

Rathi Steel And Power Ltd.

CIN : L27109DL1971PLC005905

RSPL/BSE/2024-25/

Date: May 10, 2024

An ISO 9001:2008 & 14001:2004 Company

Works & Corporate Office

A-3 Industrial Area South of G.T. Road Ghaziabad 201009 India

Phone (0120) 2840346 to 51, 0120 4934034 Fax (0120) 2840352

Website www.rathisteelandpower.com Email info@rathisteelandpower.com

To

BSE Limited

Department of Corporate Services,

Phiroze, Jeejeebhoy Towers,

Dalal Street, Mumbai-400001

Script Code: 504903

Subject: Monitoring Agency Report for the Quarter ended on March 31, 2024

Dear Sir/Ma'am,

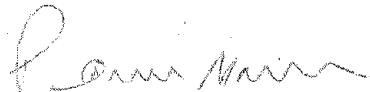
Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 162A of SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2018 as amended, we are enclosing herewith the Final report issued by the Monitoring Agency, ICRA Limited, dated May 08, 2024, for the Quarter ended on March 31, 2024, in respect of utilization of Proceeds from Issuance of Equity Share Capital.

You are requested to take the same on your record.

Thanking You.

Yours faithfully,

For Rathi Steel and Power Limited



(PREM NARAIN VARSHNEY)

MANAGING DIRECTOR

DIN: 00012709

Date: May 08, 2024

Mr. Rakesh Kumar
Chief Financial Officer
Rathi Steel and Power Limited
24/1, Block-A,
Mohan Co-operative Industrial Estate
Mathura Road,
New Delhi -110044

Dear Sir,

Re: Final Monitoring Agency report of Rathi Steel and Power Limited for Q4 FY2024

Please refer to agreement dated February 22, 2024, appointing ICRA Limited as the Monitoring Agency (MA) for Rathi Steel and Power Limited's Preferential Issue.

After due consideration, ICRA has prepared the attached final Monitoring Agency report as per SEBI (Issue of Capital and Disclosure Requirements) Regulations for Q4 FY2024.

Please note that the Monitoring Agency report does not constitute a commentary on the quality of the objects of the issue, appropriateness or reasonableness of costs or spending by Rathi Steel and Power Limited against any objects / heads or assurance on outcome of such spending.

We thank you for your kind cooperation extended during the course of Q4 FY2024. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards

For ICRA Limited

Parul Goyal Narang
Vice President & Head- Process Excellence
parul.goyal@icraindia.com

MONITORING AGENCY REPORT

Name of the Issuer: Rathi Steel and Power Limited

For quarter ended: March 31, 2024

Name of the Monitoring Agency: ICRA Limited

(a) Deviation from the objects of the issue:

No deviation - the utilization of the issuance proceeds is in line with the objects of the issue.

(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 we do not perceive any conflict of interest in such relationship/ interest while monitoring and reporting the utilization of the issue proceeds by the issuer. 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:

Parul Goyal Narang
Vice President & Head-Process Excellence

Analyst: Adrita Sadhukhan
QA: Dhvani Vinchhi

1. Issuer Details

Name of the Issuer: Rathi Steel and Power Limited

Name(s) of the promoters:

Promoters
Udit Rathi
Pradeep Kumar Rathi

Source: Bse.com

Industry/ sector to which it belongs: Manufacturing of Steel

2. Issue Details

Issue Period: Opening date- NA

Closing date- NA

Type of Issue: Preferential Issue

Type of specified securities: Equity shares

IPO Grading, if any: *Not applicable since it's Preferential Issue.*

Issue Size: INR 221.878 crores (Up to 3,55,70,522 equity shares of INR 32.250 each and OCRPS convertible into 1,94,84,371 equity shares of INR of 55.000 each)

Net Proceeds: INR 221.878 Crore

3. Details of the arrangement made to ensure the monitoring of issue proceeds.

Particulars	Reply	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	-Peer Reviewed CA-Certificate -Confirmation from management -Bank statement of the proceeds account	No deviation observed.	No Comments
Whether shareholder approval has been obtained in case of material deviations* from expenditures disclosed in the Offer Document?	Not Applicable	As confirmed by the Issuer's management	No comments	No comments
Whether the means of finance for the disclosed objects of the issue has changed?	No	As confirmed by the Issuer's management	No deviation observed.	No comments
Is there any major deviation observed over the earlier monitoring agency reports?	Not Applicable	No deviation observed.	No comments	No comments
Whether all Government/ statutory approvals related to the object(s) have been obtained?	Not Applicable	As confirmed by the Issuer's management	No comments	No comments
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	Not Applicable	As confirmed by the Issuer's management	No comments	No comments
Are there any favorable events improving the viability of these object(s)?	No	As confirmed by the Issuer's management	As understood from the Issuer's management	No comments
Are there any unfavorable events affecting the viability of the object(s)?	No	As confirmed by the Issuer's management	As understood from the Issuer's management	No comments
Is there any other relevant information that may materially affect the decision making of the investors?	No	As confirmed by the Issuer's management	As understood from the Issuer's management	No comments

4. Details of the object(s) to be monitored.
(i) Cost of object(s)

S.N.	Item Head	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Original cost (as per the offer document) * [Rs. Crore]	Revised cost [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of firm arrangements made
1	Payment of Outstanding Liabilities including Debt	Notice of EOGM	40.000	44.000	Cost has been revised within permissible limits as mentioned in EGM notice	N.A.	N.A.	N.A.
2	Capital Expenditure	Notice of EOGM	10.000	9.204	Cost has been revised within permissible limits as mentioned in EGM notice	N.A.	N.A.	N.A.
3	Working Capital purpose	Notice of EOGM	65.000	61.510	Cost has been revised within permissible limits as mentioned in EGM notice	N.A.	N.A.	N.A.
4	Conversion of RPS into OCRPS & consequently into Equity Shares	Notice of EOGM	107.164*	107.164	No comments	N.A.	N.A.	N.A.
Total			221.164	221.878				

*ICRA note that the objects also include a transaction of INR 107.164 crore, where a part of the funds originally raised in the form of RPS are intended to be first converted into OCRPS, which may later be converted into equity within 18 months starting January, 2024 (the conversion into equity shares to happen at the option of the investors) till September 2025. However, as there is no actual infusion of funds, ICRA will not be monitoring this transaction as it is non-meaningful.

(ii) Progress in the object(s)

S.N.	Item Head*	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Amount as proposed in the offer document [Rs. Crore]	Amount utilized [Rs. Crore]			Total unutilized amount [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors	
				As at the beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Payment of Outstanding Liabilities including Debt	- Notice of EOGM -Bank statement of the proceeds account - Peer Reviewed CA Certificate	44.000	-	44.000	44.000	Nil	No comments	No comments	No comments
2	Capital Expenditure	Same as above	9.204	-	4.841	4.841	4.363	No comments	No comments	No comments
3	Working Capital purpose	Same as above	61.510	-	61.510	61.510	Nil	No comments	No comments	No comments
4	Conversion of RPS into OCRPS & consequently into Equity Shares	Same as above	107.164		107.164	107.164	Nil	As on 31st March 2024, Conversion of RPS into OCRPS has been completed. However, out of the 1,94,84,371 OCRPS, 1,81,84,370 shares have got converted to equity shares.	No comments	No comments
Total			221.878	-	217.515	217.515	4.363			

(iii) Deployment of unutilized proceeds

S.N.	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	<i>Balance in Kotak Mahindra Bank account</i>	4.363	-	-	-	4.363
	Total	4.363				4.363

Source: As certified by M. LAL & CO.

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

Object(s)	Completion date			Comments of the Issuer's Board of Directors	
	As per the offer document	Actual [^]	Delay [Number of days or months]	Reason for delay	Proposed course of action
Payment of Outstanding Liabilities including Debt	30 th September 2025	On Schedule	NA	-	-
Capital Expenditure	30 th September 2025	On Schedule	NA	-	-
Working Capital Purpose	30 th September 2025	On Schedule	NA	-	-
Conversion of RPS into OCRPS & consequently, into Equity Shares	30 th September 2025	On Schedule	NA	-	-

Source: As confirmed by the Issuer's management

[^]Refers to the latest estimate of the completion date

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

S.N.	Item Head	Amount [Rs. Crore]	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
1	NA	Nil	-	No Comments	-