

SMEL/SE/2024-25/21

May 24, 2024

**The Secretary,
Listing Department, BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
Maharashtra, India
Scrip Code: **543299**

**The Manager – Listing Department
National Stock Exchange of India Limited**
"Exchange Plaza", 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India
Symbol: **SHYAMMETL**

Dear Sir/Madam,

Sub: Report of Monitoring Agency under Regulation 41(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and under Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to the Regulation 41(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and under Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Monitoring Agency Report in respect of the Utilization of Proceeds of QIP (Qualified Institutional Placement) for the Quarter ended on 31st March, 2024 issued by India Ratings and Research Private Limited, Monitoring Agency.

This is for your information and record.

Thanking You,

For Shyam Metals and Energy Limited


Birendra Kumar Jain
Company Secretary







OUR BRANDS:



SHYAM METALICS AND ENERGY LIMITED

REG. OFFICE: Trinity Tower, 7th Floor, 83, Topsia Road, Kolkata - 700 046, West Bengal, CIN: L40109WB2002PLC095491 GSTIN: 19AAHCS5842A2ZD

SALES & MARKETING OFFICE: Viswakarma Building, North West Block, 1st, 2nd & 3rd Floor, 86C, Topsia Road, Kolkata - 700 046

T: +91 33 4016 4001 F: +91 33 4016 4025 Email: contact@shyamgroup.com Web: www.shyammetals.com Follow us on:    

Date: 15th May 2024

To,

Shyam Metals and Energy Limited

5 C R Avenue, 2nd Floor,

Kolkata – 700072.

Subject: Monitoring Agency Report for the quarter ended 31st March 2024 in relation to Qualified Institutions Placement (QIP).

Dear Sir,

Pursuant to Regulation 173A (2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) and Monitoring Agency Agreement dated 2nd January 2024, please find enclosed herewith the Monitoring Agency Report, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of QIP for the quarter ended March 31, 2024.

Request you to kindly take the same on records.

Thanking You,

For and on behalf of India Ratings & Research Private Limited



Name: Rajesh Patel

Designation: Chief Operating Officer

Report of the Monitoring Agency (MA)

Name of the issuer: **Shyam Metalics and Energy Limited**

For quarter ended: **31st March 2024**

Name of the Monitoring Agency: **India Ratings & Research Private Limited**

(a) Deviation from the objects: No deviation from the objects.

Based on the Management undertaking and as per the Statutory Auditor Certificate dated 15th May 2024 issued by M S K A & Associates, Chartered Accountants (FRN: 105047W) having UDIN 24063682BKATCZ7727* and other documents provided to us, no deviation from the objects has been observed.

*The reference to the Statutory Auditor Certificate anywhere in the MA report refers to the said Certificate.

(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 there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

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: **Rajesh Patel (Chief Operating Officer)**

Date: 15th May 2024

1) Issuer Details:

Name of the issuer:	Shyam Metalics and Energy Limited
Names of the promoter:	<ul style="list-style-type: none"> • Mahabir Prasad Agarwal • Brij Bhushan Agarwal • Sanjay Agarwal • Dorite Tracon Pvt Ltd • Narantak Dealcomm Pvt Ltd • Shubham Capital Pvt Ltd • Shubham Buildwell Pvt Ltd • Kalpataru Housefin & Trading Pvt Ltd • Toplight Mercantile Pvt Ltd
Industry/sector to which it belongs:	Manufacturer – Iron & Steel, Ferro Alloys

2) Issue Details:

Issue Period:	2 nd January 2024 to 5 th January 2024
Type of issue (public/rights):	Qualified Institutions Placement (QIP)
Type of specified securities:	2,40,51,165 Equity Shares of FV ₹ 10 each @ ₹ 576 per Equity Share
IPO Grading, if any:	Not Applicable
Issue size:	INR 1,385.35 Crores

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	Placement Document, Relevant Bank Statements, Balance Confirmation from Banks, Copy of invoices.	Refer*	
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking, Statutory Auditor Certificate.	NA	



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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 the means of finance for the disclosed objects of the issue has changed?	No	Management undertaking, Statutory Auditor Certificate.	No Comments	
Is there any major deviation observed over the earlier monitoring agency reports?	NA	NA	NA	
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA	Management undertaking, Statutory Auditor Certificate.	No Comments	
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA	Management undertaking, Statutory Auditor Certificate.	No Comments	
Are there any favorable events improving the viability of these object(s)?	NA	Management undertaking, Statutory Auditor Certificate.	No Comments	
Are there any unfavorable events affecting the viability of the object(s)?	No	Management undertaking, Statutory Auditor Certificate.	No Comments	
Is there any other relevant information that may materially affect the decision making of the investors?	No	Management undertaking, Statutory Auditor Certificate.	No Comments	

*The company utilized INR 130.00 Crores to repay the borrowing facility, the details of which was not disclosed in the placement document, however same is in line with the objects stated in the placement document.



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

i. Cost of object(s)-

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) (INR Crores)	Revised Cost (INR Crores)	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment and /or prepayment, in full or in part, of certain borrowings availed by our Company.	Management undertaking, Statutory Auditor Certificate, Placement Document, Relevant Bank Statements, Copy of Invoices.	574.00	609.65	No Comments			
2	Investment into our Material Subsidiary, SSPL (Shyam SEL and Power Limited), for repayment or prepayment, in full or in part, of certain outstanding borrowings availed by SSPL		632.00	597.00	No Comments			
3	General Corporate Purposes		173.03	172.62	No Comments			
	TOTAL (A)		1,379.03	1,379.27				
	QIP related Issue Expenses (B)		6.32	6.08	No Comments			
	TOTAL (A+B)	1,385.35	1,385.35					



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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 (INR Crores)	Amount Utilized (INR Crores)			Total Unutilized Amount (INR Crores)	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	Repayment and /or prepayment, in full or in part, of certain borrowings availed by our Company.	Management undertaking, Statutory Auditor Certificate, Placement Document, Relevant Bank Statements, Loan account statements, Balance confirmation from Banks, Copy of Invoices.	574.00	-	609.65	609.65	-	Refer Below #		
2	Investment into our Material Subsidiary, SSPL (Shyam SEL and Power Limited), for repayment or prepayment, in full or in part, of certain outstanding borrowings availed by SSPL		632.00	-	597.00	597.00	-	Refer Below #		
5	General Corporate Purposes		173.03	-	172.62	172.62	-			
6	QIP related Issue Expenses		6.32	-	6.08*	6.08	-			
TOTAL			1,385.35	-	1,385.35	1,385.35	-			

* Inclusive of GST

#The company and its subsidiary SSPL have repaid/prepaid the o/s WCDL loans and cash credit facilities of INR 1,206.65 Crores, however the working capital limits are not reduced.

The company has transferred INR 597.00 Crores to the subsidiary SSPL in the form of unsecured loan.



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iii. Deployment of unutilized issue proceeds:

Sr. No.	Type of Instrument and name of the entity invested in	Amount Invested (INR Crores)	Maturity Date	Earnings (INR Crores)*	Return on Investment (%)**	Market Value as at 31 st Mar' 24 (INR Crores)
Not Applicable						

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
Repayment and /or prepayment, in full or in part, of certain borrowings availed by our Company.	During Fiscal 2024	During Fiscal 2024	NA		
Investment into our Material Subsidiary, SSPL (Shyam SEL and Power Limited), for repayment or prepayment, in full or in part, of certain outstanding borrowings availed by SSPL.	During Fiscal 2024	During Fiscal 2024	NA		
General Corporate Purposes	During Fiscal 2024	During Fiscal 2024	NA		

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

Sr. No.	Item Head	Amount (INR Crores)	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
1	Payment to Vendors	86.72	Management undertaking, Statutory Auditor Certificate, Placement Document, Relevant Bank Statements, Copy of Invoices, LC related documents.	No Comments	
2	Payment to Banks towards LC's and other sundry expenses	85.90			
	TOTAL	172.62			



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Disclaimers:

The MA Report is prepared by India Ratings. India Ratings 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.

India Ratings declare that the MA Report is based on the format prescribed by the SEBI (ICDR) Regulations, 2018. This declaration forms part of and applies to each MA Report that is issued by India Ratings. The MA Report does not constitute an offer of services. Access or use of any MA Report does not create a client relationship between India Ratings and the Applicant or between India Ratings and User of the report.

This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments.

Please note that the information presented in the MA Report is based solely on the review of the requisite information, documents, papers, statements received from the Company with regard to the use of the Issue Proceeds including the status of implementation of the activities proposed to be funded out of the Issue proceeds as stated in the Prospectus. India Ratings has not verified any source of information such as invoices, ledgers or payment receipts and other documents either in normal course or in case of deviations from the objects, as the same is the duty of the management and the statutory auditors. India Ratings has relied in good faith and without any liability, upon the contents thereof. The user of the MA Report should understand that India Ratings 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. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings. In issuing the MA Report, India Ratings may rely on the representations and certifications from the issuer and experts, including statutory auditors with respect to financial statements, attorneys with respect to legal and tax matters and other entities considered reliable by India Ratings. The Company shall be solely responsible and liable for any omission, commission, errors and misrepresentations in the contents of the Information provided to India Ratings. India Ratings disclaims any liability arising out of the contents of the information provided by the Company and in no event shall be held liable to anyone for any damages or claims arising out of such information.

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