



August 11, 2023

To,
The Department of Corporate Services,
BSE Limited, Mumbai

To,
The Listing Compliance Dept.
National Stock Exchange of India Ltd, Mumbai

BSE Script Code : 531795
NSE Script Symbol : ATULAUTO

Dear Sir,

SUB: MONITORING AGENCY REPORT FOR THE QUARTER ENDED ON JUNE 30, 2023 IN RELATION TO PREFERENTIAL ISSUE OF WARRANTS

With reference to the above subject and pursuant to Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 162A of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, we hereby submit the Monitoring Agency Report for the quarter ended June 30, 2023, issued by CARE Ratings Limited, the Monitoring Agency, appointed to monitor the utilisation of proceeds of the Preferential issue of 58,08,080 warrants of the Company including comments of Board of Directors on the findings of the Monitoring Agency.

Please take the same on your records.

Thanking you.

Yours faithfully,
For Atul Auto Limited,

Paras Viramgama
Company Secretary & Compliance Officer

ATUL AUTO LIMITED

(Corporate Identification Number: L54100GJ1986PLC016999)

Regd. Office & Factory: National Highway 8-B, Near Microwave Tower, Shapar (Veraval), Rajkot – 360024 (Gujarat)

Phone: 02827 235500 **Website:** www.atulauto.co.in **E-Mail:** info@atulauto.co.in

No. CARE/KRO/GEN/2023-24/1006

Mr. Mahendra J. Patel
Chief Financial Officer
Atul Auto Limited
8-B, National Highway, Nr. Microwave Tower,
Shapar (Veraval),
District: Rajkot – 360024, Gujarat, INDIA

August 11, 2023

Dear Sir,

Monitoring Agency Report for the quarter ended June 30, 2023 - in relation to the Preferential Issue of Atul Auto Limited ("the Company")

We write in our capacity of Monitoring Agency for the Preferential Issue for the amount aggregating to Rs.115 crore of the Company and refer to our duties cast under 162A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended June 30, 2023 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated May 5, 2023.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,



Mamta Muklania
Associate Director
mamta.khemka@careedge.in

CARE Ratings Limited

3rd Floor, Prasad Chambers (Shagun Mall Building), 10A, Shakespeare Sarani, Kolkata - 700 071
Phone: +91-33-4018 1600/2283 1803
CIN-L67190MH1993PLC071691

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022
Phone: +91-22-6754 3456 • www.careedge.in

Report of the Monitoring Agency (MA)

Name of the issuer: Atul Auto Limited

For quarter ended: June 30, 2023

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.



Signature:

Name of the Authorized Signatory: Mamta Muklania

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Atul Auto Limited
 Name of the promoters : Mr. Jayantibhai J. Chandra and Mr. Mahendra J. Patel
 Industry/sector to which it belongs : Commercial Vehicles

2) Issue Details

Issue Period : 18 months from date of allotment i.e. November 15, 2022
 Type of issue : Preferential issue of Warrants
 Type of specified securities : Warrants convertible into equity shares
 IPO Grading, if any : Not applicable
 Issue size : Rs.115 crore (Note 1)*

* The offer comprises of 58,08,080 warrants of the company convertible into equal number of equity shares of face value of Rs 5 at an issue price [including warrant subscription price (Rs.49.50 per warrant) and warrant exercise price (Rs.148.50 per warrant)] of Rs.198 per equity warrant as determined on the relevant date (for the purpose of calculating the price of equity warrants convertible into equal number of equity shares to be issued) in accordance with the provisions of Chapter V of the SEBI ICDR Regulations aggregating to Rs.114,99,99,840 for cash consideration by way of preferential allotment to Specified investors/Identified investors which also includes promoters and members of promoter group of the company.

Note 1:

Particulars	Remarks
Total warrants issued	58,08,080
Warrant issue price (Rs. per warrant)	198.00^
Warrant subscription price (Rs. per warrant)	49.50
Warrant exercise price (Rs. per warrant)	148.50
Total proceeds received from warrants issued and converted - (in Rs. Crore)	89.75^
Net proceeds available for utilization (in Rs. Crore)	89.75

^Each warrant is convertible into one (1) equity share and the conversion can be exercised at any time within a period of 18 months from date of allotment of warrants, in one or more tranches, as the case maybe and on such other terms and conditions applicable. Option for conversion of warrants into equity shares will be available upon payment of full price of warrant before such exercise of option.

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3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Chartered Accountant certificate*, Bank statement	Nil for the quarter under review	Nil
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	No material deviation	Chartered Accountant certificate*, Bank statement	Not applicable	
Whether the means of finance for the disclosed objects of the issue have changed?	Not applicable	Not applicable	Not applicable	
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	Not applicable	
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	Not applicable	
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	No	Not Applicable	
Is there any other relevant information that may materially affect the decision making of the investors?	No	No	Not Applicable	

* Chartered Accountant certificate from Maharishi & Co. (statutory auditor) dated July 10, 2023

#Where material deviation may be defined to mean:

- a) Deviation in the objects or purposes for which the funds have been raised
- b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

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4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in Rs. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment or part pre-payment of borrowings	Chartered Accountant certificate*, Bank statements, Board Resolution copy	Not applicable	Not applicable	Amount is not specified separately as per Board Resolution copy	Nil		
2	Working capital requirement	Chartered Accountant certificate*, Bank statements, Board Resolution copy	Not applicable	Not applicable	Amount is not specified separately as per Board Resolution copy			
3	General Corporate Purpose	Chartered Accountant certificate*, Board Resolution copy	Not applicable	Not applicable	Amount is not specified separately as per Board Resolution copy			
Total			115.00					

* Chartered Accountant certificates from Maharishi & Co. (statutory auditor) dated July 10, 2023

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(ii) Progress in objects :-

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in Rs. Crore	Amount raised in Rs. Crore	Amount utilised in Rs. Crore			Unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore^	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Repayment or part pre-payment of borrowings	Chartered Accountant certificate*, Board resolution copy, Bank statements	Not specified	89.75	37.16	32.14	69.30	-	Nil for the quarter under review	Nil	
2	Working capital requirement	Chartered Accountant certificate*, Board resolution copy, Bank statements	Not specified		20.34	0.11	20.45	-	Nil for the quarter under review		
3	General Corporate Purpose	Chartered Accountant certificate*, Board resolution copy, Bank statements	Not specified		-	-	-	-	Nil for the quarter under review		
Total			115.00	89.75	57.50	32.25	89.75	Nil			

*Chartered Accountant certificates from Maharishi & co. (statutory auditor) dated July 10, 2023

@Out of the total issue of Rs.115 crore, the company received Rs 28.75 crore on warrant allotment on November 15, 2022, Rs.28.75 crore was received on March 15, 2023 as warrant exercise price on conversion of part of the warrants and another Rs 32.25 crore was received on June 26, 2023 as warrant exercise price on conversion of part of the warrants. Company is yet to receive Rs.25.25 crore.

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(iii) Deployment of un-utilized proceeds:

Sr. No.	Name of the Mutual Fund/Bank account	Type of account	Amount in Rs. crore	Source of information / certifications considered by Monitoring Agency for preparation of report
1	Not applicable	Not applicable	Not applicable	Not applicable
Total				

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter*	Remarks
1	Not applicable						

(iv) Delay in implementation of the object(s): Not applicable

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No.	Item Head	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Not applicable				Not applicable
Total					

* Chartered Accountant certificate from Maharishi & Co. dated July 10, 2023

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