Date: May 14, 2025

To,
Department of Corporate Services,
BSE Limited,
P J Towers, Dalal Street,
Mumbai- 400 001.
BSE: Scrip Code: 531112

To,
Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza", C-1, Block-G,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400 051.
NSE Trading Symbol: BALUFORGE

Respected Sir / Madam,

Subject: Statement of Deviation or Variation in the use of proceeds raised through Preferential Issue for the Quarter ended 31st March, 2025 as per Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 32 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith the Monitoring Agency Report for the Quarter ended 31st March, 2025, issued by Infomerics Valuation and Rating Pvt. Ltd. appointed in respect of utilization of proceeds of the Preferential Issue of the Company, duly reviewed by the Audit Committee Meeting and the Board Meeting of the Company held on May 14, 2025.

Kindly take the same on your records.

For Balu Forge Industries Limited

Jaspalsingh Chandock
Managing Director
DIN 00813218

Enclosure: A/A

Infomerics Ratings
SEBI REGISTERED / RBI ACCREDITED / NSIC
EMPANELLED CREDIT RATING AGENCY

Monitoring Agency Report
for Balu Forge Industries Limited
for the quarter ended March 31, 2025

Monitoring Agency Report

May 12, 2025

To,
Balu Forge Industries Limited
506, Imperial Palace, 45 Telly Park Road,
Andheri East, Mumbai - 400069

Dear Sir,

Monitoring Agency Report for the quarter ended March 31, 2025 - in relation to the issue of equity shares on preferential basis and issue of share warrants to the promoters.

Pursuant to Regulation 41(2) of SEBI (lssue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated October 09, 2024 we in our capacity of Monitoring Agent to the Company hereby enclose the Monitoring Agency Report as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of the public issue for the quarter ended March 31, 2025. Request you to kindly take the same on records.

Thanking you,

For and on behalf of Infomerics Valuation and Rating Limited

OM PARKASH JAIN
Digitally signed by OM PARKASH JAIN
Date: 2025.05.12 21:19:42 +05'30'

(Director - Ratings)

Report of the Monitoring Agency

Name of the Issuer: Balu Forge Industries Limited

For quarter ended: March 31, 2025

Name of the Monitoring Agency: Infomerics Valuation and Rating Limited

(a) Deviation from the objects: Nil

– Utilization different from Objects stated in OD but in line with change of objects approved by shareholders' resolution; or
– Utilization neither in line with Objects stated in OD nor approved by shareholders' resolution
– In case of no deviation, the fact would be stated.

(b) Range of Deviation*: 0%

Indicate range of percentage deviation from the amount of issue proceeds earmarked for objects. For example, up to 10%, 10 – 25%, 25-50%, 50-75%, 75-100%, not ascertainable etc.

* Range of Deviation may be computed by taking weighted average of financial deviation of each object in the ratio of issue proceeds allocated for it. Non-financial deviation may be indicated separately by way of notes.

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 declare that we do not have any direct / indirect interest in or relationship with the issuer/promoters/directors/management and also confirm that we do not perceive any conflict of interest in such relationship / interest while monitoring and reporting the utilization of issue proceeds by the issuer.

We further declare that this report provides true and fair view of the utilization of issue proceeds.

OM PARKASH JAIN

Digitally signed by OM PARKASH JAIN
Date: 2025.05.12 21:20:09 +05'30'

Signature:
Name of the Authorized Person/Signing Authority: Om Parkash Jain
Designation of Authorized person/Signing Authority: Director - Ratings
Seal of the Monitoring Agency:
Date: **May 12, 2025**

1) Issuer Details:

Name of the issuer: Balu Forge Industries Limited

Names of the promoters of the issuer: Shri Jaspal Singh Chandock

Industry/sector to which it belongs: Manufacturing of forged crankshafts and forged components

2) Issue Details:

Issue Period: 18 Months from the date of allotment

Type of issue (public/rights): Preferential Issue

Type of specified securities: equity share and convertible warrant

Grading:NA

Issue size (Rs in Crores): Rs. 496.80 crores (Note No. 1 & 2)

Note 1
The company had offered 45.00 Lakhs Equity Shares under the Private Placement, at Rs. 360.00 per share (including share premium of Rs. 350.00 per share) aggregating to ₹ 162.00 crore. The issue was subscribed, and the company has allotted 45.00 Lakhs Equity Shares to the applicants during the quarter ended September 2024.

Note 2
The offer comprises of 93,00,000 warrants of the company convertible into equal number of equity shares at a price of Rs.360.00 per warrant as determined on the relevant date (for the purpose of calculating the price of equity warrants convertible into equal number of equity shares to be issued) in accordance with the provisions of Chapter V of the SEBI ICDR Regulations aggregating to Rs.334.80 Crore for cash consideration by way of preferential allotment to Specified investors/Identified investors which also includes promoters and members of promoter group of the company.

Particulars	Remarks	Amount
Total shares issued and subscribed as part of Preferential Issue (A)	45,00,000	162.00
Total Warrants issued (B)	**93,00,000**	**334.80**
Total Warrants converted in to shares during the period (Fully paid up) (C)	-	-
Warrants still outstanding to be exercised within eighteen (18) months from the date of allotment (Deposit amount received) (D)	93,00,000	83.70
Total subscriptions received towards Preferential issue (in Rs. Crore) (A + D)	**245.70**	**245.70**
Details of expenses incurred related to issue (in Rs.)	-	**-Nil**
Net Proceeds of Preferential Issue (Rs. Crores) (A + B)		**496.80***

^ Each warrant is convertible into one (1) equity share and the conversion can be exercised at any time within a period of 18 months from date of allotment of warrants, in one or more tranches, as the case maybe and on such other terms and conditions applicable. Option for conversion of warrants into equity shares will be available upon payment of full price of warrant before such exercise of option.

* Upon complete exercise of outstanding 93,00,000 shares warrants.

2) Details of the arrangement made to ensure the monitoring of issue proceeds:

(Give item by item description for all the objects stated in offer document separately in following format)

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of Board of Directors
Whether all the utilization is as per disclosure in Offer Document?	Yes, the utilization has been made as per Offer Document.	Bank Statement, CA Certificate, EOGM Resolution, and Invoices	The utilization is in line with the objects mentioned in the EOGM resolution	The Board of Directors noted that there are no deviations, and the funds were utilised for the purpose stated in the offer document and notice sent to the shareholders.
Whether Shareholder approval is obtained in case of material deviations from expenditures disclosed in Offer Document?	There are no deviations from the expenditures disclosed in the Offer Document. Hence no approval is required	Not applicable	Not applicable	No Comments Required
Whether means of finance for disclosed objects of the Issue has changed?	There is no change in the means of	Not applicable	No	No Comments Required

	finance for disclosed objects			
Any major deviation observed over the earlier monitoring agency reports?	No	Not applicable	No	No Comments Required
Whether all Government / Statutory approvals related to the object(s) obtained?	Yes	Principal approval from BSE & NSE	No Comments	No Comments Required
Whether all arrangements pertaining to technical assistance/collaboration in operation?	Not Applicable	Not applicable	Not Applicable	No Comments Required
Any favourable events improving object(s) viability	There are no events affecting the viability of these objects.	Not applicable	Nil	No Comments Required
Any unfavourable events affecting object(s) viability	There are no events affecting the viability of these objects.	Not applicable	Nil	No Comments Required
Any other relevant information that may materially affect the decision making of the investors	There is no relevant information that may affect the	Not applicable	Nil	No Comments Required

	decision making of the investor			

* The above details are verified by M.B. Agrarwal & Co. Chartered Accountants (Membership Number : 061362) vide its CA certificate dated May 08, 2025.

**Auditor's remark: No deviations from expenditure disclosed in the Offer document.

^ Material Deviation would mean

a) deviation in the objects or purposes for which the funds have been raised

b) deviation in the amount of funds actually utilised by more than 10% of the amount projected in the offer document

4) **Details of object(s)s to be monitored:**

(i) Cost of object(s)-

(Give Item by Item Description for all the Objects Stated in Offer Document separately in following format:

Sl. 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 Monitoring Agency**	**Comments of Board of Directors**		
						Reason of cost revision	**Proposed financing option**	**Particulars of firm arrangements made**

1	Purchase & installation of new & existing plant & machinery	EOGM*	189.00	189.00	The gross proceeds have been utilised in accordance with the objects of the issue.			
1	Working capital requirement	EOGM*	183.60	183.60		Nil	Nil	Nil
2	General corporate purpose	EOGM*	124.20	124.20			Nil	Nil
	TOTAL		**496.80**	**496.80**				

* Sourced from Page 20 & 26 of the Special Resolution passed at Extraordinary General Meeting held on Aug 09, 2024.

(ii) Progress in the object(s)-

(Give Item by Item Description for all the Objects Stated in Offer Document separately in the following format)

Sl. 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 raised till March 31, 2025 (Rs. crore)	Amount utilized			Unutilised amount in Rs. crore	Comments of Monitoring Agency	Comments of Board of Directors	
					As at Beginning of the quarter	During the quarter	At the end of the quarter			Reason of idle funds	Proposed Course of Action
1	Purchase & installation of new & existing plant & machinery	EOGM*, Bank Statement, Invoices, CA Certificate**	189.00	126.23	126.23	-	126.23	Nil	The company has not utilised the funds towards this objects during the	No Comments Required	-

									quarter ended March 31, 2025		
2	Working capital requirement	EOGM*, Bank Statement, Invoices, CA Certificate**	183.60	58.05	43.44	14.61	58.05	-	The Funds has been used by the company to purchase raw material from its suppliers	No Comments Required	-
3	General corporate purpose	EOGM*, Bank Statement, Invoices, CA Certificate**	124.20	61.42	11.80	49.62	61.42	-	The Funds has been used by the company to Purchase Stores, consumables, Packing Material and raw Materials	No Comments Required	-
TOTAL			**496.80**	**245.70**	**181.47**	**64.23**	**245.70**	**-**			

*****Sourced from Page 20 & 26 of the Special Resolution passed at Extraordinary General Meeting held on August 09, 2024.

****** The above details are verified by M.B. Agrarwal & Co. Chartered Accountants (Membership Number :061362) vide its CA certificate dated May 08, 2025.

***Brief description of Object(s):**

S.no	Name of the object(s)	Brief description of the object(s)	Location of the object(s) (if applicable
1	Purchase & installation of new & existing plant & machinery	The company has received an amount of Rs. 126.23 Crore for the afore mentioned object out of which the company has utilised an amount of Rs. 77.40 Crore till Sept 2024 and Rs. 48.83 Crore in the quarter ended December 31, 2024. ***The company has not utilised any funds towards this object during the quarter ended March 31, 2025***	
2	Working capital requirement	The company has received an amount of Rs. 58.05 Crore for the afore mentioned object out of which the company has utilised an amount of Rs.43.44 crore during the quarter ended December 31,2024 and remaining amount of Rs. 14.61 Crore utilised during the quarter ended March 31, 2025. The Funds has been used by the company to purchase raw material from its suppliers	-
3	General corporate purpose	The company has received an amount of Rs. 61.42 Crore for the this object out of which the company has utilised an amount of Rs. 11.80 Crore during the quarter ended September 30, 2024 and remaining amount of Rs. 49.62 Crore has been utilised during the quarter ended March 31, 2025. The Funds has been used to	-

		Purchase Stores, consumables, machinery items, Packing Material and raw Materials	

(iii) Deployment of unutilized IPO proceeds/Preferential Issue : Nil

Sl. no.	Type of instrument where amount invested*	Amount invested (in Crores)	Maturity date	Earnings	Return on Investment (ROI %)	Market Value as at the end of quarter**
1	-	-	-	-	-	-

Note: The total amount to be collected from the issue was Rs. 496.80 Crore out of which the amount received by the Company is Rs. 245.70 Crore, out of which Rs. 181.45 Crore was utilised till December 2024 and balance of Rs. 64.23 crore utilised during the quarter ended March 31, 2025. The Balance amount of Rs. 251.10 Crore is yet to be received within 18 months from the date of issue.

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

Object(s) Name	Completion Date	Delay (No. of days/ months)	Comments of Board of Directors

	As per Offer Document	Actual *		Reason of delay	Proposed Course of Action
Purchase & installation of new & existing plant & machinery	within a period of 12 months from the date of receipts of funds	Ongoing	No Delay	Nil	Nil
Working capital requirement	within a period of 12 months from the date of receipts of funds	Ongoing	No Delay	Nil	Nil
General corporate purpose	within a period of 12 months from the date of receipts of funds	Ongoing	No Delay	Nil	Nil

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

S.No	Item Head	Amount in Rs. Crore	Source oof Information/Certifications Considered by the Monitoring agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Purchase of Stores, consumables, Packing Material, machinery items and raw Materials	49.62	C.A Certificate, Bank statement, Invoices	CGP utilised to procure Stores, consumables, Packing Material, machinery items and raw Materials	No Comments
-	**TOTAL**	**49.62**	-	-	-

*The above details are verified by M.B. Agarwal & Co. Chartered Accountants (Membership Number :061362) vide its CA certificate dated May 08, 2025.

DISCLAIMERS:

- This Report is prepared by Infomerics Valuation and Rating Private Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "IVR"). 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.
- 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/independent chartered accountant appointed by the Issuer believed by it to be accurate and reliable.
- 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.
- 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, lawyers, chartered engineers or other experts, and relies on in its reports
- 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.
- The MA report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as MA providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.
- Access or use of this report does not create a client relationship between MA and the user.
- MA is not aware that any user intends to rely on the report or of the manner in which a user intends to use the report. In preparing this report, MA has not taken into consideration the objectives or particular needs of any particular user.
- It is made abundantly clear that the report is not intended to and does not constitute an investment advice. The report is not an offer to sell or an offer to purchase or subscribe for

any investment inany securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains.

- The report comprises professional opinion of MA as of the date they are expressed, based on the information received from the issuer and other sources considered reliable by MA. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. The report does not constitute statements of fact or recommendations to purchase, hold or sell any securities/instruments or to make any investment decisions.
- Neither MA nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents guarantee the accuracy, completeness or adequacy of the report, and shall not have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. MA and each aforesaid party disclaims any and all express or implied warranties, including but not limited to any warranties of merchantability, suitability or fitness for a particular purpose or use or use. In no event shall MA or any aforesaid party be liable to any user for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.
- MA has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with the preparation of this report. MA has in place a code of conduct and policies for managing conflict of interest.
- Unless required under any applicable law, this report should not be reproduced or redistributed to any other person or in any form without prior written consent from MA.
- By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.

Infomerics Ratings
SEBI REGISTERED / RBI ACCREDITED / NSIC
EMPANELLED CREDIT RATING AGENCY

Monitoring Agency Report
for Balu Forge Industries Limited
for the quarter ended March 31, 2025

Infomerics Ratings
SEBI REGISTERED / RBI ACCREDITED / NSIC
EMPANELLED CREDIT RATING AGENCY

Monitoring Agency Report

May 12, 2025

To Balu Forge Industries Limited
506, Imperial Palace, 45 Telly Park Road,
Andheri East, Mumbai - 400069

Dear Sir,

Monitoring Agency Report for the quarter ended March 31, 2025 - in relation to the issue of equity shares on preferential basis and issue of share warrants to the promoters.

Pursuant to Regulation 41(2) of SEBI (lssue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated February 01, 2024 we in our capacity of Monitoring Agent to the Company hereby enclose the Monitoring Agency Report as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of the public issue for the quarter ended March 31, 2025. Request you to kindly take the same on records.

Thanking you,

For and on behalf of Infomerics Valuation and Rating Limited

OM PARKASH JAIN
Digitally signed by OM PARKASH JAIN
Date: 2025.05.12 21:22:11 +05'30'

(Director - Ratings)

Infomerics Ratings
SEBI REGISTERED / RBI ACCREDITED / NSIC
EMPANELLED CREDIT RATING AGENCY

Report of the Monitoring Agency

Name of the Issuer: Balu Forge Industries Limited

For quarter ended: March 31, 2025

Name of the Monitoring Agency: Infomerics Valuation and Rating Limited

(a) Deviation from the objects: Nil

– Utilization different from Objects stated in OD but in line with change of objects approved by shareholders' resolution; or
– Utilization neither in line with Objects stated in OD nor approved by shareholders' resolution
– In case of no deviation, the fact would be stated.

(b) Range of Deviation*: 0%

Indicate range of percentage deviation from the amount of issue proceeds earmarked for objects. For example, up to 10%, 10 – 25%, 25-50%, 50-75%, 75-100%, not ascertainable etc.

* Range of Deviation may be computed by taking weighted average of financial deviation of each object in the ratio of issue proceeds allocated for it. Non-financial deviation may be indicated separately by way of notes.

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 declare that we do not have any direct / indirect interest in or relationship with the issuer/promoters/directors/management and also confirm that we do not perceive any conflict of

interest in such relationship / interest while monitoring and reporting the utilization of issue proceeds by the issuer.

We further declare that this report provides true and fair view of the utilization of issue proceeds.

OM PARKASH JAIN

Digitally signed by OM PARKASH JAIN
Date: 2025.05.12 21:22:33 +05'30'

Signature:
Name of the Authorized Person/Signing Authority: Om Parkash Jain
Designation of Authorized person/Signing Authority: Director - Ratings
Seal of the Monitoring Agency:
Date: **May 12, 2025**

1) Issuer Details:

Name of the issuer: Balu Forge Industries Limited

Names of the promoters of the issuer: Shri Jaspal Singh Chandock

Industry/sector to which it belongs: Manufacturing of forged crankshafts and forged components

2) Issue Details:

Issue Period: 18 Months from the date of allotment

Type of issue (public/rights): Preferential Issue

Type of specified securities: equity share and convertible warrant

Grading: NA

Issue size (Rs in Crores): Rs. 137.70 crores (Note No. 1 & 2)

Note 1
The company had offered 25.00 Lakhs Equity Shares under the Private Placement, at Rs. 183.60 per share (including share premium of Rs. 173.60 per share) aggregating to ₹ 45.90 crore. The issue was subscribed, and the company has allotted 25.00 Lakhs Equity Shares to the applicants.

Note 2
The company had offered 50,00,000 Warrants under the Preferential Issue, at Rs. 183.60 per share (including premium of Rs. 173.60 per share/warrant) aggregating to ₹ 91.80 crore. The issue was Subscribed fully, and the company has allotted 50.00 lakhs Warrants to the applicants, out of which company has allotted 36,75,000 Equity Share upon the conversion of the share warrants to the applicants.

Each warrant is convertible into one (1) equity share and the conversion can be exercised at any time within a period of 18 months from date of allotment of warrants, in one or more tranches, as the case maybe and on such other terms and conditions applicable. Option for conversion of warrants into equity shares will be available upon payment of full price of warrant before such exercise of option.

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

(Give item by item description for all the objects stated in offer document separately in following format)

Particulars	**Reply**	**Source of information / certifications considered by Monitoring Agency for preparation of report**	**Comments of Monitoring Agency**	**Comments of Board of Directors**
Whether all the utilization is as per disclosure in Offer Document?	Yes, the utilization has been made as per Offer Document.	Bank Statement, CA Certificate, Invoices	Net proceeds received from preferential issue is utilized towards respective objective	The Board of Directors noted that there are no deviations, and the funds were utilised for the purpose stated in the offer document and notice sent to the shareholders

Whether Shareholder approval is obtained in case of material deviations from expenditures disclosed in Offer Document?	There are no deviations from the expenditures disclosed in the Offer Document. Hence no approval is required	Not applicable	No Material Deviation^	No Comments Required
Whether means of finance for disclosed objects of the Issue has changed?	There is no change in the means of finance for disclosed objects	Not applicable	Not applicable	No Comments Required
Any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	No Deviation**	No Comments Required
Whether all Government / Statutory approvals related to the object(s) obtained?	Yes	PAS – 03 Form, Board Resolution	No Comments	No Comments Required
Whether all arrangements pertaining to technical assistance/collaboration in operation?	There are no such events.	Not applicable	Not Applicable	No Comments Required
Any favourable events improving object(s) viability	There are no events affecting the viability of these objects..	Not applicable	Nil	No Comments Required

Any unfavourable events affecting object(s) viability	There are no events affecting the viability of these objects.	Not applicable	Nil	No Comments Required
Any other relevant information that may materially affect the decision making of the investors	There is no relevant information that may affect the decision making of the investor	Not applicable	Nil	No Comments Required

* The above details are verified by M.B. Agrarwal & Co. Chartered Accountants (Membership Number : 061362) vide its CA certificate dated May 08, 2025.

**Auditor's remark: No deviations from expenditure disclosed in the Offer document.

^ Material Deviation would mean

a) deviation in the objects or purposes for which the funds have been raised

b) deviation in the amount of funds actually utilised by more than 10% of the amount projected in the offer document

4) **Details of object(s)s to be monitored:**

(i) Cost of object(s)-

(Give Item by Item Description for all the Objects Stated in Offer Document separately in following format:

Sl. No	**Item Head**	**Source of informatio / certifications considered by Monitoring Agency**	**Original cost (as per the Offer Document) in Rs. Crore**	**Revised Cost in Rs. Crore**	**Comments of Monitoring Agency**	**Comments of Board of Directors**

		for preparation of report						
						Reason of cost revision	**Proposed financing option**	**Particulars of firm arrangements made**
1	Working capital requirement	EOGM*	95.63	103.28	Refer Note	Nil	Nil	Nil
2	General corporate purpose	EOGM*	42.07	34.42			Nil	Nil
	TOTAL		**137.70**	**137.70**				

* Sourced from Page 09 of the Special Resolution passed at Extraordinary General Meeting held on Aug 09, 2024.

Note : The company has mistakenly mentioned the amount to be utilised under general corporate Rs. 30.60 Crore which comes to 33.33% of the issue size, however as per the ICDR guidelines the utilisation under the general corporate purpose should not exceed 25% of the issue size i.e. Rs. 22.95 Crore. Hence the mistake has been corrected by the company in the Extra-ordinary general meeting held on Aug 09, 2024 and the same was approved by the Members.

(ii) Progress in the object(s)-

(Give Item by Item Description for all the Objects Stated in Offer Document separately in the following format)

Sl. 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 raised till March 31, 2025 (Rs. crore)	Amount utilized			Unutilised amount in Rs. crore	Comments of Monitoring Agency	Comments of Board of Directors	
					As at Beginning of the quarter	During the quarter	At the end of the quarter			Reason of idle funds	Proposed Course of Action
1	Working capital requirement	Bank Statement, CA Certificate, Invoices	103.28	89.60	75.91	11.44	87.35	2.25			

									During the quarter the company has utilised the amount towards purchase of raw materials i.e Forged Crankshafts		
2	General corporate purpose	Bank Statement, CA Certificate, Invoices	34.42	29.86	25.30	4.56	29.86	-			-
TOTAL			**137.70**	**119.46**	**101.21**	**16.00**	**117.21**	**2.25**			

Note :

1) The above details are verified by M.B. Agarwal & Co. Chartered Accountants (Membership Number :061362) vide its CA certificate dated May 08, 2025.

2) The outstanding number of 13,25,000 warrants for which balance amount to be received Rs 18.25 crores are yet to be converted in to equity shares.

***Brief description of Object(s):**

S.no	Name of the object(s)	Brief description of the object(s)	Location of the object(s) (if applicable
1	Working capital requirement	The company has received an amount of Rs. 13.69 Crore out of which company utilised a sum of Rs. 11.44 Crore during March 2025 and Rs. 2.25 crore remains unutilised during quarter ended March 2025. This payment majorly pertains to the suppliers for the purchase of raw materials i.e Forged Crankshafts.	-
2	General corporate purpose	The company has received a amount of Rs. 4.56 Crore out of which company utilised a sum of Rs. 4.56 Crore during quarter ended March 2025. This payment majorly pertains to the suppliers for the purchase of raw materials i.e Forged Crankshafts.	-

(iii) Deployment of unutilized IPO proceeds/Preferential Issue-

Sl. no.	Type of instrument where amount invested*	Amount invested	Maturity date	Earnings	Return on Investment (ROI %)	Market Value as at the end of quarter**

1	Axis Bank account Number - 923020032477407	2.25	-	-	-	2.25

Note: The total amount to be collected from the issue was Rs. 137.70 Crore out of which the amount received by the Company was Rs. 119.45 Crore till March 31, 2025. The Balance amount of Rs. 18.25 Crore is yet to be received within 18 months from the date of issue.

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

Object(s) Name	**Completion Date**		**Delay (No. of days/ months)**	**Comments of Board of Directors**	
	As per Offer Document	Actual *		Reason of delay	Proposed Course of Action
Working capital requirement	The said proceeds will be used within a period of 12 months from the date of receipts of funds	Ongoing	No Delay	Nil	Nil

General corporate purpose	The said proceeds will be used within a period of 12 months from the date of receipts of funds	Ongoing	No Delay	Nil	Nil

- **5) Details of utilisation of Proceeds stated as General Corporate Purpose (GCP) amount in the offer document :**

S.No	Item Head	Amount in Rs. Crore	Source oof Information/Certifications Considered by the Monitoring agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Purchase of Raw material	4.56	Bank Statement, CA Certificate, Invoices	The Gross proceeds have been utilised in Accordance with the objects of the issue.	No Comments required

*The above details are verified by M.B. Agrarwal & Co. Chartered Accountants (Membership Number :061362) vide its CA certificate dated May 08, 2025.

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