

**This is an abridged prospectus containing salient features of the red herring prospectus dated December 11, 2019 (the “RHP” or “Red Herring Prospectus”). You are encouraged to read the greater details available in the RHP.**

**THIS DOCUMENT CONSISTS OF FOUR PAGES OF APPLICATION FORM ALONG WITH INSTRUCTIONS AND SIX PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

Please ensure that you have read the RHP, this abridged prospectus and the General Information Document for investing in public offer (“GID”) undertaken through the Book Building Process before applying in the Offer (as defined below). You may obtain a physical copy of the Bid cum Application Form and the RHP from Stock Exchanges (as defined below), Members of the Syndicate, Registered Brokers, Collecting Depository Participants (“CDPs”), Registrar to the Offer, Registrar and Share Transfer Agents (“RTAs”), Bankers to the Offer, Investors’ associations or Self Certified Syndicate Banks (“SCSBs”). You may also download the RHP from the websites of Securities and Exchange Board of India (“SEBI”), the Book Running Lead Managers (“BRLMs”), BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) and together with BSE, the “Stock Exchanges”, i.e., [www.sebi.gov.in](http://www.sebi.gov.in), [www.jmfl.com](http://www.jmfl.com) and [www.edelweissfin.com](http://www.edelweissfin.com), [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. Unless otherwise specified all capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP. Bidders are advised to retain a copy of the RHP/Abridged Prospectus for their future reference.



## **PRINCE PIPES AND FITTINGS LIMITED**

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

**Registered Office:** Plot No.1, Honda Industrial Estate, Phase II, Honda Sattari, Honda, Goa 403 530, India

**Corporate Office:** 8<sup>th</sup> Floor, The Ruby, Senapati Bapat Marg (Tulsi Pipe Road), Dadar West, Mumbai 400 028, Maharashtra, India

**Contact Person:** Pravin Jogani, Company Secretary and Compliance Officer; **Telephone:** +91 22 66022222; **Facsimile:** +91 22 66022220

**E-mail:** [investor@princepipes.com](mailto:investor@princepipes.com); **Website:** [www.princepipes.com](http://www.princepipes.com); **Corporate Identity Number:** U26932GA1987PLC006287

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

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

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

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

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

### **PROCEDURE:**

If you wish to know about processes and procedures applicable to public issues, you may request for a copy of the GID from the BRLMs or download it from the websites of Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and the BRLMs at [www.jmfl.com](http://www.jmfl.com) and [www.edelweissfin.com](http://www.edelweissfin.com).

### **ELIGIBILITY FOR THE OFFER – Regulation 26(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”)**

Whether our Company is compulsorily required to allot at least 75% of the net Offer to Qualified Institutional Buyers – No

### **INDICATIVE TIMETABLE**

Bid/Offer Opens On*	Wednesday, December 18, 2019	Initiation of Refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Accounts	on or about December 27, 2019
Bid/Offer Closes On	Friday, December 20, 2019	Credit of the Equity Shares to depository accounts of Allottees	on or about December 30, 2019
Finalisation of Basis of Allotment with the Designated Stock Exchange	on or about December 26, 2019	Commencement of trading of the Equity Shares on the Stock Exchanges	on or about December 31, 2019

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

### **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 the section titled “Risk Factors” on page 17 of the RHP and on page 7 of the Abridged Prospectus respectively.

**PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BRLMs**

Sr. No.	Issue Name	Name of Merchant Banker	+/- % change in closing price, [+/- % change in closing benchmark]		
			30th calendar days from listing	90th calendar days from listing	180th calendar days from listing
1	Spandana Spoorty Financial Limited	JM Financial	-0.56% [-2.14%]	+52.76% [+7.61%]	NA
2	Metropolis Healthcare Limited	JM Financial	+3.75% [-4.01%]	+21.39% [-1.18%]	+45.93% [-3.30%]
3	Chalet Hotels Limited	JM Financial	+1.14% [-0.31%]	+24.41% [+3.87%]	+10.77% [-1.87%]
4	HDFC Asset Management Company Limited	JM Financial	+58.04% [+1.17%]	+30.61% [-7.32%]	+23.78% [-4.33%]
5	Fine Organic Industries Limited	JM Financial and Edelweiss	+5.72% [+6.56%]	+35.20% [+2.56%]	+50.21% [+1.90%]
6	IndoStar Capital Finance Limited	JM Financial	-0.96% [+1.84%]	-16.28% [+9.07%]	-39.97% [+1.57%]
7	Bandhan Bank Limited	JM Financial	+31.81% [+3.79%]	+42.96% [+6.26%]	+51.89% [+9.42%]
8	IndiaMART InterMESH Limited <sup>(1)</sup>	Edelweiss	+26.36% [-7.95%]	+83.82% [-4.91%]	NA
9	Polycab India Limited <sup>(2)</sup>	Edelweiss	+15.36% [-5.35%]	+14.70% [-1.99%]	+23.76% [-4.09%]
10	Aavas Financiers Limited	Edelweiss	-19.32% [+1.76%]	+2.42% [+3.67%]	+38.82% [+12.74%]
11	ICICI Securities Limited	Edelweiss	-27.93% [+5.44%]	-37.26% [+5.22%]	-44.39% [+7.92%]
12	Galaxy Surfactants Limited	JM Financial and Edelweiss	+1.14% [-3.31%]	-0.85% [+1.33%]	-14.68% [+7.66%]
13	Amber Enterprises India Limited <sup>(3)</sup>	Edelweiss	+27.15% [-5.04%]	+24.98% [-3.23%]	+10.58% [+2.07%]

Source: [www.nseindia.com](http://www.nseindia.com)

<sup>(1)</sup> IndiaMART InterMESH Limited - A discount of ₹ 97 per equity share was offered to eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹973 per equity share

<sup>(2)</sup> Polycab India Limited – employee discount of ₹53 per equity share to the offer price was offered to the eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹538 per equity share

<sup>(3)</sup> Amber Enterprises India Limited - employee discount of ₹ 85 per equity share to the offer price was offered to the eligible employees bidding in the employee reservation portion. All calculations are based on the offer price of ₹ 859 per equity share

Notes:

a) The Nifty 50 is considered as the Benchmark Index

b) If the 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered

c) NA: Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available

For further details, please refer to “Price information of past issues handled by the BRLMs” starting on page 361 of the RHP

**BOOK RUNNING LEAD MANAGERS**

<b>JM Financial Limited</b> <b>Telephone:</b> +91 22 6630 3030 <b>E-mail:</b> <a href="mailto:ppfl.ipo@jmfl.com">ppfl.ipo@jmfl.com</a> <b>Investor Grievance E-mail:</b> <a href="mailto:grievance.ibd@jmfl.com">grievance.ibd@jmfl.com</a>	<b>Edelweiss Financial Services Limited</b> <b>Telephone:</b> +91 22 4009 4400 <b>E-mail:</b> <a href="mailto:ppfl.ipo@edelweissfin.com">ppfl.ipo@edelweissfin.com</a> <b>Investor Grievance E-mail:</b> <a href="mailto:customerservice.mb@edelweissfin.com">customerservice.mb@edelweissfin.com</a>
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<b>Syndicate Members</b>	JM Financial Services Limited and Edelweiss Securities Limited
<b>Registrar to the Offer</b>	<b>Link Intime India Private Limited</b> <b>Telephone:</b> +91 22 4918 6200 <b>E-mail:</b> <a href="mailto:princepipes.ipo@linkintime.co.in">princepipes.ipo@linkintime.co.in</a> <b>Investor grievance E-mail:</b> <a href="mailto:princepipes.ipo@linkintime.co.in">princepipes.ipo@linkintime.co.in</a>
<b>Statutory Auditor</b>	<b>M/s. Khimji Kunverji &amp; Co. LLP, Chartered Accountants</b> (Formerly Khimji Kunverji & Co. – FRN 105146W)
<b>Self-Certified Syndicate Banks</b>	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> or such other websites and updated from time to time, , and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time. Applications through UPI in the Issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is provided as Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/ DIL2/ CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website.

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<b>Registered Brokers</b>	You can submit Bid cum Application Forms to Registered Brokers registered with Stock Exchange(s), as applicable, at Broker Centres, CDPs at the Designated CDP Locations, RTAs at the Designated RTA Locations. For further details, please refer to section titled “Offer Procedure” on page 380 of the RHP.
<b>Details regarding website address(es)/ link(s) from which the investor can obtain list of RTAs, CDPs and stock brokers who can accept applications from investors, as applicable</b>	The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone numbers, and e-mail address, are provided on the websites BSE and NSE at <a href="http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6">http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6</a> and <a href="http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm">http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm</a> , respectively, or such other websites as updated from time to time. The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of BSE and NSE at <a href="http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6">http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6</a> and <a href="http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm">http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm</a> , respectively, or such other websites as updated from time to time. For further details, see section titled “Offer Procedure” on page 380 of the RHP.
<b>Name of Credit Rating Agency and Grading obtained</b>	Not Applicable
<b>Name of Debenture Trustee</b>	Not Applicable

## PROMOTERS OF OUR COMPANY

The Promoters of our Company are:

**Jayant Shamji Chheda**, aged 73 years, is the Chairman and Managing Director of our Company. He has been associated with our Company since incorporation as a Director.

**Tarla Jayant Chheda**, aged 72 years, is a homemaker and is not involved in the day to day management of our Company.

**Parag Jayant Chheda**, aged 48 years, is an Executive Director of our Company. He has been associated with our Company since April 27, 1996 as a Director.

**Vipul Jayant Chheda**, aged 44 years, is an Executive Director of our Company. He has been associated with our Company since March 11, 1997 as a Director.

**Heena Parag Chheda**, aged 48 years, is the Vice President – Finance of our Company. She has been associated with Prince Marketing, a member of the Promoter Group, since 2004, and with our Company as Vice President – Finance and Accounts from 2009 - 2016 and she was a Director in our Company from October 1, 2016 to November 28, 2019.

For further details, please refer to “Our Promoters and Promoter Group” on page 200 of the RHP.

## BUSINESS MODEL / BUSINESS OVERVIEW AND STRATEGY

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

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

**Strengths:** 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 for almost the last five years, which has helped us to improve the quality of our products and our manufacturing efficiency; and 6) Strong management team

**Strategies:** 1) Continue to optimize our product mix to improve margins; 2) Increase our sales of DWC pipes; 3) 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; 4) Set up a new manufacturing plant in Telangana and expand capacity at our plant in Rajasthan; 5) Expand the Trubore brand to new geographies; and 6) Brand building through major marketing initiatives;

## BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience including current/past position held in other firms
1	Jayant Shamji Chheda	Chairman and Managing Director	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.
2	Parag Jayant Chheda	Executive Director	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.
3	Vipul Jayant Chheda	Executive Director	He has been associated with our Company since March 11, 1997 as a Director. He holds a higher secondary certificate from Maharashtra State Board of Secondary and Higher Secondary Education. He has over 20 years of experience in piping industry.

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Sr. No.	Name	Designation	Experience including current/past position held in other firms
4	Rajesh R. Pai	Non-executive Director	He was appointed to our Board on November 26, 2019. He has several years of experience in private equity.
5	Ramesh Chandak	Independent Director	He was appointed to our Board on September 16, 2017. He has over four decades of experience as a chartered accountant.
6	Mohinder Pal Bansal	Independent Director	He was appointed to our Board on September 16, 2017. He has over three decades of experience as a chartered accountant.
7	Dilip Deshpande	Independent Director	He was appointed to our Board on June 29, 2019. He has several years of experience in polymers and plastics processing industries.
8	Uma Mandavgane	Independent Director	She was appointed to Board on September 16, 2017. She is associate of Institute of Chartered Accountants of India and is qualified as Certified Information Systems Auditor from ISACA, USA. She has 22 years of experience in industry and consulting.

For further details, refer to "Our Management" on page 181 of the RHP.

**OBJECTS OF THE OFFER**

**Requirement of funds and proposed schedule of deployment**

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

*(in ₹ million)*

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

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

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

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

**Means of Finance**

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

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/ rights issues, if any, of the Company in the preceding 10 years:** Not Applicable

**Terms of issuance of convertible security, if any:** Not applicable

**Name of monitoring agency:** HDFC Bank Limited

**Shareholding pattern of the Company as on the date of RHP**

Sl. No.	Particulars	No. of fully paid up Equity Shares held	Shareholding as a % of total no. of shares
1	Promoter and Promoter Group	86,442,816	90.06
2	Public	9,538,000	9.94
<b>Total</b>		<b>95,980,816</b>	<b>100.00</b>

**Number of Equity Shares proposed to be sold by Promoter Selling Shareholders:**

Sr. No.	Name of the Promoter Selling Shareholder	Number of Equity Shares proposed to be offered
1.	Jayant Shamji Chheda	Up to [●] Equity Shares aggregating up to ₹ 200 million
2.	Tarla Jayant Chheda	Up to [●] Equity Shares aggregating up to ₹ 1,400 million
3.	Parag Jayant Chheda	Up to [●] Equity Shares aggregating up to ₹ 500 million
4.	Vipul Jayant Chheda	Up to [●] Equity Shares aggregating up to ₹ 400 million
<b>Total</b>		<b>Up to [●] Equity Shares aggregating up to ₹ 2,500 million</b>

**RESTATED FINANCIAL INFORMATION**

(₹ in Million except per Equity Share data)

Particulars	As at and for the 3 months ended June 30, 2019 (Ind AS)	As at and for the Fiscal ended March 31, 2019 (Ind AS)	As at and for the Fiscal ended March 31, 2018 (Ind AS)	As at and for the Fiscal ended March 31, 2017 (Ind AS)	As at and for the Fiscal ended March 31, 2016 (Proforma Ind AS)	As at and for the Fiscal ended March 31, 2015 (Indian GAAP)	As at and for the Fiscal ended March 31, 2014 (Indian GAAP)
Total Revenue	3,801.92	15,789.95	13,265.71	13,324.95	10,816.18	9,592.52	10,107.43
Profit before exceptional items and tax	339.31	1,114.68	951.67	959.08	369.99	178.30	323.30
Profit for the year	266.69	833.51	727.66	741.82	295.35	156.81	250.79
Equity Share Capital	900.16	900.16	900.16	450.08	480.08	480.08	480.08
Other Equity / Reserves and Surplus	3,378.40	3,107.51	2,265.63	1,975.36	1,361.67	1,064.06	910.79
Net Worth	4,278.56	4,007.67	3,165.79	2,425.44	1,841.75	1,544.14	1,390.87
Basic and Diluted EPS	2.96*	9.26	8.08	7.85	3.18	1.63	2.61
Return on Net Worth	6.34%*	21.18%	23.52%	31.47%	16.47%	10.48%	18.68%
Net Asset Value per Equity Share	46.70	43.71	34.36	52.37	37.36	15.58	13.98

\* Not annualised

**INTERNAL RISK FACTORS**

Below are the top 5 Risk Factors as per the RHP:-

- 1. Demand for our plumbing products and soil, waste and rain water ("SWR") management products is closely tied to the levels of residential and non-residential construction activity in India. Any reduction in the activity in one or both of these markets could have a material adverse effect on our business, results of operations and financial condition.*
- 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.*
- 3. Demand for our products for use in irrigation is influenced by the growth of the agriculture segment and any reduction in the activity in this segment could have a material adverse effect on our business, results of operations and financial condition.*
- 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.*
- 5. We face competition from substitutes for many of our products and if consumers' preferences for any of these substitutes increase it could lead to a reduction in the demand for our products, which could have a material adverse effect on our business, financial condition and results of operations.*

**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

**A. Total number of outstanding litigations against the Company and amount involved**

Sr. No.	Nature of Case	Number of cases outstanding	Amount involved (in ₹ million)
1	Criminal	-	-
2	Action by regulatory/statutory authorities	3	-
3	Other material outstanding litigation	3	-
4	Direct Tax	9	25.54
5	Indirect Tax	1	0.38
	<b>Total</b>	<b>16</b>	<b>25.92</b>

**B. Brief details of top five material outstanding litigations against the Company and the amount involved**

There is no material outstanding litigation involving the Company which involves an amount of over ₹ 8.34 million. However, the following three cases are material from the perspective of Company's business, operations, prospects or reputation:

Sr.No.	Particulars	Litigation filed by	Current status	Amount Involved
1	Super Industrial Corporation ("Petitioner") filed writ petition bearing number 2069 of 2015, dated February 04, 2015 against the State of Punjab and others, including the Company ("Respondent Companies") before the High Court for the States of Punjab and Haryana at Chandigarh ("High Court").	Super Industrial Corporation	The case is currently pending in the High Court.	-
2	The Company received a notice of motion dated May 04, 2018 from the High Court for the States of Punjab and Haryana at Chandigarh ("High Court") regarding writ petition bearing number 9015 of 2015, dated April 15, 2015 filed by R.G. Industries against the State of Punjab, and others, including our Company ("Respondent Companies"), alleging inter alia that basis the arbitrary revision of Chapter 28 of the Common Schedule of Rates-2010, R.G Industries was unable to obtain various tenders as they did not make use of the 'premium' category pipes	R.G. Industries	The case is currently pending in the High Court.	-
3	Banshilal registered a claim application dated August 21, 2019 against the Company before the Court of the Sub-Divisional Officer, Sambhar Lake against our Company and others, seeking a permanent injunction under Section 188 of the Rajasthan Tenancy Act, 1955 alleging that our Company had started pipe work without recognizing the borderline to Banshilal's agricultural land. Banshilal prayed for a permanent injunction to be issued against any construction work being carried out, until the boundaries on the agricultural land are drawn out, and also for the Company to be restrained from carrying out any construction work related to pipes.	Banshilal	Pending	-

**C. Regulatory Action, if any-disciplinary action taken by SEBI or stock exchanges against the Promoters in the last 5 financial years including outstanding action, if any.**

Certain of our Promoters, Jayant Shamji Chheda, Parag Jayant Chheda, Vipul Jayant Chheda and Heena Parag Chheda, have each received show cause notices dated November 04, 2019 from the Ministry of Corporate Affairs ("MCA") under Section 204 for the contravention of Section 204 of the Companies Act, 2013 read with rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Companies Rules"). The show cause notices, *inter alia*, state that the Board's report in 2017 has not complied with Section 204 (1) of the Companies Act, 2013 read with the rule 9 of the Companies Rules that require the secretarial audit report (in form MR-3) to be annexed with the Board report. Our Company has submitted a reply dated November 12, 2019.

**D. Brief details of outstanding criminal proceedings against Promoters**

1. The Silvassa police registered an FIR number 268/2011 under Sections 143, 147, 149, 336, 352, 504 and 506 of the Indian Penal Code, 1860 against Jayant Shamji Chheda and others in the matter of a dispute involving the workers at our facility in Athal. Pursuant to an order passed by the CJM on January 19, 2018 ("Order"), Jayant Shamji Chheda and others were acquitted of the charges. No appeal has been filed against the Order as on the date of the Red Herring Prospectus.
2. Montana Developers Private Limited ("Montana") filed a criminal complaint dated January 21, 2013 ("Complaint 1") before the Metropolitan Magistrate at Andheri against M/s. Aditya Developers ("Aditya") and its partners, including Jayant Shamji Chheda, our Promoter and Managing Director and Heena Parag Chheda, one of our Promoters, in relation to a joint venture agreement dated December 30, 2010, entered into between Montana and Aditya ("JV Agreement"). Thereafter, Montana filed another complaint dated June 17, 2013 ("Complaint 2") before the Additional Chief Metropolitan Magistrate ("Magistrate"), 37<sup>th</sup> Esplanade, Mumbai court, against the same parties as in Complaint 1, reiterating the grounds under Complaint 1, and also alleging forgery of a letter from Montana, countersigned by two of the partners of Aditya on behalf of Aditya, mutually terminating the JV Agreement. Complaint 2 and the Writ Petition are currently pending.

For further details, see "Outstanding Litigation and Material Developments" on page 340 of the RHP.

**DECLARATION BY THE COMPANY**

We hereby certify and declare that all relevant provisions of the Companies Act and the rules/guidelines/regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in the 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 the Red Herring Prospectus are true and correct.

**DECLARATION BY EACH OF THE PROMOTER SELLING SHAREHOLDERS**

I confirm that all statements and undertakings made or confirmed by me in the 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 the Red Herring Prospectus.

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