

PDS/SE/2024-25/109

January 29, 2025

<b>Listing Department</b> <b>National Stock Exchange of India Limited</b> Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai -400 051 <b>Scrip Symbol: PDSL</b>	<b>Corporate Relationship Department</b> <b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 <b>Scrip Code: 538730</b>
---	--

**Re: ISIN - INE111Q01021**

**Sub: Monitoring Agency Report for the quarter ended December 31, 2024.**

Dear Sir/ Madam,

Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 173A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, enclosed herewith is Monitoring Agency Report for the quarter ended December 31, 2024, issued by CRISIL Ratings Limited, Monitoring Agency, appointed to monitor the utilisation of proceeds of the funds raised through Qualified Institutional Placement.

The aforesaid Report has been considered by the Audit Committee and Board of Directors in their respective Meetings held on January 28, 2025. Further, please note that there has been no deviation in the utilisation of proceeds of the funds raised through Qualified Institutional Placement.

This disclosure is being uploaded on the Company's website at [www.pdsltd.com](http://www.pdsltd.com).

We request you to kindly take the above information on record for the purpose of dissemination to the shareholders.

Thanking you,

Yours faithfully,  
for **PDS Limited**

**Abhishekh Kanoi**  
**Head of Legal & Company Secretary**  
ICSI Membership No.: F-9530

*Encl.: As above*

**Monitoring Agency Report**  
**for**  
**PDS Limited**  
**for the quarter ended**  
**December 31, 2024**

CRI/MAR/PDMUFL/2024-25/1260

January 29, 2025

To

PDS Ltd

971, Solitaire Corporate Park,  
Andheri Ghatkopar Link Road, Andheri East,  
Mumbai – 400093, Maharashtra, India

Dear Sir,

**Sub: Monitoring Agency Report for the quarter ended December 31, 2024 in relation to the Qualified Institutional Placement (QIP) of PDS Limited (“the Company”)**

Pursuant to Regulation 173A of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) and Monitoring Agency Agreement dated August 22, 2024 entered with the Company, we enclose the Monitoring Agency Report, issued by Crisil Ratings Limited, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of Qualified Institutional Placement for the quarter ended December 31, 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:** PDS Limited

**For quarter ended:** December 31, 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:

<b>Name of the issuer:</b>	PDS Limited
<b>Names of the promoter:</b>	a. Payel Seth b. Deepak Kumar Seth c. Pallak Seth
<b>Industry/sector to which it belongs:</b>	Trading - Textile Products

## 2) Issue Details

<b>Issue Period:</b>	Thursday, August 22, 2024, to Tuesday, August 27, 2024
<b>Type of issue:</b>	Qualified Institutional Placement
<b>Type of specified securities:</b>	Equity Shares
<b>IPO Grading, if any:</b>	NA
<b>Issue size:</b>	Rs. 43,000 lakhs. (Refer Note)

Note:

Particulars	Amount as per Placement Document (Rs. In lakhs)
Gross Proceeds	43,000.00
Less: Offer Expenses	1,944.04*
Net Proceeds	41,055.96

\*As per the placement document, the approximate issue related expenses are Rs 1,944.04 lakhs. The issue expenses incurred as at the quarter ended December 31, 2024 is Rs 1,733.96 lakhs and the remaining Rs 210.08 lakhs is unspent and lying as balance in Company's Monitoring Account as per management undertaking & certificate dated January 22, 2025 issued by M/s MLR and Associates LLP, Chartered Accountants (Firm Registration Number: 138605W), Peer Reviewed Independent Chartered Accountant.

### 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 Placement Document?	Yes	Bank Statements, Placement Document, Management Undertaking, Peer Reviewed Independent Chartered Accountant Certificate <sup>^</sup>	No Comments	No Comments
Whether shareholder approval has been obtained in case of material deviations <sup>#</sup> from expenditures disclosed in the Placement Document?	NA	Management Undertaking, Peer Reviewed Independent Chartered Accountant Certificate <sup>^</sup>	No Comments	No Comments
Whether the means of Finance for the disclosed objects of the issue has changed?	NA		No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	No		No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes		No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No Comments	No Comments
Are there any favourable events improving the viability of these object(s)?	NA		No Comments	No Comments
Are there any unfavourable events affecting the viability of these 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

<sup>^</sup>Certificate dated January 22, 2025 issued by MLR and Associates LLP, Chartered Accountants (Firm Registration Number: 138605W), Peer Reviewed Independent Chartered Accountant

#### 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 Placement Document) (Rs. in lakh)	Revised Cost (Rs. in lakh)	Comment of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment/pre-payment, in full or in part, of certain borrowings availed by the Company and certain of its Subsidiaries	Management undertaking, Peer Reviewed Independent Chartered Accountant Certificate <sup>^</sup> , Placement Document	27,950.00	NA	No Revision	No Comments		
2	Pursuing strategic unidentified acquisitions, and other inorganic growth opportunities and general corporate purposes*		13,105.96	NA	No Revision	No Comments		
	<b>Total</b>	-	<b>41,056.96</b>					

\* The amount utilized for pursuing strategic unidentified acquisitions and inorganic growth opportunities and general corporate purposes does not exceed 35% collectively of the Gross Proceeds and individually does not exceed 25% of Gross Proceeds.

<sup>^</sup>Certificate dated January 22, 2025 issued by MLR and Associates LLP, Chartered Accountants (Firm Registration Number: 138605W), Peer Reviewed Independent Chartered Accountant.

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 Placement Document (Rs. in lakh)	Amount utilized (Rs. in lakh)			Total unutilized amount (Rs. in lakh)	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/prepayment, in full or in part, of certain borrowings availed by the Company and certain of its Subsidiaries	Management undertaking, Peer Reviewed Independent Chartered Accountant Certificate <sup>^</sup> , Bank Statements Placement Document	27,950.00	8,400.00	19,436.00	27,836.00	114.00	Refer Note	No Comments	
2	Pursuing strategic unidentified acquisitions, and other inorganic growth opportunities and general corporate purposes	Bank Statements Placement Document	13,105.96	Nil	Nil	Nil	13,105.96	No utilization during the reported quarter	No Comments	
	<b>Total</b>	-	<b>41,055.96</b>	<b>8,400.00</b>	<b>19,436.00</b>	<b>27,836.00</b>	<b>13,219.96</b>	-	-	

<sup>^</sup>Certificate dated January 22, 2025 issued by MLR and Associates LLP, Chartered Accountants (Firm Registration Number: 138605W), Peer Reviewed Independent Chartered Accountant

**Note:** As per the Placement Document of the Company, a part of the issue proceeds is to be utilized towards repayment of certain borrowings availed by PDS Limited "the Company" and its subsidiaries. Accordingly, Rs. 19,436.00 lakhs were utilized by the company for repayment of bank overdraft facilities availed by its step-down subsidiary – Norwest Industries Limited (registered in Hong Kong) and its group companies, during the quarter ended December 31, 2024. The said proceeds were infused by the Company into its wholly owned subsidiary, Multinational Textile Group Limited (MTGL) (registered in Mauritius) by way of equity which in turn transferred to Norwest Industries Limited (step-down subsidiary of PDS Limited) for end utilization of proceeds towards repayment of borrowings. The transferred proceeds are fully utilized towards the aforementioned object of the issue, as at the quarter ended December 31, 2024.



**#Brief description of objects:**

Object of the Issue	Description of objects as per the offer document filed by the issuer
<p>Repayment/pre-payment, in full or in part, of certain borrowings availed by the Company and certain of its Subsidiaries</p>	<p>The Company proposes to utilize a portion of the Net Proceeds aggregating to Rs 27,950.00 lakhs for repayment or prepayment, in full or in part, of certain outstanding borrowings availed by the Company and/or some of the Subsidiaries, including, (i) PDS Brands Manufacturing Limited, (ii) Norwest Industries Limited, (iii) Techno Design HK Limited, (iv) Simple Approach Limited, (v) Zamira Fashion Limited, (vi) Spring Near East Manufacturing Company Limited, (vii) PDS Far East Limited, (viii) Poeticgem International Limited, (ix) PDS Asia Star Corp Limited, (x) Krayons Sourcing Limited, (xi) PDS Tailoring Limited, (xii) 360 Notch Limited, (xiii) Design Arc Asia Limited, (xiv) Twins Asia Limited, (xv) Jcraft Array Limited, (xvi) Styleberry Limited, (xvii) Sourcing Solutions Limited, (xviii) Grupo Sourcing Limited, (xix) PG Group Limited, (xx) PG Home Group Limited, (xxi) PDS Fashion USA Limited, (xxii) Design Arc FZCO and (xxiii) New Lobster Limited. The selection and extent of borrowings proposed to be repaid by the Company and/or the Identified Subsidiaries is based on various commercial considerations.</p>
<p>Pursuing strategic unidentified acquisitions, and other inorganic growth opportunities and general corporate purposes</p>	<p>The Company proposes to utilise up to Rs 13,105.96 lakhs towards funding general corporate purposes and pursuing strategic unidentified acquisitions, and other inorganic growth opportunities, subject to (i) such amount not exceeding 35% of the amount being raised in the Issue and (ii) the total amount utilized towards inorganic growth by way of acquisition of targets that have not been identified in this Placement Document or the general corporate purposes, individually, not exceeding 25% of the amount being raised in the Issue.</p> <p>The Company and its Subsidiaries will continue to selectively pursue opportunities for evaluating potential targets for strategic investments, merger, acquisitions and partnerships, that complement and enhance the product and service offerings, strengthen or establish their presence in their targeted markets and customer portfolio of the target entities, benefits the development of their existing products.</p> <p>The general corporate purposes for which the Company proposes to utilise the Net Proceeds include, but not limited to, meeting exigencies, brand building, meeting working capital requirements enhancing IT capabilities, meeting operating expenses and capital expenditure for and incurred by the Company and Subsidiaries in the ordinary course of business, as applicable. The allocation or quantum of authorized funds towards each of the above purposes will be determined by the Board, based on the business requirements of the Company and other relevant considerations, from time to time. The Company's management shall have flexibility in authorize surplus amounts, if any.</p>

### iii. Deployment of unutilised proceeds^:

Sr. No:	Type of instrument and name of the entity invested in	Amount invested (Rs. in lakh)	Maturity date	Earnings* (Rs. in lakh)	Return on investment (%)	Market Value as at end of quarter (Rs. in lakh)
1	FD No. 005710052522 with ICICI Bank	5,000.00	10-02-2025	48.33	7.20	5,048.33
2	FD No. 005710052524 with ICICI Bank	2,000.00	11-02-2025	17.45	6.50	2,017.45
3	FD No. 005710053027 with ICICI Bank	6,200.00	03-01-2025	3.23	4.75	6,203.23
4	Balance in Company's ICICI Bank Monitoring Account No. 005705029310	253.86	-	-	-	253.86
	<b>Total</b>	<b>13,453.86</b>	<b>-</b>	<b>69.01</b>	<b>-</b>	<b>13,522.87</b>

^Certificate dated January 22, 2025 issued by MLR and Associates LLP, Chartered Accountants (Firm Registration Number: 138605W), Peer Reviewed Independent Chartered Accountant

#### Note:

1. The balance in Company's Monitoring Account is inclusive of unspent issue expenses of Rs 210.08 lakhs.
2. Out of the balance of Rs 253.86 lakhs lying in the Company's Monitoring account, Rs 23.82\* lakhs pertain to earnings on matured fixed deposits.

\*Monitoring the deployment of Interest Income earned from unutilised proceeds does not form part of the scope of Monitoring Agency report.

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

On the basis of Management undertaking & Certificate dated January 22, 2025 issued by MLR and Associates LLP, Chartered Accountants (Firm Registration Number: 138605W), Peer Reviewed Independent Chartered Accountant

Object(s)	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the Placement Document	Actual		Reason of delay	Proposed course of action
Not applicable					

## 5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the Placement Document^:

Not applicable on the basis of management undertaking & certificate dated January 22, 2025 issued by MLR and Associates LLP, Chartered Accountants (Firm Registration Number: 138605W), Peer Reviewed Independent Chartered Accountant.

### Disclaimers:

- a) *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.*
- b) *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 (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.*
- c) *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.*
- d) *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.*
- e) *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.*
- f) *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.*
- g) *Access or use of this report does not create a client relationship between CRL and the user.*
- h) *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.*

----End of Report---