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ANNEXURE III

September 28, 2023

Securities and Exchange Board of India

Corporation Finance Department
 Division of Issues and Listing
 SEBI Bhavan, Plot No. C4 A, ‘G’ Block
 Bandra Kurla Complex, Bandra (East)
 Mumbai 400 051,
 Maharashtra, India

Dear Sir/ Madam,

Re: Proposed initial public offering of equity shares of face value of ₹ 10 each (“Equity Shares”) by DEE Development Engineers Limited (the “Company”) and such offering, (the “Offer”)


This is in reference to the proposed initial public offering of Equity Shares of the Company, comprising of a fresh issue of Equity Shares aggregating up to ₹3,250.00 million (“**Fresh Issue**”) and an offer for sale of Equity Shares aggregating up to 7,900,000 Equity Shares (“**Offered Shares**”) by Krishan Lalit Bansal (the “**Selling Shareholder**”) (such offer for sale of Equity Shares by the Selling Shareholder, the “**Offer for Sale**”) and together with the Fresh Issue (the “**Offer**”).

We, SBI Capital Markets Limited and Equirus Capital Private Limited who have been appointed by the Company to manage the Offer, state and confirm as follows:

1. We have examined various documents including those relating to litigation, including commercial disputes, patent disputes, disputes with collaborators etc. and other documents in connection with the finalisation of the draft red herring prospectus dated September 28, 2023 (“**DRHP**”) pertaining to the Offer. – **Complied with to the extent applicable and noted for compliance.**
2. On the basis of such examination and 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, contents of the documents and other papers furnished by the Company, we confirm that:
 - (A) the DRHP filed with the Securities and Exchange Board of India (“**SEBI**”) is in conformity with the documents, materials and papers which are material to the Offer.
 - (B) all material legal requirements relating to the Offer as specified by SEBI, the Central Government and any other competent authority in this behalf have been duly complied with; and
 - (C) the material disclosures made in the DRHP are true 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, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”) and other applicable legal requirements.

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3. Besides ourselves, all the intermediaries named in the DRHP are registered with SEBI and that till date such registration is valid. – **Complied with and noted for compliance.**
4. We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments. - **Noted for Compliance.**
5. Written consent from the promoter has been obtained for inclusion of his Equity Shares as part of the promoter’s contribution subject to lock-in and the Equity Shares proposed to form part of the promoter’s contribution subject to lock-in shall not be disposed or sold or transferred by the promoter during the period starting from the date of filing of the draft red herring prospectus with the SEBI till the date of commencement of lock-in period as stated in the draft red herring prospectus. – **Complied with and noted for compliance**
6. All applicable provisions of the SEBI ICDR Regulations, which relates to Equity Shares ineligible for computation of promoter’s contribution, has been duly complied with and appropriate disclosures as to compliance with the said regulation have been made in the DRHP. – **Complied with and noted for compliance.**
7. All applicable provisions of the SEBI ICDR Regulations which relate to receipt of promoter’s contribution prior to opening of the issue, shall be complied with. Arrangements have been made to ensure that promoter’s contribution shall be received at least one day before the opening of the issue and that the auditors’ certificate to this effect shall be duly submitted to SEBI. We further confirm that arrangements have been made to ensure that promoter’s 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 Offer. - **Not applicable.**
8. Necessary arrangements shall be made to ensure that the monies received pursuant to the Offer are credited or transferred to in a separate bank account as per the provisions of sub-section (3) of section 40 of the Companies Act, 2013 and that such monies shall be released by the said bank only after permission is obtained from the Stock Exchanges, and that the agreement entered into between the bankers to the issue and the Company specifically contains this condition. - **Noted for compliance.**
9. The existing business as well as any new business of the Company for which the funds are being raised fall within the ‘main objects’ in the object clause of the Memorandum of Association or other charter of the Issuer and that the activities which have been carried in the last ten years are valid in terms of the object clause of the Memorandum of Association. - **Complied with to the extent applicable.**
10. Following disclosures have been made in the DRHP:
 - (a) An undertaking from the Company that at any given time, there shall be only one denomination for the equity shares of the Issuer, excluding SR equity shares, where the Company has outstanding SR equity shares; and - **Complied with to the extent applicable. There are no SR equity shares issued by the Company.**
 - (b) An undertaking from the Company that it shall comply with all disclosure and accounting norms specified by the Board. - **Complied with and noted for compliance.**
11. We shall comply with the regulations pertaining to advertisements in terms of the SEBI ICDR Regulations. - **Noted for compliance.**

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12. The entity to list on the innovators growth platform in terms of the provisions of Chapter X of the SEBI ICDR Regulations is eligible. - **Not Applicable.**

We enclose a note in Annexure II-A explaining the process of due diligence that has been exercised by us including in relation to the business of the Company, the risks in relation to the business, experience of the Promoter and that the related party transactions entered into for the period disclosed in the DRHP have been entered into by the Company in accordance with applicable laws.

We have also enclosed in Annexure II-B 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.

All capitalized terms used herein and not specifically defined shall have the same meanings ascribed to such terms in the DRHP.

Thanking you,

Sincerely,

Enclosed: As above.

**SBI Capital Markets Limited**

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This signature page forms an integral part of the letter submitted to SEBI for the initial public offering of DEE Development Engineers Limited

For SBI Capital Markets Limited

Authorised Signatory

Name: Janardhan Wagle

Designation: Assistant Vice President

Contact: 022 4006 9807

Email: dee.ipo@sbicaps.com

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This signature page forms an integral part of the letter submitted to SEBI for the initial public offering of DEE Development Engineers Limited

For Equirus Capital Private Limited

Authorised Signatory


Name: Venkatraghavan S.

Designation: Managing Director- ECM

Contact Number: +91 22 4332 0731

E-mail: venkat.s@equirus.com

Date: September 28, 2023

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ANNEXURE III - A

Due Diligence Note: Note explaining how the process of due diligence has been exercised

We, the BRLMs have carried out due diligence exercise in relation to the current business of the Company for the purposes of complying with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and other applicable laws, and to the extent that it is customary for initial public offerings of this nature in India, along with other professionals and experts engaged in this Offer. All capitalized terms used herein and not specifically defined shall have the same meaning ascribed to such terms in the draft red herring prospectus dated September 28, 2023 (“**DRHP**”) and if not ascribed under the DRHP then they shall bear the meaning commonly ascribed to them under the applicable law.

The due diligence process carried out by us and the Legal Counsels commenced with interactions with the Promoter, Chief Financial Officer, the Company Secretary and Compliance Officer, and other members of the senior management of the Company to gain an understanding of the business of the Company and its Subsidiaries and the key risks involved, and financial overview, amongst others. In this regard, we provided the Company with a due diligence questionnaire and information requisition list prepared in consultation with the Legal Counsels (*as defined below*). In response to the questionnaire and the information requisition list, the Company provided us with supporting documents for our review and diligence.

In the due diligence process, we were assisted by the Legal Counsels, Practicing Company Secretary, Independent Chartered Accountant, Chartered Engineer and Statutory Auditor (*as defined below*). In this regard, Trilegal was appointed as the legal counsel to the Company as to Indian Law, Luthra and Luthra Law Offices India, appointed as the legal counsel to the BRLMs as to Indian Law, (together, the “**Legal Counsels**”), have assisted the BRLMs in carrying out the due diligence and drafting of the DRHP in compliance with the SEBI ICDR Regulations and advising the BRLMs and the Company on other legal matters, and for the purposes of issuing legal opinions in relation to the Offer.

We were also assisted by the statutory auditor of the Company, S. R. Batliboi & Co. LLP (“**Statutory Auditors**”), for the financial due diligence. In addition to the Restated Consolidated Financial Statements (*as defined below*), the Statutory Auditors have verified the details and have provided certifications with respect to certain other information included in the DRHP. In addition, the Statutory Auditors have provided a statement of possible special tax benefits to the Company and its shareholders and has reviewed certain matters including computation of Company’s net worth, operating profit/ loss and net tangible assets, compliance with corporate governance requirements by the Company, and also provided examination report in relation to the Restated Consolidated Financial Statements (*as defined below*) of the Company, to assess eligibility of the Company to undertake the Offer under Regulation 6(1) of the SEBI ICDR Regulations. The Statutory Auditors have confirmed that they hold a valid peer review certificate issued by the peer review board of the Institute of Chartered Accountants of India. Further, Bangkok International Audit Co. Ltd, Bangkok being statutory auditor of Dee Piping Systems (Thailand) Co. Limited herein referred as “**Material Subsidiary**”) provided statement of possible special tax benefits to the Dee Piping Systems (Thailand) Co. Limited and its shareholders.

We have also obtained certificates issued by the Practicing Company Secretary for ESOP and for making certain disclosures in the DRHP in relation to untraceable RoC filings and challans pertaining to the share capital build-up, confirmation on the names of the allottees to whom shares of the Company were issued and change in the registered office of the Company.

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We have also placed reliance on the information derived from the report titled “*Industry Report on Pipe Fabrication & Process Piping Solutions*” published on September 2023 prepared and released by Dun & Bradstreet Information Services India Private Limited (“**D&B**”), which has been commissioned and paid for by the Company, for disclosures in the industry overview in the DRHP.

The Company has received a written consent from D&B to include extracts of the abovementioned reports in the DRHP, Red Herring Prospectus and Prospectus and such consent has not been withdrawn as at the date of filing of the DRHP with the SEBI. The Company has also received written consents from the Statutory Auditors, VSD & Associates, Independent Chartered Accountants, Vinay Kumar Wadhawan, Independent Chartered Engineer and M/s. Kapil Kumar & Co., Practicing Company Secretary to be named as experts, in terms of the Companies Act, 2013, as amended, in the DRHP and such consents have not been withdrawn as at the date of filing of the DRHP with the SEBI.

1. ***Business and commercial diligence:***

The due diligence process in relation to general business and commercial matters included:

- (a) Organizing and attending a kick-off discussion with the Company to develop an understanding of the business, history and other matters of the Company, its Subsidiaries, and the industry overview and the regulatory environment, which were attended by members of the Company team, BRLMs, Legal Counsels and the Statutory Auditor. Regularly interacting with the senior management of the Company, including the personnel from the secretarial, legal and finance departments and the Statutory Auditors, for the purpose of understanding the business, the risks involved and the financial overview of the Company, amongst other matters. These interactions included (i) due diligence calls, drafting sessions and conference calls to discuss the disclosures in the DRHP; (ii) due diligence call with the Statutory Auditors; (iii) seeking appropriate clarifications from the Company, and the Statutory Auditors for information included in the DRHP; (v) due diligence calls to receive updated information from the Company before filing the DRHP; (vi) due diligence confirmations and interactions with Dun & Bradstreet Information Services India Private Limited ; (vii) seeking appropriate certifications from the Company, the Promoter, the Promoter Group, the Directors, the Key Management Personnel, Senior Managerial Personnel, the Subsidiaries, the Statutory Auditors, Independent Chartered Accountant, Practicing Company Secretary and the Independent Chartered Engineer. These interactions were conducted with the objective to assist the Company to prepare disclosures as required under the SEBI ICDR Regulations, the Companies Act, and other applicable laws with regard to the Offer.
- (b) We shall continue to undertake these interactions and due diligence calls and discussions until closure of the Offer. A physical site visit was conducted, where the Company organised an interactive tour of the Company’s Corporate Office and their set-up at Unit 1, Prithla –Tarapur Road, Village Tarapur, District, Palwal, Haryana-121102. Further a virtual site visit was conducted, where the Company organised an interactive virtual tour of the plant of the Company’s material subsidiary i.e. DEE Piping Systems (Thailand) Co. Ltd plant, the biomass power generation plant at Abohar located in Punjab and operated by the Company and biomass power generation plant at Muktsar located in Punjab and operated by Malwa Power Private Limited.
- (c) Holding virtual meetings, and interacting with the Directors, Key Management Personnel, Senior Management of the Company and other senior personnel in charge of operations of the Company, to review nature of activities of the Company, to understand the day to day operations of the Company, key

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business processes, aspects relating to the key performance indicators of the Company and to verify the disclosures being made in the DRHP;

- (d) Requesting the Company to make available the due diligence documents and reviewing those documents along with the Legal Counsels, based on the requirements under the SEBI ICDR Regulations and other applicable laws, as is customary in such transactions.
- (e) Obtaining and relying on certificates and formal representations and undertakings from the Company, the Promoter, the Promoter Group, the Subsidiaries, the Directors, the Key Management Personnel, Senior Managerial Personnel of the Company, the Statutory Auditors, Practising Company Secretary, Independent Chartered Accountant, the Independent Chartered Engineer, third parties, and other documents, including extracts of the report by D&B, in support of certain disclosures made in the DRHP.
- (f) Obtaining circle-ups and certificates from the Statutory Auditors, in accordance with the SEBI ICDR Regulations on financial information, obtaining certificates from Independent Chartered Accountant on certain key performance indicators, ESOP, on the operational data and/ or certain finance related information included in the DRHP, including details of financial indebtedness, dividend, among others, as applicable.
- (g) Obtaining and relying on formal representations and undertakings from the Company and the Selling Shareholder in the Offer Agreement
- (h) Reviewing, together with the Legal Counsel, certain business-related contracts entered into by the Company and subsidiaries, including (i) purchase orders of the customers and invoices, each on a sample basis and (ii) various internal policies pertaining to its business operations, as adopted, and implemented by the Company.
- (i) For certain information, relying on management certificates from the Company for compliance with the SEBI ICDR Regulations.

2. ***Financial information of the Company and Financial Indebtedness:***

We conducted due diligence on financial matters, which included virtual meetings and due diligence calls with the Statutory Auditors, discussions with the finance department of the Company, review of the auditors' reports and other related documents. The Statutory Auditor provided restated consolidated financial statement of the Company which has been prepared in terms of the requirements of Section 26 of Part 1 of chapter III, of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time for the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021 ("**Restated Consolidated Financial Statements**"). Additionally, in accordance with Paragraph 11(I)(A)(ii) of Schedule VI of the SEBI ICDR Regulations, the audited standalone financial statements of the Company and its material subsidiary i.e. DEE Piping Systems (Thailand) Co., Limited, as identified in accordance with the SEBI ICDR Regulations for the years ended March 31, 2023, March 31, 2022, and March 31, 2021, together with all the annexures, schedules and notes thereto (collectively, the "**Standalone Financial Statements**") are available at <https://www.deepiping.com/financialreports.php>. We reviewed the Statutory Auditors' reports and obtained certifications with respect to certain financial information included in the DRHP from the Statutory Auditors. Further, the Statutory Auditors have reviewed the financial information relating to the Company in the DRHP and have delivered the customary comfort letters along with circle-up confirmation to the BRLMs for the accuracy of the financial information

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contained in the DRHP. Such comfort letters will be issued or brought down at certain future dates as the Offer progresses.

For the purposes of the DRHP, we, along with the Legal Counsels, have conducted a due diligence exercise of all outstanding financial indebtedness of the Company and the subsidiaries of the Company and such information has been disclosed in a summarized form in the DRHP. In this connection, we have reviewed the relevant sanction letters issued by the lenders as well as other financing related documents. We have also sought consents from lenders, wherever applicable, regarding the Offer including corporate actions required in relation to the Offer. We have also relied on a certification from the Independent Chartered Accountant in connection with the Company's financial indebtedness, ascertaining the number of outstanding borrowings of the Company as of July 31, 2023, which is disclosed in the section "Financial Indebtedness" of the DRHP.

3. ***Promoter, Promoter Group, Selling Shareholder, Group Companies, Subsidiaries, Directors, Senior Managerial Personnel and Key Managerial Personnel of the Company***

For the purposes of making certain disclosures with respect to the Subsidiaries, the Directors, Senior Managerial Personnel and the Key Management Personnel of the Company in the DRHP, we have obtained supporting documents and certifications from the relevant entities/ persons. Further, in relation to the educational qualifications and professional experience of the Directors and Key Management Personnel of the Company, we have relied on relevant degree certificates, passing certificates, mark sheets, appointment/ relieving/ experience letters or other back-up documents, to the extent it was made available to us by the Directors, Senior Managerial Personnel and Key Management Personnel. Further, the Company has no Group Company. Further, in relation to some of the backup documents related to educational qualifications, we have relied on an affidavit provided by the Key Managerial Personnel and Senior Managerial Personnel.

In addition, we have received following confirmation from the Company, the Promoter, the Promoter Group, the Subsidiaries, the Selling Shareholder, and the Directors stating that:

- (i) they are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court;
- (ii) none of the companies with which the Promoter and Directors are associated with as promoter or directors have been debarred from accessing capital markets under any order or direction passed by the SEBI or any other authorities;
- (iii) the Company, Promoter or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers;
- (iv) the Promoter or Directors have not been declared as Fugitive Economic Offenders. Further, confirmations have been taken from the Directors that (i) they are not associated with the securities market in any manner (ii) there have been no actions initiated by SEBI in the five years preceding the date of the DRHP; and
- (v) Additionally, confirmations have also been obtained from the Company in respect of their compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent in force and applicable, as on the date of the DRHP.
- (vi) In relation to the Selling Shareholder, the Company has received consent letter, along with the relevant information and documents which include, authorization from the Selling Shareholder to participate in

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the Offer and various confirmations, covenants, representations and warranties, as required from the Selling Shareholder.

- (vii) The term “group companies” under the SEBI ICDR Regulations includes companies (other than the promoters and any subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed in the offer documents, as covered under the applicable accounting standards, and also other companies as considered material by the Board of Directors. The Board of Directors has, through a resolution passed at its meeting held on September 25, 2023, adopted a materiality policy for identification of group companies. Our Company has no group companies.

4. **Industry Information**

We have relied on industry and market data derived from the report titled “*Industry Report on Pipe Fabrication & Process Piping Solutions*” published on September 2023 by D&B, which has been commissioned and paid for by the Company for the purposes of confirming its understanding of the industry in connection with the Offer. The industry related information contained in certain sections of the DRHP, including “*Summary of the Offer Document*”, “*Industry Overview*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Risk Factors*” and “*Our Business*”, have been included from these reports and the same forms part of the material documents for inspection as listed in the section “*Material Contracts and Documents for Inspection*” of the DRHP.

5. **Statutory and / or regulatory related diligence**



In connection with diligence of matters relating to statutory and/ or regulatory matters, we have, with the assistance of the Legal Counsels, reviewed the relevant statutory and/ or regulatory records of the Company, *inter-alia*, including the corporate records, regulatory filings made by the Company. We have also reviewed material licenses, approvals and registrations applied for and/ or received by the Company, and such other documents as we have deemed necessary and as have been provided to us by the Company, from time to time.

We have undertaken diligence on all material business and other approvals with respect to the Company including (i) corporate approvals; (ii) intellectual property related approvals (iii) tax registrations; (iv) employment; and (v) business and operations related approvals of the Company in the DRHP.

In relation to the share capital build-up of the Company and the Promoters, we have reviewed all the corporate registers, transfer deeds, and regulatory filings which were available with the Company. Further, we have relied on the certificate dated September 28, 2023 issued by the Practicing Company Secretary for making certain disclosures in the DRHP in relation to untraceable RoC filings and challans pertaining to the share capital build-up, confirmation on the names of the allottees to whom shares of the Company were issued and change in the registered office of the Company. Further, we have also reviewed the certificate dated September 28, 2023 issued by the Practicing Company Secretary, certifying the share capital build-up of the Company, as disclosed in the DRHP.

6. **Key Performance Indicators**

SEBI has on November 21, 2022 (and published in the Official Gazette on November 23, 2022) introduced certain amendments to the SEBI ICDR Regulations vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2022. In compliance with the same, requisite details in relation to key performance indicators pertaining to the

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Company (KPIs) and acquisitions/ disposals of shares of our Company have been disclosed in the “Basis for Issue Price” chapter of the DRHP.

The key performance indicators have been approved by the Audit Committee of the Company pursuant to its resolution dated September 28, 2023, as required under the SEBI ICDR Regulations and have been certified by the Independent Chartered Accountant of the Company through certificate dated September 28, 2023


7. *Outstanding Litigation Proceedings and dues to Material Creditors*

The company has disclosed outstanding litigation involving the Company, the Promoter, the Directors and the Subsidiaries (“**Relevant Parties**”) on the basis of the legal requirements under the SEBI ICDR Regulations. For disclosures relating to litigation involving its Promoter, Directors and the Subsidiaries, the Company has provided certifications received from the Promoter, Directors and Subsidiaries. In addition, the Company has provided a consolidated statement for all the litigation proceedings involving the Company. In accordance with the SEBI ICDR Regulations, in relation to litigation involving group companies, the Company is required to disclose only such pending litigation which has a material impact on the Company, however there are no group company. Further, we have, from time to time, interacted with the relevant representatives of the Company to understand the status of material pending proceedings involving the Company and its Subsidiaries.

Further, in accordance with the SEBI ICDR Regulations, the Board of Directors has adopted a policy on materiality which has been approved by the Board of Directors by a resolution dated September 25, 2023 (“**Materiality Policy**”). In terms of the Materiality Policy, material litigation shall include (i) the claim/dispute amount, to the extent quantifiable, is equivalent to or exceeds, 5 % of the total consolidated profit after tax of our Company for the most recently completed Financial Year i.e. ₹ 6.49 million, as per the Restated Consolidated Financial Statements of the Company included in the DRHP (ii) under this test, such pending matters whose outcome may have a material impact, in the opinion of the Board, on the business, performance, financial position, cash flows, prospects, reputation, operations or any adverse impact on the Company, irrespective of their monetary quantum, will necessitate disclosure. This may include any writ petitions filed involving the Company or similar matters which may have a material impact on the business of the Company.

For the above purposes, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by governmental, statutory, regulatory, judicial, quasi-judicial, taxation authorities or notices threatening criminal action) by the Company, Subsidiaries, Directors or Promoter from third parties shall not be considered as litigation unless otherwise decided by the Board or until such time that any of the Company, Subsidiaries, Directors or Promoter, as the case may be, is impleaded as a party in proceedings initiated before any court, arbitrator, tribunal, judicial forum or governmental authority.

Based on the SEBI ICDR Regulations and the Materiality Policy, disclosures on dues to material creditors have been provided in summary format (indicating the total number of, and aggregate outstanding amounts due to such creditors). Further, in accordance with the Materiality Policy, creditors of the Company (except banks and financial institutions from whom the Company has availed financing facilities) to whom an amount having a monetary value which exceeds 5% of the total trade payables of

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the Company as of the end of the most recent period covered in the Restated Consolidated Financial Statements of the Company is outstanding, shall be considered as ‘material’. Accordingly, creditors of the Company to whom the Company owes an amount exceeding ₹66.04 million are considered material.

8. Objects of the Offer

The objects of the Offer are (i) funding working capital requirements of the Company; (ii) prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company and the Subsidiaries, DEE Piping Systems (Thailand) Co. Limited and DEE Fabricom India Private Limited; and (iii) general corporate purposes.

Company by way of its Board resolution dated September 28, 2023 and VSD & Associates Independent Chartered Accounts, Independent Chartered Accountant by way of its certificate dated September 28 has confirmed the requirements of the working capital of the Company.

With respect to prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company and its Subsidiaries i.e., DEE Piping Systems (Thailand) Co. Limited and DEE Fabricom India Private Limited, statutory auditor of the Company and the respective statutory auditors of its Subsidiaries by way of their certificates dated September 28, 2023, September 9, 2023 and September 23, 2023, respectively have confirmed the utilisation of loan for the purpose for which it was availed. as per the requirements under the SEBI ICDR Regulation.

Adequate disclosures in accordance with the SEBI ICDR Regulations have been included for the above-mentioned object of the Offer. For details, please refer to the section “*Objects of the Offer*” of the DRHP. Further, the Selling Shareholder will be entitled to their respective portion of the proceeds of the Offer for Sale after deducting their proportion of Offer expenses and relevant taxes thereon. The Company will not receive any proceeds from the Offer for Sale.