

Date: 13th November, 2024

Listing Compliance Department

BSE Limited Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai - 400001 Scrip Code: 544198	The National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 Symbol: DEEDEV
--	---

Sub: Disclosure Under Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Monitoring Agency Report for the quarter ended 30th September 2024

Dear Sir/ Madam,

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulations 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), please find enclosed the Monitoring Agency Report issued by CRISIL Ratings Limited duly reviewed by Audit Committee and Board of Directors of the Company. Further, the Monitoring Agency confirms no deviation/variation in the utilization of proceeds raised through issuance of Equity Shares by way of Public Issue of the Company for the quarter ended 30th September 2024.

The above information is also available on the website of the Company at www.deepiping.com.

This is for your information and record please.

Yours faithfully,

For DEE Development Engineers Limited

Ranjan Kumar Sarangi
Company Secretary and Compliance Officer
Membership No.: F8604
Address: Unit 1, Prithla - Tatarpur Road, Village Tatarpur
Dist. Palwal, Faridabad, Haryana - 121 102

DEE DEVELOPMENT ENGINEERS LIMITED

Regd. Office: Unit 1, Prithla-Tatarpur Road, Village Tatarpur, Dist. Palwal, Haryana- 121102, India

Works: Unit 1, 2 & 3, Village Tatarpur, Dist. Palwal, Haryana- 121102, India

T: +91 1275 248200, **F:** +91 1275 248314, **E:** info@deepiping.com, **W:** www.deepiping.com

CIN: L74140HR1988PLC030225 **GST Registration No.** 06AACCD0207H1ZA

Monitoring Agency Report
for
DEE Development Engineers Limited
for the quarter ended
September 30, 2024

CRL/MAR/DDEPL/2024-25/1208

November 13, 2024

To

DEE Development Engineers Limited

Unit 1, Prithla - Tatarpur Road,

Village Tatarpur, Dist. Palwal,

Faridabad, Haryana - 121102, India

Dear Sir,

Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the Initial Public Offer ("IPO") of DEE Development Engineers Limited ("the Company")

Pursuant to Regulation 41(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated March 13, 2024, enclosed herewith the Monitoring Agency Report, issued by CRISIL Ratings Limited, Monitoring Agency, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of IPO for the quarter ended September 30, 2024.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of CRISIL Ratings Limited



Sushant Sarode

Director, Ratings (LCG)

Report of the Monitoring Agency (MA)

Name of the issuer: DEE Development Engineers Limited

For quarter ended: September 30, 2024

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

(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: 

Name and designation of the Authorized Signatory: Sushant Sarode

Designation of Authorized person/Signing Authority: Director, Ratings (LCG)

1) Issuer Details:

Name of the issuer:	DEE Development Engineers Limited
Names of the promoter:	a. Krishan Lalit Bansal b. Ashima Bansal c. DDE Piping Components Private Limited
Industry/sector to which it belongs:	Industrial Products

2) Issue Details

Issue Period:	Wednesday, June 19, 2024, to Friday, June 21, 2024
Type of issue (public/rights):	Initial Public Offer (IPO)
Type of specified securities:	Equity Shares
IPO Grading, if any:	NA
Issue size:	Rs 4,180.15 million (Fresh issue of Rs 3,250.00* million and OFS of Rs 930.15 million)

*Note:

Particulars	Amount (Rs. million)
Gross proceeds of the Fresh Issue	3,250.00 [#]
Less: Issue Expenses	278.71 [§]
Net Proceeds	2,971.29

[#]CRISIL Ratings shall be monitoring the gross proceeds.

[§]Out of the issue expenses of Rs 278.71 million, the Company has spent Rs 207.36 million as at the quarter ended September 30, 2024, and the remaining Rs 71.35 million are lying in Monitoring and public offer accounts of the Company.

The above disclosure is based on management undertaking and certificate dated October 23, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants.

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	Management undertaking, Peer-reviewed Independent Chartered Accountant certificate [^] , Prospectus, Bank Statements	No Comments	No Comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking, Peer-reviewed Independent Chartered Accountant certificate [^]	No Comments	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	NA		No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No Comments	No Comments
Are there any favorable events improving the viability of these object(s)?	NA		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	NA		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No Comments

NA represents Not Applicable

[^]Certificate dated October 23, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants.

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

i. Cost of the object(s):

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in million)	Revised Cost (Rs in million)	Comment of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Funding working capital requirements of the Company	Management undertaking, Peer-reviewed Independent Chartered Accountant certificate [^] , Prospectus	750.00	NA	No revision	No Comments	No Comments	No Comments
2	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company		1,750.00	NA	No revision	No Comments	No Comments	No Comments
3	General corporate purposes [#]		471.29	NA	No revision	No Comments	No Comments	No Comments
Total		-	2,971.29	-	-	-	-	-

[^]Certificate dated October 23, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants.

[#]The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 812.50 million) from the Fresh Issue.

ii. Progress in the object(s):

Sr. No.	Item Head#	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in million)	Amount utilized (Rs in million)			Total unutilized amount (Rs in million)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Funding working capital requirements of the Company	Management undertaking, Peer-reviewed Independent Chartered Accountant certificate ^, Prospectus, Bank Statements	750.00	179.82	570.18	750.00	Nil	Refer note	No Comments	No Comments
2	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company		1,750.00	755.50	994.50	1,750.00	Nil	Refer note	No Comments	No Comments
3	General corporate purposes		471.29	Nil	269.25	269.25	202.04	Refer note	No Comments	No Comments
Total			2,971.29	935.32	1,833.93	2,769.25	202.04	-	-	-

^Certificate dated October 23, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants.

Note:

Rs 1,203.99 million were utilized from Company's other bank accounts towards the aforementioned objects of the issue during the quarter ended September 30, 2024.

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
<p>Funding working capital requirements of the Company</p>	<p>The Company's business is working capital intensive, and they fund a majority of their working capital requirements in the ordinary course of business from internal accruals and by entering into financing arrangements with various banks and financial institutions. The Company intends to utilise Rs 750.00 million from the Net Proceeds to fund the working capital for meeting business requirements of the Company in Fiscal 2025. The funding of the incremental working capital requirements of the Company will help lead to a consequent increase in their profitability and in achieving the proposed targets as per their business plan.</p>
<p>Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company</p>	<p>The Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by the Company include inter alia term loans and working capital facilities. The Company proposes to utilise an estimated amount of Rs 1,750.00 million from the Net Proceeds towards pre-payment or scheduled repayment of all or a portion of term loans, working capital facilities and other types of facilities availed by the Company.</p>
<p>General corporate purposes</p>	<p>Details on "GCP" as per prospectus:</p> <p>General corporate purposes may include, but are not restricted to,</p> <ul style="list-style-type: none"> (i) Meeting ongoing general corporate contingencies, (ii) strategic initiatives, funding growth opportunities, including acquisitions and meeting exigencies, (iii) brand building, (iv) capital expenditure, (v) meeting expenses incurred by the Company in the ordinary course of business and (vi) strengthening of the manufacturing capabilities, payment of commission and/or fees to the consultants' research & development expenses, as may be applicable. <p>The quantum of utilisation of funds towards the aforementioned purposes will be determined by the Board of Directors of the Company based on the amount actually available under the head "General Corporate Purposes" and the corporate requirements of the Company, from time to time.</p>

iii. Deployment of unutilised proceeds[^]:

S. No.	Type of instrument where amount is invested	Amount invested (in Rs million)	Maturity date	Earnings as on September 30, 2024 (in Rs million)	Return on Investment (%)	Market value as at the end of quarter (in Rs million)
1	FD 002040300018928 – Yes Bank	50.00	03-Oct-24	0.89	7.35	50.89
2	FD 002040300018938 – Yes Bank	50.00	02-Nov-24	0.89	7.30	50.89
3	FD 002040300018948 – Yes Bank	50.00	01-Dec-24	0.89	7.30	50.89
4	Balance in Company's Yes Bank Monitoring Account - 002081300001350	52.04*	-	-	-	52.04
Total		202.04	-	2.67	-	204.71

[^]On the basis of management undertaking & certificate dated October 23, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants.

*Actual monitoring account balance as on Sept 30, 2024 is Rs 92.14 million, out of which Rs 52.04 million pertains to net proceeds, Rs. 1.87 million pertains to interest earned on fixed deposits and Rs 38.23 million pertains to the IPO issue expenses.

Note:

The unspent issue expenses of Rs 71.35 million are lying in Monitoring and public offer accounts of the Company.

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

Object(s)	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
Not applicable [^]					

[^]On the basis of management undertaking & certificate dated October 23, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants.

5) Details of utilization of proceeds stated as General Corporate Purpose^ amount in the offer document:

S. No.	Item heads	Amount	Remarks
1.	Capital Expenditures	269.25	<ul style="list-style-type: none"> • Payment made towards civil work, plant & machinery and misc. fixed assets. • The funds utilised towards GCP are approved by the Board of Directors of the Company vide resolution dated November 11, 2024.

^On the basis of management undertaking and certificate dated October 23, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants.

Disclaimers:

- This Report is prepared by CRISIL Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). 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 Peer-reviewed Independent Chartered Accountants (or from peer reviewed CA firms) 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 (or from peer reviewed CA firms), 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 CRL 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 CRL and the user.*
- CRL 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.*

- i) *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 in any 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 should not be a basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).*
- j) *The report comprises professional opinion of CRL as of the date they are expressed, based on the information received from the issuer and other sources considered reliable by CRL. 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.*
- k) *Neither CRL 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. CRL 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 CRL 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.*
- l) *CRL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with the preparation of this report. CRL has in place a code of conduct and policies for managing conflict of interest.*
- m) *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 CRL.*
- n) *By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.*