

November 08, 2023

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051
Stock Code – KAYNES

The Secretary
BSE Ltd.
Corporate Relationship Dept.,
14th floor, P. J. Tower,
Dalal Street, Fort
Mumbai - 400 001
Stock Code – 543664

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter ended September 30, 2023.

Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 41(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith Monitoring Agency Report in respect of utilization of proceeds of IPO for the quarter ended September 30, 2023 issued by ICRA Limited, Monitoring Agency.

The above information will also be available on the website of the Company at www.kaynes technology.co.in

Kindly take the above information on record and acknowledge it.

Thanking You
Yours faithfully,
For **Kaynes Technology India Limited**

S M Adithya Jain
Company Secretary and Compliance Officer
Membership No. A49042

Enclosed:
• Monitoring Agency Report.

KAYNES TECHNOLOGY INDIA LIMITED

(Formerly Kaynes Technology India Private Limited)

CIN: L29128KA2008PLC045825

www.kaynes technology.co.in email ID: kaynes techcs@kaynes technology.net

H.O & Regd Off: 23-25, Belagola, Food Industrial Estate Metagalli PO, Mysore 570016 India
Telephone No: +91 821 2582595

Date: November 08, 2023

Mr. Jairam P Sampath

Chief Financial Officer

Kaynes Technology India Limited

23-23 Belagola Food Industrial Estate

Metagalli PO, Mysore Karnataka- 570016

Dear Sir/Madam,

Re: Final Monitoring Agency report of Kaynes Technology India Limited for Q2 FY2024

Please refer to agreement dated October 18,2022 appointing ICRA Limited as the Monitoring Agency (MA) Kaynes Technology India Limited's IPO Issue.

After due consideration, ICRA has prepared the attached final Monitoring Agency report as per SEBI (Issue of Capital and Disclosure Requirements) Regulations for Q2 FY2024.

Please note that the Monitoring Agency report does not constitute a commentary on the quality of the objects of the issue, appropriateness or reasonableness of costs or spending by Kaynes Technology India Limited against any objects / heads or assurance on outcome of such spending.

We thank you for your kind cooperation extended during the course of Q2 FY2024. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards

For ICRA Limited

PARUL
GOYAL
NARANG

Digitally signed
by PARUL
GOYAL NARANG
Date: 2023.11.08
13:25:49 +05'30'

Parul Goyal Narang

Vice President & Head- Process Excellence

Parul.goyal@icraindia.com

MONITORING AGENCY REPORT

Name of the Issuer: Kaynes Technology India Limited

For the Quarter ended: Q2 FY2024

Name of the Monitoring Agency: ICRA Limited

(a) Deviation from the objects of the issue:

No Material deviation - the utilization of the issuance proceeds is in line with the objects of the issue.

(b) Range of deviation:

No deviation

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 creditrelated 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

Digitally signed
by PARUL
GOYAL NARANG
Date: 2023.11.08
14:41:18 +05'30'

Parul Goyal Narang

Vice President & Head- Process Excellence

Analyst: Dhwani Vinchhi

QA: Parul Narang

1. Issuer Details

Name of the Issuer: Kaynes Technology India Limited

Name(s) of the promoters:

Promoters
Ramesh Kunhikannan
Savitha Ramesh

Source: BSE

Industry/ sector to which it belongs: Electric Equipment (others)

2. Issue Details

Issue Period: Opening date- November 10, 2022

Closing date- November 14, 2022

Type of Issue: *Fresh Issue and offer for sale*

Type of specified securities: Equity shares

IPO Grading, if any: *No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the offer.*

Issue Size (Rs. Crore): *With OFS portion: 987.820 Crore; Excluding OFS portion: 660.000 Crore. (Including INR 130 crore Pre-IPO issue)*

Net Proceeds as per offer letter: 625.744 Crore (Excluding Issue Related Expense)

**The proceeds credited to the Net Proceeds account stood at INR 623.869 Crore as INR 1.875 Crore has been kept as contingency for higher than estimated Issue related expenses in Public Issue Account as on 30th September 2023.*

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 statement of the proceeds account	<i>No deviation observed.</i>	
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not Applicable	<i>As confirmed by the Issuer's management</i>	<i>No comments</i>	

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 the means of finance for the disclosed objects of the issue has changed?	No	<i>As confirmed by the Issuer's management</i>	<i>Net proceeds are expected to be lower by 1.875 Crore due to higher than estimated issue related expenses. The amount of INR 1.875 crore is in public issue account as on 30th September 2023.</i>	
Is there any major deviation observed over the earlier monitoring agency reports?	No	<i>No deviation observed.</i>	<i>No comments</i>	
Whether all Government/ statutory approvals related to the object(s) have been obtained?	No	<i>As confirmed by the Issuer's management</i>	<i>No Comments</i>	
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	Not Applicable	<i>As confirmed by the Issuer's management</i>	<i>Not applicable in the reporting Quarter Q1FY24</i>	
Are there any favorable events improving the viability of these object(s)?	No	<i>As confirmed by the Issuer's management</i>	<i>As understood from the Issuer's management</i>	
Are there any unfavorable events affecting the viability of the object(s)?	No	<i>As confirmed by the Issuer's management</i>	<i>As understood from the Issuer's management</i>	
Is there any other relevant information that may materially affect the decision making of the investors?	No	<i>As confirmed by the Issuer's management</i>	<i>As understood from the Issuer's management</i>	

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 actually 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	<i>Repayment/ prepayment, in full or part, of certain borrowings availed by Kaynes</i>	<i>Prospectus</i>	<i>130.000</i>	<i>Not Applicable</i>	<i>No comments</i>			
2	<i>Funding capital expenditure towards expansion of our existing manufacturing facility at Mysuru, Karnataka, and near our existing manufacturing facility at Manesar, Haryana;</i>	<i>Prospectus</i>	<i>98.930</i>	<i>Not Applicable</i>	<i>No comments</i>			
3	<i>Investment in our wholly owned Subsidiary, Kaynes Electronics Manufacturing Private Limited, for setting up a new facility at Chamarajanagar, Karnataka</i>	<i>Prospectus</i>	<i>149.300</i>	<i>Not Applicable</i>	<i>No comments</i>			
4	<i>Funding working capital requirements</i>	<i>Prospectus</i>	<i>114.740</i>	<i>Not Applicable</i>	<i>No comments</i>			
5	<i>General Corporate Purpose</i>	<i>Prospectus</i>	<i>132.774</i>	<i>130.899</i>	<i>Revision in GCP is expected on account of actual offer related expenditure being higher by INR 1.875 Crore.</i>			
	Total		625.744					

(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	Repayment/ prepayment, in full or part, of certain borrowings availed by our Company	-Certification from Statutory Auditors -Bank statement of the proceeds account -Prospectus	130.000	130.000	-	130.000	Nil	No comments		
2	Funding capital expenditure towards expansion of our existing manufacturing facility at Mysuru, Karnataka, and near our existing manufacturing facility at Manesar, Haryana;	Same as above	98.930	7.027	3.133	10.160	88.770	No comments		
3	Investment in our wholly owned Subsidiary, Kaynes Electronics Manufacturing Private Limited, for setting up a new facility at Chamarajanagar, Karnataka	Same as above	149.300	10.310	21.520	31.830	117.470	No comments		
4	Funding working capital requirements of our Company	Same as above	114.740	100.032	14.708	114.740	-	No comments		

5	<i>General corporate purposes</i>	<i>Same as above</i>	<i>132.774</i>	<i>11.00</i>	<i>10.649</i>	<i>21.649</i>	<i>111.125*</i>	<i>No Comments</i>		
	Total		625.744	258.369	50.010	303.760	317.365			

**Revision in GCP is expected on account of actual offer related expenditure being higher by INR 1.875 crore.*

(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	Fixed Deposit with HDFC Bank	25.00	June 01, 2024	0.152	7.51%	25.152
2	Fixed Deposit with HDFC Bank	25.00	November 30,2023	1.549	7.35%	26.549
3	Fixed Deposit with HDFC Bank	20.00	October 26,2024	1.001	6.85%	21.001
4	Fixed Deposit with Canara Bank	11.50	October 16,2023	0.025	5.25%	11.525
5	Fixed Deposit with Indusind Bank	14.00	October 17, 2023	0.443	6.10%	14.443
6	Fixed Deposit with Canara Bank	17.99 [^]	September 29,2024	0.007	7.05%	17.997
7	Fixed Deposit with Canara Bank	27.00 [^]	September 27,2024	0.021	7.05%	27.021
8	Fixed Deposit with Canara Bank	50.00	November 28,2023	2.305	6.20%	52.305
9	Fixed Deposit with Canara Bank	25.00	December 09, 2023	1.237	6.20%	26.237
10	Fixed Deposit with Canara Bank	23.00	June 27, 2024	0.417	7.05%	23.417
11	Fixed Deposit with SBI Bank	2.00	December 27,2023	-	3.50%	2.00
12	Fixed Deposit with SBI Bank	75.00	November 29,2023	4.590	6.85%	79.590
13	Escrow Account ICICI Public Issue Account	1.875	-	-	-	1.875
Total		317.365	-	11.747	-	329.112

Source: As certified by K.P. Rao & Co., the statutory auditor of the Issuer

[^] The two fixed deposit maintained with Indusind Bank of INR 25.00 Crore and INR 19.999 was liquidated and opened the Fixed deposit in Canara Bank of INR 27.00 Crore and INR 17.990 Crore.

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

Object(s)	Completion date			Comments of the Issuer's Board of Directors	
	As per the offer document	Actual [^]	Delay [Number of days or months]	Reason for delay	Proposed course of action
<i>Repayment/ prepayment, in full or part, of certain borrowings availed by our Company.</i>	<i>March 2023</i>	<i>December 2022</i>	<i>-</i>	<i>NA</i>	<i>NA</i>
<i>Funding capital expenditure towards expansion of our existing manufacturing facility at Mysuru, Karnataka, and near our existing manufacturing facility at Manesar, Haryana</i>	<i>February 2023- June 2023</i>	<i>In process</i>	<i>3 months</i>	<i>Certain Machines has been installed and the orders has been placed considering the business requirements. The capex spend has happened conservatively to make optimum utilization</i>	<i>NA</i>
<i>Investment in our wholly owned Subsidiary, Kaynes Electronics Manufacturing Private Limited, for setting up a new facility at Chamarajanagar, Karnataka</i>	<i>February 2023- January 2024</i>	<i>On schedule</i>	<i>-</i>	<i>NA</i>	<i>NA</i>
<i>Funding working capital requirements.</i>	<i>March 2024</i>	<i>On Schedule</i>	<i>-</i>	<i>NA</i>	<i>NA</i>
<i>General Corporate Purpose</i>	<i>March 2023</i>	<i>Partly Utilised in Q2FY24</i>	<i>6 months</i>	<i>Opportunity was not identified as planned, hence there is a delay</i>	<i>NA</i>

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	Utilization for Payment of Advance Tax.	11.00*	Statutory auditor certification	No comments	
2	Utilization of Payment of Advance Tax.	9.00**	Statutory auditor certification	No comments	
3	Payments of custom duty on imports	1.649**	Statutory auditor certification	No comments	
Total		21.649			

*The said Utilization was made in Q4FY23

** The said Utilization was made in Q2FY24

6. Details of Equity share capital held by the promoters

Number of Equity shares held by the promoter group on the date of allotment of offer	Number of Equity shares held by the promoter as on 31-March-2023		Lock in release date	% Shareholding of the promoter group as on 31-Mar-2023	Regulatory stipulation for the % of promoter shares to be locked-in and Lock-in period end date	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
	Promoter name	Total Shares						
390,48,197	Ramesh Kunhikannan	116,28,600	18/11/2025	31.00%	20% of the Promoters share post offer should be locked in for 3 years	Lock in certificate by depository	"The equity shareholding of the promoter group is in accordance with the lock-in requirements specified by SEBI"	-
	Ramesh Kunhikannan/ Savitha rames	253,348,33	18/11/2023	69.00%				-
Grand Total		369,63,433						