



DCX SYSTEMS LIMITED
CIN: L31908KA2011PLC061686

(Formerly known as DCX Cable Assemblies Pvt Ltd)

An AS 9100D Certified

Regd. Off. Add.: Aerospace SEZ Sector, Plot Nos. 29,30 and
107,Hitech Defence and Aerospace Park, Kavadasanahalli,
Bengaluru Rural – 562110, Karnataka, India.

Email:cs@dcxindia.com

Tel: 080-67119555

Web:www.dcxindia.com

May 14, 2024

BSE Limited

P J Towers
Dalal Street, Fort
Mumbai – 400001

National Stock Exchange of India Ltd

Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051

Scrip Code – 543650

Symbol – DCXINDIA

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter and year ended March 31, 2024

Pursuant to Regulation 32 (6) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Regulation 41 (4) of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2015, we are enclosing herewith the Monitoring Agency Report for quarter and year ended March 31, 2024 issued by CARE Ratings Limited, Monitoring Agency, with respect to utilization of proceeds of the Initial Public Offering (IPO) and Qualified Institutional Placement (QIP) of the Company.

Please take the same on your records.

Thanking you,

Yours faithfully,

For **DCX Systems Limited**

Gurumurthy Hegde

Company Secretary, Legal & Compliance Officer

No. CARE/BRO/GEN/2024-25/1001

Dr. H S Raghavendra Rao
Chairman and Managing Director
DCX Systems Limited (formerly known as DCX Cable Assemblies Private Limited)
Aerospace SEZ Sector, Plot Nos.29,30 And 107,
Hitech Defence And Aerospace Park,
Kavadadasanahalli,
Bangalore Rural, Karnataka 562110

May 13,2024

Dear Sir,

Monitoring Agency Report for the quarter ended March 31, 2024 - in relation to the Initial Public Offerings of Equity Shares of DCX Systems Limited ("the Company")

We write in our capacity of Monitoring Agency for the Fresh Issue of 1,93,23,671 for the amount aggregating to Rs. 400.00 crore of the Company and refer to our duties cast under 82 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 March 31, 2024, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated September 29, 2022.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,



Himanshu Jain
Associate Director
Himanshu.Jain@careedge.in

Report of the Monitoring Agency

Name of the issuer: DCX Systems Limited

For quarter ended: March 31, 2024

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 and designation of the Authorized Signatory: Himanshu Jain

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer	: DCX Systems Limited
Name of the promoter	: Dr. H S Raghavendra Rao, NCBG Holdings Inc and
VNG Technology Private Limited	
Industry/sector to which it belongs	: Aerospace and Defense

2) Issue Details

Issue Period	: October 31, 2022 to November 02, 2022
Type of issue (public/rights)	: Public Fresh Issue
Type of specified securities	: Equity shares
IPO Grading, if any	: Not applicable
Issue size (in Rs. crore)	: Rs. 400.00 crore (Note 1)

Note 1:

The company had offered 1,93,23,671 Equity Shares under the fresh issue, at Rs. 207 per share (including share premium of Rs. 205 per share) aggregating to ₹ 400 crore. The issue was oversubscribed by 5 times and the company has allotted 9,67,23,671 Equity Shares to the applicants.

Particulars	Remarks
Total shares issued and subscribed as part of IPO	1,93,23,671
Total subscriptions towards IPO (in Rs. crore)	400.00
Details of expenses incurred related to issue (in Rs. Crore)	26.97
Net Proceeds of IPO (Rs. crore)	373.03

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	During Q4FY24, the company has spent Rs. 5.58 Cr from the net proceeds available for utilization. As of March 31, 2024, Rs. 97.4 crores stand unutilized.	-
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	-
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	No	-
Is there any major deviation observed over the earlier monitoring agency reports?	Yes	Monitoring agency report dated February 02, 2024.	As per the RHP, the tentative date to utilize the net proceeds is by end of March 2023, however, the same was not utilized till quarter ending March 31, 2024. The timelines of the proposed utilization of the net proceeds would be at the discretion of the company's management, as described in RHP.	-
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	Not applicable	No	-

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
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	No	-

* Chartered Accountant certificate from M/s NBS & Co. Chartered Accountants dated April 16, 2024

#Where material deviation may be defined to mean:

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

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/Prepayment, in full or part of certain borrowings availed by the company	Chartered Accountant certificate*, Final Prospectus^	110.00	Not Applicable	Nil	-	-	-
2	Funding working capital requirements of our Company	Chartered Accountant certificate*, Final Prospectus^	160.00	Not Applicable	Nil	-	-	-
3	Investment in our wholly owned Subsidiary, Raneal Advanced Systems Private Limited, to fund its capital expenditure expenses	Chartered Accountant certificate*, Final Prospectus^	44.88	Not Applicable	Nil	-	-	-
4	General corporate purposes (GCP)	Chartered Accountant certificate*, Final Prospectus^	58.15	Not Applicable	Nil	-	-	-
Total			373.03					

* Chartered Accountant certificate from M/s NBS & Co. Chartered Accountants dated April 16, 2024

^pg no : 97 and 98 of final prospectus filed by the company with SEBI on November 04, 2022

(ii) Progress in the 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 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/Prepayment, in full or part of certain borrowings	Chartered Accountant certificate*, Bank statements	110.00	110.00	0.00	110.00	0.00	Nil	Not applicable	Not applicable

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 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
	availed by the company									
2	Funding working capital requirements of our Company	CA certificate, Bank statements, Income Tax challan	160.00	160.00	0.00	160.00	0.00	Nil	Not applicable	Not applicable
3	Investment in our wholly owned Subsidiary, Raneal Advanced Systems Private Limited, to fund its capital expenditure expenses	Chartered Accountant certificate*, Bank statements	44.88	0.00	0.00	0.00	44.88	Nil	Land allotment process is taking time.	Management is aggressively progressing with the department for expediting allotment of land to the company
4	General corporate purposes (GCP)	Chartered Accountant certificate*, Bank statements	58.15	0.05	5.58	5.63	52.52	Nil	Company is still on the process of scouting and identifying products	Company is still on the process of scouting and identifying products for acquisition
Total			373.03	270.05	5.58	275.63	97.40			

* Chartered Accountant certificate from M/s NBS & Co. Chartered Accountants dated April 16, 2024

(iii) Deployment of unutilized public issue proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning (Rs. Crore)	Return on Investment (%)	Market Value as at the end of quarter (Rs. Crore)
1	Fixed Deposit- HDFC bank	116.50*	Please refer FD Note	9.02	7.40%	125.52
2	Fixed Deposit- Axis Bank	44.50	Please refer FD Note	4.52	7.45%	49.02
	Total	161.00				174.54

* Out of the total above-mentioned investments in FD of Rs.116.50 Cr, Rs.52.98 crore pertains to IPO proceeds. Management has confirmed that the proceeds would be utilized for the purposes mentioned above.

FD note:

Sl.no	Bank	Maturity Date	Amount invested	Return on investment in %	Market value at the end of the quarter
1	HDFC Bank	01-Apr-24	116.50	7.40	125.52
2	Axis Bank	10-Dec-24	7.00	7.45	7.99
3	Axis Bank	10-Dec-24	13.38	7.45	13.67
4	Axis Bank	10-Dec-24	13.38	7.45	13.68
5	Axis Bank	10-Dec-24	13.38	7.45	13.68
	Total		161.00		174.54

(iv) Delay in implementation of the object(s) –

hj

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual*		Reason of delay	Proposed course of action
Repayment/Prepayment, in full or part of certain borrowings availed by the company	March 31, 2023	Fully utilized till December 31, 2022	-		
Funding working capital requirements of Company	March 31, 2023	Fully utilized as on March 31, 2023	-		
Investment in wholly owned Subsidiary, Raneal Advanced Systems Private Limited, to fund its capital expenditure expenses	March 31, 2023	March 31, 2025 [^]	24 Months	Land allotment process is taking time	We are aggressively pursuing with department for expediting allotment of land to the company.
General corporate purposes (GCP)	March 31, 2023	March 31, 2025 [^]	24 Months	We are still on the process of scouting and identifying products for acquisition	We are still on the process of scouting and identifying products for acquisition

*In case of continuing object(s), Please specify latest/ Revised estimate of the completion date

The above details were verified from the Information shared by DCX systems, final prospectus and the Chartered Accountant certificate from M/s NBS & Co. Chartered Accountants dated April 16, 2024

[^]Tentative date for utilisation of unutilised proceeds under the objects will be by March 31, 2025.

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

Sr. No	Item Head [^]	Amount	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	General Corporate Purposes	5.63	Chartered Accountant certificate*, Bank statement	Nil	Nil
	Total	5.63			

* Chartered Accountant certificate from M/s NBS & Co. Chartered Accountants dated April 16, 2024

[^] Section from the offer document related to GCP:

"Our Company proposes to deploy the balance Net Proceeds, aggregating to ₹ 581.46 million, towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include, without limitation, meeting ongoing general corporate purposes or contingencies, strengthening marketing capabilities and brand building exercises, enhancing our technology related infrastructure, strategic initiatives and acquisition and/or funding any shortfall in any of the abovementioned objects. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

In addition to the above, our Company may utilize the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilizing surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes".

Disclaimers to MA report:

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "Monitoring Agency/MA"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. 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.

No. CARE/BRO/GEN/2024-25/1002

Dr. H S Raghavendra Rao
Chairman and Managing Director
DCX Systems Limited (formerly known as DCX Cable Assemblies Private Limited)
Aerospace SEZ Sector, Plot Nos.29,30 And 107,
Hitech Defence And Aerospace Park,
Kavadadasanahalli,
Bangalore Rural, Karnataka 562110

May 13, 2024

Dear Sir,

Monitoring Agency Report for the quarter ended March 31, 2024 - in relation to the QIP of Equity Shares of DCX Systems Limited ("the Company")

We write in our capacity of Monitoring Agency for the Qualified Institutional Placement of 14,662,756 for the amount aggregating to Rs. 500.00 crore of the Company and refer to our duties cast under 82 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 March 31, 2024, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated January 15, 2024.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

A handwritten signature in blue ink that reads "Himanshu Jain".

Himanshu Jain
Associate Director
Himanshu.Jain@careedge.in

Report of the Monitoring Agency

Name of the issuer: DCX Systems Limited

For quarter ended: March 31, 2024

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 and designation of the Authorized Signatory: Himanshu Jain

Designation of Authorized person/Signing Authority: Associate Director



1) Issuer Details:

Name of the issuer	: DCX Systems Limited
Name of the promoter	: Dr. H S Raghavendra Rao, NCBG Holdings Inc and VNG Technology Private Limited
Industry/sector to which it belongs	: Aerospace and Defense

2) Issue Details

Issue Period	: January 15, 2024, to January 19, 2024
Type of issue (public/rights)	: Qualified Institutional Placement
Type of specified securities	: Equity shares
IPO Grading, if any	: QIP
Issue size (in Rs. crore)	: Rs. 500.00 crore (Note 1)

Note 1:

The company had offered 14,662,756 Equity Shares under the fresh issue, at Rs. 341 per share (including share premium of Rs. 339 per share) aggregating to Rs. 500 crores. The issue was oversubscribed by 7.5 times and the company has allotted 14,662,756 Equity Shares to the applicants.

Particulars	Remarks
Total shares issued and subscribed as part of QIP	14,662,756
Total subscriptions towards QIP (in Rs.)	500.00
Details of expenses incurred related to issue (in Rs.)	13.35*
Net Proceeds of QIP(Rs.)	486.65

*Out of the total issue expenses of Rs. 13.35 Crores, Rs. 12.40 Crores has been incurred as on March 31, 2024.

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	No amount was utilized from Net proceeds during Q4FY24.	--
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	--
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	No	--
Is there any major deviation observed over the earlier monitoring agency reports?	No	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	Not applicable	No	--
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	No	--

#Where material deviation may be defined to mean:

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

* Chartered Accountant certificate from M/s NBS & Co. Chartered Accountants dated April 16, 2024

1/1



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	Investment in Subsidiary, NIART Systems Ltd	Chartered Accountant certificate*, Placement document	209.00	Not Applicable	Not Applicable	--	--	--
2	Investment in joint ventures and/or subsidiaries	Chartered Accountant certificate*, Placement document	200.00	Not Applicable	Not Applicable	--	--	--
3	General corporate purposes (GCP)	Chartered Accountant certificate*, Placement document	77.65	Not Applicable	Not Applicable	--	--	--
Total			486.65					

* Chartered Accountant certificate from M/s NBS & Co. Chartered Accountants dated April 16, 2024

(ii) Progress in the 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 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	Investment in Subsidiary, NIART Systems Ltd	Chartered Accountant certificate*, Bank statements	209.00	0.00	0.00	0.00	209.00	Nil	--	--
2	Investment in joint ventures and/or subsidiaries	CA certificate, Bank statements, Income Tax challan	200.00	0.00	0.00	0.00	200.00	Nil	--	--
3	General corporate purposes (GCP)	Chartered Accountant certificate*, Bank statements	77.65	0.00	0.00	0.00	77.65	Nil	--	--
Total			486.65	0.00	0.00	0.00	486.65			

* Chartered Accountant certificate from M/s NBS & Co. Chartered Accountants dated April 16, 2024

(iii) Deployment of unutilized public issue proceeds:

Rs. crore

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter*
1	FD-Axis Bank	175.55	30-01-2025	2.28	7.77%	177.83
2	FD-Axis Bank	101.00	27-07-2024	1.26	7.50%	102.26
3	FD-HDFC Bank	125.00	30-01-2025	1.73	7.75%	126.73
4	FD-HDFC Bank	85.00	25-02-2024	0.87	5.75%	85.87
5	FD-HDFC Bank	0.95	03-03-2025	0.005	6.60%	0.96
6	ICICI MONITORING Account# 000405153673	0.11	NA	0.00	0.00	0.11
	Total	487.61				493.76

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/months)	Comments of the Board of Directors	
	As per the offer document	Actual*		Reason of delay	Proposed course of action
Investment in Subsidiary, NIART Systems Ltd	March 31, 2024 & March 31, 2025 [^]	March 31, 2024 & March 31, 2025 [^]	-	-	-
Investment in joint ventures and/or subsidiaries	March 31, 2025	March 31, 2025	-	-	-
General corporate purposes (GCP)	March 31, 2026	March 31, 2026	-	-	-

*In case of continuing object(s), Please specify latest/ Revised estimate of the completion date

The above details were verified from the Information shared by DCX systems, placement document and the Chartered Accountant certificate from M/s NBS & Co. Chartered Accountants dated April 16, 2024

[^] Out of Rs.209 Cr, Rs. 83.50 Cr. was supposed to be utilized in FY24 according to the placement document. However, As on March 31, 2024, Nil amount has been utilized. According to the management, payment has been processed on April 4, 2024.

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

Sr. No	Item Head [^]	Amount	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	General Corporate Purposes	0.00	Chartered Accountant certificate*,	Nil	Nil
	Total	0.00			

* Chartered Accountant certificate from M/s NBS & Co. Chartered Accountants dated April 16, 2024

[^] Section from the offer document related to GCP:

"Our Company proposes to deploy ₹776.55 million out of the Net Proceeds towards general corporate purposes, subject to the amount allocated towards general corporate purpose not exceeding 25% of the Gross Proceeds, in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE. We will have flexibility in utilizing the Net Proceeds for general corporate purposes, including but not restricted to, strategic initiatives, further investment in existing or future joint ventures or subsidiaries, investments, repayment and pre-payment penalty on loans, as applicable, meeting exigencies and expenses incurred by our Company, as may be applicable, funding any shortfall in any of the objects set forth above, or such other purposes as may be determined by the Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. The quantum of utilisation of funds or the deployment towards each of the above purposes will be determined by our Board or a committee thereof, based on the amount actually available under this head and the business requirements of our Company, from time to time."

1/11



Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "**Monitoring Agency/MA**"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. 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.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or 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 MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/

consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.

c) Nothing contained in this Report is capable or 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 MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.

d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.

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