	(0.07)	0.00	(0.01)	(0.23)	(1.29)	(8.49)	
Adjustment on EPCG			(15.98)			(1.26)				(17.25)	
Closing Accumulated Depreciation	-	100.74	423.78	38.55	16.79	280.81	7.48	19.22	8.65	896.01	
Net Carrying Amount	**197.40**	**542.73**	**989.29**	**49.07**	**10.42**	**216.85**	**7.26**	**45.46**	**16.84**	**2,075.33**	

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, 2016. 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 29.00 million as on March 31, 2017, Rs 35.12 million as on March 31, 2016, Rs 41.24 million as on March 31, 2015, Rs 45.00 million as on March 31, 2014 and 46.14 million as on March 31, 2013.

3. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

4. 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 – IV.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private 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 2017				
Gross carrying Amount				
Opening Balance as on 01 April 2016	26.68	40.43	4.52	71.63
Additions	6.65	-	-	6.65
Disposals	-	-	-	-
Transfer				
Closing Gross carrying amount	33.33	40.43	4.52	78.28
Accumulated Depreciation				
Accumulated Depreciation as on 01 April 2016	16.86	13.91	1.56	32.33
Depreciation charge during the year	4.18	4.04	0.45	8.67
Disposals	-	-	-	-
Closing Accumulated Depreciation	21.04	17.95	2.01	41.00
Net Carrying Amount	**12.28**	**22.48**	**2.51**	**37.27**
Year ended-31 March 2016				
Gross carrying Amount				
Opening Balance as on 01 April 2015	25.40	40.43	4.52	70.35
Additions	6.95	-	-	6.95
Disposals	(5.67)	-	-	(5.67)
Transfer				
Closing Gross carrying amount	26.68	40.43	4.52	71.63
Accumulated Depreciation				
Accumulated Depreciation as on 01 April 2015	17.32	9.86	1.11	28.29
Depreciation charge during the year	3.11	4.05	0.45	7.61
Disposals	(3.57)	-	-	(3.57)
Closing Accumulated Depreciation	16.86	13.91	1.56	32.33
Net Carrying Amount	**9.81**	**26.52**	**2.96**	**39.30**
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	-	-	-	-
Closing Accumulated Depreciation	14.69	5.82	0.65	21.16
				-
Net Carrying Amount	**10.71**	**34.61**	**3.87**	**49.19**
Year ended-31 March 2013				
Gross carrying Amount				
Opening Balance as on 01 April 2012	16.51	-	-	16.51
Additions	4.39	40.43	4.52	49.34
Disposals	-	-	-	-
Transfers				
Closing Gross carrying amount	20.90	40.43	4.52	65.85
Accumulated Depreciation				
Accumulated Depreciation as on 01 April 2012	9.84	-	-	9.84
Depreciation charge during the year	2.39	1.78	0.20	4.37
Disposals	-	-	-	-
Closing Accumulated Depreciation	12.23	1.78	0.20	14.21
Net Carrying Amount	**8.67**	**38.65**	**4.32**	**51.64**

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 flows as appearing in Annexure – IV

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 12: Restated Statement of Non Current Investment **(₹ in millions)**

Particulars	As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	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	7,750	1.29	7,750	1.29	19,250	3.13	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	3,200	0.14	3,200	0.14	3,200	0.14
Equity shares of Rs 2 each fully paid-up in Supreme Industries Ltd	777	0.51	777	0.51	-	-	250	0.03	250	0.03
Equity shares of Rs 10 each fully paid-up in Kisan Mouldings Ltd	1,000	0.03	1,000	0.03	1,000	0.03	3,000	0.10	1,500	0.06
Equity shares of Rs 1 each fully paid-up in Astral Polytechnik Ltd	1,000	0.47	1,000	0.47	-	-	-	-	-	-
Equity shares of Rs 2 each fully paid-up in Astral Polytechnik Ltd	-	-	-	-	-	-	125	0.01	125	0.02
Equity shares of Rs 2 each fully paid-up in Jain Irrigation Systems Ltd	-	-	-	-	-	-	1,100	0.09	600	0.05
Equity shares of Rs 5 each fully paid-up in Reliance Industries Ltd**	700	**	700	**	700	**	700	**	700	**
Equity shares of Rs 10 each fully paid-up in Finolex Industries Ltd	1,000	0.10	1,000	0.10	1,000	0.10	6,000	0.42	6,000	0.42
Investment in Shares - Unquoted										
Ramkrishna Finance Ltd	41,500	-	41,500	-	41,500	-	41,500	-	41,500	0.26
Sibar Media & Entertainment Ltd	185,000	-	185,000	-	185,000	-	185,000	-	185,000	4.65
Chemplast Sanmar Ltd	66,750	0.68	66,750	0.68	-	-	-	-	-	-
Pinnacle Realty Projects Pvt Ltd	600	0.01	600	0.01	600	0.01	600	0.01	600	0.01
** Value below Rs 1,000/-										
Total		**3.23**		**3.23**		**1.57**		**3.93**		**8.77**
Aggregate Market Value of Quoted investments		6.14		4.30		3.58		6.77		4.89
Aggregate Book Value of Quoted investments		2.54		2.54		1.56		3.92		3.85
Aggregate Book Value of Unquoted investments		0.69		0.69		0.01		0.01		4.92

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 flows as appearing in Annexure – IV.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private 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 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Capital Advance	9.53	20.81	3.08	6.89	12.04
Other Advance	1.50	3.02	0.97	0.01	1.00
Total	**11.03**	**23.83**	**4.05**	**6.90**	**13.04**

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 flows as appearing in Annexure – IV.

Note 14: Restated Statement of Other Non Current Assets **(₹ in millions)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Deposit	51.70	53.88	50.33	48.75	45.21
Total	**51.70**	**53.88**	**50.33**	**48.75**	**45.21**

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 flows as appearing in Annexure – IV.

Note 15: Restated Statement of Current Investments **(₹ in millions)**

Particulars	As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Investment in Liquid Bees*	-	-	9,930	9.93	-	-	-	-	-	-
Total	**-**	**-**	9,930	**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		-		-		-		-		-

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 flows as appearing in Annexure – IV.

Note 16: Restated Statement of Inventories **(₹ in millions)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Raw Materials	771.21	588.89	622.12	859.56	610.93
Stock-in-progress	19.28	43.02	40.25	29.59	-
Finished goods	857.09	302.54	421.22	354.49	510.67
Trading Goods	66.23	47.46	18.79	23.90	82.84
Stores & Spares	28.59	23.27	23.26	24.44	23.24
Total	**1,742.40**	**1,005.18**	**1,125.64**	**1,291.98**	**1,227.68**

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 flows as appearing in Annexure – IV.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 17: Restated Statement of Trade Receivables **(₹ in millions)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Trade Receivables					
Outstanding for a period exceeding 6 months	75.49	80.98	72.64	52.27	25.07
Others	2,308.25	2,317.16	2,055.93	1,985.43	1,694.58
Less : Provision	(16.37)	(8.21)	(8.21)	-	-
Total	**2,367.37**	**2,389.93**	**2,120.36**	**2,037.70**	**1,719.65**

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 flows as appearing in Annexure – IV.

Note 18: Restated Statement of Cash & Bank Balances **(₹ in millions)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Cash and Cash Equivalents					
Cash on Hand	0.29	0.36	0.30	0.42	0.45
Bank Balances					
In Current accounts	26.89	0.09	0.08	1.04	11.93
In Deposit accounts*	96.50	85.28	60.02	54.63	55.23
Total	**123.68**	**85.73**	**60.40**	**56.09**	**67.61**

* 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 flows as appearing in Annexure – IV.

Note 19: Restated Statement of Short Term Loans and Advances **(₹ in millions)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Advance against Expenses	17.12	19.04	14.16	18.79	5.97
Balance with Government Authorities	142.22	117.98	128.01	133.89	155.44
Advance tax (Net of Provision for income Tax)	30.40	15.56	21.70	27.59	13.30
Loan to Staff and Workers	3.66	3.74	2.01	3.69	4.04
Total	**193.40**	**156.32**	**165.88**	**183.96**	**178.75**

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 flows as appearing in Annexure – IV.

Note 20: Restated Statement of Other Current Asset **(₹ in millions)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Interest Accrued on Margin Money Deposits	0.92	1.00	0.38	0.37	0.66
Fixed Asset held for Sale			2.03	2.03	-
Deposits Given	-	0.08	0.43	0.36	2.54
Advances to Suppliers	223.04	281.74	129.53	42.91	29.23
Other Receivables	20.28	2.40	4.74	4.04	1.40
Total	**244.24**	**285.22**	**137.11**	**49.71**	**33.83**

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 flows as appearing in Annexure – IV.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 21: Restated Statement of Revenue from operations **(₹ in millions)**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Sale of Products					
Manufactured Goods	12,264.15	10,482.42	10,075.37	10,066.10	7,812.08
Traded Goods	1,124.79	329.97	237.05	737.48	718.67
	13,388.94	**10,812.39**	**10,312.42**	**10,803.58**	**8,530.75**
Other Operating Revenue					
Scrap Sales	32.70	27.58	27.96	25.60	22.12
Duty Drawback	-	0.40	0.49	0.71	0.62
PSI Scheme Refund	-	-	-	1.26	-
Labour Charges	-	0.51	0.05	0.02	-
Profit on Import License	5.74	-	-	-	-
Revenue from Operations (Gross)	**13,427.38**	**10,840.88**	**10,340.92**	**10,831.17**	**8,553.49**
Less : Excise Duty	801.58	751.01	769.01	767.75	535.62
Revenue from Operations (Net)	**12,625.80**	**10,089.87**	**9,571.91**	**10,063.42**	**8,017.87**

Notes

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 the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV.

Note 22: Restated Statement of Other Income **(₹ in millions)**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Interest	9.16	3.31	14.25	34.81	9.88
Dividend on Current Investments	0.03	0.06	0.09	0.07	0.05
Compensation Received	-	-	1.92	8.27	9.49
Profit on Sale of Fixed Assets (Net)	-	-	-	-	27.25
Profit on Sale of Shares (Net)	0.45	-	3.22	-	0.81
Profit on Derivatives	1.97	-	-	-	-
Profit on Investment	1.19	-	-	-	-
Debts Written Back	-	0.29	-	-	-
Security Deposits Written Back	-	-	1.13	-	-
Miscellaneous Income	0.07	1.95	0.01	0.86	1.24
	12.87	**5.61**	**20.62**	**44.01**	**48.72**

Notes

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 the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV.

Note 23 : Restated Statement of Cost of Material Consumed **(₹ in millions)**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Inventory at the beginning of the year	588.89	622.12	859.56	610.93	643.44
Add - Purchases	8,547.06	7,013.83	6,893.53	7,087.16	5,591.35
	9,135.95	**7,635.95**	**7,753.09**	**7,698.09**	**6,234.79**
Less - Inventory at the end of the year	771.21	588.89	622.12	859.56	610.93
	8,364.74	**7,047.06**	**7,130.97**	**6,838.53**	**5,623.86**

Notes

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 the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV.

Note 24 : Restated Statement of Purchase of Stock in Trade **(₹ in millions)**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Trading Purchases	1,075.44	327.43	197.79	713.56	723.10
	1,075.44	**327.43**	**197.79**	**713.56**	**723.10**

Notes

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 the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 25 : Restated Statement of Changes in Inventories of manufactured Goods **(₹ in millions)**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Stock at the end of the year					
Traded goods	66.23	47.46	18.79	23.90	82.84
Work in Progress	19.28	43.02	40.25	29.59	-
Manufactured Goods - Pipes & Fittings	857.09	302.54	421.22	354.49	510.67
A	**942.60**	**393.02**	**480.26**	**407.98**	**593.51**
Stock at the beginning of the year					
Traded goods	47.46	18.79	23.90	82.84	44.26
Work in Progress	43.02	40.25	29.59	-	-
Manufactured Goods - Pipes & Fittings	302.54	421.22	354.49	510.67	105.13
B	**393.02**	**480.26**	**407.98**	**593.51**	**149.39**
(Increase)/ Decrease in Stocks (B-A)	**(549.58)**	**87.24**	**(72.28)**	**185.53**	**(444.12)**
Variation in Excise duty on Opening and Closing Stock of Finished Goods	33.61	(14.13)	(1.82)	(6.63)	34.68
	(515.97)	**73.11**	**(74.10)**	**178.90**	**(409.44)**

Notes

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 the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV.

Note 26 : Restated Statement of Employee Benefits Expenses **(₹ in millions)**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Remuneration to Directors	32.90	18.60	18.60	38.60	35.60
Salary, Wages and Bonus	523.27	461.89	408.38	376.46	303.75
Contribution to Provident Fund and other Fund	32.80	27.71	46.44	31.18	40.77
Staff Welfare	21.17	21.67	14.25	12.48	10.77
	610.14	**529.87**	**487.67**	**458.72**	**390.89**

Notes

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 the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV.

Note 27 : Restated Statement of Finance Cost **(₹ in millions)**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Interest					
On Working Capital from Banks	163.83	176.12	202.38	183.95	139.76
On Term Loans	148.09	123.29	130.93	153.95	104.90
Others	8.58	2.44	7.28	30.11	15.11
	320.50	**301.85**	**340.59**	**368.01**	**259.77**
Bank Commission and Charges	39.38	30.72	22.17	17.76	21.97
Exchange Rate Difference to the extent considered as borrowing cost	-	-	11.19	94.72	32.54
	359.88	**332.57**	**373.95**	**480.49**	**314.28**

Notes

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 the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV

Note 28 : Restated Statement of Depreciation and Amortisation expense **(₹ in millions)**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Building	31.07	26.80	24.20	25.89	23.67
Plant & Machinery	186.33	169.81	180.24	144.72	110.91
Electrical Installation	6.28	5.26	4.83	10.62	8.57
Computer	4.08	3.89	4.36	2.91	2.26
Moulds & Dies	59.86	51.30	44.31	62.72	49.56
Office Equipments	3.56	3.16	3.58	1.83	1.27
Furniture & Fixtures	14.27	14.20	13.33	6.42	3.43
Vehicles	3.03	3.23	3.50	2.48	2.09
Computer Software	4.18	3.11	2.61	2.46	2.39
Brands/Trademark	4.04	4.04	4.04	4.04	1.78
Goodwill	0.45	0.45	0.45	0.45	0.20
	317.15	**285.25**	**285.45**	**264.54**	**206.13**

Notes

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 the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 29 : Restated Statement of Other Expenses **(₹ in millions)**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Consumption of Stores and Spares	106.05	80.53	85.31	81.36	74.12
Power and Fuel Expenses	338.14	299.31	288.75	283.37	259.58
Labour Charges	260.21	187.49	121.97	106.11	101.27
Repairs Expenses					
Repairs to Machinery	19.04	13.95	18.32	9.53	14.45
Repairs to Building	-	5.96	6.53	0.73	-
Repairs to Others	13.18	11.76	8.35	4.54	-
Factory Maintenance Expenses	37.04	23.91	27.20	29.40	27.07
Computer Expenses	14.35	-	4.18	3.55	7.10
Brokerage & Commission	10.83	-	0.02	0.02	4.18
Sundry Expenses	22.96	20.88	14.92	19.89	17.81
Printing and Stationery	4.46	4.20	5.72	7.17	6.01
Telephone and Internet Charges	9.43	6.41	6.75	6.89	4.99
Rates and Taxes	35.44	69.67	67.09	28.68	1.35
Insurance Premium	5.22	3.63	3.04	1.83	2.06
Foreign Currency Exchange Difference (Net)	1.07	51.37	7.47	21.04	15.05
Legal and Professional Fees	43.27	39.53	32.01	17.55	9.24
Transport, Freight and Octroi Charges	101.46	66.34	33.73	38.87	31.79
Commission on Sales	27.14	13.34	17.83	18.05	15.16
Advertisement and Sales Promotion Expenses	250.33	139.96	161.06	56.97	80.67
Rent and Maintenance Expenses	72.63	32.77	32.11	33.35	9.66
Travelling and Conveyance Expenses	69.80	50.50	42.38	37.11	28.10
Deferred Revenue Written off	-	-	-	-	0.73
Bad Debts	0.76	-	0.12	8.54	-
Provision for Doubtful Debts	8.16	-	8.21	-	-
Loss on Derivatives	-	1.03	-	-	-
Investment in shares written off	-	-	-	4.90	-
Loss on sale of Fixed Assets (Net)	5.69	2.19	0.41	5.94	-
Donation	12.62	6.45	15.97	19.34	11.75
Electricity Expenses	1.24	1.69	1.90	3.41	1.74
Payment to Auditors					
Audit Fees	1.50	1.40	1.10	1.10	0.44
Reimbursement of expenses	0.02	0.02	0.03	-	0.21
Others	0.42	0.04	0.01	0.15	-
	1,472.46	**1,134.33**	**1,012.49**	**849.39**	**724.53**

Notes

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 the restated summary statement of assets and liabilities, profits and losses and cash flows as appearing in Annexure – IV.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 30: Restated Statement of Contingent Liabilities & Commitments

Capital Commitments **(₹ in millions)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Estimated amounts of contracts remaining to be executed on capital account and not provided for.	75.85	120.74	28.13	31.24	41.62

Contingent Liabilities

Claims against company not acknowledged as debts. **(₹ in millions)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	Brief Description of the nature and obligation
Income Tax matters	15.77	15.68	12.53	13.38	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	5.69	5.71	5.51	5.50	-	Demand relating to Financial years: FY 2012-13 - ₹2.66 millions FY 2013-14 - ₹0.61 millions FY 2015-16 - ₹0.16 millions FY 2009-10 to FY 2010-11 - ₹1.23 millions FY 2009-10 to FY 2013-14 - ₹1.03 millions
Labour matters	1.10	1.10	1.50	1.90	1.90	Demand of Reinstatement with back wages
Other matters	1.10	1.10	1.10	1.10	-	Pertains to demand for compensation for supply of inferior quality pipes

Guarantees and Others **(₹ in millions)**

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	Brief Description of the nature and obligation
Guarantees given by Bank	10.61	11.54	10.75	6.54	6.17	Guarantees given by Bank on behalf of Company to Government and Semi Government Authorities
Guarantees given by Company	63.15	100.06	169.80	224.94	397.80	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 flows as appearing in Annexure – IV.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 31: 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 32: 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 profit and loss in respect of such lease agreements are as follows:

(₹ in millions)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Lease Rent	41.88	25.07	19.80	20.41	6.62

Note 33: Restated Statement of Value of Imports on CIF basis

(₹ in millions)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Raw materials (PVC Resin, PPR & CPVC)	3,156.87	2,168.92	1,062.45	1,608.15	1453.77
Chemicals	80.67	62.16	1.06	13.21	0.58
Product Accessories	-	4.35	2.85	-	-
Consumable Stores	2.27	3.22	4.27	6.90	6.70
Trading Purchase	120.59	98.49	101.61	84.66	202.11
Capital Items	17.59	12.75	5.56	13.68	79.77
Total	**3,377.99**	**2,349.89**	**1,177.80**	**1,726.60**	**1,742.93**

Note 34: Restated Statement of Value of imported and indigenous Raw Materials consumed

(₹ in millions)

Particulars	For the year ended 31 March 2017		For the year ended 31 March 2016		For the year ended 31 March 2015		For the year ended 31 March 2014		For the year ended 31 March 2013	
	Value	Percent of Consumption	Value	Percent of Consumption	Value	Percent of Consumption	Value	Percent of Consumption	Value	Percent of Consumption
Imported	2,546.95	30.45	2,550.41	36.19	1,313.53	18.42	1,687.91	24.68	1,727.68	30.72
Indigenous	5,817.79	69.55	4,496.65	63.81	5,817.44	81.58	5,150.63	75.32	3,896.18	69.28
Total	**8,364.74**	**100.00**	**7,047.06**	**100.00**	**7,130.97**	**100.00**	**6,838.54**	**100.00**	**5,623.86**	**100.00**

Note 35: Restated Statement of Expenses in Foreign Currency during the financial year

(₹ in millions)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Expenses including Capital Expenditure					
Interest	0.85	2.65	5.63	17.79	24.71
Travelling Expenses	0.37	0.46	0.51	0.24	0.05
Others	15.98	10.57	11.33	0.29	0.07

Note 36: Restated Statement of Earnings in Foreign Currency

(₹ in millions)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Earnings - Exports at FOB Value	15.47	20.80	21.02	24.49	27.86

Note 37: Restated Statement of Dues to Micro, Small and Medium Enterprises

(₹ in millions)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Outstanding to Micro, Small and Medium Enterprises	67.79	49.86	57.96	45.38	40.21
Principal Amount Due and remaining unpaid	8.89	5.55	13.40	1.18	-
Interest due on above and unpaid interest	0.08	0.07	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.

Annexure VA-Notes to the Restated Financial Information

Note 38 : Restated Statementon Related party disclosure as per AS 18

(₹ in millions)

Name of Related Party	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
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 *
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 **
Mrs. Heena P. Chheda (Director w.e.f 1st October, 2016)	KMP **	-	-	-	-
Mrs. Tarla J. Chheda (Wife of Director)	Relatives ***	Relatives ***	Relatives ***	Relatives ***	Relatives ***
Mrs. Ashwini V. Chheda (Wife of Director)	Relatives ***	Relatives ***	Relatives ***	Relatives ***	Relatives ***
Mrs. Heena P. Chheda (Relative till 30th September, 2016)	Relatives ***	Relatives ***	Relatives ***	Relatives ***	Relatives ***
Jayant S. Chheda (HUF) (Relative)	Relatives ***	Relatives ***	Relatives ***	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

(₹ in millions)

Name of the transacting related party	Name of Transactions	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
M/S Prince Marketing	Sale of Goods	162.40	31.89	-	31.17	454.35
M/s Ace Polyplast Pvt. Ltd.	Sale of Goods	594.50	78.98	-	-	-
M/S Prince Marketing	Purchase of Goods	1,038.76	978.82	1,187.44	879.64	738.61
M/s Ace Polyplast Pvt. Ltd.	Purchase of Goods	1,645.77	1,004.10	409.59	176.45	386.86
M/S Prince Marketing	Rent paid	0.14	0.23	0.23	0.23	0.20
Jayant S. Chheda	Rent paid	2.08	1.98	1.89	1.80	0.45
Parag J. Chheda	Rent paid	4.17	3.97	3.78	3.60	0.55
Vipul J. Chheda	Rent paid	4.17	3.97	3.78	3.60	0.50
Tarla J. Chheda	Rent paid	2.08	1.98	1.89	1.80	0.45
Ashwini J. Chheda	Rent paid	4.17	3.97	3.78	3.60	0.30
Jayant S. Chheda	Remuneration and Commission	12.00	7.20	7.20	17.20	14.70
Parag J. Chheda	Remuneration and Commission	10.50	6.00	6.00	11.00	11.50
Vipul J. Chheda	Remuneration and Commission	9.30	5.40	5.40	10.40	9.40
Heena P. Chheda (w.e.f from 1st October, 2016)	Remuneration and Commission	3.30	-	-	-	-
Heena P. Chheda (Paid till 30th September, 2016)	Professional Fees	1.80	3.60	3.60	3.30	-
Heena P. Chheda	Salary	-	-	-	0.06	0.72
Ashwini J. Chheda	Salary	0.83	0.72	0.74	0.66	-
Prince Foundation	Donation	8.05	5.10	5.02	-	-
Jayant S. Chheda Charitable Trust	Donation	-	0.05	4.94	1.30	1.13
Parag J. Chheda	Interest Payable on loans taken	-	-	0.11	3.66	1.88
Vipul J. Chheda	Interest Payable on loans taken	-	-	0.29	3.87	1.65
Jayant S. Chheda	Interest Payable on loans taken	-	-	0.87	-	-
Tarla J. Chheda	Interest Payable on loans taken	-	-	-	0.38	0.21
Ashwini J. Chheda	Interest Payable on loans taken	-	-	-	0.47	0.02
Jayant S. Chheda (HUF)	Interest Payable on loans taken	-	-	-	0.40	0.08
Prince Marketing	Interest Payable on loans taken	-	-	-	10.52	-
Jayant S. Chheda	Interest Receivable on loans given	-	-	-	22.55	1.19
Heena P. Chheda	Interest Receivable on loans given	-	-	-	0.11	0.13
Jayant S. Chheda	Loans Received/ (Paid)	-	-	(133.24)	8.53	93.63
Parag J. Chheda	Loans Received/ (Paid)	-	-	(14.86)	(38.40)	17.41
Vipul J. Chheda	Loans Received/ (Paid)	-	-	(27.94)	(24.66)	11.46

Annexure VA-Notes to the Restated Financial Information

Name of the transacting related party	Name of Transactions	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Tarla J Chedda	Loans Received/ (Paid)	-	-	-	(3.35)	2.08
Jayant S. Chheda (HUF)	Loans Received/ (Paid)	-	-	-	(1.24)	0.13
Heena P. Chheda	Loans Received/ (Paid)	-	-	-	(1.66)	0.95
Ashwini J. Chheda	Loans Received/ (Paid)	-	-	-	(3.11)	2.40
Prince Marketing	Loans Received/ (Paid)	-	-	(150.00)	150.00	-
Prince Marketing	Electricity Charges	-	-	-	0.00	0.01
Prince Marketing	Rent Received	-	-	-	0.04	0.11
Pinnacle Realty Projects Pvt. Ltd.	Loans given	-	-	-	-	0.26

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VA-Notes to the Restated Financial Information

Note 39: 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)
31.03.17	33.00	Buy	8.72	565.19
31.03.16	22.00	Buy	4.69	310.63
31.03.15	9.00	Buy	2.29	142.82
31.03.14	12.00	Buy	1.77	106.07
31.03.13	-	-	-	-

Outstanding Option Contracts entered into by the Company :

As at	Name of Contracts	No. of Contracts	No. of Units	
			Long	Short
31.03.17	Nifty Options	-	-	-
	Currency Options	-	-	-
31.03.16	Nifty Options	2	-	3,900
	Currency Options	9	-	1,600,000
31.03.15	Nifty Options	-	-	-
	Currency Options	-	-	-
31.03.14	Nifty Options	-	-	-
	Currency Options	-	-	-
31.03.13	Nifty Options	-	-	-
	Currency Options	-	-	-

Outstanding Swap Contracts entered into by the Company :

As at	Name of Contracts	No. of Contracts	USD (in millions)
31.03.17	Cross Currency Rate Swap	6.00	4.50
31.03.16	Cross Currency Rate Swap	-	-
31.03.15	Cross Currency Rate Swap	-	-
31.03.14	Cross Currency Rate Swap	-	-
31.03.13	Cross Currency Rate Swap	-	-

Details of unhedged foreign currency exposure: (₹ in millions)

Particulars	As at 31 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	Foreign currency Equivalent (in millions)	INR Equivalent (in millions)	Foreign currency Equivalent (in millions)	INR Equivalent (in millions)	Foreign currency Equivalent (in millions)	INR Equivalent (in millions)	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 $)	1.01	65.63	-	-	0.58	36.33	3.15	188.35	-	-
Trade Payables for imports (USD $)	3.27	212.28	1.89	125.17	1.78	111.15	2.33	139.33	-	-
Trade Payables for imports (EURO €)	-	-	0.02	1.66	-	-	-	-	-	-
Trade Payables for imports (AED $)	-	-	1.11	20.00	-	-	-	-	-	-
Trade Payables for imports (Pounds £)	-	-	-	-	-	-	-	-	-	-
Advances - Trade Payables for imports (USD $)	(0.28)	(17.84)	(0.04)	(2.57)	(0.01)	(0.62)	(0.02)	(1.39)	-	-
Advances - Trade Payables for imports (EURO €)	(0.05)	(3.79)	-	-	-	-	-	-	-	-
Advances - Trade Payables for imports (Pounds £)	-	-	-	-	-	-	(0.00)	(0.10)	-	-
Trade Receivables for exports (USD $)	0.01	0.59	0.00	0.00	0.00	0.25	0.01	0.56	-	-
Advances - Trade Receivables for exports (USD $)	(0.02)	(1.46)	(0.03)	(1.88)	(0.04)	(2.31)	(0.02)	(1.49)	-	-

Note 40: Restated Statement of Earnings per share

Earnings per share (EPS) is calculated as under: (₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Net Profit for EPS (A)	743.62	293.63	156.81	250.79	380.52
Weighted Average number of Equity shares for calculation of Basic EPS (B)	47.26	48.01	48.01	48.01	24.00
Basic EPS (A/B)	15.74	6.12	3.27	5.22	15.85
Weighted Average number of Equity shares for calculation of Diluted EPS (C)	47.26	48.01	48.01	48.01	24.00
Diluted EPS (A/C)	15.74	6.12	3.27	5.22	15.85
Nominal Value of Share	10.00	10.00	10.00	10.00	10.00

Note 41: Restated Statement of Expenditure towards Corporate Social Responsibility (CSR) activities (₹ in millions)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Amount required to be spent under section 135 of the Companies Act, 2013, calculated as per section 198 of the Companies Act, 2013	7.65	7.22	6.21
Actual expenditure done on CSR Activities	-	-	-

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Annexure VA-Notes to the Restated Financial Information

Note 42-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 March 2017		As at 31 March 2016		As at 31 March 2015		As at 31 March 2014		As at 31 March 2013	
	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	0.88	28.95	0.97	20.81	1.22	16.92	-	14.51	-	-
Interest Cost	0.06	2.23	0.07	1.56	0.10	1.46	-	1.11	-	-
Current Service Cost	0.44	6.27	0.30	5.46	0.50	3.90	0.38	3.85	-	3.14
Benefits paid	(0.22)	(2.22)	(0.29)	(1.53)	(0.20)	(2.02)	(0.34)	(1.44)	-	-
Actuarial (gain)/ loss on obligation	0.08	0.58	(0.17)	2.65	(0.65)	0.55	1.18	(1.11)	-	11.37
Present Value of obligations at the end of the year	**1.24**	**35.81**	**0.88**	**28.95**	**0.97**	**20.81**	**1.22**	**16.92**	**-**	**14.51**

(ii) Statement showing changes in the fair value of plan assets

(₹ in millions)

Particulars	As at 31st March 2017		As at 31st March 2016		As at 31st March 2015		As at 31st March 2014		As at 31st March 2013	
	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	2.68	-	2.53	-	2.30	-	2.16	-	-	-
Expected Return on Plan Assets	0.22		0.23	-	0.21		0.19	-	0.09	-
Contributions	0.36	2.22	0.23	1.53	0.22	2.02	0.30	1.44	2.08	-
Benefits paid	(0.22)	(2.22)	(0.29)	(1.53)	(0.20)	(2.02)	(0.34)	(1.44)	-	-
Actuarial gain/ (loss)on Plan Assets	(0.00)		(0.02)	-	0.00		(0.01)	-	(0.01)	-
Fair Value of Plan Assets at the end of the year	**3.04**	**-**	**2.68**	**-**	**2.53**	**-**	**2.30**	**-**	**2.16**	**-**

(iii) Amount to be recognised in the Balance Sheet

(₹ in millions)

Particulars	As at 31st March 2017		As at 31st March 2016		As at 31st March 2015		As at 31st March 2014		As at 31st March 2013	
	Funded	Non Funded	Funded	Non Funded	Funded	Non Funded	Funded	Non Funded	Funded	Non Funded
Present Value of obligation	1.24	35.81	0.88	28.95	0.97	20.81	1.22	16.92	-	14.51
Fair Value of Plan Assets	3.04	-	2.68	-	2.53	-	2.30	-	2.16	-
Funded Status	1.79	(35.82)	1.79	(28.96)	1.55	(20.81)	1.07	(16.91)	2.16	(14.51)
Unrecognized Actuarial gain/ (loss)	-	-	-	-	-	-	-	-	-	-
Net Asset/(Liability) recognised in the Balance Sheet	**1.79**	**(35.82)**	**1.79**	**(28.96)**	**1.55**	**(20.81)**	**1.07**	**(16.91)**	**2.16**	**(14.51)**

(iv) Expenses recognised in the Profit and Loss Statement

(₹ in millions)

Particulars	As at 31st March 2017		As at 31st March 2016		As at 31st March 2015		As at 31st March 2014		As at 31st March 2013	
	Funded	Non Funded	Funded	Non Funded	Funded	Non Funded	Funded	Non Funded	Funded	Non Funded
Current Service Cost	0.44	6.27	0.30	5.46	0.50	3.90	0.38	3.85	-	3.14
Interest Cost	0.06	2.23	0.07	1.56	0.10	1.46	-	1.11	-	-
Expected Return on Plan Assets	(0.22)	-	(0.23)	-	(0.21)	-	(0.19)	-	(0.09)	-
Net Actuarial (gain)/ loss recognised in the year	0.08	0.58	(0.14)	2.65	(0.65)	0.55	1.19	(1.11)	(0.01)	11.37
Expenses recognised in the Profit and Loss Statement	**0.36**	**9.08**	**(0.00)**	**9.67**	**(0.26)**	**5.91**	**1.38**	**3.85**	**(0.10)**	**14.51**

(v) Principal actuarial assumptions at the Balance Sheet date

Particulars	As at 31st March 2017		As at 31st March 2016		As at 31st March 2015		As at 31st March 2014		As at 31st March 2013	
	Funded	Non Funded	Funded	Non Funded	Funded	Non Funded	Funded	Non Funded	Funded	Non Funded
Discounted Rate	6.84%	6.84%	8.00%	8.00%	7.80%	7.80%	9.20%	9.20%	8.05%	8.05%
Expected Return on Plan Assets	8.15%		9.00%		9.00%	9.00%	8.75%	8.75%	9.00%	-
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	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%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Withdrawal Rates	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

a. Defined Benefit Plans - Leave Encashment :

(i) Reconciliation of opening and closing balances of the present value of the Defined Benefit Obligation:

(₹ in millions)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015	As at 31st March 2014	As at 31st March 2013
Present Value of obligations at the beginning of the year	35.50	41.04	19.88	10.06	-
Interest Cost	2.76	3.10	1.71	0.69	-
Current Service Cost	19.42	22.49	33.71	8.12	5.90
Benefits paid	(2.03)	(2.52)	(2.64)	(2.86)	
Actuarial (gain)/ loss on obligation	(21.88)	(28.61)	(11.62)	3.88	4.16
Present Value of obligations at the end of the year	**33.77**	**35.50**	**41.04**	**19.89**	**10.06**

(ii) Statement showing changes in the fair value of plan assets

(₹ in millions)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015	As at 31st March 2014	As at 31st March 2013
Fair Value of plan assets at the beginning of the year	-	-	-	-	-
Expected Return on Plan Assets		-		-	-
Contributions	2.03	2.52	2.64	2.86	-
Benefits paid	(2.03)	(2.52)	(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 31st March 2017	As at 31st March 2016	As at 31st March 2015	As at 31st March 2014	As at 31st March 2013
Present Value of obligation	33.78	35.50	41.04	19.88	10.06
Fair Value of Plan Assets	-	-	-	-	-
Funded Status	(33.78)	(35.50)	(41.04)	(19.88)	(10.06)
Unrecognized Actuarial gain/ (loss)	-	-	-	-	-
Net Asset/(Liability) recognised in the Balance Sheet	**(33.78)**	**(35.50)**	**(41.04)**	**(19.88)**	**(10.06)**

(iv) Expenses recognised in the Profit and Loss Statement

(₹ in millions)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015	As at 31st March 2014	As at 31st March 2013
Current Service Cost	19.42	22.49	33.71	8.12	5.90
Interest Cost	2.76	3.10	1.71	0.69	-
Expected Return on Plan Assets	-	-	-	-	-
Net Actuarial (gain)/ loss recognised in the year	(21.88)	(28.61)	(11.62)	3.88	4.16
Expenses recognised in the Profit and Loss Statement	**0.30**	**(3.02)**	**23.80**	**12.69**	**10.06**

(v) Principal actuarial assumptions at the Balance Sheet date

Particulars	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015	As at 31st March 2014	As at 31st March 2013
Discounted Rate	6.84%	8.00%	7.80%	9.20%	8.05%
Expected Return on Plan Assets	-	-	-	-	-
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	Indian Assured Lives Mortality (2006-08) Ultimate
Rate of increase in compensation	* refer note	* refer note	8.00%	3.00%	3.00%
Withdrawal Rates	10.00%	10.00%	10.00%	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 Leave Encashment

(₹ in millions)

Particulars	As at 31st March 2017	As at 31st March 2016	As at 31st March 2015	As at 31st March 2014	As at 31st March 2013
Defined Benefit Obligations	70.84	65.36	62.84	38.02	24.57
Plan Assets	3.04	2.68	2.53	2.30	2.16
Funded Status	67.80	62.67	60.30	35.72	22.41
Experience Adjustment on Plan Liabilities	(21.22)	(26.12)	(11.71)	30.32	15.52
Experience Adjustment on Plan Assets	0.00	(0.02)	0.00	0.01	(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 flows as appearing in Annexure – IV

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VI - Statement of Capitalisation

Particulars	Pre-Issue as at 31 March 17
Debts	
Short Term Debts	1,887.64
Current maturities of Long Term Debts	274.62
Long term Debts	1,057.65
Total Debts	**3,219.91**
Share Holders 'Funds	
Share Capital	450.08
Reserves as restated	1,973.33
Total Share Holders 'Funds	**2,423.41**
Total debts / Total Shareholders' funds	132.87%
Long term debts / Total Shareholders' funds	43.64%

* Shareholders fund post issue can be calculated only on the conclusion of the book building process.

Notes

1. The aforesaid Statement of Capitalisation 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 flows as appearing in Annexure – IV.

Annexure VII - Statement of Dividend

Our Company has not declared any dividends in the five Financial Years preceding the date of this Draft Red Herring Prospectus

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure VIII - Restated Statement of Accounting Ratios

(₹ in millions)

Particulars		For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Net Profit after Tax, as Restated	A	743.62	293.63	156.81	250.79	380.52
Total number of shares outstanding at the end of the year	B	45.01	48.01	48.01	48.01	24.00
Weighted average number of equity Shares outstanding during the year/period	C	47.26	48.01	48.01	48.01	24.00
Weighted average number of diluted equity shares outstanding during the year	D	47.26	48.01	48.01	48.01	24.00
Basic Earnings per share (Rs.)	A/C	15.74	6.12	3.27	5.22	15.85
Diluted Earnings per share (Rs.)	A/D	15.74	6.12	3.27	5.22	15.85
Return on Net-worth (%)		31.57%	16.41%	10.48%	18.68%	34.86%
Net asset value per equity share		52.33	37.27	31.16	27.96	45.48

Notes:

1.The Ratios have been computed as below:

a) Basic Earnings per share before adjusting exceptional item = Net Profit after tax (As restated) / Weighted average number of equity shares outstanding during the year

b) Diluted Earnings per share before adjusting exceptional item = Net Profit after tax (As restated) / Weighted average number of diluted shares outstanding during the year

c) Return on net worth (%) = Net profit after tax (As restated) / Net worth at the end of the year

d) Net asset value per share (Rs.) = Net worth at the end of the year (As restated) / 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 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 year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013
Paid Up Share Capital	450.08	480.08	480.08	480.08	240.04
Reserves					
Surplus transfer from Balance Sheet	1,840.59	1,244.66	951.03	794.22	773.47
General Reserve	64.65	64.65	64.65	68.19	78.19
Net worth	**2,355.32**	**1,789.39**	**1,495.76**	**1,342.49**	**1,091.70**

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 flows as appearing in Annexure – IV.

Prince Pipes and Fittings Limited (Formerly Known as Prince Pipes and Fittings Private Limited)

Annexure IX-Restated Statement of Tax Shelter

(₹ in millions)

Particulars		For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2015	For the year ended 31 March	For the year ended 31 March 2013
Restated profit before taxes	A	954.83	365.86	178.30	323.30	493.24
Tax rate (%)	B	34.608%	34.608%	33.990%	33.990%	32.450%
Tax Expense	C	330.45	126.62	60.61	109.89	160.06
Adjustments						
Permanent Difference						
Disallowance U/s 14A		0.02	0.01	0.02	0.04	0.01
Interest on TDS & VAT		0.03	0.02	-	-	-
Penalties		-	0.01	0.16	0.36	0.21
Interest & Penalty on EPCG		-	41.03	45.52	23.62	-
Deduction u/s 80IC of Income Tax Act,1961		(317.08)	(176.60)	(102.63)	(128.94)	(425.58)
Donation Disallowed		6.46	3.22	7.99	9.67	10.02
Interest to Micro,Small & Medium Enterprises		0.08	0.07	0.08	0.08	-
Marked to Market forex derivative losses		-	0.57	-	-	-
Investment in shares written off					4.90	
Dividend Income		(0.03)	(0.06)	(0.09)	(0.07)	(0.05)
Others						0.99
Total	D	**(310.52)**	**(131.73)**	**(48.95)**	**(90.34)**	**(414.40)**
Temporary Difference						
Difference between book depreciation and tax depreciation		(52.19)	(0.87)	12.99	(31.64)	(37.72)
(Profit)/Loss on Sale of Fixed Assets		5.69	2.19	0.41	5.94	(27.25)
(Profit)/Loss on Sale of Investments				(3.22)	-	(0.81)
Bonus allowed						(4.82)
Debts written back						
Differences on account of expenses disallowable u/s 43B of the Income Tax Act, 1961						
Provision for gratuity and leave encashment		5.13	2.61	26.13	11.15	24.57
Bonus						0.05
Provision for doubtful debts		8.16		8.21		
Total	E	**(33.21)**	**3.93**	**44.52**	**(14.55)**	**(45.98)**
Net Adjustments (D+E)	F	(343.73)	(127.80)	(4.43)	(104.89)	(460.38)
Tax Expenses/ (Savings) thereon (F*B)	G	(118.96)	(44.23)	(1.51)	(35.65)	(149.39)
Current Tax (C+G)	H	211.49	82.39	59.10	74.24	10.67
Calculation of MAT						
Taxable Income (Book Profits) as per MAT	I	954.76	365.85	179.28	327.28	493.18
MAT Rate (%)	J	21.34%	21.34%	20.96%	20.96%	20.01%
Tax Liability as per MAT (I*J)	K	203.76	78.08	37.58	68.60	98.67
Current Tax (Higher of H & K)	L	211.49	82.39	59.10	74.24	98.67
Interest under Section 234B & 234C (As per income tax returns & orders)		-	2.90	1.35	0.93	0.71
Deferred Tax charge/(income)	M	7.45	(8.74)	(17.44)	2.97	13.34
MAT Credit Utilised	N	(7.73)	(4.32)	(21.52)	(5.63)	-
Total Tax Expense as per restated statement of profit and loss (L+M+N)		**211.21**	**72.23**	**21.49**	**72.51**	**112.72**

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 flows as appearing in Annexure – IV

As per our report attached
For **Khimji Kunverji & Co.**
Chartered Accountants
Firm Registration No: 105146W

Gautam V Shah
Partner (F-117348)

Place : Mumbai
Date: 16 September 2017

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

SHAILESH K. BHASKAR
Company Secretary

SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

We have prepared and presented our audited financial statements in accordance with Indian GAAP, which differs in certain material respects from Ind AS.

The financial information included in the section "Financial Statements" has been prepared on the basis of the Company's audited financial information, restated in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations. Many differences exist between Indian GAAP and Ind AS that might be material to our financial information.

The matters described below summarize certain key differences between Indian GAAP and Ind AS. No numerical reconciliation of the financial position and results of operations under Indian GAAP and under Ind AS have been included in the DRHP. Therefore, we are not in a position to state as to how our financial position and the results of operations would be impacted when computed under Ind AS.

Ind AS comprises of accounting standard notified under the Companies (Indian Accounting Standards) Rules,2015. Indian GAAP comprises accounting standards issued by the Institute of Chartered Accountants of India notified under the Companies (Accounting Standards) Rule, 2006 as amended and to the relevant requirements of the Companies Act, 2013. Indian GAAP comprises of accounting standard issued by the Institute of Chartered Accountant of India notified under the Companies (Accounting Standards) Rule, 2016 as amended and to the relevant requirements of the Companies Act, 2013. In certain cases, the Indian GAAP description also refers to Guidance Notes issued by the Institute of Chartered Accountants of India.

Please note that this is not an exhaustive list of differences between Ind AS and Indian GAAP; rather, it indicates only those key differences which are considered to be more relevant to the financial position and results of operations of the Company and does not cover all differences regarding presentation, classification and disclosure requirements applicable under Ind AS and Indian GAAP

Sr. No.	Ind AS No.	Particulars	Ind AS Treatment	Indian GAAP Treatment	Impact
1	**Ind AS 1**	**Presentation of Financial Statements : Other Comprehensive Income (OCI)**	Ind AS 1 requires the presentation of a statement of Other Comprehensive Income (OCI) as part of the financial statements. This statement presents all the items of income and expense (including reclassification adjustments) that are not recognized in the Statement of Profit and Loss as required or permitted by other Ind ASs.	There is no concept of inclusion of statement of Other Comprehensive Income (OCI) under Indian GAAP. Hence all the items of incomes and expenses are recognized in the Statement of Profit and Loss.	Gain and losses from investments in equity instruments designated at FVOCI, Actuarial Gain and losses on remeasurments of Defined Benefit Plans, Effective portion of gains and losses on hedging instruments in cash flow hedge and deferred tax thereon are presented under OCI
2	**Ind AS 1**	**Presentation of Financial Statements : Statement of Changes in Equity (SOCIE)**	Ind AS 1 requires the presentation of all transactions with equity holders in their capacity as equity holders to be presented in the statement of changes in equity (the "SOCIE"). The SOCIE is considered to be an integral part of financial statements.	Indian GAAP does not require a Statement Of Change In Equity. However, information relating to the appropriation of profits and movement in capital and reserves is presented in the line items 'Share Capital' and 'Reserves and Surplus' in the Balance Sheet.	A SOCIE will have to be prepared, containing details of Total Comprehensive Income.

Sr. No.	Ind AS No.	Particulars	Ind AS Treatment	Indian GAAP Treatment	Impact
3	**Ind AS 1**	**Presentation of Financial Statements: Extraordinary Items**	Under Ind AS 1 presentation of items of income and expenditure as extraordinary is prohibited.	Extraordinary items are disclosed separately in Indian GAAP to determine the net profit after tax.	There will be no impact on date of transition to Ind AS as there are no extraordinary items being recorded in the current period. However, going forward, extraordinary items shall not be disclosed in the financial statements.
4	**Ind AS 1**	**Presentation of Financial Statements: Disclosures**	Ind AS 1 requires disclosure of: (a) Critical judgments made by the management in applying accounting policies; (b) Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and (c) Information that enables users of financial statements to evaluate the entity's objectives, policies and processes for managing capital.	There are no specific disclosure requirements under Indian GAAP.	The Company would require to make disclosures as per Ind AS 1 in the financial statements
5	**Ind AS 7**	**Statement of Cash Flows:**	As per Ind AS 3 (in accordance with Ind AS 1), the cash flow statement does not reflect any item of cash flow as extraordinary item. As per Ind AS 7, Bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents.	As per Indian GAAP, cash flows associated with extraordinary items should be classified as arising from operating, investing or financing activities as appropriate and separately disclosed. As per Indian GAAP, Bank overdrafts were not considered as cash equivalents.	Bank overdrafts repayable on demand will now be included as a part of cash and cash equivalents in the Statement of Cash Flows. However, same would be disclosed under Financial Liability as per Schedule III
6	**Ind AS 8**	**Accounting Policies, Changes in Accounting Estimates and Errors: Change in Accounting Policy**	Under Ind AS 8, an entity shall account for a change in accounting policy retrospectively unless transitional provisions, if any, of an Ind AS require other wise. Comparative information is restated, and the amount of the adjustment relating to prior periods is adjusted against the opening balance of retained earnings of the earliest year	As per Indian GAAP, Any change in an accounting policy which has a material effect should be disclosed. The impact of, and the adjustments resulting from, such change, if material, should be shown in the financial statements of the period in which such change is made, to reflect the effect of such change. Where the effect of such change is not	There will be no impact on date of transition to Ind AS. However, going forward, any changed in accounting policy will be applied retrospectively, and not prospectively.

Sr. No.	Ind AS No.	Particulars	Ind AS Treatment	Indian GAAP Treatment	Impact
			presented.	ascertainable, wholly or in part, the fact should be disclose.	
7	**Ind AS 8**	**Accounting Policies, Changes in Accounting Estimates and Errors: Rectification of Prior Period Error**	Under Ind AS 8, an entity shall correct material prior period errors retrospectively in the first set of financial statements approved for issue after their discovery by: (a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or (b) if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.	The nature and amount of prior period items should be separately disclosed in the statement of profit and loss in a manner that their impact on the current profit or loss can be perceived. Comparative information of previous years is not required to be restated.	There will be no impact on date of transition to Ind AS. However, going forward, prior period errors will be corrected retrospectively by restating comparative information of previous years, rather than giving the impact in the current period.
8	**Ind AS 10**	**Events After the Reporting Period: Material Non-adjusting events after reporting period**	As per Ind AS 10, material non-adjusting events are required to be disclosed in the financial statements.	Under Indian GAAP, material non-adjusting events are required to be disclosed in the report of approving authority i.e. Board Report.	There will be no material impact on date of transition to Ind AS, as there are no non-adjusting events occurring in the current year. However, going forward, any material non-adjusting events will be disclosed in the financial statements instead of Board Report.
9	**Ind AS 12**	**Income Taxes**	Deferred Taxes are computed for temporary differences between the carrying amount of an asset or liability in the Statement of Financial Position and its tax base. Current Tax and Deferred Tax are recognized outside Statement of Profit or Loss if the tax relates to items that are recognized in the same or different period, outside Statement of Profit or Loss. Therefore the tax on items recognized in Other Comprehensive Income (OCI) or directly in Equity, is also recorded in Other Comprehensive Income (OCI) or in Equity, as appropriate.	Deferred taxes are computed for timing differences in respect of recognition of items of profit or loss for the purpose of financial reporting and for income taxes.	Tax Base and Carrying Amount on the date of transition will be compared, and deferred tax on temporary differences will be created. Current & Deferred Tax on items that have been reclassified to Other Comprehensive Income will be recognised in Other Comprehensive Income.
10	**Ind AS 18**	**Revenue: Measurement**	Under Ind AS 18, revenue from sale of products is measured at the	Revenue is recognized at the nominal amount of consideration	Commission on sales and some part of Advertisement & Sales

Sr. No.	Ind AS No.	Particulars	Ind AS Treatment	Indian GAAP Treatment	Impact
			fair value of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates/ incentives. When the inflow of cash and cash equivalents is deferred is determined by discounting the future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of consideration is recognized as interest revenue using the effective interest method.	receivable. Revenue is measured at the amount recoverable from the customers for goods supplied or the resources used by them. Discounting of deferred revenue is normally not required.	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.
11	**Ind AS 18**	**Revenue: Excise Duty**	As per Ind AS 18, 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.	Under Indian GAAP, revenue from sale of products was presented net of excise duty under revenue from operations.	Excise duty will now be presented as part of other expenses, and will no longer be netted off against revenue.
12	**Ind AS 19**	**Employee Benefits**	Under Ind AS 19, Actuarial gains & losses arising on remeasurement of net defined asset / liability, will be recognized as part of "Other Comprehensive Income".	Under Indian GAAP, the impact of actuarial gains & losses arising on remeasurement of net defined asset/liability was given in the statement of profit & loss.	Actuarial Gains & Losses on funded net defined Gratuity plan is reclassified to OCI.
13	**Ind AS 24**	**Related Party Disclosures: Key Management Personnel (KMP)**	Under Ind AS 24, KMP are person having authority and responsibility for planning, directing and controlling the activities of the entities directly or indirectly, including any directors whether executive or otherwise of that entities.	Under Indian GAAP, KMP are person having authority and responsibility for planning, directing and controlling the activities of the reporting enterprise. Non-Executive director is not considered as KMP.	Since Non-executive directors are KMP as per Ind AS, the Company requires to make disclosures for Non-executive directors accordingly
14	**Ind AS 37**	**Provisions, Contingent Liabilities & Contingent Assets: Contingent Assets**	Where an inflow of economic benefits is probable, an entity shall disclose a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an	Under Indian GAAP, Contingent assets are not disclosed in financial statements.	There will be no impact on date of transition. However, going forward, contingent assets will be disclosed in the financial statements if inflow of economic benefits is probable.

Sr. No.	Ind AS No.	Particulars	Ind AS Treatment	Indian GAAP Treatment	Impact
			estimate of their financial effect.		
15	**Ind AS 38**	**Intangible Assets: Subsequent Measurement**	Under Ind AS 38, subsequent measurement of intangibles can be done either at cost model or at revaluation model.	Under Indian GAAP, after initial recognition, an intangible asset should be carried at its cost less any accumulated amortisation and any accumulated impairment losses.	There will be no impact on date of transition, as the company will continue to measure all intangibles as per the cost model.
16	**Ind AS 103 r.w. Ind AS 38**	**Business Combinations: Goodwill**	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 is amortised over a period of 10 years	The Company has purchased goodwill on account of amalgamation. Such goodwill is not required to be amortised under Ind AS.
17	**Ind AS 108**	**Operating Segments: Determination of Segments**	Under Ind AS 108, segments are required to be determined based on the Chief Operating Decision Maker's (CODM's) regular review of the financial information for allocating resources and assessing performance.	Under Indian GAAP, segments are determined on the basis of geography and business, using a "risk-and-reward" approach.	The Company requires to make disclosure in financial statements as per requirements of Ind AS 108
18	**Ind AS 109**	**Financial Instruments: Expected Credit Loss (ECL) on Trade Receivables**	Under Ind AS 109, Entity makes the assessment for credit loss allowance for Trade receivables on the basis of Lifetime Expected credit loss model as per simplified approach prescribed in Ind AS 109.	Under Indian GAAP, provisions are made for specific receivables based on the circumstances such as credit defaults of customers or disputes with customers. An enterprise assess the provision of doubtful debts at each period end which, in practice, is based on relevant information such as past experience, actual financial position of the debtors.	The company calculates credit losses as per provision matrix and there are no material impact as on 31/03/17.
19	**Ind AS 109**	**Financial Instruments: Equity Investments**	As per Ind AS 109, Investments in Equity Instruments held by the company must be measured at Fair Value. Quoted Equity investment are being classified under FVTPL. Unquoted equity investments are being classified under FVOCI.	Under Indian GAAP, Long Term 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 dimunition in the carrying value. Current investments are stated at lower of cost and fair value.	Investments in Quoted Equity Shares are being measured at FVTPL. Accordingly, gain or loss on account of changes in fair value of such investmenrts are recorded in the statement of Profit & Loss. Investments in Unquoted Equity Shares are being measured at FVOCI. Accordingly, gain or loss on account of changes in fair value are recorded in OCI.

Sr. No.	Ind AS No.	Particulars	Ind AS Treatment	Indian GAAP Treatment	Impact
20	**Ind AS 109**	**Financial Instruments: Processing Fees**	Loan Processing fees paid in raising a loan shall be amortised by applying effective interest method.	Loan Processing fees incurred in raising the borrowings is amortised over the tenure of the borrowings.	Loan processing fees is amortised as per effective interest.
21	**Ind AS 109**	**Financial Instruments: Security Deposits Given**	Interest-free deposits which are being given to parties on account of return in future (refund period is certain) in cash, will be discounted using an appropriate current market rate and will be shown at their fair value at the time of its initial recognition. The difference between the nominal value and the fair value of the deposit under the lease is considered as prepaid rent, which will be expensed on a straight line basis over the period of the lease. The company will also recognize interest income using the discounting rate, over the life of the deposit.	Under Indian GAAP, interest-free deposits are accounted as current/non-current assets at historical cost.	The difference between the nominal value and the fair value of the deposit under the lease will be recorde as prepaid rent (non-current asset), which will be expensed on a straight line basis over the period of the lease. The company will also recognize interest income every year using the discounting rate, over the life of the deposit.
22	**Ind AS 109**	**Financial Instruments: Hedge Accounting**	As per Ind AS 109, Cross currency swap is designated as Cash Flow Hedge for risk associated with cash flow of highly probable forecast transactions and variable interest rate risk associated with borrowings. Accordingly, changes in fair value of such swaps, to the extent such hedge is effective, are recognised under OCI as cash flow Hedge reserve. The amount that has been accumulated in cash flow hedge reserve shall be reclassified to statement of profit or loss as a reclassification adjustment in the same period during which interest expense is recognised and repayment of borrowing is made.	Under Indian GAAP, Cross Currency swap is designated as hedges of foreign currency risk associated with the cash flows of highly probable forecast transactions and variable interest rate risks associated with the borrowings. Accordingly, Any gains or loss arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedge which is recognized in shareholder's funds and presented as separate component of shareholder's funds which is later reclassified to statement of profit and loss when the hedge item affects profit & loss.	There is no change in accounting treatment prescribed by Ind AS and followed by the Company under IGAAP Except that the Company requires to identify Cash flow Hedge reserve as an item of OCI
23	**Ind AS 109**	**Financial Instruments:**	As per Ind AS 109, forward	Under Indian GAAP, Premium /	The Company will fair value

Sr. No.	Ind AS No.	Particulars	Ind AS Treatment	Indian GAAP Treatment	Impact
		Forward Contracts	exchange contracts are accounted as derivative instrument 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	discount, in respect of forward exchange contract is recognised over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss	forwards contracts and recognise any changes on account of such fair valuation in statement of profit and loss

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, which have been prepared in accordance with the Companies Act, Indian GAAP and the SEBI ICDR Regulations, included in the section "Financial Statements" beginning on page 182. As at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, our Company did not have any subsidiaries and, consequently, the Restated Financial Statements have been prepared on a standalone basis only.

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 14 and 15, 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 production capacity, number of distributors, and number and variety of products manufactured *(Source: CRISIL Research Report)*. We market our products under two brand names: Prince Piping Systems; and Trubore Piping Systems. 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 manufacturing polymer pipes and more than 20 years' experience in manufacturing fittings.

We currently manufacture polymer pipes and fittings using four different polymers: UPVC; CPVC; PPR; and PP. As at August 31, 2017, we have a product range of more than 7,500 SKUs. Our products are used for varied applications in plumbing, irrigation, and sewage disposal. Our product range meets the requirements of both the rural and urban markets.

We have five strategically located manufacturing plants, which has enabled us to develop 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); and Kolhapur (Maharashtra). The total installed capacity of our five existing plants is 210,646 tonnes per annum as at August 31, 2017. We use contract manufacturers in Hajipur (Bihar); Aurangabad (Maharashtra); and Roorkee (Uttarakhand).

We plan to set up two new manufacturing plants, one in Jobner (Rajasthan), which is near Jaipur, and the other in Sangareddy (Telangana).

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

We currently sell our products to distributors who then resell them to wholesalers, retailers and consumers. As at August 31, 2017, we had 766 distributors spread across India.

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 sewage disposal in real estate, agriculture, infrastructure and related segment. The performance of these industries and segment, and consequently the demand for our products in these segment, are dependent on economic and other factors such as government policies, regulations and budgetary allocations as well as investments made in these industries

and segment. Our results of operations have been, and will continue to be, significantly affected by the macroeconomic environment in India. *(Source: CRISIL Research Report*).

Expansion of existing product portfolio

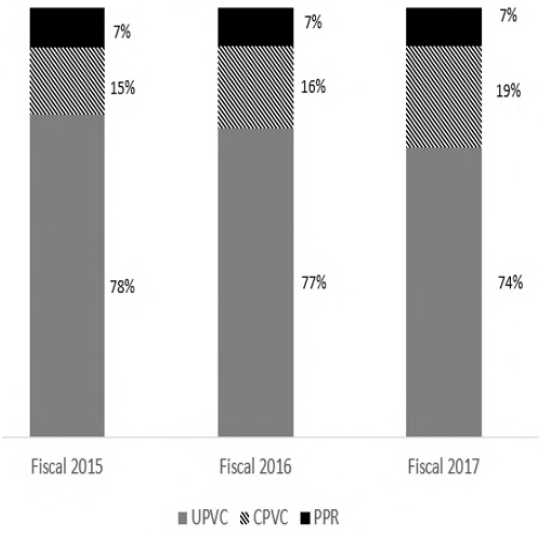
Our revenue from operations is also affected by the number of new SKUs that we introduce in that period. We have a product development team, which is responsible for expanding our product portfolio. Our product development team regularly interacts with the plumbing consultants and contractors to understand the demand for new products, our SKUs increased from 6,415 as at March 31, 2016 to 6,954 as at March 31, 2017 representing an increase of 8.40%.
We plan on entering the HDPE segment with DWCs. For details, see "*Our Business−Strategies*" on page 128.

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.

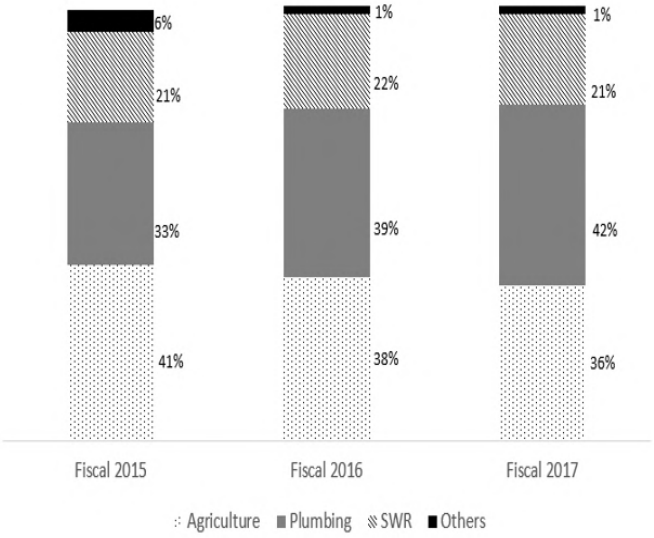
Percentage of revenue from CPVC and PPR products and percentage of revenue from plumbing products

Our CPVC and PPR products have higher margins than our UPVC products and our plumbing products have a higher margin than our other products. Therefore, increases in the percentage of our revenue from operations from CPVC and PPR products and increases in the percentage of our revenue from operations from our plumbing products have a positive effect on our results of operations. Set forth below are charts showing the percentage of our sales revenue by type of polymer and by industry end-use for each of Fiscal 2015, Fiscal 2016 and Fiscal 2017:

Percentage of Gross Revenue from the Sale of Manufactured Goods by Polymer Type



Percentage of Gross Revenue from the Sale of Manufactured Goods by Estimated End-Use



As shown in the charts above, our gross revenue from the sale of manufactured goods from CPVC products increased from 14.94% for Fiscal 2015 to 18.88% for Fiscal 2017 and our gross revenue from the sale of manufactured goods from plumbing products increased from 32.71% for Fiscal 2015 to 42.04% for Fiscal 2017.

Fluctuations in cost of material consumed

Our results of operations are affected by fluctuations in the cost of material consumed. Our cost of materials consumed was ₹ 7,130.97 million, ₹ 7,047.06 million and ₹ 8,364.74 million in Fiscal 2015, Fiscal 2016 and Fiscal 2017, respectively, which represented 74.50%, 69.84% and 66.25% of our revenue from operations in Fiscal 2015, Fiscal 2016 and Fiscal 2017, respectively. We have not entered into any long term supply agreements for any of our raw materials. Therefore, the price we pay for our raw materials is affected by changes in market conditions.

UPVC, CPVC and PPR 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)*. The weighted average price we paid for UPVC resin per tonne was ₹ 82,729, ₹ 71,253 and ₹ 73,034 for Fiscals 2015, 2016 and 2017, respectively. While we endeavour to pass on increases in the prices 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 price decreases for our UPVC products in line with the decrease in the price of PVC resin.

Fluctuations in interest rates and funding

Our results of operations are affected by fluctuations in interest rates. We 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 March 31, 2017, our floating rate borrowings stood at ₹ 3,214.67 million. 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 interest on floating rate loans and on any new borrowings. Conversely, any increase in our credit ratings would most likely result in a decrease in interest on floating rate loans and on any new borrowings. Our current credit ratings, are CARE BBB+ for long term bank facilities and CARE A3+ for short term bank facilities. The table below sets forth our credit ratings:

Month/Year	Rating Agency	Short Term Rating	Long Term Rating(Outlook)
February 2014	ICRA Rating	A3	BBB-(Stable)
December 2014	ICRA Rating	A3	BBB-(Stable)
January 2016	CARE Rating	A3	BBB
November 2016	CARE Rating	A3+	BBB+

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 sewage disposal 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. 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 138.

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 June 2008 up to and including June 2013 and thereafter we have claimed a deduction of 30% of the profits of the said undertaking. This benefit is only available for 10 consecutive years and we will no longer benefit from it after June 2018. See "*Statement of Tax Benefits*" on page 92 for further details. The amount of such tax deduction for Fiscals 2015, 2016 and 2017 amounted to ₹ 102.63 million, ₹ 176.60 million and ₹ 317.08 million, respectively.

In addition to the above factors, the following factors will have a significant effect on our future results of

operations and financial condition:

Introduction of GST

CRISIL Research expects the implementation of GST to be a major factor driving long-term growth in the plastic pipes industry, especially for organised players. The GST rate for plastic pipes and fittings is 18.00%. In the pre-GST era, effective tax rate including excise and VAT was approximately 18.00%. Due to differential VAT rates across the states, effective tax difference across states was very marginal at under 0.50%. Consequently, post-GST implementation, there is no change in effective tax in the plastic pipes industry. However, smooth inter-state goods movement and greater tax compliance will benefit the branded players.

Currently, the organised segment accounts for nearly 60-65% share of the country's plastic piping industry. The unorganized segment caters mainly to segment such as irrigation and plumbing that have low quality requirements. The unorganised segment largely competes on price rather than on quality. Prices of products manufactured by the unorganised sector are lower as tax compliance by these players is lower unlike organized players. However, due to GST implementation, CRISIL Research expects greater tax compliance by unorganised players which will result in reduced price differential between organised and unorganised players. This is because input tax credit, being the crux of GST mechanism, will ensure wider coverage of tax payers in the supply chain. As supply from registered taxpayers only will be allowed for input tax credit, businesses and stakeholders will insist on registration of their suppliers and traders leading to an increase in the share of organised participants. Furthermore, suppliers failing to comply with the timelines of GST returns will see their compliance ratings impacted.

In addition, due to smooth interstate goods movement, organised players will now be able to cater to the regions that were earlier serviced only by local small, unorganised players. Consequently, organised players are expected to greatly benefit from GST by improving their market share. *(Source: CRISIL Research Report)*

Whether we are able to set up two new manufacturing plants, and to launch and implement various projects and business plans

We plan to set up two new manufacturing plants, one in Rajasthan with a total estimated installed capacity of 55,750 tonnes per annum and one in Telangana with a total estimated installed capacity of 91,332 tonnes per annum. The estimated total cost for the setting up the plant in Rajasthan is ₹ 1,348.40 million and the estimated total cost for the setting up the plant in Telangana is ₹ 2,322.17 million. We plan to commence production at the Rajasthan plant in Fiscal 2019 and at the Telangana plant in Fiscal 2020. For more details on the planned new plants, see "*Our Business–Manufacturing–Proposed New Plants*" on page 132. We intend to use ₹ 2,245.11 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 84.

Additionally, we currently market and sell our Trubore brand products primarily in Tamil Nadu, primarily to the agriculture segment. We plan to increase the product portfolio under the Trubore brand to cater to the building industry and infrastructure segment. We also plan to increase sales of our Trubore brand products by increasing our marketing efforts and the number of distributors for our Trubore brand products outside of Tamil Nadu, which should help us in increasing our sales in existing as well as new geographies. For more details, see "*Our Business–Strategies–Expand the Trubore brand to new product lines and new states*" on page 129.

Until now our focus has been on products for application above ground, namely, plumbing, irrigation, and sewage disposal. We now plan on expanding the reach of our products for application in underground drainage by entering the HDPE segment with DWC pipes. For more details, see "*Our Business–Strategies–Expand our product portfolio*" on page 128.

Our ability to successfully set up the two new manufacturing plants and to launch and implement various projects and business plans will affect our growth prospects, financial condition and results of operations.

CRITICAL ACCOUNTING POLICIES

The discussion and analysis of our financial condition and results of operations are based upon our financial statements, except where otherwise noted. We believe that application of the critical accounting policies set forth below entails the most significant judgments and estimates used in the preparation of our financial

statements.

Basis of Preparation of Financial Statements

The Restated Financial Statements have 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 Statements have been compiled by the Company from the audited financial statements of the Company for the respective years prepared under Indian GAAP. The Restated Financial Statements have been prepared for the purposes of the Offer 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; and
(b) item (IX) of Part A of Schedule VIII of the ICDR Regulations as amended 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 SEBI.

Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, 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.

Property, Plant and Equipment, and Depreciation

Property, plant and equipment are stated at the 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 ₹ 5,000 are fully depreciated in the year of acquisition.
Material items such as spares parts, stand-by equipment and servicing equipment are classified as property, plant and equipment, which meets the definition of PPE as per AS 10, Property Plant and Equipment.

Schedule II of the Companies Act, 2013 prescribes the requirements concerning the depreciation of property, plant and equipment.

From April 1, 2014, considering the applicability of Schedule II of the Companies Act, 2013, the management has re-estimated useful lives and residual values of all the property, plant and equipment of our Company. 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.

Based on the expected useful life of these assets for our Company, our Company has considered below useful lives / Depreciation rates for different classes of assets:

Property, Plant and Equipment	Useful Lives as per Schedule II of the Companies Act, 2013 from April 1, 2014 onwards	Useful Lives estimated by the management from April 1, 2014 onwards	Depreciation rates as per useful lives as estimated by the management from April 1, 2014

Property, Plant and Equipment	Useful Lives as per Schedule II of the Companies Act, 2013 from April 1, 2014 onwards	Useful Lives estimated by the management from April 1, 2014 onwards	Depreciation rates as per useful lives as estimated by the management from April 1, 2014
Factory Building (including Compounding Walls)	30 years	30 years	3.34%
Other Building	60 years	60 years	1.63%
RCC Roads	10 years	10 years	3.34%
Office Equipment	5 years	5 years	13.91%
Vehicles-Two Wheeler	10 years	10 years	9.50%
Vehicles-Four Wheeler	8 years	8 years	9.50%
Furniture & Fixtures	10 years	10 years	6.33%
Computer Hardware (Servers)	6 years	6 years	16.21%
Computer Hardware (Others)	3 years	3 years	16.21%
Buildings (temporary structure)	3 years	5 years	-
Plant & machinery (including double and triple shifts)	15 years	7.5-10 years	10.34%
Plant & Machinery (Screw & Barrel)	15 years	3 years	10.34%
Moulds & Dies	15 years	7.5 years	16.21%
Electrical Installations	10 years	15 years	13.91%
Stores and Spares in the nature of PPE	15 years	10 years	10.34%

Intangible Assets 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.

Our Company has used the following useful life to amortise our intangible assets:

Intangible Assets	Estimated Useful Life
Computer Software	6 years
Brands/Trademarks	10 years
Goodwill	10 years

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 Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.

Borrowing Cost and Finance Charges

Borrowing cost attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such assets up to the date when such assets are ready for its intended use. Other borrowing cost are charged to the statement of profit and loss in the period in which they are incurred. Finance charges incurred in raising the borrowings are amortised over the tenure of the borrowings.

Investments

Investments that 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 investments. 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 the lower of cost and fair value.

Lease Accounting

Leases, where a significant portion of risk and reward of ownership are retained by the lessor are classified as

operating leases. All leases are cancellable leases. Lease rentals thereon are charged to the statement of profit and loss over the lease term. Initial direct costs relating to such operating lease of stores are amortised over the period of the lease.

Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a first-in first-out (FIFO) basis. The cost of manufactured goods comprises 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.

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 Profit and Loss as incurred. Our Company has no further obligations beyond its monthly contributions to this fund.

Gratuity

Provision for gratuity, which is in the nature of a 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 Profit and Loss.

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 incentives, 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 profit and loss.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to our 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.

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 our Company reassesses the unrecognised deferred tax assets and reviews the deferred tax assets recognised.

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 Profit and loss. Foreign exchange differences arising on settlement/conversion of borrowings are considered as finance cost. Pursuant to the Ministry of Corporate Affairs (MCA) circular in respect of clarification on paragraph 46A of Accounting Standard 11, our 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.

Derivative Financial Instruments

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.

Our 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 the 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.

Provisions and Contingent Liabilities

Provisions are recognised for when our 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 certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Cash Flow Statement

Cash flows are reported using the indirect method, whereby 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 our Company are segregated.

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.

RESULTS OF OPERATIONS

The table below sets forth our results of operation derived from our Restated Financial Statements for Fiscals 2017, 2016 and 2015, expressed in absolute terms and as a percentage of our revenue from operations for the periods indicated.

Particulars	Year ended March 31, 2017		Year ended March 31, 2016		Year ended March 31, 2015	
	Amount (in ₹ millions)	Percentage of revenue from operations (%)	Amount (in ₹ millions)	Percentage of revenue from operations (%)	Amount (in ₹ millions)	Percentage of revenue from operations (%)
Revenue:						
Revenue from Operations	12,625.80	100	10,089.87	100	9,571.91	100
Other Income	12.87	0.10	5.61	0.06	20.61	0.22
Total Revenue	**12,638.67**	**100.10**	**10,095.48**	**100.06**	**9,592.52**	**100.22**
Expenses:						
Cost of Materials Consumed	8,364.74	66.25	7,047.06	69.84	7,130.97	74.50
Purchases of Stock in Trade	1,075.44	8.52	327.43	3.25	197.79	2.07
Changes in Inventories of Manufactured goods	(515.97)	(4.09)	73.11	0.72	(74.10)	(0.77)
Employee Benefit Expense	610.14	4.83	529.87	5.25	487.67	5.09
Other Expenses	1,472.46	11.66	1,134.33	11.24	1,012.49	10.58
EBITDA[(1)]	***1,618.99***	***12.82***	***978.07***	***9.69***	***817.09***	***8.52***
Finance Costs	359.88	2.85	332.57	3.30	373.95	3.91
Depreciation	317.15	2.51	285.25	2.83	285.45	2.98
Total Expenses	**11,683.84**	**92.54**	**9,729.62**	**96.43**	**9,414.22**	**98.35**
Profit Before Tax	**954.83**	**7.56**	**365.86**	**3.63**	**178.30**	**1.86**
Tax Expense:						
Current Tax	203.76	1.61	80.97	0.80	38.93	0.41
Deferred Tax Expense	7.45	0.06	(8.74)	(0.09)	(17.44)	(0.18)
Total Tax Expense	***211.21***	***1.67***	***72.23***	***0.72***	***21.49***	***0.22***
Profit for the Year	**743.62**	**5.89**	**293.63**	**2.91**	**156.81**	**1.64**

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 manufactured goods, less employee benefit expense and less other expenses.

Principal Components of Statement of Profit and Loss

Income

Our income consists of revenue from operations and other income:

Revenue from Operations

Our revenue from operations comprises (a) gross revenue from sale of goods; and (b) other operating revenue (less excise duty on (a) and (b)).

Our gross revenue from sale of goods comprises income from sale of (a) manufactured 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.

Other Income

Our other income comprises interest, dividend on investments, profit on sale of assets/ shares 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 manufactured goods; (d) employee benefit expenses; (e) finance costs; (f) depreciation; and (g) other expenses.

Cost of Materials Consumed

Cost of materials consumed includes the inventory of our raw materials at the beginning of the year, increased by the purchases of raw materials made during the respective fiscal year reduced by the closing stock of such inventory at the end of the year.

Purchases of Stock in Trade

Purchases of stock in trade comprises goods bought to be traded such as ball valves, teflon tape, rubber lubricant, metal clamps and solvent cements as well as raw materials.

Changes in Inventories of Manufactured goods

Changes in inventories of manufactured goods are calculated on the basis of stock at the end and the beginning of the year, comprising (a) traded goods; (b) work in progress; and (c) manufactured goods – pipes and fittings, and account for variation in excise duty on opening and closing stock of manufactured goods.

Employee Benefit Expenses

Employee benefit expenses comprise (a) remuneration to directors; (b) salary, wages and bonus; (c) contribution to provident fund and other funds; and (d) staff welfare.

Finance Costs

Finance costs comprise (a) interest on working capital from banks; term loans; and others; (b) bank commission and charges; and (c) exchange rate difference to the extent considered as borrowing cost.

Depreciation

Depreciation includes the depreciation of building, plant and machinery, electrical installation, computer, molds and dies, office equipment, furniture and fixtures, vehicles, 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).

Fiscal 2017 Compared to Fiscal 2016

Income

The table below sets forth details in relation to our income for Fiscal 2017 and Fiscal 2016:

(in ₹ millions, except for percentages)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Percentage increase/ (decrease)
Sale of Products			
Manufactured Goods	12,264.15	10,482.42	17.00
Traded Goods	1,124.79	329.97	240.88
Gross Revenue From Sale of Products	***13,388.94***	***10,812.39***	***23.83***
Other Operating Revenue			
Scrap Sales	32.70	27.58	18.56
Duty Drawback	-	0.40	
Labour Charges	-	0.51	
Profit on Import License	5.74	-	
Revenue from Operations (Gross)	**13,427.38**	**10,840.88**	**23.86**
Less: Excise Duty	801.58	751.01	6.73
Revenue from Operations (Net)	**12,625.80**	**10,089.87**	**25.13**
Other Income	12.87	5.61	129.41
Total Revenue	**12,638.67**	**10,095.48**	**25.19**

Our total revenue increased by ₹ 2,543.19 million, or 25.19%, to ₹ 12,638.67 million in Fiscal 2017 from ₹ 10,095.48 million in Fiscal 2016, which was primarily due to a 25.13% increase in our revenue from operations.

Revenue from Operations

Our revenue from operations increased by ₹ 2,535.93 million, or 25.13%, to ₹ 12,625.80 million in Fiscal 2017 from ₹ 10,089.87 million in Fiscal 2016, primarily as a result of: (a) the sale of manufactured goods increasing by ₹ 1,781.73 million, or 17.00%, to ₹ 12,264.15 million in Fiscal 2017 from ₹ 10,482.42 million in Fiscal 2016, which increase was primarily due to increase by 25.20% in gross revenue from sale of goods in the plumbing segment. For Fiscal 2017, our gross revenue from sale of manufactured goods based on the estimated end-use based application comprised 42.04% from plumbing, 36.01% from irrigation, 20.75% from sewage disposal use and 1.20% from others, as compared to 39.34% from plumbing, 37.57% from irrigation, 21.66% from sewage disposal use and 1.43% from others in Fiscal 2016. Further, our sales of CPVC products increased by 36.33% in Fiscal 2017 as compared to Fiscal 2016 and (b) the sale of traded goods increasing by ₹ 794.82 million, or 240.88%, to ₹ 1,124.79 million in Fiscal 2017 from ₹ 329.97 million in Fiscal 2016, which increase was primarily due to the trading of raw materials, which increased from ₹ 190.46 million in Fiscal 2016 to ₹ 817.73 million in Fiscal 2017, representing an increase of 329.34%.

Other Income

Other income increased by ₹ 7.26 million, or 129.41%, to ₹ 12.87 million in Fiscal 2017 from ₹ 5.61 million in Fiscal 2016, primarily on account of increase in margin money maintained with the bank for availing letter of credit facilities.

Expenses

The table below sets forth details in relation to our total expenses for Fiscal 2017 compared to our total expenses in Fiscal 2016:

(in ₹ millions, except for percentages)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Percentage increase/ (decrease)
Expenses:			
Cost of Materials Consumed	8,364.74	7,047.06	18.70
Purchases of Stock in Trade	1,075.44	327.43	228.45

Changes in Inventories (Increase / Decrease)	(515.97)	73.11	N.C. [1]
Employee Benefit Expense	610.14	529.87	15.15
Other Expenses	1,472.46	1,134.33	29.81
Finance Costs	359.88	332.57	8.21
Depreciation	317.15	285.25	11.18
Total	**11,683.84**	**9,729.62**	**20.09**

Note:
1. Not Comparable

Our total expenses increased by ₹ 1,954.22 million, or 20.09%, to ₹ 11,683.84 million in Fiscal 2017 from ₹ 9,729.62 million in Fiscal 2016. 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 ₹ millions, except for percentages)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Percentage increase/ (decrease)
Inventory at the Beginning of the Year	588.89	622.12	(5.34)
Add – Purchases	8,547.06	7,013.83	21.86
Subtotal	***9,135.95***	***7,635.95***	***19.64***
Less - Inventory at the End of the Year	771.21	588.89	30.96
Total	**8,364.74**	**7,047.06**	**18.70**

Our cost of materials consumed increased by ₹ 1,317.68 million, or 18.70%, to ₹ 8,364.74 million in Fiscal 2017 from ₹ 7,047.06 million in Fiscal 2016. 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 our contract manufacturers increased by ₹ 748.01 million, or 228.45%, to ₹ 1,075.44 million in Fiscal 2017 from ₹ 327.43 million in Fiscal 2016. This increase was primarily due to increased 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 ₹ millions, except for percentages)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Percentage increase/ (decrease)
Stock at the End of the Year			
Traded Goods	66.23	47.46	39.55
Work in Progress	19.28	43.02	(55.18)
Manufactured - Pipes and Fittings	857.09	302.54	183.30
A	942.60	393.02	139.83
Stock at the Beginning of the Year			
Traded Goods	47.46	18.79	152.58
Work in Progress	43.02	40.25	6.88
Manufactured - Pipes and Fittings	302.54	421.22	(28.18)
B	393.02	480.26	(18.16)
(Increase)/Decrease in Stock (B-A)	**(549.58)**	**87.24**	**N.C.** [1]
Variation in Excise Duty on Opening and Closing Stock of Manufactured Goods	33.61	(14.13)	N.C. [1]
Total	**(515.97)**	**73.11**	**N.C.** [1]

Note:
1. Not Comparable

For Fiscal 2017, our inventories increased by ₹ 549.58 million, or 139.83%, 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.

For Fiscal 2016, our inventories decreased by ₹ 87.24 million, or 18.16%, to ₹ 393.02 million as at March 31, 2016. This was primarily attributable to a ₹ 118.68 million, or 28.18%, decrease in stock of manufactured goods – pipes and fittings.

Employee Benefit Expense

Our employee benefit expense increased by ₹ 80.27 million, or 15.15%, to ₹ 610.14 million in Fiscal 2017 from ₹ 529.87 million in Fiscal 2016, which was primarily attributable to an increase in the number of our employees from 1,740 as at March 31, 2016 to 1,778 as at March 31, 2017 and increases in salaries. Our employee benefit expense, as a percentage of revenue from operations, decreased to 4.83% in Fiscal 2017 from 5.25% in Fiscal 2016.

Other Expenses

The table below sets forth details in relation our other expenses for the periods indicated below.

(in ₹ millions, except for percentages)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Percentage increase/ (decrease)
Other Expenses	**1,472.46**	**1,134.33**	**29.81**
of which:			
Power and Fuel	*338.14*	*299.31*	*12.97*
Labour Charges	*260.21*	*187.49*	*38.79*
Advertisement and Sales Promotion Expenses	*250.33*	*139.96*	*78.86*
Consumption of Stores and Spares	*106.05*	*80.53*	*31.69*
Transport, Freight and Octroi Charges	*101.46*	*66.34*	*52.94*
Rent and Maintenance Expenses	*72.63*	*32.77*	*121.64*
Travelling and Conveyance Expenses	*69.80*	*50.50*	*38.22*
Foreign Currency Exchange Difference (Net)	*1.07*	*51.37*	*(97.92)*

Our other expenses increased by ₹ 338.13 million, or 29.81%, to ₹ 1,472.46 million in Fiscal 2017 from ₹ 1,134.33 million in Fiscal 2016, which was primarily attributable to:

- ₹ 110.37 million, or 78.86%, increase in advertisement and sales promotion expenses, which was primarily attributable to an increased spending on branding and marketing efforts such as sponsoring cricket matches and implementing other schemes to increase sales;
- ₹ 72.72 million, or 38.79%, increase in labour charges, which was primarily due to an increase in minimum wages per day of approximately ₹ 100 per labourer;
- ₹ 39.86 million, or 121.64%, increase in rent and maintenance expenses, which was primarily due to the opening of the six new warehouses;
- ₹ 38.83 million, or 12.97%, increase in power and fuel; and
- ₹ 35.12 million, or 52.94%, increase in transport, freight and octroi charges, which was primarily due freight costs for delivery of our products to our six new warehouses.

These increases were partially offset by a ₹ 50.30 million, or 97.92%, decrease in foreign currency exchange difference (net). Our other expenses as a percentage of revenue from operations increased to 11.66% in Fiscal 2017 from 11.24% in Fiscal 2016.

EBITDA

For the reasons described above, our EBITDA increased by ₹ 640.92 million, or 65.53%, to ₹ 1,618.99 million in Fiscal 2017 from ₹ 978.07 million in Fiscal 2016.

Finance Cost

The table below sets forth details in relation our finance cost for the periods indicated below.

(in ₹ millions, except for percentages)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Percentage increase/ (decrease)
Interest			
On Working Capital from Banks	163.83	176.12	(6.98)
On Term Loans	148.09	123.29	20.12
Others	8.58	2.44	251.64
Subtotal	***320.50***	***301.85***	***6.18***
Bank Commission and Charges	39.38	30.72	28.19
Total	**359.88**	**332.57**	**8.21**

Our finance cost increased by ₹ 27.31 million, or 8.21%, to ₹ 359.88 million in Fiscal 2017 from ₹ 332.57 million in Fiscal 2016, which was primarily attributable to a ₹ 24.8 million increase in the interest paid on term loans to ₹ 148.09 million in Fiscal 2017 from ₹ 123.29 million in Fiscal 2016, which was partially offset by a ₹ 12.29 million, or 6.98%, decrease in interest paid on working capital loans and a ₹ 8.66 million increase in the bank commission and charges to ₹ 39.38 million in Fiscal 2017 from ₹ 30.72 million in Fiscal 2016. The increase in interest on term loans was primarily due to an increase in borrowings, which was partially offset by a decrease in interest rates payable on those borrowings. The decrease in interest paid on working capital loans was primarily due to a decrease in interest rates payable on those borrowings.

Depreciation

Depreciation expenses increased by 11.18% to ₹ 317.15 million in Fiscal 2017 from ₹ 285.25 million in Fiscal 2016, which increased primarily due to the depreciation on plant and machinery, and molds and dies purchased during the year.

Profit before Tax

For the reasons described above, our profit before tax increased by ₹ 588.97 million, or 160.97%, to ₹ 954.83 million in Fiscal 2017 from ₹ 365.86 million in Fiscal 2016.

Tax Expense

Our total tax expenses increased by ₹ 138.98 million, or 192.41%, to ₹ 211.21 million in Fiscal 2017 from ₹ 72.23 million in Fiscal 2016. Our current tax increased by ₹ 122.79 million, or 151.65%, to ₹ 203.76 million in Fiscal 2017 from ₹ 80.97 million in Fiscal 2016. Our deferred tax expense increased by ₹ 16.19 million, or 185.24%, to ₹ 7.45 million in Fiscal 2017 from ₹ (8.74) million in Fiscal 2016.

For Fiscals 2017 and 2016, our tax expense as a percentage of our profit before tax was 22.12% and 19.74%, respectively. The corporate income tax rate was 34.61% (including all cesses) for both Fiscals 2017 and 2016. 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*" above.

Profit after Tax

As a result of the foregoing, profit after tax increased by ₹ 449.99 million, or 153.25%, to ₹ 743.62 million in Fiscal 2017 from ₹ 293.63 million in Fiscal 2016.

Fiscal 2016 Compared to Fiscal 2015

Income

The table below sets forth details in relation to our income for Fiscal 2016 and Fiscal 2015:

(in ₹ millions, except for percentages)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Percentage increase/ (decrease)
Sale of Products			
Manufactured Goods	10,482.42	10,075.37	4.04
Traded Goods	329.97	237.05	39.20
Subtotal	***10,812.39***	***10,312.42***	***4.85***
Other Operating Revenue			
Scrap Sales	27.58	27.96	(1.36)
Duty Drawback	0.40	0.49	(18.37)
Labour Charges	0.51	0.05	920
Revenue from Operations (Gross)	**10,840.88**	**10,340.92**	**4.83**
Less: Excise Duty	751.01	769.01	(2.34)
Revenue from Operations (Net)	**10,089.87**	**9,571.91**	**5.41**
Other Income	5.61	20.61	(72.78)
Total Revenue	**10,095.48**	**9,592.52**	**5.24**

Our total revenue increased by ₹ 502.96 million, or 5.24%, to ₹ 10,095.48 million in Fiscal 2016 from ₹ 9,592.52 million in Fiscal 2015, which was primarily due to a 5.41% increase in our revenue from operations.

Revenue from Operations

Our revenue from operations increased by ₹ 517.96 million, or 5.41%, to ₹ 10,089.87 million in Fiscal 2016 from ₹ 9,571.91 million in Fiscal 2015, primarily as a result of (a) the sale of manufactured goods increasing by ₹ 407.05 million, or 4.04%, to ₹ 10,482.42 million in Fiscal 2016 from ₹ 10,075.37 million in Fiscal 2015, which increase was primarily due to an increase of 25.25% in gross revenue from sale of goods in the plumbing segment and 8.74% in sewage disposal, partially offset by a reduction of 4.56% in the irrigation segment. For Fiscal 2016, our gross revenue from sale of manufactured goods based on the estimated end-use based application comprised 39.34% from plumbing, 37.57% from irrigation, 21.66% from sewage disposal use and 1.43% from others as compared to 32.71% from plumbing, 40.99% from irrigation, 20.74% from sewage disposal use and 5.56% from others in Fiscal 2015 and (b) the sale of traded goods increasing by ₹ 92.92 million, or 39.20%, to ₹ 329.97 million in Fiscal 2016 from ₹ 237.05 million in Fiscal 2015, which increase was primarily due to the sale of raw materials of ₹ 109.46 million as compared to nil in Fiscal 2015.

Other Income

Other income decreased by ₹ 15.00 million, or 72.78%, to ₹ 5.61 million in Fiscal 2016 from ₹ 20.61 million in Fiscal 2015.

Expenses

The table below sets forth details in relation to our total expenses for Fiscal 2016 compared to our total expenses in Fiscal 2015:

(in ₹ millions, except for percentages)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Percentage increase/ (decrease)
Expenses:			
Cost of Materials Consumed	7,047.06	7,130.97	(1.18)
Purchases of Stock in Trade	327.43	197.79	65.54
Changes in Inventories (Increase / Decrease)	73.11	(74.10)	198.66
Employee Benefit Expense	529.87	487.67	8.65
Other Expenses	1,134.33	1,012.49	12.03
Finance Costs	332.57	373.95	(11.07)
Depreciation	285.25	285.45	(0.07)
Total	**9,729.62**	**9,414.22**	**3.35**

Note:
1. Not Comparable.

Our total expenses increased by ₹ 315.40 million, or 3.35%, to ₹ 9,729.62 million in Fiscal 2016 from ₹ 9,414.22 million in Fiscal 2015. 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 ₹ millions, except for percentages)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Percentage increase/ (decrease)
Inventory at the Beginning of the Year	622.12	859.56	(27.62)
Add – Purchases	7,013.83	6,893.53	1.74
Subtotal	***7,635.95***	***7,753.09***	***(1.51)***
Less - Inventory at the End of the Year	588.89	622.12	(5.34)
Total	**7,047.06**	**7,130.97**	**(1.18)**

Our cost of material consumed decreased by ₹ 83.91 million, or 1.18%, to ₹ 7,047.06 million in Fiscal 2016 from ₹ 7,130.97 million in Fiscal 2015. This decrease was primarily due to a decrease in the cost of raw materials. For example, the weighted average price we paid for UPVC resin in Fiscal 2016 decreased by 13.33% to ₹ 71,253 per tonne in Fiscal 2016 from ₹ 82,729 per tonne in Fiscal 2015.

Purchases of Stock in Trade

Our purchases of stock in trade, which primarily represented goods that we procured from our contract manufacturers, increased by ₹ 129.64, or 65.54%, to ₹ 327.43 million in Fiscal 2016 from ₹ 197.79 million in Fiscal 2015. This increase was primarily due to increased sales volume.

Changes in Inventories

The table below sets forth details in relation to changes in inventories for the periods indicated below:

(in ₹ millions, except for percentages)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Percentage increase/ (decrease)
Stock at the End of the Year			
Traded Goods	47.46	18.79	152.58
Work in Progress	43.02	40.25	6.88
Manufactured Goods - Pipes and Fittings	302.54	421.22	(28.18)
A	393.02	480.26	(18.17)
Stock at the Beginning of the Year			
Traded Goods	18.79	23.90	(21.38)
Work in Progress	40.25	29.59	36.02
Manufactured Goods - Pipes and Fittings	421.22	354.49	18.82
B	480.26	407.98	17.72
(Increase)/Decrease in Stock (B-A)	**87.24**	**(72.28)**	**N.C.** [(1)]
Variation in Excise Duty on Opening and Closing Stock of Manufactured Goods	(14.13)	(1.82)	N.C. [(1)]
Total	**73.11**	**(74.10)**	**N.C.** [(1)]

Note:
1. Not Comparable.

For Fiscal 2016, our inventories decreased by ₹ 87.24 million, or 18.17%, to ₹ 393.02 million as at March 31, 2016. This was primarily attributable to a ₹ 118.68 million, or 28.18%, decrease in stock of manufactured goods – pipes and fittings.

For Fiscal 2015, our inventories increased by ₹ 72.28 million or, 17.72%, to ₹ 480.26 million as at March 31, 2015. This was primarily attributable to a ₹ 66.73 million, or 18.82%, increase in stock of manufactured goods – pipes and fittings.

Employee Benefit Cost

Our employee benefit expense increased by ₹ 42.20 million, or 8.65%, to ₹ 529.87 million in Fiscal 2016 from ₹ 487.67 million in Fiscal 2015, which was primarily attributable to a 13.10% increase in the salary, wages and

bonus to ₹ 461.89 million in Fiscal 2016 from ₹ 408.38 million in Fiscal 2015. This increase was primarily due to the number of our employees increasing from 1,712 as at March 31, 2015 to 1,740 as at March 31, 2016 and an increase in salaries. Our contribution to provident fund and other fund decreased by ₹ 18.73 million, or 40.33%, to ₹ 27.71 million in Fiscal 2016 from ₹ 46.44 million in Fiscal 2015, which was primarily due to decreases in administrative charges from 1.12% to 0.65% on the basic cost of salary, which took effect on January 1, 2015. Our employee benefit expense, as a percentage of revenue from operations, increased to 5.25% in Fiscal 2016 from 5.09% in Fiscal 2015.

Other Expenses

The table below sets forth details in relation our other expenses for the periods indicated below.

(in ₹ millions, except for percentages)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Percentage increase/ (decrease)
Other Expenses	**1,134.33**	**1,012.49**	**12.03**
of which:			
Power and Fuel	*299.31*	*288.75*	3.66
Labour Charges	*187.49*	*121.97*	*53.72*
Advertisement and Sales Promotion Expenses	*139.96*	*161.06*	*(13.10)*
Consumption of Stores and Spares	*80.53*	*85.31*	*(5.60)*
Transport, Freight and Octroi Charges	*66.34*	*33.73*	*96.68*
Rent and Maintenance Expenses	*32.77*	*32.11*	*2.06*
Travelling and Conveyance Expenses	*50.50*	*42.38*	*19.16*
Foreign Currency Exchange Difference (Net)	*51.37*	*7.47*	*587.68*

Our other expenses increased by ₹ 121.84 million, or 12.03%, to ₹ 1,134.33 million in Fiscal 2016 from ₹ 1,012.49 million in Fiscal 2015, which was primarily attributable to:

- a ₹ 65.52 million, or 53.72%, increase in labour charges, which was due to an increase in the number of labourers from 1,163 as at March 31, 2015 to 1,788 as at March 31, 2016 and an increase in the incremental cost per labourer;
- a ₹ 43.9 million increase, or 587.68%, in foreign currency exchange difference (net), which was primarily due to the depreciation of the rupee during Fiscal 2016; and
- a ₹ 32.61 million, or 96.68%, increase in transport, freight and octroi charges, which was primarily due to an increase in fuel charges and increases in sourcing of raw material during the fiscal year.

Our other expenses, as a percentage of revenue from operations, increased to 11.24% in Fiscal 2016 from 10.58% in Fiscal 2015.

EBITDA

For the reasons described above, our EBITDA increased by ₹ 160.98 million, or 19.70%, to ₹ 978.07 million in Fiscal 2016 from ₹ 817.09 million in Fiscal 2015.

Finance Cost

The table below sets forth details in relation our finance cost for the periods indicated below.

(in ₹ millions, except for percentages)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Percentage increase/ (decrease)
Interest			
On Working Capital from Banks	176.12	202.38	(12.98)
On Term Loans	123.29	130.93	(5.84)
Others	2.44	7.28	(66.48)
Subtotal	***301.85***	***340.59***	***(11.37)***
Bank Commission and Charges	30.72	22.17	38.57
Exchange Rate Difference to the Extent Considered as	-	11.19	

Particulars	Year ended March 31, 2016	Year ended March 31, 2015	Percentage increase/ (decrease)
Borrowing Cost			
Total	**332.57**	**373.95**	**(11.07)**

Our finance cost decreased by ₹ 41.38 million, or 11.07%, to ₹ 332.57 million in Fiscal 2016 from ₹ 373.95 million in Fiscal 2015, which was primarily attributable to a ₹ 26.26 million decrease in the interest on working capital from banks to ₹ 176.12 million in Fiscal 2016 from ₹ 202.38 million in Fiscal 2015. This decrease was primarily due to decreased interest rates.

Depreciation

Depreciation expenses decreased by 0.07% to ₹ 285.25 million in Fiscal 2016 from ₹ 285.45 million in Fiscal 2015.

Profit before Tax

For the reasons described above, our profit before tax increased by ₹ 187.56 million, or 105.20%, to ₹ 365.86 million in Fiscal 2016 from ₹ 178.30 million in Fiscal 2015.

Tax Expense

Our total tax expenses increased by ₹ 50.74 million, or 236.11%, to ₹ 72.23 million in Fiscal 2016 from ₹ 21.49 million in Fiscal 2015. Our current tax increased by ₹ 42.04 million, or 107.99%, to ₹ 80.97 million in Fiscal 2016 from ₹ 38.93 million in Fiscal 2015. Our deferred tax expense decreased by ₹ 8.70 million, or 49.89%, to ₹ 8.74 million in Fiscal 2016 from ₹ 17.44 million in Fiscal 2015.

For Fiscals 2016 and 2015, our tax expense as a percentage of our profit before tax was 19.74% and 12.05%, respectively. The corporate income tax rate was 34.61% and 33.99% (including all cesses) in Fiscals 2016 and 2015, respectively. 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*" above.

Profit after Tax

As a result of the foregoing, our profit after tax increased by ₹ 136.82 million, or 87.25%, to ₹ 293.63 million in Fiscal 2016 from ₹ 156.81 million in Fiscal 2015.

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, our principal sources of funding were cash from operations and short and long-term loan facilities.

We held cash and cash equivalents of ₹ 27.18 million as at March 31, 2017.

We believe that our anticipated cash flows from operations, together with the net proceeds of this Offer, our existing cash and certain additional future borrowings will be sufficient to meet our working capital and capital expenditure requirements over the next 12 months.

Indebtedness

As at March 31, 2017, we had long term borrowings of ₹ 1,057.65 million, short term borrowings of ₹ 1,887.64 million and current maturities of long term borrowings of ₹ 274.62 million

For details in relation to our borrowings as at September 15, 2017, see *"Financial Indebtedness*" on page 259.

Summary of Cash Flows

As at March 31, 2017, we had cash and cash equivalents (as per our cash flow statement) of ₹ 27.18 million. Cash and cash equivalents primarily consist of cash on hand and balances with banks in current accounts and in deposit accounts.

The table below sets forth selected information from our statements of cash flows in the periods indicated below.

(in ₹ millions)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Net cash flow from/(used in) operating activities	939.05	858.56	1,221.32
Net cash flow from/(used in) investing activities	(669.43)	(508.24)	(301.99)
Net cash flow from/(used in) financing activities	(242.89)	(350.25)	(920.42)
Net increase/(decrease) in cash and cash equivalents	**26.73**	**0.07**	**(1.09)**
Cash and cash equivalents at the beginning of the period	0.45	0.38	1.47
Cash and cash equivalents at the end of the period	**27.18**	**0.45**	**0.38**

Cash From/(Used In) Operating Activities

Our net cash received from operating activities for Fiscal 2017 was ₹ 939.05 million, which reflected our operating profit before working capital changes of ₹ 1,630.39 million and ₹ 227.59 million received from trade and other payables, which was partially offset by ₹ 737.22 million used for inventories.

Our net cash received from operating activities for Fiscal 2016 was ₹ 858.56 million, which reflected our operating profit before working capital changes of ₹ 978.82 million, ₹ 297.17 million received from trade and other receivables and ₹ 120.46 million received for inventories, which was partially offset by ₹ 462.86 million used for trade and other receivables.

Our net cash received from operating activities for Fiscal 2015 was ₹ 1,221.32 million, which reflected our operating profit before working capital changes of ₹ 847.85 million, ₹ 410.31 million was received from trade and other receivables and ₹ 166.34 million received for inventories, which was partially offset by ₹ 170.18 million used for trade and other receivables.

Cash From/(Used in) Investing Activities

Our net cash used in investing activities for Fiscal 2017 was ₹ 669.43 million, which was primarily due to ₹ 684.71 million used for the purchase of fixed assets and ₹ 15.14 million received from sale of long term investments.

Our net cash used in investing activities for Fiscal 2016 was ₹ 508.24 million, which was primarily due to ₹ 509.51 million used for the purchase of fixed assets and ₹ 11.59 million used in the purchase of long term investments.

Our net cash used in investing activities for Fiscal 2015 was ₹ 301.99 million, which was primarily due to ₹ 311.71 million used for the purchase of fixed assets.

Cash From/(Used In) Financing Activities

Our net cash used in financing activities for Fiscal 2017 was ₹ 242.89 million, which was due to ₹ 259.53 million received from long term/short term borrowings (net), which was offset by ₹ 147.69 million used in the buyback of shares, ₹ 39.38 million used for the payment of bank commission and charges and ₹ 315.35 million cash used to pay interest.

Our net cash used in financing activities for Fiscal 2016 was ₹ 350.25 million, which was due to ₹ 20.15 million used for long term/short term borrowings (net), by ₹ 30.72 million used for the payment of bank commission and charges and ₹ 299.38 million used to pay interest.

Our net cash used in financing activities for Fiscal 2015 was ₹ 920.42 million, which was due to ₹ 559.05 million used for long term/short term borrowings, ₹ 22.17 million used for the payment of bank commission and charges and ₹ 339.20 million used to pay interest.

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 ₹ millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Non-Current Assets			
Fixed Assets:			
Tangible Assets	2,637.12	2,313.92	2,199.66
Capital Works in Progress (CWIP)	180.31	141.26	43.49
Other Intangible Assets	37.27	39.30	42.07
Non-Current Investments	3.23	3.23	1.57
Long Term Loans and Advances	11.03	23.83	4.05
Other Non-Current Assets	51.70	53.88	50.33
Subtotal	***2,920.66***	***2,575.42***	***2,341.17***
Current Assets			
Current Investments	-	9.93	-
Inventories	1,742.40	1,005.18	1,125.64
Trade Receivables	2,367.37	2,389.93	2,120.36
Cash and Bank Balances	123.68	85.73	60.40
Short Term Loans and Advances	193.40	156.32	165.88
Other Current Assets	244.24	285.22	137.11
Total	**7,591.75**	**6,507.73**	**5,950.56**

Our total assets increased by ₹ 557.17 million, or 9.36%, from ₹ 5,950.56 million as at March 31, 2015 to ₹ 6,507.73 million as at March 31, 2016 and increased by ₹ 1,084.02 million, or 16.66%, to ₹ 7,591.75 million as at March 31, 2017. The primary reasons for these are discussed below.

Our non-current assets increased by ₹ 234.25 million, or 10.01%, from ₹ 2,341.17 million as at March 31, 2015 to ₹ 2,575.42 million as at March 31, 2016, and increased by ₹ 345.24 million, or 13.41%, to ₹ 2,920.66 million as at March 31, 2017. The net increase relates to an increase in our tangible assets from ₹ 2,199.66 million as at March 31, 2015 to ₹ 2,637.12 million as at March 31, 2017, which was primarily attributable to the addition of buildings, plant and machinery and moulds and dies, and an increase in our CWIP from ₹ 43.49 million as at March 31, 2015 to ₹ 180.31 million as at March 31, 2017.

Our inventory decreased by ₹ 120.46 million, or 10.70%, from ₹ 1,125.64 million as at March 31, 2015 to ₹ 1,005.18 million as at March 31, 2016 and increased by ₹ 737.22 million, or 73.34%, to ₹ 1,742.40 million as at March 31, 2017. For a discussion on the reasons for these changes in our inventory, see "– *Results of Operations*" on page 242.

Our trade receivables increased by ₹ 269.57 million, or 12.71%, from 2,120.36 million as at March 31, 2015 to ₹ 2,389.93 million as at March 31, 2016. This increase was primarily attributable to increase in sales. Our trade receivables decreased by ₹ 22.56 million, or 0.94%, from ₹ 2,389.93 million as at March 31, 2016 to ₹ 2,367.37 million as at March 31, 2017. This decrease was primarily attributable to prompt receipt of monies owed from customers.

Liabilities and Shareholders' Equity

The table below sets forth details in relation to the principal components of our liabilities and shareholders' equity as at the dates indicated below.

(in ₹ millions)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Shareholders' Funds			
Share Capital	450.08	480.08	480.08
Reserves and Surplus	1,973.33	1,357.69	1,064.06
Subtotal	***2,423.41***	***1,837.77***	***1,544.14***
Non-Current Liabilities			
Long Term Borrowings	1,057.65	894.63	714.14
Deferred Tax Liabilities	114.95	107.50	116.24
Long Term Provisions	45.48	43.13	41.84
Other Long Term Liabilities	154.51	139.75	137.88
Current Liabilities			
Short Term Borrowings	1,887.64	1,858.86	2,061.40
Trade Payables	1,021.19	991.42	763.29
Other Current Liabilities	862.80	613.33	551.41
Provisions	24.12	21.34	20.22
Total	**7,591.75**	**6,507.73**	**5,950.56**

Our total shareholders' equity increased by ₹ 294.63 million, or 19.08%, from ₹ 1,544.14 million as at March 31, 2015 to ₹ 1,837.77 million as at March 31, 2016, and increased by ₹ 585.64 million, or 31.87%, to ₹ 2,423.41 million as at March 31, 2017. These increases were due to increases in our reserves and surplus, which was partially offset by a ₹ 30.00 million decrease in our share capital from ₹ 480.08 million as at March 31, 2016 to ₹ 450.08 million as at March 31, 2017, which was due to our re-purchase of 3 million equity shares at a price of ₹ 40 per share on December 26, 2016.

Our total liabilities increased by ₹ 557.17 million, or 9.36%, from ₹ 5,950.56 million as at March 31, 2015 to ₹ 6,507.73 million as at March 31, 2016, and further increased by ₹ 1084.09 million, or 16.66%, to ₹ 7,591.75 million as at March 31, 2017. The primary reasons for these increases are discussed below.

Our long term borrowings increased by ₹ 180.49 million, or 25.27%, from ₹ 714.14 million as at March 31, 2015 to ₹ 894.63 million as at March 31, 2016 and increased by ₹ 163.02 million, or 18.22%, to ₹ 1,057.65 million as at March 31, 2017. These increases were primarily attributable to additional loans raised for increased capital expenditure.

Our short term borrowings decreased by ₹ 202.54 million, or 9.82%, from ₹ 2,061.40 million as at March 31, 2015 to ₹ 1,858.86 million as at March 31, 2016. Our short term borrowings increased by ₹ 28.78 million, or 1.55%, to ₹ 1,887.64 million as at March 31, 2017.

Our trade payables increased by ₹ 228.13 million, or 29.89%, from ₹ 763.29 million as at March 31, 2015 to ₹ 991.42 million as at March 31, 2016. This increase was primarily attributable to (a) increases in purchases of raw materials and traded goods and (b) a ₹ 1,236.88 million, or 94.16%, increase in the use of imported raw materials in Fiscal 2017 compared to Fiscal 2016. We generally buy our raw materials from domestic suppliers on credit terms of less than a week and from international suppliers on credit terms ranging between 90-150 days. Therefore, an increase in the use of international suppliers lead to the increase in our trade payables. Our trade payables increased by ₹ 29.77 million, or 3.00%, from ₹ 991.42 million as at March 31, 2016 to ₹ 1,021.19 million as at March 31, 2017.

Other current liabilities primarily include (a) current maturity of long term debt, (b) interest accrued but not due on borrowings, (c) advances received from customers, (d) employee-related liabilities, (e) statutory dues and (f) other liabilities. Other current liabilities increased by ₹ 61.92 million, or 11.23%, from ₹ 551.41 million as at March 31, 2015 to ₹ 613.33 million as at March 31, 2016, and increased by ₹ 249.47 million, or 40.68%, to ₹ 862.80 million as at March 31, 2017. The primary reasons for the increases in other current liabilities were the following:

- a ₹ 51.54 million increase in other liabilities from ₹ 205.47 million as at March 31, 2015 to ₹ 257.01 million as at March 31, 2016, and a ₹ 121.71 million increase to ₹ 378.72 million as at March 31, 2017;
- a ₹ 35.89 million increase in current maturity of long term debt for rupee loans from banks from ₹ 183.52 million as at March 31, 2015 to ₹ 219.41 million as at March 31, 2016, and a ₹ 23.52 million

increase to ₹ 242.93 million as at March 31, 2017; and

- a ₹ 1.40 million increase in statutory dues from ₹ 44.51 million as at March 31, 2015 to ₹ 45.91 million as at March 31, 2016, and a ₹ 45.25 million increase to ₹ 91.16 as at March 31, 2017.

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

The following table sets forth certain information relating to future payments due under known contractual commitments as at March 31, 2017, aggregated by type of contractual obligation:

(in ₹ millions)

Particulars	Within One Year	After One Year But Within Three Years	After Three Years But Within Five Years	More Than Five Years	Total
Non-Cancelable Operating Leases	-	-	-	-	-
Long Term Borrowings*	274.62	771.33	400.72	44.17	**1,490.84**
Trade Payables	1,021.19	-	-	-	**1,021.19**
Capital Commitments	75.85	-	-	-	**75.85**

Note:

1. Includes an undrawn amount of ₹ 158.61 million from Federal Bank as at March 31, 2017 and current maturity of long term borrowings.

CONTINGENT LIABILITIES

The total of our contingent liabilities, counter guarantees issued by our Company, and other commitments not provided for as at March 31, 2017 was ₹ 97.42 million, details of which are as follows:

(in ₹ millions)

Particulars	As at March 31, 2017
Income Tax Matters	15.77
Excise Duty Matters	5.69
Labour Matters	1.10
Other Matters	1.10
Guarantees Given by Banks	10.61
Guarantees Given by our Company	63.15

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 further details on our related party transactions, see Note 38 in "*Financial Statements-Annexure VA*" on page 218.

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 its risks associated to 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 16.

QUANTITATIVE DISCLOSURE

Interest Rate Risk

As at March 31, 2017, we had ₹ 3,214.67 million of borrowings outstanding that was subject to floating rates of interest, of which ₹ 291.82 million was hedged, resulting in ₹ 2,922.85 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 March 31, 2017, we had ₹ 212.28 million trade payables for imports denominated in USD. As at March 31, 2017, ₹ 291.82 million, or 27.59%, of our total borrowings was denominated in USD. In order to reduce our currency exchange risks, we have entered into hedging arrangements for all of these borrowings except for ₹ 65.63 million denominated in USD. For further details, see Notes 3 and 39 in "Restated Financial Statements- Annexure VA" on pages 201 and 220, respectively.

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 234 and the risks and

uncertainties described in "*Risk Factors*" on page 15.

Future Relationship between Cost and Income

Except as described in this section and in "*Risk Factors*" and "*Our Business*" on pages 15 and 125, 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 and Suppliers

We are not dependent on a few 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− Expansion of Existing Product Portfolio*" on page 235.

We have not publicly announced any new business segments in the last three fiscal years.

Seasonality of Business

Our business is not affected by any seasonal changes.

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 236.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2017 THAT MAY AFFECT OUR FUTURE FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following significant developments after March 31, 2017 may affect our future financial condition and results of operations.

Introduction of GST

GST was introduced in India effective July 1, 2017. For details on how the introduction of GST could have a significant effect on our results of operations and financial condition, see "*– Significant Factors Affecting Our Results of Operations and Financial Condition–Introduction of GST*" on page 237.

Bonus Issue of Shares

On July 12, 2017, we issued 45,007,908 Equity Shares by way of a bonus issue in the ratio of 1:1, which increased the number of outstanding Equity Shares to 90,015,816 and increased our cumulative paid-up Equity Share capital to ₹ 900,158,160.

Corporate Guarantee Given to Pinnacle Realty Projects Private Limited Has Been Released

The corporate guarantee in the amount of ` 63.15 million given by us to pinnacle Realty Projects Private Limited was released pursuant to a letter dated August 16, 2017 from Kotak Mahindra Bank.

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 152.

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 on September 15, 2017:

Category of borrowing	Sanctioned amount (in ₹ million)	Outstanding amount as on September 15, 2017 (in ₹ million)
Loans from banks		
Fund based facilities	3,835.20	3,223.53
Non- fund based facilities	1,800.00	1,570.80
Total	5,635.20	4,794.33

For details of the outstanding loan obligations of our Company for the last five Fiscal Years, please see the sections titled "*Financial Statements – Restated Statement of Long Term Borrowings*" and "*Financial Statements – Restated Statement of Short Term Borrowings*" on pages 201 and 204, respectively.

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 per annum. Further, under certain facilities the interest rate ranges from 8.36% per annum to 11.28% 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) create charge by way of a mortgage on certain immoveable fixed assets of the Company; and

(b) create charge by way of hypothecation on all current and moveable fixed assets, both present and future.

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. ***Re-payment:*** 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 that typically ranges from 0.50% to 5% of the amount pre-paid or the amount outstanding, as the case may be.

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 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 21.

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, Group Companies, as determined to be material by our Board of Directors, in accordance with the SEBI ICDR Regulations.

Further, except as stated in this section, there are no (i) outstanding proceedings initiated against our Company for economic offences; (ii) pending defaults or non-payment of statutory dues by our Company; (iii) material fraud against our Company in the last five years immediately preceding the date of this Draft Red Herring Prospectus; (iv) inquiry, inspection or investigation initiated or conducted under the Companies Act against our Company during the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus; (v) prosecutions filed against (whether pending or not); fines imposed against; or compounding of offences under the Companies Act done by our Company, in the last five years immediately preceding the year of filing of this Draft Red Herring Prospectus; (vi) litigation or legal action, pending or taken against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding the date of this Draft Red Herring Prospectus; (vii) outstanding dues to creditors of our Company as determined to be material by our Board of Directors as per the Materiality Policy, in accordance with the SEBI ICDR Regulations; (viii) outstanding dues to small scale undertaking and other creditors; (ix) overdues or defaults to banks or financial institutions by our Company; and (x) litigation involving any other person whose outcome could have material adverse effect on the position of our Company.

*In relation to point (d) and (vii) above, our Board, in its meeting held on September 16, 2017 has adopted a policy for identification of Group Companies, material creditors and material legal proceedings ("**Materiality Policy**"). Pursuant to the SEBI 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 the Company, its Directors, Promoters and/or Group Companies in any such pending litigation is in excess of an amount of ₹ 7.43 million, being approximately 1% of our Company's profit after tax as per the Restated Financial Statements for Fiscal Year 2017 and (ii) any such litigation the outcome of which could have a material adverse effect on the business, operations, prospects or reputation of the 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 the year ended 2017 i.e. ₹ 51.06 million, as 'material' creditors for the purpose of disclosures in this Draft 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 litigation proceedings before any judicial forum.

Unless stated to the contrary, the information provided below is as of the date of this Draft 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 criminal complaint number 3649/SS/2015 under Section 138 of the Negotiable Instruments Act, 1881, against Bansal Construction Company and its proprietor, Rajesh Bansal before the Metropolitan Magistrate, Mumbai on November 17, 2015 in relation to dishonor of a cheque for ₹ 0.67 million. The matter is currently pending.

2. Our Company filed criminal complaint number 1102/SS/2016 under Section 138 of the Negotiable Instruments Act, 1881, against Sri Venkata Charan Agencies and C.V. Narasiah Bansal 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.

3. Our Company filed criminal complaint number 804/SS/2016 under Section 138 of the Negotiable Instruments Act, 188, 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.

B. ***Pending Action by statutory or regulatory authorities against our Company.***

There are no pending actions by statutory or regulatory authorities against our Company.

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		
Sub-total (A)	11	5.16
Direct tax		
Company (B)	7	15.77
Directors (C)	8	121.48
Promoters (Other than Directors) (D)	Nil	Nil
Group Companies (E)		
Total (A+B+C+D+E)	26	142.41

D. ***Proceedings initiated against our Company for economic offences***

There are no proceedings initiated against our Company for economic offences.

E. ***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.

F. ***Acts of material fraud committed against our Company in the last five years preceding the date of this Draft Red Herring Prospectus (including action taken by our Company, if so)***

There have been no acts of material fraud committed against our Company in the last five years preceding the date of this Draft Red Herring Prospectus.

G. ***Inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last five years, prosecutions filed (whether pending or not), fines imposed or compounding of offences done in the last five years preceding the date of this Draft Red Herring Prospectus against our Company***

The Registrar of Companies, Goa, Daman and Diu issued a show-cause notice dated January 11, 2016 to our Company under Section 203(1) of the Companies Act, 2013 and Rules 8 and 8A of the Companies Rules, 2014 for non-compliance of the requirement to have a whole-time company secretary under those sections. Our Company replied to the notice via letter dated January 20, 2016 explaining its attempts to appoint a suitable whole-time company secretary, including requesting the Institute of Company Secretaries of India to suggest a suitable candidate by a letter dated May 11, 2015. Thereafter, the Company appointed a whole-time company secretary on April 24, 2017 in compliance with the notice and applicable laws. There has been no further correspondence from the RoC in this regard.

H. ***Other material outstanding litigation involving our Company***

Material outstanding litigation against and by our Company involving an amount of over ₹7.43 million

There is no material outstanding litigation against and by our Company involving an amount of over ₹ 7.43 million.

Litigation involving our Company that is material from perspective of Company's business, operations, prospects or reputation

Super Industrial Corporation ("**Petitioner**") filed a writ petition 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.

I. ***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, ₹51.06 million, i.e., 5% of our trade payables as per our Restated Financial Statements for the Fiscal Year ended March 31, 2017, as 'material' for the purpose of disclosures in this Draft Red Herring Prospectus.

As of March 31, 2017, our Company had 519 creditors, to whom a total amount of ₹ 1,021.19 million was outstanding. Based on the above, there are three material creditors of our Company. Further, 22 of our creditors, to whom a total amount of ₹ 67.79 million is owed have been identified as small scale undertakings 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 March 31, 2017. For complete details about outstanding dues to creditors of our Company, see www.princepipes.com/listofcreditors.

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.princepipes.com, would be doing so at their own risk.

J. ***Outstanding litigation against any other persons or companies whose outcome could have an adverse effect on our Company***

There is no outstanding litigation against any other persons or companies whose outcome could have an adverse effect on our Company.

II. Litigation involving our Directors

A. ***Outstanding criminal litigation involving our Directors***

The Silvassa police registered FIR number 268/2011 under Sections 143, 147, 149, 336, 352, 504 and 506 of the Code of Criminal Procedure, 1973 against Jayant Shamji Chheda and others in the matter of a dispute involving the workers at our facility in Athal. After investigation, a chargesheet having criminal case number 6/2013 was filed before the Chief Judicial Magistrate of Dadra & Nagar Haveli at Silvassa. The matter is currently pending.

B. *Pending action by statutory or regulatory authorities against our Directors*

There is no pending action by statutory or regulatory authorities against our Directors.

C. *Other material litigation outstanding against our Directors*

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 special suit 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 a filed suit 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 appealed against this order before the Additional District Judge, Bhuj through an application dated July 28, 2017. The appeal and suit are both currently pending.

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 263, there are no criminal proceedings against any of our Promoters.

B. *Pending action by statutory or regulatory authorities against our Promoters*

There is no pending action by any statutory or regulatory authorities against our Promoters.

C. *Other material litigation outstanding against our Promoters*

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 other material litigation outstanding against our Group Companies.

V. 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*" on page 234, to our knowledge, no circumstances have arisen

since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which 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 Draft Red Herring Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see "Regulations and Policies" on page 142. 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 142.

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 272.

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*

   i) License to work a factory bearing number 43455 issued by the Deputy Chief Inspector of Factories, Thiruvottiyur, Chennai.
   ii) 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.
   iii) 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.
   iv) 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.
   v) 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.

2. *Kolhapur*

   i) 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.
   ii) Consent to operate bearing number MPCB/SRO/KOP/05952/194/16 issued by the Sub Regional Officer, Kolhapur, Maharashtra Pollution Control Board under Air Act and Water Act.

3. *Athal*

i) License to work a factory bearing number 292 issued by the Chief Inspector of Factories and Boilers, Administration of Dadra and Nagar Haveli, Silvassa
ii) Consent order number PCC/DDD/G-0107/WA/AA/AH/97-98/196 issued by the Pollution Control Committee, Daman and Diu, and Dadra and Nagar Haveli under the Air Act and Water Act
iii) Certificate of registration as principal employer bearing number LEO/CL(R&A)/109/2017 issued by the Labour Enforcement Officer, Dadra & Nagar Haveli, Silvassa

4. *Haridwar*

i) Registration and license to work a factory bearing number HWR-624 issued by the Chief Inspector of Factories, Uttarakhand.
ii) 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.
iii) 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.
iv) 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.
v) 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.

5. *Dadra*

i) License to work a factory bearing number 1338 issued by the Chief Inspector of Factories and Boilers, Administration of Dadra and Nagar Haveli, Silvassa.
ii) Consent order number PCC/DDD/G-2557/DR/WA/99-00/49 issued by the Pollution Control Committee, Daman and Diu and Dadra and Nagar Haveli under Water Act.
iii) Consent order bearing no.PCC/DDD/ G-2557/DR/AA/99-00/50 issued by the Pollution Control Committee, Daman & Diu and Dadra & Nagar Haveli under the Air Act.
iv) Certificate from UL DQS Inc bearing number 20002422QM08 for fulfilling the standards of ISO 9001:2008 for implementing and maintaining a Quality Management System in the design and manufacture of plastic pipes.
v) Certificate of Registration as principal employer bearing number LEO/CL(R&A)/110/2017 by Office of Registering Officer, Dadra and Nagar Haveli, Silvassa under the CLRA.

Further, we have also received the consent for establishment issued by the Environmental Engineer, Telangana state Pollution Control Board, Sangareddy District, Telangana for our proposed manufacturing facility at Telangana. 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 270. Further, we may require additional approvals in relation to our proposed manufacturing facility 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.

2. Provisional 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	Provisional Registration Number
Andhra Pradesh	37AAACP2319J2ZG
Bihar	10AAACP2319J1ZK
Dadra and Nagar Haveli	26AAACP2319J1ZK
Gujarat	24AAACP2319J1ZO
Karnataka	29AAACP2319J1ZE
Kerala	32AAACP2319J1ZR
Maharashtra	27AAACP2319JIZI
Odisha	21AAACP2319J1ZU
Tamil Nadu	33AAACP2319J1ZP
Uttarakhand	05AAACP2319J1ZO
Uttar Pradesh	09AAACP2319J1ZG
West Bengal	19AAACP2319J1ZF

3. PAN number AAACP2319J, TAN number MUMPO6179F, taxpayer identification number 10297018053, central sales tax registration number 10294733154 and entry tax registration number 10294054254.

D. Product related approvals

1. The following products are registered in the list of Approved Building Materials maintained by the Municipal Corporation of Greater Maharashtra: SMARTFIT, FOAMFIT, GREENFIT, ULTRAFIT, AQUAFIT.

2. The following licenses have been issued by the Bureau of Indian Standards:

Region of Bureau of Indian Standards	License No.	IS No.	Product
Western regional office	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 and outside buildings including ventilation and rainwater systems
	7342467	IS 12818:2010	Unplasticized PVC screen and casing pipes for bore/tube wells.
	3926978	IS 15778:2007	Chlorinated PVC pipes for potable hot and cold water distribution supplies
Southern regional office	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 rainwater system
	6700024907	IS 15778:2007	Chlorinated PVC pipes for potable hot and cold water distribution supplies
Dehradun branch office	8300012193	IS 4985:2000	Unplasticized PVC pipes for potable water supplies
	8300012092	IS 13592:2013	UPVC pipes for soil and waste discharge systems
	8947914	IS 14735:1999	Unplasticized polyvinyl chloride (UPVC) injection moulded fittings for soil and waste discharge system for inside and outside buildings including ventilation and rain water system.
	3602447	IS 15801: 2008	Polypropylene –random co-polymer pipes for hot and cold water supplies
Pune branch	7904786	IS 4985 : 2000	Unplasticized PVC pipes for potable water supplies

Region of Bureau of Indian Standards		License No.	IS No.	Product
office	7930282	IS 13592 : 2013	UPVC pipes for soil and waste discharge systems inside buildings including ventilation and rainwater system	
	3613250	IS 15328 : 2003	Unplasticized non-pressure PVC-U pipes for use in underground drainage and sewerage systems	

E. Intellectual property related approvals

1. Trademarks

i) The following trademarks are registered in the name of the Company

Logo	Class	Application Number
SILENTFIT	11	3226475
SILENTFIT	17	3226476
SILENTFIT	19	3226477
FOAMFIT	11	3226481
FOAMFIT	17	3226482
FOAMFIT	19	3226483
SAFEFIT	11	3226472
SAFEFIT	17	3226473
SAFEFIT	19	3226474
RAINFIT	11	3226484
RAINFIT	19	3226486
NOVOFIT	11	3226478
NOVOFIT	17	3226479
NOVOFIT	19	3226480
RAINFIT	17	3226485
EASYFIT	11	1569444
EASYFIT	17	1548230
TRUBORE NEOFIT	17	1302049
TRUBORE NEOFIT	19	1302050
TRUVIN	17	1505304
TRUVIN	6	1510252
TRUVIN	19	558330
TRUVIN	9	939468
GREENFIT	17	1869370
AQUAFIT	17	1984164
AQUAFIT	11	1984163
PRINCE	17	1013152
TRUBORE	17	1505303
TRUBORE	6	1510253
TRUBORE	19	474966
TRUBORE XL	9	939469

ii) The following trademarks have been applied for:

Logo	Class	Application Number
DURAFIT	19	2713980
DRAINFIT	11	2713981
ULTRAFIT	17	2768279
ULTRAFIT	11	2768280
ULTRAFIT	19	2768281
Prince	19	2731070
Prince	17	2731071
Prince	11	2731072
Prince Logo (Hindi)	11	3273371
Prince Logo (Hindi)	17	3273379
Prince Logo (Hindi)	19	3273383
Prince Logo (Assamese)	11	3273372
Prince Logo (Assamese)	17	3273376

Logo	Class	Application Number
Prince Logo (Assamese)	19	3273385
Prince Logo (Gujarati)	11	3273373
Prince Logo (Gujarati)	17	3273377
Prince Logo (Gujarati)	19	3273387
Prince Logo (Kannada)	11	3273374
Prince Logo (Kannada)	17	3273381
Prince Logo (Kannada)	19	3273388
Prince Logo (Oriya)	11	3273375
Prince Logo (Oriya)	17	3273382
Prince Logo (Oriya)	19	3273389
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
TRUBORE	11	3572478
TRUBORE	17	3572479
TRUBORE	19	3572480
CORFIT	11	3572481
CORFIT	17	3572482
CORFIT	19	3572483

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.

IV. Approvals applied for but not received

A. Haridwar

1. Permission to abstract ground water for industrial usage made to Central Ground Water Authority, Ministry of Water Resources.
2. Approval for usage of DG set made to the Director, Electrical Safety Department, Haldwani, Uttarakhand Government.

B. For our proposed manufacturing facility at Telangana

1. Factory plan approval from Director of Factories
2. Industrial Plan approval from DT&CP
3. Service connection certificate from TSSPDCL

V. Approvals expired and for which renewals are to be applied for

Kolhapur

1. Certificate of registration as principal employer bearing number ACLK/R/434 issued by the Assistant Commissioner of Labour & (Reg & Lic.) Officer under Contract Labour (R&A) Act, 1970, Kolhapur
2. License/ Certificate of no-objection issued by the District Officer, Fire & Rescue Services

VI. Approvals required but not obtained or applied for

A. *Athal*

License/ Certificate of no-objection issued by the District Officer, Fire & Rescue Services.

B. *Dadra*

License/ Certificate of no-objection issued by the District Officer, Fire & Rescue Services

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

- Resolution of our Board dated August 21, 2017, authorising the Offer.
- Special resolution dated September 15, 2017 passed by the Shareholders of our Company at the annual 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 55.
- Our Board has approved this Draft Red Herring Prospectus pursuant to their resolutions dated September 26, 2017.
- In-principle approval for the listing of our Equity Shares from the NSE dated [●].
- In-principle approval for the listing of our Equity Shares from the BSE dated [●].

Prohibition by SEBI or other authorities

Our Company, 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
- 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 in the last one year. As the change in name was only on account of conversion from a private limited to a public limited company, the condition that at least 50% of the revenue from the preceding one year shall be earned from the activity indicated in the new name, will not be triggered.

Our Company's net worth, net tangible assets, monetary assets and pre-tax operating profit derived from the Restated Financial Statements included in this Draft Red Herring Prospectus as at and for the last five Fiscal Years are set forth below:

Particulars	2017	2016	2015	2014	2013
Net Worth* as restated (in ₹ million)	2,355.32	1,789.39	1,495.76	1,342.49	1,091.70
Net Tangible assets** as restated (in ₹ million)	3,443.79	2,693.11	2,216.21	2,225.24	1,971.25
Monetary assets*** as restated (in ₹ million)	123.68	85.73	60.40	56.09	67.61
Monetary assets as a percentage of net tangible assets (in %)	3.59	3.18	2.73	2.52	3.43
Pre-tax operating profit**** (in ₹ million)	941.96	360.25	157.69	279.29	444.52
Average pre-tax operating profit based on the three most profitable years out of the immediately preceding five years (Average of Fiscals 2013, 2016 and 2017)(in ₹ million)			582.24		

**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*
*** Net tangible assets = Total assets – Intangible assets – Current Liabilities – Deferred tax liability – Long term provisions – Other Long Term 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 82.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS 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 THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS 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 THIS DRAFT RED HERRING PROSPECTUS, THE BRLMS, JM FINANCIAL INSTITUTIONAL SECURITIES 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 INSTITUTIONAL SECURITIES LIMITED AND EDELWEISS FINANCIAL SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 26, 2017 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 IN CONNECTION WITH THE FINALIZATION OF THIS DRAFT RED HERRING PROSPECTUS DATED SEPTEMBER 26, 2017 (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 ICDRA 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 AND NOTED FOR COMPLIANCE.</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 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</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. – NOT APPLICABLE.

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. – COMPLIED WITH IN RELATION TO THE ACTIVITIES CARRIED OUT UNTIL NOW AND WITH RESPECT TO THE FUNDS BEING RAISED FROM THE FRESH ISSUE.

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. - NOTED FOR COMPLIANCE.

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. - NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.

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. – NOTED FOR COMPLIANCE.

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 ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY AND INCLUDED IN THE DRAFT RED HERRING PROSPECTUS, AS CERTIFIED BY A PRACTICING CHARTERED ACCOUNTANT, PURSUANT TO ITS CERTIFICATE DATED SEPTEMBER 25, 2017.

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 DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE ANY PERSON WHO HAS AUTHORISED THE ISSUE OF THIS 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 THIS DRAFT RED HERRING PROSPECTUS.

THE FILING OF THIS 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 the 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. J M Financial Institutional Securities Limited

1. Price information of past issues handled by JM Financial Institutional Securities Limited:

Sr. No.	Issue name	Issue Size (₹ 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.	Cochin Shipyard Limited	14,429.30	432.00(1)	August 11, 2017	440.15	+27.06% [+2.31%]	NA	NA
2.	GTPL Hathway Limited	4,848.00	170.00	July 4, 2017	170.00	-10.71%[+4.87%]	NA	NA
3.	S Chand And Company Limited	7,286.00	670.00	May 09, 2017	700.00	-17.37% [+3.72%]	-25.38%[+8.05%]	NA
4.	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	600.00	+145.08% [-0.20%]	+167.59% [+5.11%]	+263.80 [10.57%]
5.	PNB Housing Finance Limited	30,000.00	775.00	November 07, 2016	860.00	+11.70% [-4.16%]	+21.28% [+2.87%]	+70.50% [+9.28%]
6.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60% [+0.54%]	-11.54% [-6.50%]	+12.31% [+5.28%]
7.	L&T Technology Services Limited	8,944.00	860.00	September 23, 2016	920.00	-0.85% [-1.57%]	-8.54% [-8.72%]	-9.55% [+3.28%]
8.	Dilip Buildcon Limited	6,539.80	219.00	August 11, 2016	240.00	+5.11% [+3.20%]	+1.53% [-0.57%]	+22.12% [+2.43%]
9.	Parag Milk Foods Limited	7,505.40	215.00(2)	May 19, 2016	217.50	+17.07% [+4.97%]	+48.67% [+11.04%]	+38.93% [+6.59%]
10.	Thyrocare Technologies Limited	4,792.14	446.00	May 9, 2016	665.00	+36.85% [+5.09%]	+23.48% [+10.39%]	+39.09% [+7.22%]

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details
Notes:

1. *A discount of ₹21 per equity share had been offered to eligible employees and retail individual bidders.*
2. *Issue price for anchor investors was ₹227 per equity share and a discount of ₹12 per equity share had been offered to eligible employees and retail individual bidders.*
3. *Opening price information as disclosed on the website of NSE.*
4. *Change in closing price over the issue/offer price as disclosed on NSE.*
5. *Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.*
6. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*
7. *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.*
8. *Restricted to 10 issues.*

2. Summary statement of price information of past issues handled by JM Financial Institutional Securities Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	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%
2017-2018	3	26,563.30	-	-	2	-	1	-	-	-	-	-	-	-
2016-2017	7	137,049.21	-	-	2	1	1	3	-	-	1	2	2	2
2015-2016	1	5,081.70	-	-	-	-	-	1	-	-	-	-	-	1

[*] *The information is as on the date of this Draft Red Herring Prospectus.*

B. ***Edelweiss Financial Services Limited***

3. Price information of past issues handled by Edelweiss Financial Services Limited:

S. No.	Issue Name	Issue Size (₹ 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	Cochin Shipyard Limited	14,429.30	432.00^	August 11, 2017	440.15	30.14%; [3.04%]	Not applicable	Not applicable
2	Central Depository Services (India) Limited	5,239.91	149.00	June 30, 2017	250.00	127.92%; [5.84%]	Not applicable	Not applicable
3	Tejas Networks Limited	7,766.88	257.00	June 27, 2017	257.00	28.04%; [5.35%]	17.82% [3.80%]	Not applicable
4	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	600.00	145.08%; [-0.20%]	166.35%; [5.88%]	264.38%; [11.31%]
5	BSE Limited	12,434.32	806.00	February 3, 2017	1,085.00	17.52%; [2.55%]	24.41%; [6.53%]	34.43%; [15.72%]
6	Sheela Foam Limited	5,100.00	730.00	December 9, 2016	860.00	30.23%; [-0.31%]	48.39%; [8.02%]	86.65%; [16.65%]
7	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60%; [0.54%]	-11.54%;[-6.50%]	12.31%; [5.28%]
8	Thyrocare Technologies Limited	4,792.14	446.00	May 9, 2016	665.00	36.85%; [5.09%]	22.57%;[10.75%]	39.09%;[7.22%]
9	Equitas Holdings Limited	21,766.85	110.00	April 21, 2016	145.10	34.64%;[-2.05%]	57.91%;[7.79%]	63.77%;[7.69%]
10	Healthcare Global Enterprises Limited	6,496.40	218.00	March 30, 2016	210.20	-15.30%;[1.45%]	-19.98%;[4.65%]	-1.28%;[12.77%]

Source: www.nseindia.com

^ *Cochin Shipyard Limited - Discount of ₹21 per equity share was offered to retail bidders & eligible employees. All calculations are based on the offer price of ₹432 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 next 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.*

4. 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 (₹ Mn.)	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%
2017-18*	3	27,436.09	-	-	-	1	2	-	-	-	-	-	-	-
2016 - 17	6	123,361.22	-	-	1	1	3	1	-	-	-	3	2	1
2015 - 16	7	56,157.83	-	-	3	-	2	2	-	-	4	-	1	2

**The information is as on the date of this Draft Red Herring Prospectus*

1. *Based on date of listing.*
2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*
3. *The Nifty 50 index is considered as the Benchmark Index.*

For the financial year 2017-18 – 3 issues have been completed. However, only 1 issue has completed 90 days.
For the financial year 2016-17 – total 6 issues were completed.
For the financial year 2015-16 total 7 issues were completed. However, disclosure under Table-1 is restricted to latest 10 issues.

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 Draft 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 any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

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 BRLMs and its 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. Accordingly, the Equity Shares are being offered and sold only (a) outside the United States pursuant to Rule 903 of Regulation S under the U.S. Securities Act ("**Regulation S**") and (b) in the United States to qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**")) pursuant to Section 4(a)(2) of the U.S. Securities Act with respect to our Company and Rule 144A with respect to the Promoter Selling Shareholders.

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 THE 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

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its registering with the RoC.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to its register with the RoC.

Filing

A copy of this 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 the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered for registration to RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to 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 the BSE and the 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. The [●] 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 the 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 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 to the Offer have been obtained; and consents in writing of (b) the Syndicate Members, the Banker(s) to the Offer/ Escrow Collection Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Sections 26 and 32 of Companies Act, 2013. Further, consents received prior to filing of this Draft Red Herring Prospectus have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus with SEBI.

Expert to the Offer

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

As required under Section 26(1)(a)(v) of 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., Chartered Accountants, with respect of its (a) examination report dated September 16, 2017 on the Restated Financial Statements, (b) report dated September 23, 2017 on the statement of possible special tax benefits available for our Company and the Shareholders, and (c) the summary of significant differences between Indian GAAP and Ind AS, which have been included in this Draft Red Herring Prospectus.

ii. Rajesh Patel, chartered engineer, with respect to his certificate dated September 21, 2017.

Further, such consents have not been withdrawn as on the date of this Draft 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 82.

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 82.

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 the 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 82.

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 82.

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 the 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 this Draft Red Herring Prospectus.

Previous issues of securities otherwise than for cash

Except as disclosed in the section titled "*Capital Structure*" on page 66, 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 this 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 this 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 or our Associate 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 the 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 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 of exchangeable into Equity Shares as of the date of this Draft Red Herring Prospectus.

Outstanding Preference Shares

Our Company has not issued any preference shares since our incorporation and hence there are no outstanding preference shares (including redeemable preference shares) as on the date of this Draft Red Herring Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft 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 in which the amount equivalent to the Bid Amount is blocked. 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.

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, Heena Parag Chheda and Vipul Jayant Chheda, as members. For details, see the section titled "*Our Management*" on page 152.

Our Company has appointed Shailesh Bhaskar 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-400 027
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 Draft 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 Draft 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 Draft 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 Draft 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, our Memorandum and Articles, the terms of the 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 343.

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 181 and 343, 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 English national newspaper [●], all editions of Hindi national newspaper [●], and [●] edition of regional language newspaper [●], each with wide circulation, 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 343.

Option to receive 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 the 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 17, 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 331.

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 292.

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 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 the 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 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 66 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 343.

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. Accordingly, the Equity Shares are being offered and sold only (a) outside the United States pursuant to Rule 903 of Regulation S under the U.S. Securities Act ("**Regulation S**") and (b) in the United States to qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**")) pursuant to Section 4(a)(2) of the U.S. Securities Act with respect to our Company and Rule 144A with respect to the Promoter Selling Shareholders.

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 THE 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 the 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 ₹ 7,000 million, comprising a Fresh Issue of [●] Equity Shares aggregating up to ₹ 5,000 million by our Company, and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 2,000 million by the Promoter Selling Shareholders. The Offer constitutes [●] % of the post-Offer paid-up Equity Share capital of our Company.

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. Upto [●] 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 331.
Minimum Bid	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares not exceeding the size of the Offer, subject to	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable	Such number of Equity Shares such that the Bid Amount does not exceed ₹ 200,000.

Particulars	QIBs[1]	Non-Institutional Bidders	Retail Individual Bidders
	applicable limits.	limits.	
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 Category III FPIs) 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 and trusts, and Category III FPIs.	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, the SCSB shall be authorised to block the Bid Amount mentioned in 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 294.*

[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 Portionor 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 290.

(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 cun Application Form of the respective Bidder.*

Bid/Offer Programme

For all Bidders: *	**BID / OFFER OPENS ON [●]**
For QIBS: **	**BID / OFFER CLOSES ON [●]**

* *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.*
** *Our Company and the Promoter Selling Shareholders may, in consultation with the BRLMs, decide to close Bidding by QIBs one day prior to the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Regulations.*

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	[●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account	[●]
Credit of the Equity Shares to depository accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

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 uploading or downloading the Bids due to faults in any software / hardware system or otherwise.

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 five 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 press release 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.

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 and the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, issued by SEBI (the "**General Information Document**") included below under "– Part B – General Information Document" beginning on page 308, 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. 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 also 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.*

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 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 the Red Herring Prospectus.

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.

Investors 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, 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.

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 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 by the SCSB at the time of submitting the Bid.

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 **	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs and registered multilateral and bilateral development financial institutions applying on a repatriation basis **	[●]
Anchor Investors***	[●]

* *Excluding electronic Bid cum Application Forms.*

** *Electronic Bid cum Application forms will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).*

*** *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.*

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.

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 311, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- FPIs, other than Category III FPIs;
- Category III FPIs who are foreign corporates or foreign individuals only under the Non-Institutional Portion
- 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 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. Accordingly, the Equity Shares are being offered and sold only (a) outside the United States pursuant to Rule 903 of Regulation S under the U.S. Securities Act ("**Regulation S**") and (b) in the United States to qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act ("**Rule 144A**")) pursuant to Section 4(a)(2) of the U.S. Securities Act with respect to our Company and Rule 144A with respect to the Promoter Selling Shareholders.

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 THE RED HERRING PROSPECTUS AND A PRELIMINARY INTERNATIONAL WRAP THAT CONTAINS, AMONG OTHER THINGS, THE SELLING RESTRICTIONS APPLICABLE TO THE OFFER OUTSIDE INDIA.

Participation by associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs and the Syndicate Members 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 the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The BRLMs and any persons related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs) and our Promoters, Promoter Group and any persons related to our Promoters and Promoter Group cannot apply in the Offer under the Anchor Investor Portion.

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 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 should authorise their SCSB to block their NRO Accounts for the 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.

Bids by FPIs

On January 7, 2014, SEBI notified the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 ("**SEBI FPI Regulations**") pursuant to which the existing classes of portfolio investors, namely, FIIs and QFIs were subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. Furthermore, RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Offer equity share capital. Further, in terms of the FEMA Regulations, 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. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board, followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. For calculating the aggregate holding of FPIs in our company, holding of all registered FPIs as well as holding of Foreign Instititutional Investors (being deemed FPIs) shall be included. In terms of the above-mentioned provisions of the FEMA Regulations, the existing individual and aggregate investment limits for an FPI in our Company is 10% and 24% of the total paid-up equity share capital of our Company, respectively.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments ("**ODIs**"). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the GoI from time to time. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. FPIs (other than Anchor Investors) are required to Bid through the ASBA process to participate in the Offer.

An FPI shall issue ODIs only to those subscribers which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III FPI and unregulated broad based funds, which are classified as Category II FPIs by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India) directly or indirectly, only in the event (i) such ODI are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such ODI are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI is also required to ensure that any transfer of ODIs is made by, or on behalf of it subject to the following conditions:

(a) such ODIs 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 ODIs are to be transferred to are pre-approved by the FPI.

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 wll 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 Shareholders reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers is prescribed in Regulation 5 of the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the "**IRDA Investment Regulations**") are set forth below:

(i) equity shares of a company: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/ investment assets in case of a general insurer or a reinsurer;

(ii) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(iii) the industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (a), (b) or (c) above, as the case may be.

Insurer companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by the IRDA 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 Exchange.

(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) The BRLMs, our Promoters, members of the Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLMs) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLMs and made available as part of the records of the BRLMs for inspection by SEBI.

(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 332.

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: [●]

(b) In case of non-resident Anchor Investors: [●]

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, 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 registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement in all editions of English national newspaper [●], all editions of Hindi national newspaper [●], and [●] edition of regional language newspaper [●], 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 Draft 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 308, 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 the 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 308, Bidders are requested to note the additional instructions provided below.

***Do's*:**

1. Check if you are eligible to apply as per the 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;
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 in the ASBA 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 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;
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 the 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. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form; and
24. 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 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 stockinvest;
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. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
16. 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;
17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;
18. 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;
19. Do not submit more than five ASBA Forms per ASBA Account;
20. Do not submit ASBA Bids to a Designated Intermediary at a location other than the Bidding Centres;
21. 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); and

The Bid cum Application Form is liable to be rejected if the above instructions, 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 312, 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 the 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 328, Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bid submitted without payment of the entire Bid Amount;
2. Bids submitted by Retail Individual Bidders 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 295;
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 Anchor Investors) 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 17, 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 the 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 the 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 the 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 the 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.

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, as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/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 the Red Herring Prospectus/Prospectus before investing in the Offer.

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").

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 undertaking an IPO, an Issuer is *inter alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the 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 undertaking an FPO, the Issuer is *inter alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. 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, 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 registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre- Offer advertisement was given at least five 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

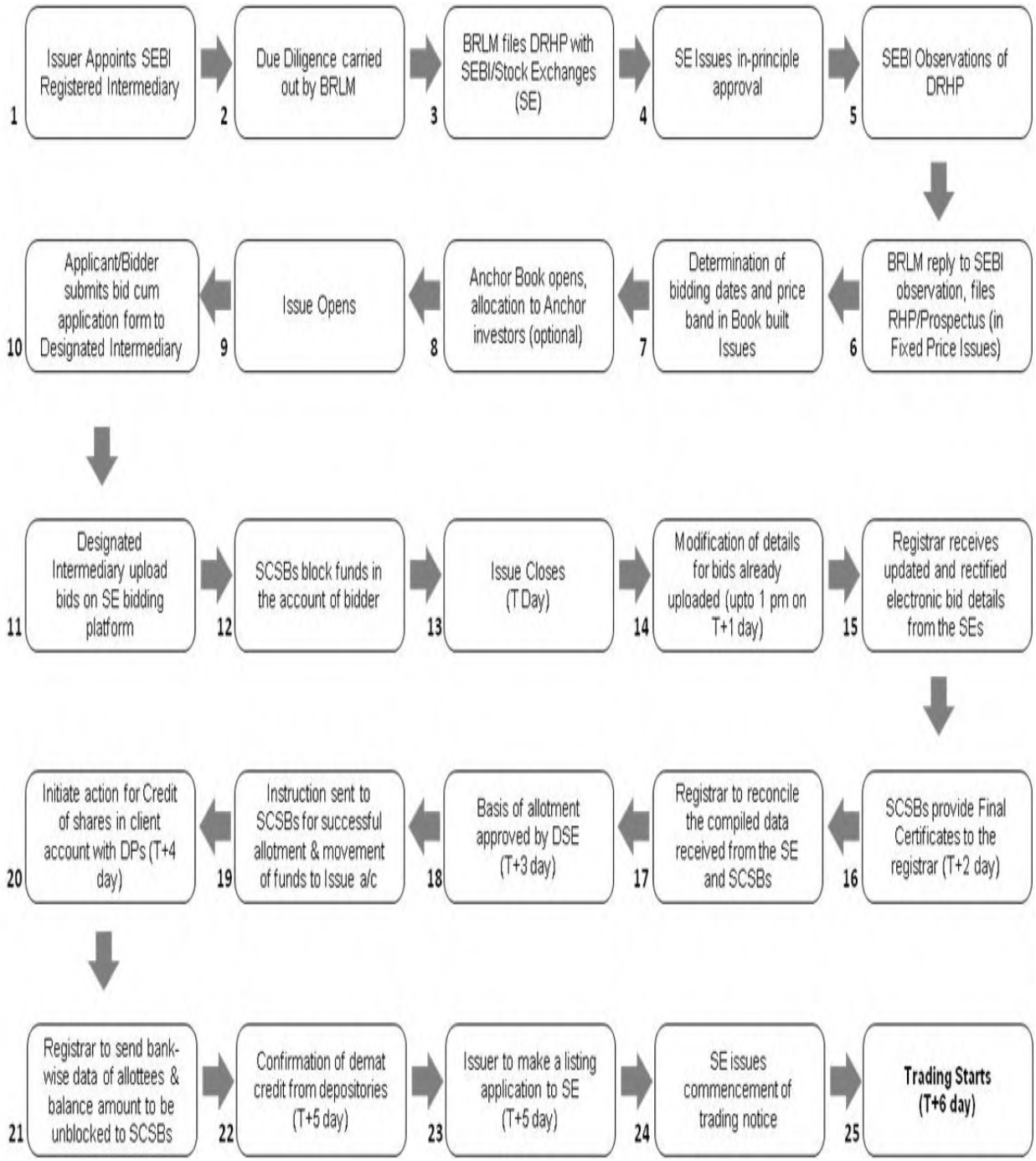
The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/ Offer Period. Details of 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/Issue 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.:

- In case of Offer other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
  - (i) Step 7 : Determination of Offer Date and Price
  - (ii) Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges (SE)
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7 Determination of bidding dates and price band in Book built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits bid cum application form to Designated Intermediary
11 Designated Intermediary upload bids on SE bidding platform
12 SCSBs block funds in the account of bidder
13 Issue Closes (T Day)
14 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
15 Registrar receives updated and rectified electronic bid details from the SEs
16 SCSBs provide Final Certificates to the registrar (T+2 day)
17 Registrar to reconcile the compiled data received from the SE and SCSBs
18 Basis of allotment approved by DSE (T+3 day)
19 Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20 Initiate action for Credit of shares in client account with DPs (T+4 day)
21 Registrar to send bank-wise data of allottees & balance amount to be unblocked to SCSBs
22 Confirmation of demat credit from depositories (T+5 day)
23 Issuer to make a listing application to SE (T+5 day)
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

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 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 (other than Category III FPIs) bidding in the QIBs category;
- Category III 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:

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : _____ Contact Details: _____ CIN No _____	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : _____

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms. _____

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)			
		Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick ✓)
	9 7 6 5 4 3 2 1	9 2 1	9 2 1	9 2 1	
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 - CB
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

*HUF should apply only through Karta
*Application by HUF would be treated on par with Individuals

7. PAYMENT DETAILS — PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) _____ (₹ in words) _____

ASBA Bank A/c No. _____

Bank Name & Branch _____

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDER'S UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bids in Stock Exchange system)
Date :	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) 2) 3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms. _____

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

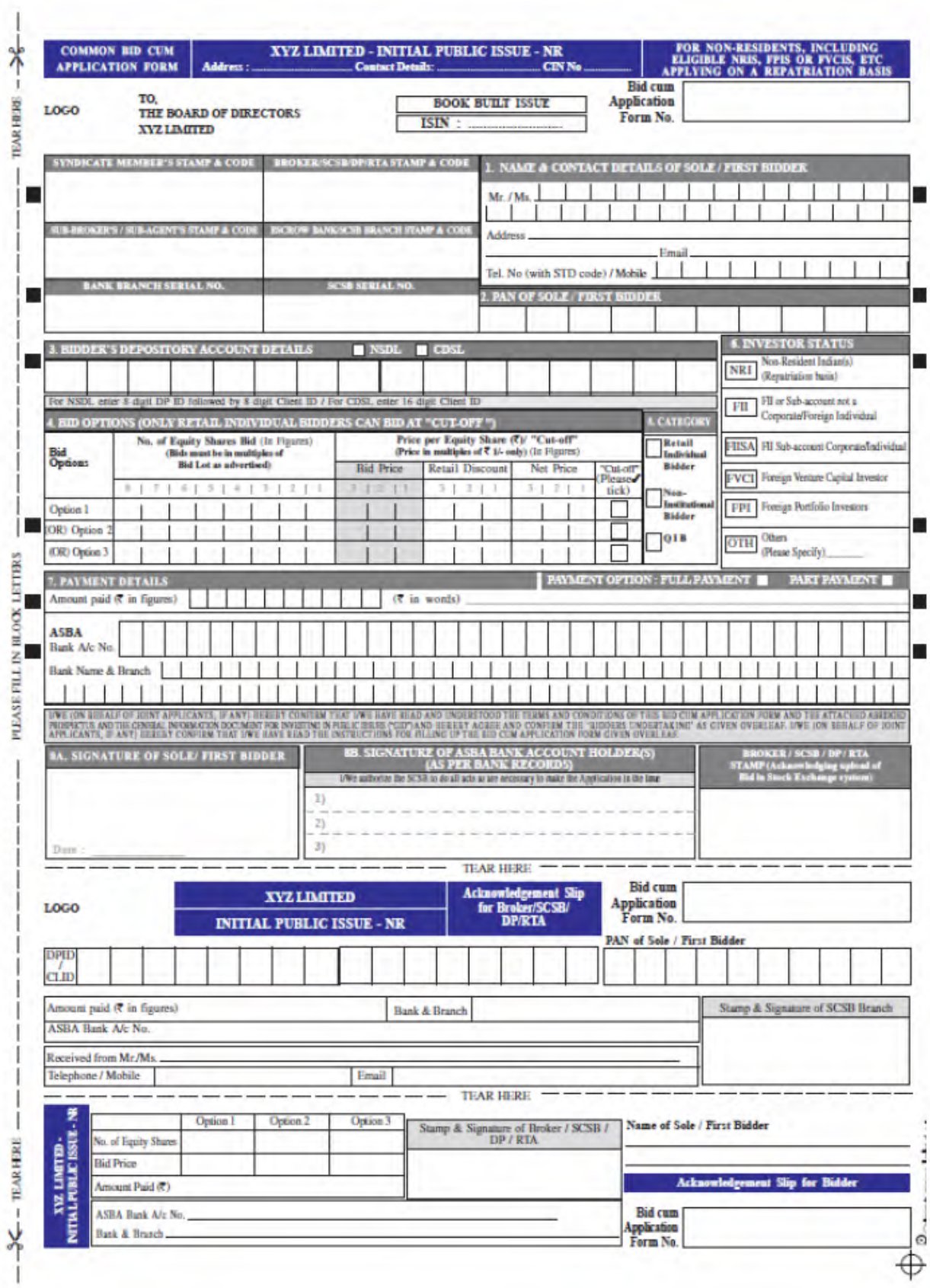
ASBA Bank A/c No. _____

Bank & Branch _____

Name of Sole / First Bidder _____

Acknowledgement Slip for Bidder

Bid cum Application Form No.



COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

Address : ..... Contact Details: ..... CIN No .....

FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : .....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

BRO(SB BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

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

6. INVESTOR STATUS

NRI Non-Resident Indian(s) (Repatriation basis)

FII FII or Sub-account not a Corporate/Foreign Individual

FIISA FII Sub-account Corporate/Individual

FVCI Foreign Venture Capital Investor

FPI Foreign Portfolio Investors

OTH Others (Please Specify).....

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) Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	9 8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

7. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER

Date : .....

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the time

1)

2)

3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

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, for unblocking of ASBA Account or for other 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 five 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) 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.

(b) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.

(c) QIBs and NIIs can participate in the Offer only through the ASBA mechanism.

(d) All Bidders (except Anchor Investors) are required to Bid through the ASBA process.

(e) Bid Amount cannot be paid in cash, 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 ASBA Bidders

(a) Bidders may submit the ASBA Form either:

(i) in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

(ii) in physical mode to a Designated Intermediary at a Bidding Centre.

(b) ASBA Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts

in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bid cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at a Bidding Centre i.e to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) ASBA Bidders bidding through a Designated Intermediary other than an SCSB should note that the ASBA Forms submitted to the Designated Intermediary may not be accepted by the Designated Intermediary, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary to deposit Bid cum Application Forms.

(h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA 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 ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until 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, 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 to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Offer, the SCSBs 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 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 **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 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) 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 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

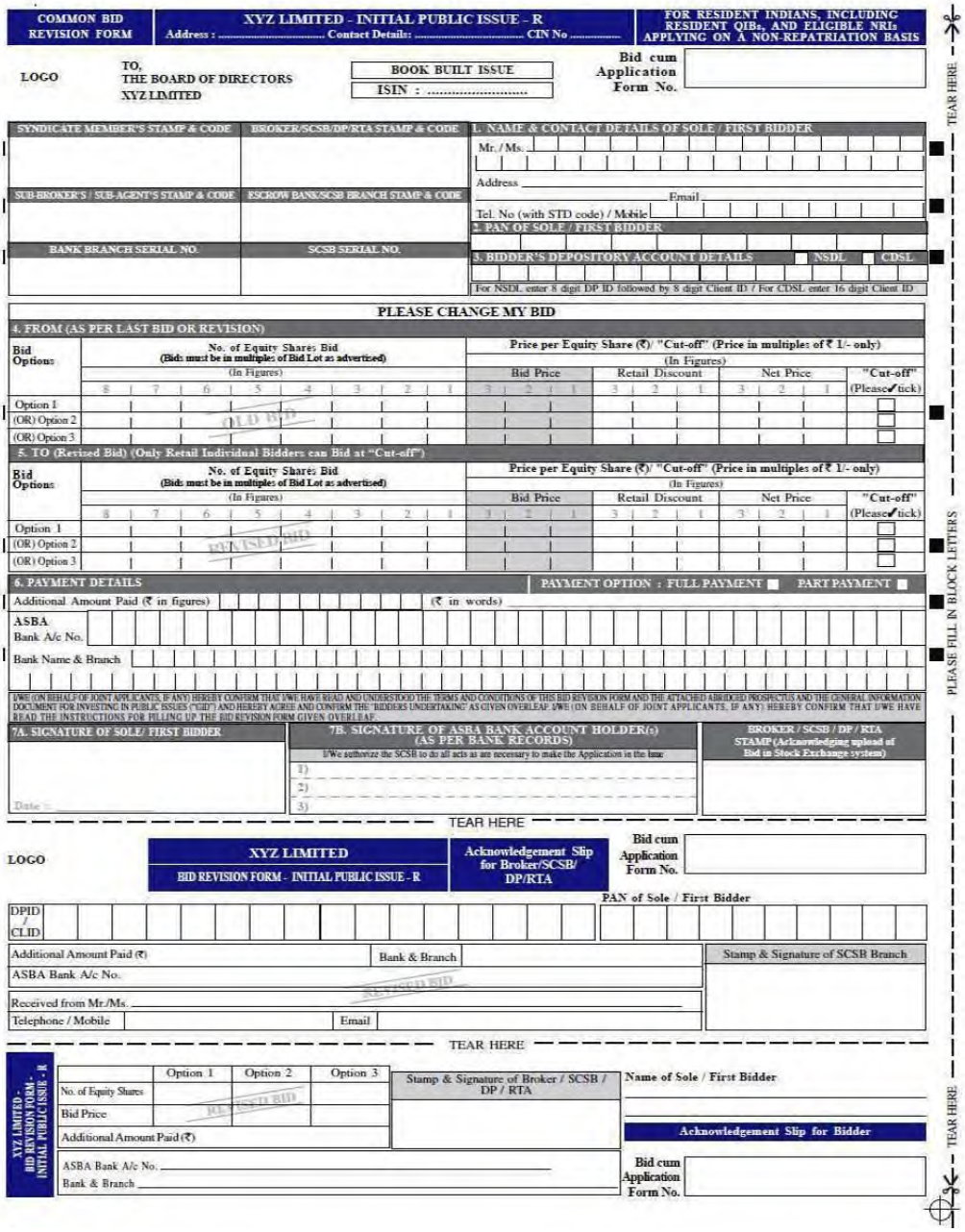
(a) During the Bid/ Offer Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part 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. 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:



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) is blocked in the ASBA Accounts. 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 registered 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) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Offer.

(b) Application Amount cannot be paid through cheques and demand drafts or in cash, through money order or through postal order or through stock invest.

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 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

Mode of Application	Submission of Bid cum Application Form
	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 XI of SEBI ICDR Regulations, 2009. 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 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. The Designated Intermediaries are given up to one day after 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 validation of the electronic bid details with the Depository's records.

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 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 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 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.

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) Submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(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) 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 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 not uploaded on the terminals of the Stock Exchanges;

(z) 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.

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 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 Agreement and the RHP. On the Designated Date, the Registrar to the Offer shall instruct the SCSBs 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/ Issue 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 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/Issue 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

Term	Description
	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 Form	The form used by an Anchor Investor to make a Bid in the Anchor Allotment in terms of the 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.
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 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

Term	Description
	broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
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
Category III FPI	FPIs who are registered as "Category III foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
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 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

Term	Description
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
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
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, 2014.
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	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and Category III FPIs that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
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

Term	Description
	advertised, at least five 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 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
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
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 Pricing Date
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

Term	Description
	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 Regulations. 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 which are notified by the RBI as amendments to the FEMA Regulations. In case of any conflict, the FEMA Regulations 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 company regulated by a sectoral regulator (in our case, being SEBI), 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 Draft 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
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	There will be no variation in the rights of holders of the shares of any class issued with

	not to affect rights of existing members	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	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.
	(2) Mode of further issue of shares	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	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
	(2) Purchaser to be registered holder	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	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 Company in the General Meeting.
	(2) Notice of call	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.
	(3) Board may extend time for 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.
	(4) Revocation or postponement of call	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	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.
	(2) Effect of non-payment of sums	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	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

	to earn dividend	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.
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 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	a) Shares may be converted into stock b) Right of stockholders	Where shares are converted into stock: 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	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.
	(2) Sum how applied	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	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.

	meeting	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	A Committee may elect a Chairperson of its meetings unless the Board, while

	Committee (2) Who to preside at meetings of Committee	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.

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 Draft Red Herring Prospectus), which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus/Prospectus, delivered to the Registrar of Companies for registration 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 the Red Herring Prospectus until the Bid/Offer Closing Date, exept 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 September 26, 2017.

2. Registrar Agreement among our Company, the Promoter Selling Shareholders and Registrar to the Offer dated September 26, 2017.

3. Cash Escrow Agreement dated [●] among our Company, the Promoter Selling Shareholders, the BRLMs, the Escrow Collection Bank, the Refund Bank, the Registrar to the Offer and the Syndicate Members.

4. Share Escrow Agreement dated [●] among our Company, the Promoter Selling Shareholders, the Share Escrow Agent and the Registrar to the Offer.

5. Syndicate Agreement dated [●] 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 17, 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 [●], 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 August 21, 2017, authorising the Offer.

4. Resolution of the Shareholders dated September 15, 2017, under section 62(1)(c) of the Companies Act, 2013 authorising the Offer.

5. Agreement dated September 26, 2017 between our Company and Jayant Shamji Chheda in relation to his appointment as the Managing Director of our Company.

6. Agreement dated September 26, 2017 between our Company and Parag Jayant Chheda in relation to his appointment as an Executive Director of our Company.

7. Agreement dated September 26, 2017 between our Company and Vipul Jayant Chheda in relation to his appointment as an Executive Director of our Company.

8. Agreement dated September 8, 2017 between our Company and Heena Parag Chheda in relation to her appointment as an Executive Director of our Company.

9. Resolution of the Board of Directors dated September 26, 2017, approving this Draft Red Herring Prospectus.

10. Consent letters from the Promoter Selling Shareholders giving consent for their participation in the Offer.

11. Examination report of the Statutory Auditor, M/s. Khimji Kunverji & Co., Chartered Accountants, dated September 16, 2017 on the Restated Financial Statements included in this Draft Red Herring Prospectus, along with the Restated Financial Statements.

12. Copies of the auditor reports and directors reports for the last five years.

13. Statement of possible special tax benefits available to the Company and its Shareholders from M/s. Khimji Kunverji & Co., Chartered Accountants dated September 23, 2017.

14. Written consent from our Statutory Auditor, namely, M/s Khimji Kunverji & Co., Chartered Accountants, to include its name as an "expert" as defined under the Companies Act, 2013 in respect of its (a) examination report dated September 16, 2017 on the Restated Financial Statements, (b) report dated September 23, 2017 on the statement of possible special tax benefits available for our Company and the Shareholders, and (c) the summary of significant differences between Indian GAAP and Ind AS, which have been included in this Draft Red Herring Prospectus.

15. Written consent dated September 21, 2017 from Rajesh Patel, chartered engineer, to be named as an "expert" as defined under the Companies Act, 2013.

16. Industry report titled *"Market Assessment of Polumer Pipes Industry"* dated August, 2017, prepared by CRISIL.

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 and CRISIL.

18. Personal guarantees, dated December 5, 2016, April 10, 2017 and September 14, 2017 from Jayant Shamji Chheda, Parag Jayant Chheda and Vipul Jayant Chheda in relation to the certain loans availed by our Company.

19. Copies of annual reports of our Company for Fiscal Years 2013, 2014, 2015, 2016 and 2017.

20. In-principle listing approvals dated [●] and [●] received from the NSE and the BSE, respectively.

21. Due diligence certificate dated September 26, 2017 to SEBI from the BRLMs.

22. SEBI observation letter dated [●].

Any of the contracts or documents mentioned in this Draft 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, 1956, the Companies Act, 2013 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 Draft 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 Draft 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)

Heena Parag Chheda _____
(Executive Director)

Ramesh Chandak _____
(Additional Independent Director)

Mohinder Pal Bansal _____
(Additional Independent Director)

Anup Pravin Shah _____
(Additional Independent Director)

Uma Mandavgane _____
(Additional Independent Director)

Date: September 26, 2017

Place: Mumbai

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Shyam Sharda _____

Date: September 26, 2017

Place:Mumbai _____

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

I confirm that all statements and undertakings made or confirmed by me in this Draft 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 Draft 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: September 26, 2017

Place:Mumbai

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

I confirm that all statements and undertakings made or confirmed by me in this Draft 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 Draft 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: September 26, 2017

Place:Mumbai

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

I confirm that all statements and undertakings made or confirmed by me in this Draft 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 Draft 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: September 26, 2017

Place:Mumbai

DECLARATION BY THE PROMOTER SELLING SHAREHOLDERS

I confirm that all statements and undertakings made or confirmed by me in this Draft 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 Draft 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: September 26, 2017

Place:Mumbai