



Date: November 14, 2024

To,
The Department of Corporate Services,
BSE Limited,
25th Floor, P.J. Towers,
Dalal Street, Mumbai- 400001

Sub: Disclosure under Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Monitoring Agency Report for the quarter ended September 30, 2024.

Scrip Code: 538734

Dear Madam/Sir,

Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 162A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we are enclosing herewith the Monitoring Agency Report issued by CARE Ratings Limited, Monitoring Agency, appointed by the Company for monitoring the utilization of funds raised through Preferential Issue of Equity Shares and Convertible Share Warrants for the quarter ended September 30, 2024.

You are requested to take the same on your records.

For Ceinsys Tech Limited

Pooja Karande
Company Secretary &
Compliance Officer
(M. No. A54401)

Encl.: As above

Monitoring Agency Report



No. CARE/PRO/GEN/2024-25/1016

The Board of Directors
Ceinsys Tech Limited
10/5, IT Park,
Opposite VNIT
Nagpur
Maharashtra 440022

November 14, 2024

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the Preferential Issue of Ceinsys Tech Limited ("the Company")

We write in our capacity of Monitoring Agency for the Preferential Issue of Equity Shares and Warrants for the amount aggregating to Rs.235.06 crore of the Company and refer to our duties cast under Regulation 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 September 30, 2024, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated May 07, 2024 and amendment letter dated November 12, 2024.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

Ashish Kashalkar

Ashish Kashalkar
Assistant Director

Ashish.Kashalkar@careedge.in

Report of the Monitoring Agency

Name of the issuer: Ceinsys Tech Limited

For quarter ended: September 30, 2024

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: No deviation

(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: *Ashish Kashalkar*

Name of the Authorized Signatory: Ashish Kashalkar

Designation of Authorized person/Signing Authority: Assistant Director

1) Issuer Details:

Name of the issuer	: Ceinsys Tech Limited
Name of the promoter	: Mr. Sagar Dattatraya Meghe and Mr. Sameer Dattatraya Meghe
Industry/sector to which it belongs	: IT and IT enabled services

2) Issue Details

Issue Period	: Not Applicable
Type of issue (public/rights)	: Preferential Issue
Type of specified securities	: Equity shares and convertible warrants
IPO Grading, if any	: Not Applicable
Issue size (in `crore)	: Rs.235.06 crore (Refer to Note below)

Note: The company initially offered a preferential issue of 12,50,658 equity shares to four proposed allotees (non-promoters) at Rs.559.90 per share and 30,96,515 share warrants to four proposed allotees (promoters & non-promoters) at Rs.559.90 per warrant aggregating to Rs.243.40 crore. However, one of the proposed allotees of 1,48,909 equity shares did not avail the offer of preferential issue worth Rs.8.34 crore. Accordingly, the company finally allotted 11,01,749 equity shares (88.09% subscribed) and 30,96,515 share warrants (100% subscribed) to the applicants aggregating to Rs.235.06 crore.

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 (CA) Certificate*, Extra-Ordinary General Meeting Special Resolution, and Certificate from Chief Financial Officer of the company.	The company has not utilized any amount as on September 30, 2024.	Nil
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not Applicable	Not Applicable	Not Applicable	Nil
Whether the means of finance for the disclosed objects of the issue have changed?	Not Applicable	Not Applicable	Not Applicable	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	Not Applicable	Not Applicable	This is the first monitoring agency report.	Nil
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not Applicable	Not Applicable	Not Applicable	Nil
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not Applicable	Not Applicable	Not Applicable	Nil
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Not Applicable	Not Applicable	Nil
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not Applicable	Not Applicable	Nil

**The above details are verified by Chaturvedi & Shah LLP vide its CA certificate dated November 11, 2024.*

#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.

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	Strategic business acquisitions / Investments outside India	CA Certificate*, Board Resolution^	170.38	235.06~	Reason for cost revision: One of the proposed allottees did not avail the offer (Refer Note below)	Nil	Nil	Nil
2	Expansion of existing business operations and setting up a delivery centre of company in India	CA Certificate*, Board Resolution^	48.68			Nil	Nil	Nil
3	Working Capital requirements	CA Certificate*, Board Resolution^	24.34			Nil	Nil	Nil
Total			243.40	235.06				

*The above details are verified by Chaturvedi & Shah LLP vide its CA certificate dated November 11, 2024.

^Sourced from Special Resolution passed at Extraordinary General Meeting held on April 29, 2024.

~The bifurcation of revised proceeds from preferential issue under each object is not yet finalized. The same will be decided by passing a board resolution in subsequent quarters.

Note: The company initially offered a preferential issue of 12,50,658 equity shares to four proposed allottees (non-promoters) at Rs.559.90 per share and 30,96,515 share warrants to four proposed allottees (promoters & non-promoters) at Rs.559.90 per warrant aggregating to Rs.243.40 crore. However, one of the proposed allottees of 1,48,909 equity shares did not avail the offer of preferential issue worth Rs.8.34 crore. Accordingly, the company finally allotted 11,01,749 equity shares (88.09% subscribed) and 30,96,515 share warrants (100% subscribed) to the applicants aggregating to Rs.235.06 crore.

(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 Offer Document in Rs. Crore	Revised cost in crore	Amount raised till September 30, 2024	Amount utilised in Rs. Crore			Total unutilised amount against the raised amount in Rs. Crore as on September 30, 2024	Amount yet to be received as on September 30, 2024	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	Strategic business acquisitions / Investments outside India	CA certificate*, Board Resolution^, Bank statements	170.38	235.06~	105.03 [#]	0.00	0.00	0.00	105.03	130.03 [#]	Nil utilization as on September 30, 2024. The unutilized funds are lying in SBI allotment account.	Nil	Nil
2	Expansion of existing business operations and setting up a delivery centre of company in India	CA certificate*, Board Resolution^, Bank statements	48.68			0.00	0.00	0.00				Nil	Nil
3	Working Capital requirements	CA certificate*, Board Resolution^, Bank statements	24.34			0.00	0.00	0.00				Nil	Nil
Total			243.40	235.06	105.03	0.00	0.00	0.00	105.03	130.03			

*The above details are verified by Chaturvedi & Shah LLP vide its CA certificate dated November 11, 2024.

^Sourced from Special Resolution passed at Extraordinary General Meeting held on April 29, 2024.

~The bifurcation of revised proceeds from preferential issue under each object is not yet finalized. The same will be decided by passing a board resolution in subsequent quarters.

[#]The company received the full amount of preferential issue of 11,01,749 equity shares i.e., Rs.61.69 crore and 25% of preferential issue of 30,96,515 shares warrants in 1st tranche i.e., Rs.43.34 crore. The balance 75% for share warrants, i.e., Rs.130.03 crore shall be received by the company within 18 months from date of allotment, i.e., September 20, 2024.

(iii) Deployment of unutilized public issue proceeds:

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.	Bank balance in SBI Allotment Account (00000043213168850)	105.03*	-	-	-	105.03*
	Total	105.03				105.03

The above details are verified by Chaturvedi & Shah LLP vide its CA certificate dated November 11, 2024.

*The balance in SBI Allotment Account as on September 30, 2024 is Rs.105.25 crore, however unutilized proceeds against the raised amount is Rs.105.03 crore. The company received excess amount of Rs.0.22 crore from the proposed allottees and therefore, the balance in bank account as on September 30, 2024 is more than the unutilized amount. As per BSE announcement of allotment dated September 20, 2024, the company shall refund back the excess amount received amounting to Rs.0.22 crore after deducting the bank charges if any.

(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
Strategic business acquisitions / Investments outside India	Within 3 years from the receipt of funds	In process	Not Applicable	Nil	Nil
Expansion of existing business operations and setting up a delivery centre of company in India	Within 3 years from the receipt of funds	In process	Not Applicable	Nil	Nil
Working Capital requirements	Within 3 years from the receipt of funds	In process	Not Applicable	Nil	Nil

The above details are verified by Chaturvedi & Shah LLP vide its CA certificate dated November 11, 2024.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document - Not Applicable

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
			Not Applicable		Nil

The above details are verified by Chaturvedi & Shah LLP vide its CA certificate dated November 11, 2024.

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.