

August 01, 2023

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**

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

Dear Sir/Madam,

**Sub: Monitoring Agency Report for the quarter ended June 30, 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 June 30, 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](http://www.kaynestechnology.co.in)

Kindly take the above information on record and acknowledge it.

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

**Jairam P Sampath**  
Whole Time Director and Chief Financial Officer  
DIN: 08064368

**Enclosed:**

- Monitoring Agency Report.

**KAYNES TECHNOLOGY INDIA LIMITED**

(Formerly Kaynes Technology India Private Limited)

CIN: L29128KA2008PLC045825

[www.kaynestechnology.co.in](http://www.kaynestechnology.co.in)

email ID: [kaynes.acc@gmail.com](mailto:kaynes.acc@gmail.com)

H.O & Regd Off: 23-25, Belagola, Food Industrial Estate Metagalli PO, Mysore 570016 India  
Telephone No: +91 821 2582595

**Date: August 01, 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 Q1 FY2024**

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 Q1 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 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 Q1FY2024. 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**

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by PARUL  
GOYAL NARANG  
Date: 2023.08.01  
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Parul Goyal Narang

Vice President & Head- Process Excellence

Parul.goyal@icraindia.com

## MONITORING AGENCY REPORT

**Name of the Issuer:** Kaynes Technology India Limited

**For the Quarter ended:** Q1 FY2024

**Name of the Monitoring Agency:** ICRA Limited

**(a) Deviation from the objects of the issue:**

No Material 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: 2023.08.01  
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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 30<sup>th</sup> June 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?	<b>Yes</b>	-Certification from Statutory Auditors -Confirmation from management -Bank statement of the proceeds account	<i>No deviation observed.</i>	
Whether shareholder approval has been obtained in case of	<b>Not Applicable</b>	<i>As confirmed by the Issuer's management</i>	<i>No comments</i>	

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 <sup>#</sup> from expenditures disclosed in the Offer Document?				
Whether the means of finance for the disclosed objects of the issue has changed?	<b>No</b>	<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 30<sup>th</sup> June 2023.</i>	
Is there any major deviation observed over the earlier monitoring agency reports?	<b>Not Applicable</b>	<i>No deviation observed.</i>	<i>No comments</i>	
Whether all Government/ statutory approvals related to the object(s) have been obtained?	<b>No</b>	<i>As confirmed by the Issuer's management</i>	<i>No Comments</i>	
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	<b>Not Applicable</b>	<i>As confirmed by the Issuer's management</i>	<i>Not applicable in the reporting Quarter Q1FY24</i>	
Are there any favorable events improving the viability of these object(s)?	<b>No</b>	<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)?	<b>No</b>	<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?	<b>No</b>	<i>As confirmed by the Issuer's management</i>	<i>As understood from the Issuer's management</i>	

<sup>#</sup> 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>			
	<b>Total</b>		<b>625.744</b>					

**(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	-	7.027	7.027	91.903	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	-	10.310	10.310	138.990	No comments		
4	Funding working capital requirements of our Company	Same as above	114.740	87.369	12.663	100.032	14.708	No comments		



<b>5</b>	<i>General corporate purposes</i>	<i>Same as above</i>	<i>132.774</i>	<i>11.00</i>	<i>-</i>	<i>11.000</i>	<i>121.774*</i>	<i>No Comments</i>	
	<b>Total</b>		<b>625.744</b>	<b>228.369</b>	<b>30.000</b>	<b>258.369</b>	<b>367.375</b>		

*\*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	August 06, 2023	0.81	5.70%	25.81
2	Fixed Deposit with Canara Bank	50.00	August 29, 2023	1.40	6.20%	51.40
3	Fixed Deposit with Canara Bank	23.00 <sup>^</sup>	July 27,2024	0.01	7.05%	23.01
4	Fixed Deposit with HDFC Bank	75.00	August 30,2023	3.12	7.00%	78.12
5	Fixed Deposit with HDFC Bank	25.00	November 30,2023	1.09	7.35%	26.09
6	Fixed Deposit with SBI Bank	2.00 <sup>^</sup>	September 28,2023	-	5.50%	2.00
7	Fixed Deposit with SBI Bank	75.00	November 29,2023	3.18	7.15%	78.18
8	Fixed Deposit with Indusind Bank	25.00	July 31,2023	0.14	6.75%	25.14
9	Fixed Deposit with Indusind Bank	14.00	July 17, 2023	0.20	6.90%	14.20
10	Fixed Deposit with Indusind Bank	20.00	April 25, 2023	0.87	6.60%	20.87
11	Fixed Deposit with Canara Bank	11.50	July 18,2023	0.64	5.25%	12.14
12	Fixed Deposit with HDFC Bank	20.00	July 18,2023	0.63	6.85%	20.63
13	Escrow Account ICICI Public Issue Account	1.875	-	-	-	1.875
<b>Total</b>		<b>367.375<sup>^^</sup></b>	<b>-</b>	<b>12.09</b>	<b>-</b>	<b>379.465</b>

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

<sup>^</sup> on 27<sup>th</sup> June 2023 a fixed deposit of INR 25.00 Crore was matured out of which INR 23 Crore Fixed deposit was created in Canara Bank and INR 2.00 Crore with State Bank of India.

<sup>^^</sup> on 11<sup>th</sup> May 2023, a fixed deposit of INR 30.00 Crore was liquidated and utilized under multiple heads as per RHP during the Quarter ending June 2023.

## (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 <sup>^</sup>	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>	<i>March 2023</i>	<i>December 2022</i>	-	NA	<b>NA</b>
<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>February 2023- June 2023</i>	<i>In process</i>	-	<i>Certain Machines has been installed and the orders has been placed considering the business requirements. The capex spend has happened conservatively to make optimum utilization</i>	<b>NA</b>
<i>Investment in our wholly owned Subsidiary, Kaynes Electronics Manufacturing Private Limited, for setting up a new facility at Chamarajanagar, Karnataka</i>	<i>February 2023- January 2024</i>	<i>On schedule</i>	-	NA	<b>NA</b>
<i>Funding working capital requirements.</i>	<i>March 2024</i>	<i>On Schedule</i>	-	NA	<b>NA</b>
<i>General Corporate Purpose</i>	<i>March 2023</i>	<i>Partly Utilised in Q4FY23</i>	-	NA	<b>NA</b>

Source: As confirmed by the Issuer's management

<sup>^</sup>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**

<b>S.N.</b>	<b>Item Head</b>	<b>Amount [Rs. Crore]</b>	<b>Source of information, certifications considered by the Monitoring Agency for the preparation of report</b>	<b>Comments of the Monitoring Agency</b>	<b>Comments of the Issuer's Board of Directors</b>
<b>1</b>	<i>Utilization for Payment of Advance Tax.</i>	<i>11.00</i>	<i>Statutory auditor certification</i>	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 %	<b>20% of the Promoters share post offer should be locked in for 3 years</b>	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 %				-
<b>Grand Total</b>		<b>369,63,433</b>						