

Date: August 07, 2024

To,
Listing Department
The National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai – 400051

Corporate Relationship Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

NSE Symbol – **HARIOMPIPE**

BSE Scrip Code- **543517**

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter ended June 30, 2024.

In compliance with Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other relevant provisions of the Listing Regulations, we are enclosing herewith the Monitoring Agency Report issued by ICRA Limited, Monitoring Agency of the Company, for the quarter ended June 30, 2024, pertaining to the utilization of proceeds from the Preferential Issue of the Company.

You are requested to take the same on your record.

Thanking You.

For **Hariom Pipe Industries Limited**

REKHA Digitally signed
by REKHA SINGH
SINGH Date: 2024.08.07
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Rekha Singh
Company Secretary & Compliance Officer
M. No. A33986

Encl: a/a

MONITORING AGENCY REPORT

Name of the Issuer: Hariom Pipe Industries Limited

For quarter ended: June 30, 2024

Name of the Monitoring Agency (MA): 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:

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:

PARUL
GOYAL
NARANG

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by PARUL GOYAL
NARANG
Date: 2024.07.30
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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: Hariom Pipe Industries Limited

Name(s) of the promoters:

| Promoters |
|---------------------------|
| <i>Rupesh Kumar Gupta</i> |
| <i>Sailesh Gupta</i> |

Source: BSE

Industry/ sector to which it belongs: Iron and Steel Products

2. Issue Details

Issue Period: Opening date- March 27, 2023

Closing date- April 06, 2023

Type of Issue: Preferential Issue

Type of specified securities: Equity shares and Convertible Warrants

IPO Grading, if any: *Not Applicable since it's a Preferential Issue*

Issue Size (Rs. Crore): 190.20 Crore (33,69,000 warrants + 21,43,500 equity shares @345 each)

Net proceeds credited: INR 189.28 Crore

The proceeds credited to the Net Proceeds account stood at INR 189.28 Crore which includes INR 73.90 towards allotment of Equity shares and INR 28.94 Crore as 25% upfront money for allotment of total amount of Warrants. Subsequently, the remaining 75% allotment monies on 33,40,572 share warrants amounting to INR 86.44 Crore, were successfully collected, leading to the allotment of 12,46,747 equity shares on January 3, 2024 and 20,93,825 equity shares on June 24, 2024 resulting from the conversion of an equivalent number of warrants. Hence ICRA will be monitoring the actual amount credited i.e. INR 189.28 Crore for Q1 FY2025.

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 statements | No deviation observed | |
| Whether shareholder approval has been obtained in case of material deviations [#] from expenditures disclosed in the Offer Document? | Not Applicable | As confirmed by the Issuer's management | No comments | |
| Whether the means of finance for the disclosed objects of the issue has changed? | No | As confirmed by the Issuer's management | No comments | |
| Is there any major deviation observed over the earlier monitoring agency reports? | No | No deviation observed. | No comments | |
| Whether all Government/ statutory approvals related to the object(s) have been obtained? | Not Applicable | As confirmed by the Issuer's management | No comments | |
| Whether all arrangements pertaining to technical assistance/ collaboration are in operation? | Not Applicable | As confirmed by the Issuer's management | No comments | |
| Are there any favorable events improving the viability of these object(s)? | Not Applicable | As confirmed by the Issuer's management | As understood from the Issuer's management | |
| Are there any unfavorable events affecting the viability of the object(s)? | Not Applicable | As confirmed by the Issuer's management | As understood from the Issuer's management | |
| Is there any other relevant information that may materially affect the decision making of the investors? | No | As confirmed by the Issuer's management | As understood from the Issuer's management | |

[#] 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 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 | Working Capital Requirements | Letter of offer | 190.20 | - | - | - | - | - |
| Total | | | 190.20 | | | | | |

(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 | Working Capital Requirements | -Letter of Offer -Certificate from statutory Auditors -Bank Statements | 190.20 | 104.84 | 32.38 | 137.22 | 52.06 | The Proceeds credited to the Net Proceeds account stood at INR 189.28 Crore as on 30 th June 2024 as full payment received against Equity Issue and part payment has been received against the Warrants Issue. Hence, ICRA will be monitoring INR 189.28 Crore for Q1FY2025 | | |
| Total | | | 190.20 | 104.84 | 32.38 | 137.22 | 52.06 | | | |

(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 | Preferential Warrant Account with Canara Bank | 54.18 | - | - | - | 54.18 |
| Total | | 54.18* | - | - | - | 54.18 |

Source: As certified by R Kabra and Co LLP Chartered Accountant (ICA).

*The additional amount of INR 2.12 Crore pertains to interest income net of fixed deposits withdrawal by Hariom Pipe Industries Limited.

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

| Object(s) | Completion date | | Delay [Number of days or months] | Comments of the Issuer's Board of Directors | |
|-----------|---------------------------|---------------------|----------------------------------|---|---------------------------|
| | As per the offer document | Actual [^] | | Reason for delay | Proposed course of action |
| 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 | NA | Nil | - | No Comments | |