

May 15, 2023

The Secretary
BSE Ltd.
Corporate Relationship Dept.,
14th floor, P. J. Tower,
Dalal Street, Fort
Mumbai - 400 001
Stock Code – 543664

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051
Stock Code – KAYNES

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter and year ended March 31, 2023.

Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 41(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith Monitoring Agency Report in respect of utilization of proceeds of IPO for the quarter and year ended March 31, 2023 issued by ICRA Limited, Monitoring Agency.

The above information will also be available on the website of the Company at www.kaynestechnology.co.in

Kindly take the above information on record and acknowledge it.

Thanking You
Yours faithfully,
For **Kaynes Technology India Limited.**

Ramachandran Kunnath
Company Secretary and Compliance Officer
Membership No. A57817

Enclosed:
• Monitoring Agency Report.

KAYNES TECHNOLOGY INDIA LIMITED

(Formerly Kaynes Technology India Private Limited)

CIN: L29128KA2008PLC045825

www.kaynestechnology.co.in

email ID: kaynes.acc@gmail.com

H.O & Regd Off: 23-25, Belagola, Food Industrial Estate Metagalli PO, Mysore 570016 India

Telephone No: +91 8214280270



ICRA Limited

Date: May 15, 2023

Mr. Jairam P Sampath

Chief Financial Officer

Kaynes Technology India Limited

23-23 Belagola Food Industrial Estate

Metagalli PO, Mysore Karnataka- 570016

Dear Sir/Madam,

Re: Final Monitoring Agency report of Kaynes Technology India Limited for Q4 FY2023

Please refer to agreement dated October 18,2022 appointing ICRA Limited as the Monitoring Agency (MA) Kaynes Technology India Limited's IPO 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 FY2023.

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 Kaynes Technology India Limited against any objects / heads or assurance on outcome of such spending.

We thank you for your kind cooperation extended during the course of Q4FY2023. 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

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NARANG

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by PARUL GOYAL
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Parul Goyal Narang

Vice President & Head- Process Excellence

Parul.goyal@icraindia.com

Building No. 8, 2nd Floor, Tower A
DLF Cyber City, Phase II
Gurugram – 122002, Haryana

Tel.: +91.124 .4545300
CIN : L749999DL1991PLC042749

Website: www.icra.in
Email: info@icraindia.com
Helpdesk: +91 9354738909

Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel. :+91.11.23357940-41

RATING • RESEARCH • INFORMATION

MONITORING AGENCY REPORT

Name of the Issuer: Kaynes Technology India Limited

For the Quarter ended: Q4FY2023

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:

No deviation

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 creditrelated 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

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by PARUL
GOYAL NARANG
Date: 2023.05.15
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Parul Goyal Narang
Vice President & Head- Process Excellence

Analyst: Dhvani Vinchhi

QA: Parul Narang

1. Issuer Details

Name of the Issuer: Kaynes Technology India Limited

Name(s) of the promoters:

Promoters
Ramesh Kunhikannan
Savitha Ramesh

Source: BSE

Industry/ sector to which it belongs: Electric Equipment (others)

2. Issue Details

Issue Period: Opening date- November 10, 2022

Closing date- November 14, 2022

Type of Issue: Fresh Issue and offer for sale

Type of specified securities: Equity shares

IPO Grading, if any: No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the offer.

Issue Size (Rs. Crore): With OFS portion: 987.820 Crore; Excluding OFS portion: 660.000 Crore. (Including INR 130 crore pre-IPO issue)

Net Proceeds as per offer letter: 625.744 Crore (Excluding Issue Related Expense)

*The proceeds credited to the Net Proceeds account stood at INR 623.869 Crore as INR 1.875 Crore has been kept as contingency for higher than estimated Issue related expenses in Public Issue Account as on 31st March 2023.

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	-Certification from Statutory Auditors -Confirmation from management -Bank statement of the proceeds account	No deviation observed.	
Whether shareholder approval has been obtained in case of	Not Applicable	As confirmed by the Issuer's management	No comments	

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
material deviations [#] from expenditures disclosed in the Offer Document?				
Whether the means of finance for the disclosed objects of the issue has changed?	No	<i>As confirmed by the Issuer's management</i>	<i>Net proceeds are expected to be lower by 1.875 Crore due to higher than estimated issue related expenses. The amount of INR 1.875 crore is in public issue account as on 31st March 2023.</i>	
Is there any major deviation observed over the earlier monitoring agency reports?	Not Applicable	<i>No deviation observed.</i>	<i>No comments</i>	
Whether all Government/ statutory approvals related to the object(s) have been obtained?	No	<i>As confirmed by the Issuer's management</i>	<i>No Comments</i>	
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	Not Applicable	<i>As confirmed by the Issuer's management</i>	<i>Not applicable in the reporting Quarter Q4FY23</i>	
Are there any favorable events improving the viability of these object(s)?	No	<i>As confirmed by the Issuer's management</i>	<i>As understood from the Issuer's management</i>	
Are there any unfavorable events affecting the viability of the object(s)?	No	<i>As confirmed by the Issuer's management</i>	<i>As understood from the Issuer's management</i>	
Is there any other relevant information that may materially affect the decision making of the investors?	No	<i>As confirmed by the Issuer's management</i>	<i>As understood from the Issuer's management</i>	

[#] Where material deviation is defined to mean:

- (a) Deviation in the objects or purposes for which the funds had been raised
- (b) Deviation in the amount of funds actually utilized by more than 10% of the amount specified in the offer document

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	<i>Repayment/ prepayment, in full or part, of certain borrowings availed by Kaynes</i>	<i>Letter of Offer</i>	130.000	<i>Not Applicable</i>				
2	<i>Funding capital expenditure towards expansion of our existing manufacturing facility at Mysuru, Karnataka, and near our existing manufacturing facility at Manesar, Haryana;</i>	<i>Letter of Offer</i>	98.930	<i>Not Applicable</i>	<i>No comments</i>			
3	<i>Investment in our wholly owned Subsidiary, Kaynes Electronics Manufacturing Private Limited, for setting up a new facility at Chamarajanagar, Karnataka</i>	<i>Letter of Offer</i>	149.300	<i>Not Applicable</i>	<i>No comments</i>			
4	<i>Funding working capital requirements</i>	<i>Letter of Offer</i>	114.740	<i>Not Applicable</i>				
5	<i>General Corporate Purpose</i>	<i>Letter of Offer</i>	132.774	130.899	<i>Revision in GCP is expected on account of actual offer related expenditure</i>			

					<i>being higher by INR 1.875 Crore.</i>			
	Total		625.744					

(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	Repayment/ prepayment, in full or part, of certain borrowings availed by our Company	-Certification from Statutory Auditors -Bank statement of the proceeds account	130.000	130.000	-	130.000	Nil	No comments		
2	Funding capital expenditure towards expansion of our existing manufacturing facility at Mysuru, Karnataka, and near our existing manufacturing facility at Manesar, Haryana;	Same as above	98.930	-	-	-	98.930	No comments		
3	Investment in our wholly owned Subsidiary, Kaynes Electronics Manufacturing Private Limited, for setting up a new facility at Chamarajanagar, Karnataka	Same as above	149.300	-	-	-	149.300	No comments		
4	Funding working capital requirements of our Company	Same as above	114.740	75.509	11.860	87.369	27.371	No comments		

5	<i>General corporate purposes</i>	<i>Same as above</i>	<i>132.774</i>	<i>-</i>	<i>11.000</i>	<i>11.000</i>	<i>121.774*</i>	<i>No Comments</i>	
	Total		625.744	205.509	22.860	228.369	397.375		

**Revision in GCP is expected on account of actual offer related expenditure being higher by INR 1.875 crore.*

(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	Fixed Deposit with Canara bank	25.00	April 18, 2023	0.40	5.25%	25.40
2	Fixed Deposit with Canara Bank	25.00	May 30, 2023	0.51	4.70%	25.51
3	Fixed Deposit with Canara Bank	25.00	April 04,2023	0.46	7.30%	25.46
5	Fixed Deposit with HDFC Bank	75.00	August 30,2023	1.77	7.00%	76.77
6	Fixed Deposit with HDFC Bank	25.00	November 30,2023	0.62	7.35%	25.62
7	Fixed Deposit with SBI Bank	25.00	June 28,2023	0.55	6.50%	25.55
8	Fixed Deposit with SBI Bank	75.00	November 29,2023	1.82	7.15%	76.82
9	Fixed Deposit with Indusind Bank	25.00	May 31,2023	0.56	7.25%	25.56
10	Fixed Deposit with Indusind Bank	14.00 [^]	April 16, 2023	0.47	6.90%	14.47
11	Fixed Deposit with Indusind Bank	19.999	April 25, 2023	0.55	7.10%	20.55
12	Fixed Deposit with Canara Bank	11.50	April 19,2023	0.12	5.25%	11.62
13	Fixed Deposit with HDFC Bank	20.00	April 10,2023	0.33	6.50%	20.33
14	Fixed Deposit with HDFC Bank	10.00	April 10,2023	0.16	6.50%	10.16
15	Fixed Deposit with HDFC Bank	20.00	April 09,2023	0.33	6.50%	20.33
18	Escrow Account ICICI Public Issue Account	1.875	-	-	-	1.875
Total		397.374	-	8.66	-	406.035

Source: As certified by K.P. Rao & Co., the statutory auditor of the Issuer

[^] An Fixed Deposit of INR. 25 Crores was liquidated on 16th March 2023 to the tune of INR 11 Crores for the purpose of paying Advance tax from General Corporate Purpose

(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
<i>Repayment/ prepayment, in full or part, of certain borrowings availed by our Company.</i>	March 2023	December 2022	-	NA	NA
<i>Funding capital expenditure towards expansion of our existing manufacturing facility at Mysuru, Karnataka, and near our existing manufacturing facility at Manesar, Haryana</i>	February 2023- June 2023	-	-	NA	NA
<i>Investment in our wholly owned Subsidiary, Kaynes Electronics Manufacturing Private Limited, for setting up a new facility at Chamarajanagar, Karnataka</i>	February 2023- January 2024	-	-	NA	NA
<i>Funding working capital requirements.</i>	March 2024	-	-	NA	NA
<i>General Corporate Purpose</i>	March 2023	-	-	NA	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	Utilization for Payment of Advance Tax.	11.00	Statutory auditor certification	No comments	

6. Details of equity share capital held by the promoters

Number of Equity shares held by the promoter group on the date of allotment of offer	Number of Equity shares held by the promoter as on 31-March-2023		Lock in release date	% Shareholding of the promoter group as on 31-Mar-2023	Regulatory stipulation for the % of promoter shares to be locked-in and Lock-in period end date	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
	Promoter name	Total Shares						
390,48,197	Ramesh Kunhikannan	116,28,600	18/11/2025	31.00 %	20% of the Promoters share post offer should be locked in for 3 years	Lock in certificate by depository	"The equity shareholding of the promoter group is in accordance with the lock-in requirements specified by SEBI"	-
	Ramesh Kunhikannan/ Savitha rames	253,348,33	18/11/2023	69.00 %				-
Grand Total		369,63,433						