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# DEE DEVELOPMENT ENGINEERS LIMITED



(Please scan this QR code to view the RHP)

Our Company was originally incorporated as "DE Development Engineers Private Limited" a private limited company under the Companies Act, 1956 through a certificate of incorporation dated March 21, 1988, issued by the RoC. Thereafter, the name of the Company was changed to "DEE Development Engineers Private Limited" pursuant to a Board resolution dated September 28, 1997 and a special resolution passed in the general meeting of the Shareholders held on October 22, 1997 and consequently a fresh certificate of incorporation dated January 8, 1998 was issued by the RoC to reflect the change in name. Pursuant to an amendment to the Companies Act, 1956, our Company was deemed public under Section 43A (1A) of the Companies Act, 1956 with effect from July 1, 1998. Consequently, the word 'Private' was deleted from the name of our Company and the name was changed to "DEE Development Engineers Limited" pursuant to a Board resolution dated June 1, 1998. Thereafter, our Company was converted into a private limited company pursuant to an amendment to Section 43A (1A) in Companies Act, 1956 by Section 43A (2A) of the Companies Amendment Act, 2000 with effect from July 16, 2004 and the name was changed to "DEE Development Engineers Private Limited" pursuant to a Board resolution dated July 16, 2004. The name of our Company was changed to 'DEE Development Engineers Limited' upon conversion to a public limited company pursuant to a Board resolution dated December 29, 2009 and a resolution passed in the extra-ordinary general meeting of the Shareholders held on January 18, 2010 and consequently a fresh certificate of incorporation dated March 11, 2010, was issued by the RoC. For further details, see "History and Certain Corporate Matters – Brief History of our Company" on page 248 of the red herring prospectus of our Company dated June 11, 2024 filed with the RoC ("Red Herring Prospectus" or "RHP").

Registered and Corporate Office: Unit 1, Prithla-Tatarpur Road, Village Tatarpur, Dist. Palwal, Faridabad, Haryana – 121102, India

Contact Person: Ranjan Kumar Sarangi, Company Secretary and Compliance Officer; Tel: +91 1275 248345, E-mail: secretarial@deepiping.com; Website: www.deepiping.com; Corporate Identity Number: U74140HR1988PLC030225

## OUR PROMOTERS: KRISHAN LALIT BANSAL ASHIMA BANSAL AND DDE PIPING COMPONENTS PRIVATE LIMITED

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF DEE DEVELOPMENT ENGINEERS LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER"). THE OFFER COMPRISES OF A FRESH ISSUE OF UPTO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UPTO ₹3,250.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 45,82,000 EQUITY SHARES (THE "OFFERED SHARES") BY KRISHAN LALIT BANSAL ("SELLING SHAREHOLDER") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"). THE OFFER SHALL CONSTITUTE [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES (CONSTITUTING UP TO [●] % OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY) AGGREGATING UP TO ₹ 10.00 MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) ("EMPLOYEE RESERVATION PORTION"). THE EMPLOYEE RESERVATION PORTION SHALL NOT EXCEED 5% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL. THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE "NET OFFER". OUR COMPANY MAY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, OFFER A DISCOUNT UP TO ₹ 19 OF THE OFFER PRICE TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●] % AND [●] %, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE OFFER FOR SALE			
Name of the Selling Shareholder	Type	Number of Equity Shares of face value ₹10 Offered	Weighted Average Cost of Acquisition per Equity Share of face value ₹10 (in ₹)**
Krishan Lalit Bansal	Promoter	Up to 45,82,000 Equity Shares of face value ₹10 aggregating up to ₹ [●] million	0.83

\*As certified by VSD & Associates, Chartered Accountant, by way of their certificate dated June 11, 2024.

\*\*12,330 Equity Shares were issued to the Promoter in lieu of the acquisition of the business of partnership firm of M/S Development Engineers. Value of given equity shares is not quantifiable. Accordingly, the consideration amount has not been included for the calculation of average cost of acquisition.

DEE Development Engineers Limited is an engineering company providing piping solutions for industries such as oil and gas, power, chemicals and other process industries through engineering, procurement and manufacturing.

The Offer is being made through the Book Building Process pursuant to Regulation 6(1) of the SEBI ICDR Regulations.

QIB Portion: Not more than 50% of the Net Offer | Non-Institutional Portion: Not less than 15% of the Net Offer

Retail Portion: Not less than 35% of the Net Offer. | Employee Reservation Portion: Up to [●] Equity Shares aggregating up to ₹10.00 million

PRICE BAND: ₹193 TO ₹203 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH.

THE FLOOR PRICE IS 19.3 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 20.3 TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE TO EARNINGS RATIO ("P/E") BASED ON BASIC AND DILUTED EPS FOR FINANCIAL YEAR ENDED 2023 FOR THE COMPANY AT THE UPPER END OF THE PRICE BAND IS AS HIGH AS 82.86 TIMES AND AT THE LOWER END OF THE PRICE BAND IS 78.78 TIMES AS COMPARED TO THE AVERAGE INDUSTRY PEER GROUP P/E RATIO OF 42.40 TIMES.

AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR THE SELLING SHAREHOLDER IS ₹ 0.83.

AVERAGE RETURN ON NET WORTH FOR LAST THREE FULL FINANCIAL YEARS IS 2.78%

BIDS CAN BE MADE FOR A MINIMUM OF 73 EQUITY SHARES AND IN MULTIPLES OF 73 EQUITY SHARES THEREAFTER.

A DISCOUNT OF ₹19 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.

In accordance with the recommendation of the Committee of Independent Directors of our Company, pursuant to their resolution dated June 11, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Offer Price" section of the RHP vis-à-vis the weighted average cost of acquisition of primary and secondary transaction(s) disclosed in the "Basis for Offer Price" section on page 135 of the RHP.

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE OFFER, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE OFFER AVAILABLE IN ANY MANNER.

In relation to price band, potential Investors should only refer to the price band advertisement for the Offer and should not rely on any media articles/ reports in relation to the valuation of the Company as these are not endorsed, published or confirmed either by the Company or by the BRLMs.

## RISK TO INVESTORS

- Dependence on oil and gas, power (including nuclear), Power Generation through our Abohar Biomass Generation Plant and our Muktsar Biomass Generation Plant, process industries, chemical sectors:** Our revenue contribution from our customers in the oil and gas, power (including nuclear power), Power Generation through our Abohar Biomass Generation Plant and our Muktsar Biomass Generation Plant, process industries including sugar, specialty chemicals and distilleries and chemical sectors as a percentage of our total revenue from operations in nine months ended December 31, 2023 were 52.76%, 24.65%, 11.20% 11.39% and Nil, respectively. Factors adversely affecting any of these industries in general, or any of our customers in particular, could have a cascading adverse effect on our business, cash flow, financial condition and results of operations.
- Dependence on long term customers:** Our revenue contribution as a percentage of our total revenue from operations of our largest customer, our top 10 customers and our top 20 customers, for the nine months ended December 31, 2023 were 12.46%, 66.18% and 86.19%, respectively. We derive a significant part of our revenue from some customers. If one or more of such customers choose not to source their requirements from us or to terminate our contracts or purchase orders, it will adversely affect our profitability and liquidity.
- Underutilisation of Manufacturing Capacities:** We have seven located Manufacturing Facilities, which together with the Anjar Heavy Fabrication Facility have an aggregate installed capacity of 100,500 MT. The capacity utilization of our facilities situated at Palwal Facility I, Palwal Facility II, Palwal Facility III, Barmer Facility, Anjar Facility I, Bangkok Facility and Anjar Heavy Fabrication Facility for the nine months ended December 31, 2023 were 5.45%, 50.43%, 107.00%, 78.99%, 64.83%, 39.79% and 25.98%, respectively. Under utilisation of our manufacturing capacities over extended periods, or significant under utilisation in the short-term, could materially and adversely impact our business, growth prospects and future financial performance.
- We have in the past, and may in the future, experience negative cash flows from investing and financing activities:** Our net cash flow generated from operating activities, used in investing activities and financing activities for the nine months ended December 31, 2023 were ₹ 697.11 million, ₹ (948.21) million and ₹ 247.06 million respectively, with Net increase/ (decrease) in cash and cash equivalents to be ₹ (4.04) million. Any negative cash flows in the future would adversely affect our results of operations, cash flows and financial condition.
- Audit Report Qualifications:** The audit reports of our Company and our Subsidiaries contain an emphasis of matter paragraph and the annexure to Auditor's Report under the Companies (Auditor's Report) Order, 2020 and Companies (Auditor's Report) Order, 2016 of our Company and few of our Subsidiaries, certain adverse remarks or qualifications, which could adversely affect our business. For further details please refer to Risk factor no 26 appearing on page 53 of the RHP.
- Losses incurred by subsidiaries:** Our Subsidiaries, DEE Piping Systems (Thailand) Co. Limited and DEE Fabricom India Private Limited have incurred losses in the last three Fiscals. Our subsidiary DEE Piping Systems (Thailand) Co. Limited and DEE Fabricom India Private Limited have incurred a loss of ₹ (56.64) and ₹ (19.61), respectively during Fiscal 2023. These subsidiaries may continue to incur such losses in the future, which could have a material adverse effect on our business.
- Compliance with high quality standards and stringent performance requirements by customers:** Any failure by us to comply with these standards or performance requirements may lead to the cancellation of existing and future orders, recalls, liquidated damages, invocation of performance bank guarantees or warranty and indemnity or liability claims, which could adversely affect our business.
- Indebtedness Risk:** Our total borrowings as of April 15, 2024, Fiscal 2023, Fiscal 2022 and Fiscal 2021 were ₹ 3,861.89 million, ₹ 3,526.22 million, ₹ 2,853.58 million and ₹ 2,571.65 million respectively. Any breach of terms under financing arrangements or inability to comply with repayment and other covenants could adversely affect our credit rating and business. We intend to utilize ₹ 1,750.00 million, i.e., a majority of the Net Proceeds towards the repayment or prepayment of all or a portion of certain borrowings availed by us and the payment of the accrued interest thereon.
- We will not receive any proceeds from the Offer for Sale:** The Offer consists of a Fresh Issue and an Offer for Sale. The Selling Shareholder shall be entitled to the Net proceeds from the Offer for Sale, and our Company will not receive any proceeds from the Offer for Sale.
- Introduction of Products and Customer Preferences:** If we are unable to introduce new products or engineering processes and respond to changing customer preferences in a timely and effective manner or if our product become obsolete

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due to a breakthrough in the development of technology or alternate products, the demand for our products or engineering services and supplies may decline, which may have an adverse effect on our business.

11. **Risks related to objects of the Offer:** The objects of the Offer for which funds have been raised and proposed deployment of the Net Proceeds of the Offer have not been appraised by a bank or a financial institution. Any revision in the estimates, delays or cost overruns may have a significant impact on our business.
12. **Price of raw materials:** Our raw material cost constitutes a significant percentage of our total expenses. Steel constituted 72.85%, 68.05%, 66.72% and 74.25% of total raw materials purchased by the Company for the nine months ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. Any increase in the prices of raw materials or a change in our customers' preference of raw material suppliers could adversely affect our affect the business and the profitability of our Company.
13. **Contractual risks under power purchase agreements:** We are subject to contractual risks with our power purchaser, the Punjab State Power Corporation Limited, which is a government body. Any failure to extend or renew our PPAs will have a material and adverse effect on our business.
14. **International operations and foreign currency risks:** A portion of our revenues and expenses are denominated in foreign currencies. Our revenue from operations outside India as a percentage of total revenue from operations in the nine months ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 were 40.53%, 45.10%, 36.48% and 45.63%, respectively. Our existing international operations subject us to various business, economic, political, regulatory and legal risks. Further, we are also exposed to foreign currency exchange risks and regulatory changes in foreign exchange management which may adversely impact our business.
15. **The Offer Price, market capitalization to revenue from operations multiple and price to earnings ratio based on the Offer Price by our Company may not be indicative of the market price of the Company on listing or thereafter:** Market capitalization to revenue from operations multiple and our price to earnings ratio (based on EPS for Fiscal 2023) is as follows:

Particulars	Market capitalization to revenue from operations	Price to earnings ratio
At lower end of price band i.e. ₹ 193 per Equity Share	2.26 times	78.78 times
At upper end of price band i.e. ₹ 203 per Equity Share	2.35 times	82.86 times

16. The weighted average cost of acquisition of all shares transacted in the last eighteen months, one year and three years preceding the date of the Red Herring

Prospectus is as follows:

Period	Weighted average cost of acquisition (in ₹)**	Upper end of the price band (₹203) is 'X' times the weighted average cost of acquisition	Range of acquisition price: Lowest price – Highest price (in ₹)
Last eighteen months	500.00	0.41	500.00 - 500.00
Last one year	500.00	0.41	500.00 - 500.00
Last three years	102.65	1.98	99.00 - 500.00

\*As certified by VSD & Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.

# The weighted average cost of acquisition has been calculated excluding bonus issues and transmission of shares.

17. Weighted average return on net worth for Fiscals 2023, 2022 and 2021 is 2.78% and as on nine months ended December 31, 2023 is 3.35% (*Not Annualised*).
18. Average cost of acquisition of shares for the Promoters and the Selling Shareholder
- The average cost of acquisition of Equity Shares for the Promoters and Selling Shareholder is as set out below:

Name of acquirer	Number of Equity Shares	Acquisition price per Equity Share (in ₹)**
<b>Promoters</b>		
Krishan Lalit Bansal (also the Selling Shareholder)	39,639,185	0.83
Ashima Bansal	4,399,900	0.27
DDE Piping Components Private Limited	7,532,275	0.37

\*As certified by VSD & Associates, Chartered Accountants, by way of their certificate dated June 11, 2024.

#12,330 Equity Shares were issued to Krishan Lalit Bansal in lieu of the acquisition of the business of partnership firm of M/S Development Engineers. Value of given equity shares is not quantifiable. Accordingly, the consideration amount has not been included for the calculation of average cost of acquisition.

19. The 2 BRLMs associated with the Offer have handled 43 public issues in the past three financial years, out of which issues closed below the Offer price on listing date:

Name of BRLMs	Total Issues	Issues closed below IPO Price as on listing date
SBI Capital Markets Limited*	25	12
Equirus Capital Private Limited*	16	5
Common Issues of above BRLMs	2	Nil
Total	43	17

\*Issues handled where there were no common BRLMs.

BID/OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE:  
TUESDAY, JUNE 18, 2024\*

BID/OFFER OPENS ON:  
WEDNESDAY, JUNE 19, 2024

BID/OFFER CLOSES ON:  
FRIDAY, JUNE 21, 2024\*

\*Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid during the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Offer Opening Date.

\*UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

CORRIGENDUM TO THE RED HERRING PROSPECTUS ("CORRIGENDUM")

With reference to the Red Herring Prospectus filed by our Company with the RoC, the SEBI and the Stock Exchanges, potential Bidders may note that in the table 'Submission of Bids (Other than Bids from Anchor Investors)' as appearing on page no 450 of the RHP, shall read as follows:

An indicative timetable in respect of the Offer is disclosed below:

Finalization of Basis of Allotment with the Designated Stock Exchange	On or about Monday, June 24, 2024
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA	On or about Tuesday, June 25, 2024
Credit of Equity Shares to dematerialised accounts of Allottees	On or about Tuesday, June 25, 2024
Commencement of trading of the Equity Shares on the Stock	On or about Wednesday, June 26, 2024

Submission of Bids (Other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/Offer Closing Date*	
Submission of electronic applications (Online ASBA through 3- in-1 accounts) - For Retail Individual Bidders and Eligible Employees	Only between 10.00 a.m. and up to 5.00 p.m. IST


Submission of electronic applications (Bank ASBA through Online channels like internet banking, mobile banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of electronic applications (Syndicate non-retail, non-individual applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of physical applications (Syndicate non-retail, non- individual applications) where Bid Amount is more than ₹0.50 million	Only between 10.00 a.m. and up to 12.00 p.m. IST

Modification/ revision/cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Bidders categories <sup>a</sup>	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/Offer Closing Date
Upward or downward revision of Bids or cancellation of Bids by Retail Individual Bidders and Eligible Employees	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date

\*UPI mandate end time shall be 5:00 p.m. on the Bid/ Offer Closing Date.

<sup>a</sup>QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their Bids.

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE.

<b>ASBA<sup>#</sup></b>	<b>Simple, Safe, Smart way of Application!!!</b>	<b>*Applications Supported by Blocked Amount ("ASBA") is a better way of applying to Issues by simply blocking the fund in the bank account. For further details, check section on ASBA. Mandatory in public issues.No cheque will be accepted.</b>
	UPI-Now available in ASBA for all individual investors applying in public issues where the application amount is up to ₹500,000, applying through Registered Brokers, Syndicate, CDPs & RTAs. Retail Individual Bidders and Non-Institutional Bidders also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and read with press release dated September 17, 2021 and CBDT circular no. 7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023.	
<small>ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by UPI Bidders. For details on the ASBA and UPI process, please refer to the details given in the Bid Cum Application Form and abridged prospectus and also please refer to the section "Offer Procedure" on page 457 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges" and can be obtained from the list of banks that is displayed on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=35">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=35</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43</a>, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: <a href="http://www.sebi.gov.in">www.sebi.gov.in</a>. UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. ICICI Bank Limited and Axis Bank have been appointed as the Sponsor Banks for the Offer, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For Offer related queries, please contact the Book Running Lead Managers ("BRLMs") on its email ID as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail ID: <a href="mailto:ipo.upi@npci.org.in">ipo.upi@npci.org.in</a>.</small>		

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 total Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company and the Selling Shareholder, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank(s), as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made in accordance with Regulation 6(1) of the SEBI ICDR Regulations, through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (such portion referred to as "QIB Portion"), provided that our Company, in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the "Anchor Investor Portion"), out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Price"), in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (excluding the Anchor Investor Portion) (the "Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received 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 all QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors out of which (a) one-third of such portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, Equity Shares will be allotted on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price (net of Employee Discount, if any). All potential Bidders (except Anchor Investors) are required to mandatorily

use the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of UPI Bidders, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank(s) under the UPI Mechanism, as applicable, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see "Offer Procedure" on page 457 of the RHP.

Bidders/ Applicants should ensure that DP ID, PAN, Client ID and UPI ID (for UPI Bidders using the UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for UPI Bidders using the UPI Mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised 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 giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. 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. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and CBDT circular no. 7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects of the Company, please see the section "History and Certain Corporate Matters" on page 248 of the RHP. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For further details, please see the section titled "Material Contracts and Documents for Inspection" on page 493 of the RHP.

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

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of the Company is ₹ 850,000,000 divided into 78,750,000 Equity Shares of ₹ 10 each and 6,250,000 Preference Share of ₹ 10 each. For details, please see the section titled "Capital Structure" beginning on page 108 of the RHP.

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**NAMES OF SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:** The initial signatories to the Memorandum of Association are Krishan Lalit Bansal, Dalip Singh Sidhu and Lajwant Rai who subscribed to 10 Equity Shares each bearing face value of ₹10. For details of the share capital history and capital structure of our Company, please see the section entitled “*Capital Structure*” beginning on page 108 of the RHP.




**LISTING:** The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated January 19, 2024 and January 18, 2024, respectively. For the purposes of the Offer, NSE shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see “*Material Contracts and Documents for Inspection*” on page 493 of the RHP.

**DISCLAIMER CLAUSE OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”):** SEBI only gives its observations on the Offer documents and the does not constitute approval of either the Offer or the specified securities or the Offer document. The investors are advised to refer to page 437 of the RHP for the full text of the disclaimer clause of SEBI.

**DISCLAIMER CLAUSE OF NSE (DESIGNATED STOCK EXCHANGE):** It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 439 of the RHP for the full text of the disclaimer clause of NSE.

**DISCLAIMER CLAUSE OF BSE:** It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 439 of the RHP for the full text of the disclaimer clause of BSE.

**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 SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to “*Risk Factors*” on page 29 of the RHP.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 <b>SBI Capital Markets Limited</b> 1501, 15 <sup>th</sup> Floor, A & B Wing, Parinee Crescenzo, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India Tel.: +91 22 4006 9807, E-mail : dee.ipo@sbicaps.com Website: www.sbicaps.com Investor grievance e-mail: investor.relations@sbicaps.com Contact Person: Janardhan Wagle/ Krithika Shetty SEBI Registration Number: INM000003531	 <b>Equirus Capital Private Limited</b> 12th Floor, C Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai – 400013, Maharashtra, India Tel.: +91 22 4332 0732, E-mail: dee.ipo@equirus.com Website: www.equirus.com Investor grievance e-mail: investorsgrievance@equirus.com Contact person: Ankesh Jain/Jenny Bagrecha SEBI Registration Number: INM000011286	 <b>Link Intime India Private Limited</b> C 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Maharashtra, India 400083 Tel: +91-8108114949, E-mail: dde.ipo@linkintime.co.in Website: www.linkintime.co.in Investor grievance e-mail: dde.ipo@linkintime.co.in Contact person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058	<b>Ranjan Kumar Sarangi</b> Company Secretary and Compliance Officer Tel: +91 1275 248345  Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Investors may also write to the BRLM.

**Availability of the RHP:** Investors are advised to refer to the RHP and the “*Risk Factors*” beginning on page 29 of the RHP, before applying in the Offer. A copy of the RHP is available on website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and is available on the websites of the the Company at [www.deepiping.com](http://www.deepiping.com) and BRLMs, i.e. SBI Capital Markets Limited at [www.sbicaps.com](http://www.sbicaps.com) and Equirus Capital Private Limited at [www.equirus.com](http://www.equirus.com), respectively and on the websites of BSE and NSE at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively.

**Availability of the Abridged Prospectus:** A copy of the abridged prospectus shall be available on the website of the Company, the BRLMs and the Registrar to the Offer at [www.deepiping.com](http://www.deepiping.com), [www.sbicaps.com](http://www.sbicaps.com) and [www.equirus.com](http://www.equirus.com) and [www.linkintime.co.in](http://www.linkintime.co.in)

**Availability of Bid-cum-Application Forms:** Bid-cum-Application Forms can be obtained from the Registered Office of the Company **DEE Development Engineers Limited**, Tel: +91 1275 248345 the BRLMs: **SBI Capital Markets Limited** Tel: +91 22 4006 9807 and **Equirus Capital Private Limited** Tel: +91 22 4332 0732 at the select locations of the Sub-Syndicate Members (as given below), SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. ASBA Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

**Syndicate member:** SBICAP Securities Limited, Investec Capital Services (India) Private Limited and Equirus Securities Private Limited.

**Sub-syndicate members:** Almondz Global Securities Limited, Anand Rathi Share & Stock Brokers Limited, Anand Rathi Wealth, Asit C. Mehta Investment Intermediates Limited, Axis Capital Limited, Bonanza Portfolio Limited, Centrum Broking Limited, HDFC Securities Limited, ICICI Securities Limited, IIFL Securities Limited, JM Financial Services Limited, Keynote Capitals Limited, KJMC Capital Market Services Limited, Kotak Securities Limited, LKP Securities Limited, Motilal Oswal Financial Services Limited, Nuvama Wealth and Investment Limited (Edelweiss Broking Limited), Prabhudas Lilladher Pvt Ltd., Pravin Ratilal Share & Stock Brokers Limited, RR Equity Brokers Private Limited, Sharekhan Limited, SMC Global Securities Limited and Yes Securities (India) Limited.

**Banker(s) to the Offer**

**Escrow Collection Bank, Refund Bank and Sponsor Bank:** ICICI Bank Limited.

**Public Offer Account Bank and Sponsor Bank:** Axis Bank Limited.

UPI: UPI Bidders can also bid through UPI Mechanism.

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

For on behalf of **DEE Development Engineers Limited**

Place: Palwal, Haryana

Date: June 11, 2024

**DEE Development Engineers Limited** is proposing, subject to, receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offer of its Equity Shares and has filed the DRHP dated September 28, 2023 read with addendum dated January 08, 2024 with SEBI on September 28, 2023 and the RHP dated June 11, 2024 with the RoC. The RHP is available on the website of the Company at [www.deepiping.com](http://www.deepiping.com), SEBI at [www.sebi.gov.in](http://www.sebi.gov.in), as well as on the websites of the BRLMs, i.e. [www.sbicaps.com](http://www.sbicaps.com) and [www.equirus.com](http://www.equirus.com) and the websites of National Stock Exchange of India Limited and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com), respectively. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risk, please see “*Risk Factors*” of the RHP, on page 29. Potential investors should not rely on the DRHP for making any investment decision but can only rely on the information included in the Red Herring Prospectus. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“**U.S. Securities Act**”) or any state securities laws in the United States, and unless so registered, and may not be offered or sold within 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 U. S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in “offshore transactions” as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

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