



Date: February 12, 2024

To,

BSE Limited
Corporate Relationship Dept.
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001.

Ref: Scrip Code. 543995

National Stock Exchange of India Limited
The Listing Department
Exchange Plaza Plot No. C/1, G Block,
Bandra – Kurla Complex Bandra (East),
Mumbai – 400 051
Ref: NSE Symbol - MVGJL

Dear Sir/Madam,

Sub: Report of the Monitoring agency with respect to utilisation of proceeds of the Initial Public Offering for quarter ended on December 31, 2023

Ref: Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Ma'am,

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith monitoring agency in respect of utilisation of IPO proceeds for quarter ended 31st December, 2023 issued by CARE Rating Ltd, Monitoring Agency.

The above is for your information and record.

Thanking you,

Yours Sincerely,

For Manoj Vaibhav Gems 'N' Jewellers Limited



Bandari Shiva Krishna
Company Secretary & Compliance Officer
M. No. F11172

MANOJ VAIBHAV GEMS 'N' JEWELLERS LIMITED

No. CARE/HRO/GEN/2023-24/1018

The Board of Directors
Manoj Vaibhav Gems 'N' Jewellers Limited
47-15-8, V Square, Zone-A,
Opp: TSR Complex, Station Road, Dwarakanagar,
Vishakhapatnam,
Andhra Pradesh – 530016D

February 12, 2024

Dear Sir,

Monitoring Agency Report for the quarter ended December 31, 2023 - in relation to the Initial Public Offering of Manoj Vaibhav Gems 'N' Jewellers Limited ("the Company")

We write in our capacity of Monitoring Agency for the Initial Public Offering for the amount aggregating Rs 210.00 crore of the Company and refer to our duties cast under Regulation 82 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended December 31, 2023 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated September 12, 2023.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

Nivedita Ghayal

Nivedita Ghayal

Associate Director

Nivedita.Ghayal@careedge.in

Report of the Monitoring Agency (MA)

Name of the issuer: Manoj Vaibhav Gems 'N' Jewellers Limited

For quarter ended: December 31, 2023

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

(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.

Nivedita Ghayal

Signature:

Name of the Authorized Signatory: Nivedita Ghayal

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

| | |
|-------------------------------------|---|
| Name of the issuer | : Manoj Vaibhav Gems 'N' Jewellers Limited |
| Name of the promoters | : Grandhi Bharata Mallika Ratna Kumari HUF; Bharata Mallika Ratna Kumari Grandhi; and Grandhi Sai Keerthana |
| Industry/sector to which it belongs | : Gems, Jewellery and Watches |

2) Issue Details

| | |
|-------------------------------|--|
| Issue Period | : September 22, 2023 to September 26, 2023 |
| Type of issue (public/rights) | : Public |
| Type of specified securities | : Equity shares |
| IPO Grading, if any | : Not applicable |
| Issue size (in ` crore) | : Rs. 210.00 crore (Note 1) (excluding offer for sale) |

Note 1:

The company had offered 97,67,441 equity shares under the Initial Public Offering aggregating to ₹ 210.00 crore, at an issue price of Rs. 215 per share (including share premium of Rs. 205 per share). The issue was subscribed fully, and the company has allotted 97,67,441 equity shares to the successful applicants.

| Particulars | Remarks |
|--|---------|
| Proceeds from fresh issue of 97,67,441 equity shares (in Rs Crore) | 210.000 |
| Estimated offer expenses as per prospectus in relation to fresh issue (in Rs. Crore) | 20.662 |
| Net proceeds available for utilization (Rs. Crore) | 189.338 |

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 | Chartered Accountant certificate*, Bank statements, Prospectus, Fixed Deposit Receipts, Inter corporate loan agreement and Invoices. | During the quarter ending December 31, 2023, Company had utilized Rs 6.90 crore majorly towards General Corporate purpose. As per the prospectus, the remaining proceeds are to be utilized as per the objects by the end of FY25. | Nil |
| Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document? | Not applicable – No deviation | Not applicable | Not applicable | Nil |
| Whether the means of finance for the disclosed objects of the issue have changed? | Not applicable – No change | Not applicable | Not applicable | Nil |
| Is there any major deviation observed over the earlier monitoring agency reports? | Not applicable – First review | Not applicable | Not applicable | Nil |
| Whether all Government/statutory approvals related to the object(s) have been obtained? | Not applicable | Not applicable | Not applicable | Nil |
| Whether all arrangements pertaining to | Not applicable | Not applicable | Not applicable | Nil |

| 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 |
|--|----------------|--|-----------------------------------|------------------------------------|
| technical assistance/collaboration are in operation? | | | | |
| Are there any favorable/unfavorable events affecting the viability of these object(s)? | Not Applicable | Not Applicable | No | Nil |
| Is there any other relevant information that may materially affect the decision making of the investors? | Not Applicable | Not applicable | No | Nil |

* Chartered Accountant certificate from Sagar & Associates (Statutory auditor) dated February 06, 2024

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

4) Details of objects to be monitored:

(i) Cost of objects –

| Sr. 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 the Monitoring Agency | Comments of the Board of Directors | | |
|--------------|---|--|--|---------------------------|-----------------------------------|------------------------------------|---------------------------|---|
| | | | | | | Reason for cost revision | Proposed financing option | Particulars of - firm arrangements made |
| 1 | Estimated capital expenditure cost for the proposed eight (8) new showrooms | Chartered Accountant certificate*, Bank statements, Prospectus and Invoices | 12.000 | NA | NA | Nil | Nil | Nil |
| 2 | Estimated inventory cost for New Showrooms proposed to be opened | Chartered Accountant certificate*, Bank statements, Prospectus and Invoices | 160.015 | NA | NA | Nil | Nil | Nil |
| 3 | General corporate purposes | Chartered Accountant certificate*, Bank statements, Prospectus and Invoices | 17.323 | NA | NA | Nil | Nil | Nil |
| Total | | | 189.338 | | | | | |

* Chartered Accountant certificate from Sagar & Associates (Statutory auditor) dated February 06, 2024

(ii) Progress in the objects –

| Sr. 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 utilised in Rs. Crore | | | Unutilised amount in Rs. crore | Comments of the Monitoring Agency | Comments of the Board of Directors | |
|--------------|---|--|---|---|---------------------------------|--|--------------------------------|-----------------------------------|---|---------------------------|
| | | | | As at beginning of the quarter in Rs. Crore | During the quarter in Rs. Crore | At the end of the quarter in Rs. Crore | | | Reasons for idle funds | Proposed course of action |
| 1 | Estimated capital expenditure cost for the proposed eight (8) new showrooms | Chartered Accountant certificate*, Bank statements, Prospectus and Invoices | 12.000 | - | 0.089 | 0.089 | 11.911 | NA | Nil | Nil |
| 2 | Estimated inventory cost for New Showrooms proposed to be opened | Chartered Accountant certificate*, Bank statements, Prospectus and Invoices | 160.015 | - | - | - | 160.015 | NA | Nil | Nil |
| 3 | General corporate purposes | Chartered Accountant certificate*, Bank statements, Prospectus and Invoices | 17.323 | - | 6.808 | 6.808 | 10.515 | NA | Nil | Nil |
| Total | | | 189.338 | - | 6.897 | 6.897 | 182.441[§] | | <i>All necessary steps shall be initiated to ensure that the Inter Corporate Deposit (ICD) of Rs.15 Crore is closed at the earliest</i> | |

* Chartered Accountant certificate from Sagar & Associates (Statutory auditor) dated February 06, 2024

[§]Out of total unutilized amount Rs.15 crore has been deposited with Kaycee Finstock Private Limited as Inter Corporate Loan, which is not in line with SEBI ICDR regulations which explicitly specifies under "Interim Use of Funds" that "Net issue proceeds pending utilization (for the stated objects) shall be deposited only in the scheduled commercial banks". Board may please take note of the same.

(iii) Deployment of unutilized public issue proceeds:

| Sr. No. | Name of the Bank | Type of account | Amount in Rs. crore | Source of information / certifications considered by Monitoring Agency for preparation of report |
|--------------|---------------------------------|----------------------|---------------------|---|
| 1 | Axis Bank | Fixed Deposit | 25.00 | Chartered Accountant certificate*, Bank statements, Prospectus, Fixed Deposit Receipts and Inter corporate loan agreement |
| 2 | Federal Bank | Fixed Deposit | 25.50 | |
| 3 | Federal Bank | Fixed Deposit | 25.50 | |
| 4 | Federal Bank | Fixed Deposit | 9.00 | |
| 5 | HDFC | Fixed Deposit | 25.00 | |
| 6 | Union Bank | Fixed Deposit | 25.00 | |
| 7 | Union Bank | Fixed Deposit | 25.00 | |
| 8 | Union Bank | Fixed Deposit | 10.02 | |
| 9 | Kaycee Finstock Private Limited | Inter Corporate Loan | 15.00 | |
| 10 | Axis Bank | Public Issue Account | 3.90 | |
| 11 | Axis Bank | Monitoring Account | 3.10 | |
| Total | | | 192.02 | |

* Chartered Accountant certificate from Sagar & Associates (Statutory auditor) dated February 06, 2024

| Sr. No. | Type of instrument and name of the entity invested in | Amount invested (Rs. Crore) | Maturity date | Earning (Rs. lakhs) | Return on Investment (%) | Market Value as at the end of quarter |
|---------|---|-----------------------------|------------------|---------------------|--------------------------|---------------------------------------|
| 1 | Fixed deposit, Axis Bank | 25.00 | October 13, 2024 | 0.43 | 7.30% | 25.43 |
| 2 | Fixed Deposit, Federal Bank | 25.50 | April 05, 2024 | 0.44 | 7.26% | 25.94 |
| 3 | Fixed Deposit, Federal Bank | 25.50 | April 05, 2024 | 0.44 | 7.26% | 25.94 |
| 4 | Fixed Deposit, Federal Bank | 9.00 | April 05, 2024 | 0.15 | 7.26% | 9.15 |
| 5 | Fixed Deposit, HDFC Bank | 25.00 | October 08, 2024 | 0.43 | 7.30% | 25.43 |
| 6 | Fixed Deposit, Union Bank | 25.00 | April 09, 2024 | 0.41 | 7.22% | 25.41 |
| 7 | Fixed Deposit, Union Bank | 25.00 | April 09, 2024 | 0.41 | 7.22% | 25.41 |
| 8 | Fixed Deposit, Union Bank | 10.02 | April 09, 2024 | 0.17 | 7.22% | 10.19 |
| 9 | Inter Corporate Loan, Kaycee Finstock Private Limited | 15.00 | March 31, 2024 | 0.30 | 9% | 15.30 |
| 10 | Axis Bank, Public issue account | 3.90 | NA | NA | NA | 3.90 |

| Sr. No. | Type of instrument and name of the entity invested in | Amount invested (Rs. Crore) | Maturity date | Earning (Rs. lakhs) | Return on Investment (%) | Market Value as at the end of quarter |
|---------|---|-----------------------------|---------------|---------------------|--------------------------|---------------------------------------|
| 11 | Axis Bank, Monitoring account | 3.10 | NA | NA | NA | 3.10 |

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

| Objects | 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 |
| Estimated capital expenditure cost for the proposed eight (8) new showrooms | The net proceeds are estimated to be utilized towards the objects during FY24 and FY25. | No Change | Not Applicable | Nil | Nil |
| Estimated inventory cost for New Showrooms proposed to be opened | | | Not Applicable | Nil | Nil |
| General corporate purposes | | | Not Applicable | Nil | Nil |

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

| Sr. No | Item Head^ | Amount in Rs. Crore | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of Monitoring Agency | Comments of the Board of Directors |
|--------|----------------------------|---------------------|--|--|------------------------------------|
| 1 | General Corporate Purposes | 6.808 | Chartered Accountant certificate*, Bank statements, Prospectus, and Invoices | All the expenses were incurred in line with the objects mentioned in the prospectus. | Nil |
| | Total | 6.808 | | | |

* Chartered Accountant certificate from Sagar & Associates (Statutory auditor) dated February 06, 2024