



VRAJ IRON AND STEEL LIMITED

Formerly Known As VRAJ IRON AND STEEL PVT. LTD. &
PHIL ISPAT PRIVATE LIMITED

Date: 12/11/2024

BSE Limited
P.J. Towers,
Dalal Street, Fort
Mumbai - 400001

Ref: BSE Security Code: 544204

NSE Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400051

NSE Symbol: VRAJ

Dear Sir(s)/Madam(s),

Sub: Monitoring Agency Report for the quarter ended September 2024

Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 41 of the SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2018, we are enclosing herewith the Monitoring Agency Report issued by CARE Ratings Limited, Monitoring Agency, for the quarter ended September 2024 in respect of utilization of proceeds of the Initial Public Offer (IPO) of the Company.

We request you to take the same on your record.

Thanking you

Yours Faithfully

FOR VRAJ IRON AND STEEL LIMITED

Priya Namdeo

Company Secretary and Compliance officer

Enclosed: As above



No. CARE/KRO/GEN/2024-25/1036

The Board of Directors

VRAJ Iron And Steel Limited

1st Floor, Plot. No - 63 & 66,
PH. No: 113, Mother Teresa Ward NO. 43,
Raipur
Chhattisgarh 492001

November 12, 2024

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the IPO of VRAJ Iron And Steel Limited ("the Company")

We write in our capacity of Monitoring Agency for the IPO (Initial Public Offer) for the amount aggregating to ₹ 171.00 crores of the Company and refer to our duties cast under Regulation 41 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2024, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated June 14, 2024.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

Punit Singhania

Punit Singhania

Associate Director

punit.singhania@careedge.in

CARE Ratings Limited

Unit No. A/7/4, 7th Floor Block A, Apeejay House,
15 Park Street, Kolkata – 700016
Phone: +91-33-4018 1600/2283 1803

CIN-L67190MH1993PLC071691

**4th Floor, Godrej Coliseum, Somaiya Hospital
Road, Off Eastern Express Highway, Sion (East),
Mumbai - 400 022
Phone: +91-22-6754 3456 • www.careedge.in**

Report of the Monitoring Agency

Name of the issuer: VRAJ Iron And Steel Limited

For quarter ended: September 30, 2024

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.

Punit Singhania

Signature:

Name and designation of the Authorized Signatory: Punit Singhania

Designation of Authorized person/Signing Authority: Associate Director

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1) Issuer Details:

Name of the issuer : Vraj Iron and Steel Limited
Name of the promoters : Vijay Anand Jhanwar, Kusum Lata Maheshwari, Gopal Sponge and Power Private Limited, V.A. Transport Private Limited, Kirti Ispat Private Limited, Bhinaswar Commercial Private Limited and Utkal Ispat Private Limited
Industry/sector to which it belongs : Iron & Steel

2) Issue Details

Issue Period : IPO – June 26, 2024, to June 28, 2024
Type of issue (public/rights) : IPO (Initial Public Offering)
Type of specified securities : Equity Shares
IPO Grading, if any : Not Applicable
Issue size (in ₹ crore) : ₹171.00 crore (CARE Ratings Limited is monitoring the gross proceeds pertaining to fresh issue under IPO)

3) Details of the arrangement made to ensure the monitoring of the 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 and statutory auditors' certificate and Prospectus*	All the proceeds from the IPO have been utilized appropriately for the objectives mentioned in the offer document.	Nil
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Nil	Nil
Whether the means of finance for the disclosed objects of the issue have changed?	No	CA certificate	Nil	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	Not applicable	Nil
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	CA certificate	Nil	Nil
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	Nil
Are there any favorable/unfavorable events affecting the viability of these object(s)?	Not applicable	Not applicable	Not applicable	Nil
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	Not applicable	Nil

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#Where material deviation may be defined to mean:

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

*As per Amitabh Agrawal & Co (statutory auditors) certificate dated October 26, 2024.

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.	Expansion Project at Bilaspur Plant							
A	Prepayment or repayment of term loan borrowings availed by our Company	Prospectus and CA certificate*	70.00	Not applicable	Nil	Nil	-	-
B	Capital expenditure towards the "Expansion Project" at Bilaspur Plant	Prospectus and CA certificate*	59.50#	Not applicable	Nil	Nil	-	-
2.	General corporate purposes	Prospectus and CA certificate*	22.80#	Not applicable	Nil	Nil	-	-
3.	IPO Issue Expense	Prospectus and CA certificate*	18.70#	18.40**	Nil	Amount shown in prospectus is estimated, however actual amount expensed is lower than estimated.	-	-
Total			171.00					

*As per Amitabh Agrawal & Co (statutory auditors) certificate dated October 26, 2024.

#Excluding GST

**Base actual issue expense incurred

(ii) Progress in the objects –

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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			Total 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	Expansion Project at Bilaspur Plant									
a	Prepayment or repayment of term loan borrowings availed by our Company	Prospectus and CA certificate*, Bank statements, and management certificate	70.00	0.00	70.00	70.00	Nil	The funds received from issue proceeds were utilized towards prepayment or repayment of term loan borrowing, as per the objects of the issue.	Nil	-
b	Capital expenditure towards the "Expansion Project" at Bilaspur Plant	Prospectus and CA certificate*, Bank statements, and management certificate	59.50	0.00	30.05**	30.05	29.45	The company has utilised the amount under capex towards ongoing expansion project at Bilaspur plant	Project is on-going.	-
2	General corporate purposes (GCP)	Prospectus and CA certificate*, Management certificate	22.80	0.00	0.00	0.00	22.80	There is nil utilization under GCP.	It will be utilised as and when required.	-
3	IPO Issue Expense	Prospectus and CA certificate*, Bank statements, and management certificate	18.70	0.00	16.01^	16.01^	2.69^	Refer note below (^).	Unutilised amount will be reimbursed later.	-
Total			171.00	0.00	116.06	116.06	54.94			

*As per Amitabh Agrawal & Co (statutory auditors) certificate dated October 26, 2024.

** Amount Shown in utilization towards capital expenditure of Rs 30.05 Cr is amount paid towards "expansion Project at Bilaspur Plant" including GST and net off TDS (TDS amounting to Rs. 0.10 crore). The said TDS amount has been deposited from cash credit account.

^ The IPO issue expenses shown above is including GST and net off TDS. Total IPO expenses of the Company including GST and net off TDS (TDS amounting Rs. 1.65 crore) is Rs.19.90 crore (base actual issue expense of Rs.18.40 crore). Out of Rs.19.90 crore, Rs. 16.01 Crores are paid from the IPO proceeds (Axis Bank Escrow Account) and Rs. 3.89 Crores are paid from Internal Accruals.

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If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects of the Issue, if required and towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

(iii) Deployment of unutilized public issues proceeds –

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value at the end of quarter
1.	Balance in monitoring account – HDFC Bank	2.44*	-	-	-	-
2.	Balance in Fixed deposits (FD) – HDFC Bank	26.00^	November 01, 2024	0.43	6.95	26.43
	Balance in FD – HDFC Bank	21.50	January 07, 2025	0.35	6.75	21.85
	Balance in FD – HDFC Bank	5.00	December 24, 2024	0.00	6.00	5.00
	Total	54.94		0.78		

*Excluding opening balance of Rs.0.01 crore and interest income on fixed deposits of Rs.0.20 crore.

^Fixed Deposit of 26.00 Crores has matured on November 01, 2024, and the same has been received in the monitoring account.

(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 offer document	Actual		Reason of delay	Proposed course of action
Prepayment or repayment of long-term borrowings availed by our Company	FY25	Q2FY25	-	-	-
Capital expenditure towards the “Expansion Project”					
- Sponge Iron Plant and captive power plant	January, 2025	Ongoing	-	-	-
- MS Billets plant	April, 2025	Ongoing	-	-	-
General Corporate Purposes	Not applicable	Not applicable	-	-	-

Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document: Not applicable as there is nil utilization towards GCP as per CA and management certificate.

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Disclaimers to MA report:

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as “**Monitoring Agency/MA**”). 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.

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