

Date: November 13, 2024

BSE Limited

Department of Corporate Services
Pheroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block
Bandra- Kurla Complex, Mumbai-400051

SCRIP Code- 544136

SYMBOL-RKSWAMY

ISIN: INE0NQ801033

Sub: Report of the Monitoring Agency for quarter and half year ended September 30, 2024.

Dear Sir/Madam,

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, we are enclosing herewith Monitoring Agency Report in respect of utilization of proceeds of Initial Public Offer ("IPO") for the quarter ended September 30, 2024 issued by CRISIL Ratings Limited, Monitoring Agency.

This intimation is also being uploaded on the Company's website at www.rkswamy.com

This is for your information and records.

Thanking you

For R K SWAMY Limited

Aparna Bhat

Compliance Officer

Membership No.: A19995

Address: Esplanade House, 29, Hazarimal Somani Marg, Fort, Mumbai 400 001

Place: Mumbai

**Monitoring Agency Report
for
R K SWAMY Limited
for the quarter ended
September 30, 2024**

Ratings



CRL/SEP/RKSWIPO/2024-25/1206

November 13, 2024

To
R K SWAMY Limited
Esplanade House, 29, Hazarimal Somani Marg,
Fort, Mumbai 400 001, Maharashtra, India

Dear Sir,

Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the Initial Public Offering ("IPO") of R K SWAMY Limited ("the Company")

Pursuant to Regulation 41 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**") and Monitoring Agency Agreement dated January 15, 2024, entered with the Company, we enclose herewith the Monitoring Agency Report, issued by CRISIL Ratings Limited, as per Schedule XI of the SEBI ICDR Regulations towards utilization of IPO proceeds for the quarter ended September 30, 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: R K SWAMY Limited

For quarter ended: September 30, 2024

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: No

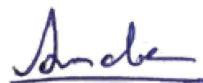
(b) Range of Deviation: Not applicable

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)

Ratings

1) Issuer Details:

Name of the issuer	R K SWAMY Limited
Names of the promoter	a. Srinivasan K Swamy (Sundar Swamy) b. Narasimhan Krishna Swamy (Shekar Swamy)
Industry/sector to which it belongs	Advertising & Media Agencies

2) Issue Details

Issue Period:	Monday, March 04, 2024, to Wednesday, March 6, 2024
Type of issue (public/rights):	Initial Public Offering (IPO)
Type of specified securities:	Equity Shares
IPO Grading, if any:	NA
Issue size:	Rs.1,730.00 million (Refer note below)

Note:

Particulars	Amount (Rs. million)
Gross proceeds of the Fresh Issue (A)	1,730.00*
Less: Offer Expenses in relation to the Fresh Issue (B)	166.75^
Net Proceeds (A-B)	1,563.25

*CRISIL Ratings shall be monitoring the gross proceeds.

^ Offer expenses amounting to Rs 138.03 million have been taken as a reimbursement by the company from the Monitoring Agency Account cumulatively till September 30, 2024. Remaining Rs 23.99 million pertaining to offer expenses is lying in Public Issue Account and balance Rs.4.73 million invested in FDs as on September 30, 2024. Same has been confirmed with the management undertaking & certificate dated October 25, 2024, issued by M/s Guru & Ram LLP, Chartered Accountants (Firm Registration Number: 009723S/S200039), 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 Offer Document?	Yes	Management undertaking, Peer reviewed independent chartered accountant certificate ^, Prospectus,	No Comments	No Comments

Ratings

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
		Bank Statements		
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking	No Comments	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	NA		No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No Comments	No Comments
Are there any favorable events improving the viability of these object(s)?	No		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	No		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

^Certificate dated October 25, 2024, issued by M/s Guru & Ram LLP, Chartered Accountants (Firm Registration Number: 009723S/S200039), Peer-reviewed Independent Chartered Accountant.

Ratings

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

i. Cost of the object(s):

Sr. No	Item Head	Source of information/certifications considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in million)	Revised Cost (Rs in million)	Comments of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Funding working capital requirements of the Company	Management undertaking, Peer reviewed independent chartered accountant certificate ^, Prospectus	540.00	NA	No revision	No Comments		
2	Funding capital expenditure to be incurred by the Company for setting up a DVCP Studio		109.85	NA	No revision	No Comments		
3	Funding investment in IT infrastructure development of the Company, and its Material Subsidiaries Hansa Research and Hansa Customer Equity		333.42	NA	No revision	No Comments		
4	Funding setting up of new CEC and CATI of the Company		217.36	NA	No revision	No Comments		
5	General Corporate Purposes (GCP)		362.62	NA	No revision	No Comments		

NA represents Not Applicable

^Certificate dated October 25, 2024, issued by M/s Guru & Ram LLP, Chartered Accountants (Firm Registration Number: 009723S/S200039), Peer-reviewed Independent Chartered Accountant.

Ratings

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 (Rs in million)	Amount utilized (Rs in million)			Total unutilized amount (Rs in million)	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	Funding working capital requirements of the Company	Peer reviewed independent chartered accountant certificate ^, Management Undertaking, Prospectus, Bank Statements	540.00	540.00	-	540.00	-	Fully utilised in the March, 2024 quarter	No Comments	
2	Funding capital expenditure to be incurred by the Company for setting up a DVCP Studio		109.85	-	-	-	109.85	No Utilisation during the quarter	No Comments	
3	Funding investment in IT infrastructure development of the Company, and its Material Subsidiaries Hansa Research and Hansa Customer Equity		333.42	4.63	13.66	18.29	315.13	Utilisation is as per the details mentioned in Prospectus dated March 6, 2024.	No Comments	
4	Funding setting up of new CEC and CATI of the Company		217.36	-	0.15	0.15	217.21	Utilisation is as per the details mentioned in Prospectus dated March 6, 2024.	No Comments	
5	GCP		362.62	269.56	93.06	362.62	-	Fully utilised in the current quarter	No Comments	
	Total		1,563.25	814.19	106.87	921.06	642.19			

All figures in the above table are rounded off to nearest two decimal places

^Certificate dated October 25, 2024, issued by M/s Guru & Ram LLP, Chartered Accountants (Firm Registration Number: 009723S/S200039), Peer-reviewed Independent Chartered Accountant.

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Funding working capital requirements of the Company	The company offers marketing services including creative, media, data analytics, and market research. They plan to fund working capital, capital expenditure for a DVCP Studio, IT infrastructure development, new CEC and CATI, and general corporate purposes. They also reserve physical ad space and time for various advertising messages on behalf of clients. They focus on leveraging the reach and relevance of digital content through short videos, product videos, specialized productions, and longer-duration informative videos.
Funding capital expenditure to be incurred by the Company for setting up a DVCP Studio	The proceeds from the Offer will be used to establish a digital production studio with post-production facilities, aimed at creating high-quality digital videos quickly. This investment will enhance in-house production capabilities, meet the increasing demand for digital content, reduce reliance on external productions, lower outsourcing costs, and ultimately lead to an increase in revenues and profits.
Funding investment in IT infrastructure development of the Company, and its Material Subsidiaries Hansa Research and Hansa Customer Equity	Company's focus remains on upgrading to newer technology, to improve business performance by reimagining current processes. Companies, Hansa Research and Hansa Customer Equity have received quotations from various vendors for the proposed capital expenditure and is yet to place any orders or enter into definitive agreements for purchase of the various equipment.
Funding setting up of new CEC and CATI of the Company	The proceeds will be utilized for setting up a new call centre, with over 600 additional seats and for setting up a hybrid 2000-seater customer experience centres.
General Corporate Purposes	The general corporate purposes for which the Company proposes to utilise the Net Proceeds include, without limitation, (i) funding growth opportunities and new initiatives as may arise, (ii) strengthening marketing capabilities and brand building exercises, (iii) meeting ongoing general corporate contingencies, (iv) expenses incurred in ordinary course of business, (v) interest payments and other debt servicing costs, and (vi) any other purpose, as may be approved by the Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. The allocation or quantum of utilisation of funds towards the specific purposes described above will be determined by Board of the Company, based on Company's business requirements and other relevant considerations, from time to time.

iii. Deployment of unutilised IPO proceeds[^]:

S. No.	Type of investment and name of the entity invested in	Amount invested (Rs in million)	Maturity Date	Earnings* (Rs in million)	Return on Investment (%)	Market Value as at the end of quarter (Rs in million)
1	FD No 50300940532322 with HDFC Bank ¹	644.44	10-Jun-25	12.63	7.65	647.00
2	Balance in Monitoring account of the Company - HDFC bank ²	2.49	-	-	-	-
3	Unutilised proceeds towards offer expenses lying in Public Issue A/c ³	23.99	-	-	-	-
	Total	670.92	-	-	-	-

All figures in the above table are rounded off to nearest two decimal places

¹ Out of Rs 644.44 million, Rs 4.73 million FD is placed from unutilised proceeds of offer expenses.

² As at the quarter ended September 30, 2024, balance in the Monitoring Agency account is Rs 3.54 million out of which Rs.2.49 million pertains towards objects and Rs 1.05 million pertains towards Interest received from Fixed Deposits (net of TDS).

³ Offer expenses amounting to Rs.23.99 million are lying in Public Issue Account as at the quarter ended September 30, 2024

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

[^] On the basis of the management undertaking and Certificate dated October 25, 2024, issued by M/s Guru & Ram LLP, Chartered Accountants (Firm Registration Number: 009723S/S200039), Peer-reviewed Independent Chartered Accountant.

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
Not applicable					

[^] On the basis of the management undertaking and Certificate dated October 25, 2024, issued by M/s Guru & Ram LLP, Chartered Accountants (Firm Registration Number: 009723S/S200039), Peer-reviewed Independent Chartered Accountant.

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

Sr. No	Item Heads	Amount (Rs in million)	Comments of Monitoring Agency
1	Expenses in the ordinary course of the business of the Company	93.06	The Board of Directors of the Company vide resolution dated April 30, 2024, considered and approved the utilization of GCP towards expenses in the ordinary course of the business of the Company.

[^] On the basis of the management undertaking and Certificate dated October 25, 2024, issued by M/s Guru & Ram LLP, Chartered Accountants (Firm Registration Number: 009723S/S200039), 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 auditor 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.*

Ratings



- 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.*