

Date: 14/11/2024

Corporate Relationship Department, BSE Limited. 25 th Floor, P.J. Towers, Dalal Street, Mumbai-400 001	The Manager, Listing department, National Stock Exchange of India Ltd. 'Exchange Plaza', C- 1 Block G, Bandra Kurla complex, Bandra (East) Mumbai – 400051	Corporate Relationship Department, Metropolitan Stock Exchange of India Ltd. Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai – 400070
BSE Scrip Code: 534600	NSE Scrip Code: JTLIND	MSEI Symbol: JTLIND

SUB: MONITORING AGENCY REPORT FOR THE QUARTER ENDED 30TH SEPTEMBER, 2024 FOR FUNDS RAISED THROUGH QUALIFIED INSTITUTIONS PLACEMENT DATED 23.07.2024

Dear Sir/Ma'am,

Pursuant to Regulation 173A of Chapter VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with Regulation 32 (6) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we are enclosing herewith Monitoring Agency Report issued by CARE Ratings Limited, Monitoring Agency, for the quarter ended 30.09.2024 in respect of utilization of funds raised through Qualified Institutional Placement on 23.07.2024.

Kindly take note of the same and oblige.

For JTL Industries Limited

Amrender Kumar Yadav
Company Secretary & Compliance Officer
(M. No. A41946)

No. CARE/NRO/GEN/2024-25/1085

Shri Dhruv Singla

Whole Time Director

JTL Industries Limited

S.C.O. 18-19, Sector 28-C, Chandigarh

Punjab-160002

November 14, 2024

Dear Sir,

**Monitoring Agency Report for the quarter ended September 30, 2024 –
in relation to the QIP of JTL Industries Limited ("the Company")**

We write in our capacity of Monitoring Agency for the Public Issue for the amount aggregating to Rs. 294.49 crore of the Company and refer to our duties cast under section 173A 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 March 05, 2024.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

Akhil Kumar

Akhil Kumar

Associate Director

Akhil.kumar@careedge.in

CARE Ratings Limited

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Budh Nagar (UP) - 201301 Phone: +91-120-4452 000

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

CIN-L67190MH1993PLC07169

Email: care@careedge.in • www.careedge.in

Report of the Monitoring Agency (MA)

Name of the issuer: JTL Industries 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.

Akhil Kumar

Signature:

Name of the Authorized Signatory: Akhil Kumar

Designation of Authorized person/Signing Authority: Associate Director

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CARE Ratings Limited

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1) Issuer Details:

Name of the issuer: JTL Industries Limited

Name of the promoter: Mr. Madan Mohan Singla

Industry/sector to which it belongs: Tubes, Pipes and Fittings.

2) Issue Details

Issue Period: From July 18, 2024, to July 23, 2024

Type of issue (public/rights): Public

Type of specified securities: Equity Shares

IPO Grading, if any: Not applicable

Issue size (in Rs. crores): Rs. 294.49 crore

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*, Management certificate, Offer Document, Bank Statement	The QIP issue proceeds have been utilized in accordance with the objects given as per offer documents	-
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	-
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	Not applicable	-
Is there any major deviation observed over the earlier monitoring agency reports?	Nil	Not applicable	Not applicable	-
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	Intimation to Bombay Stock Exchange (BSE) & National Stock Exchange (NSE) dated July 23, 2024	Not applicable	-

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 arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	-
Are there any favourable/unfavourable events affecting the viability of these object(s)?	No	Not applicable	Not applicable	-
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	Not applicable	-

* Chartered Accountant certificate from N. KUMAR CHHABRA AND CO. dated November 08, 2024.

#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 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 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	Part financing the cost towards capacity expansion of our existing manufacturing facility by setting up a new unit at Raigad, Maharashtra	Chartered Accountant certificate*, Offer Document	87.50	NA	NA	-	-	-
2	Working Capital Requirements	Chartered Accountant certificate, Offer Document	175.00	NA	NA	-	-	-
3	General Corporate Purposes ⁽¹⁾	Chartered Accountant certificate, Offer Document	31.99	NA	NA	-	-	-
Total			294.49					

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(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as per the Offer document in Rs. Crore	Amount raised till date i.e. September 30, 2024	Amount utilised 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	Unutilised amount in Rs. crore**		Reasons for idle funds	Proposed course of action
1	Part financing the cost towards capacity expansion of our existing manufacturing facility by setting up a new unit at Raigad, Maharashtra	Chartered Accountant certificate*, Offer Document, Bank Statement.	87.50	294.49	-	17.94	17.94	69.56	During Q2FY25, total Rs.17.94 crores were utilised directly towards part financing the cost from MA account. The subject amount was transferred from monitoring account to various parties, which has been identified through a/c statement, management declaration and CA Certificate.	-	-
2	Working Capital Requirements	Chartered Accountant certificate, Offer Document, Bank Statement.	175.00		-	#174.73	174.73	0.27	During Q2FY25, Rs.174.73 crores were utilised from MA account. The payments are made to various suppliers for purchases of Raw material (H.R. Coils, zinc ingots etc), which has been identified through a/c statement, management declaration and CA Certificate.	-	-
3	General Corporate Purposes	Chartered Accountant certificate, Offer Document,	31.99		-	13.61	13.61	18.38	During Q2FY25, total Rs.13.61 crores were utilised from MA account.	-	-

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as per the Offer document in Rs. Crore	Amount raised till date i.e. September 30, 2024	Amount utilised 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	Unutilised amount in Rs. crore**		Reasons for idle funds	Proposed course of action
		Bank Statement.									
Total			294.49	294.49	-	206.28	206.28	88.21			

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**As of September 30, 2024, the total unutilized amount stands at Rs. 89.41 crores. This figure includes Rs. 1.20 crore allocated for issue-related expenses, leaving Rs. 88.21 crores unutilized for the specified purposes. As on September 30, 2024, total Rs. 1.72 crores are lying in the Axis bank QIP Monitoring Account (A/C no.: 924020017288465) & Total Rs. 88.89 crores are lying in Axis bank FD Account (A/C no.: 924040086916698) which also includes the interest earned on the FD.

iii) Deployment of un-utilized public issue proceeds:

(Rs. in crores)

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1.)	Axis bank FD Account (A/C no.: 924040086916698)	^88.00	August 10, 2025	0.89	7.40%	88.89
2.)	Axis bank QIP Monitoring Account (A/C no.: 924020017288465)	1.72	NA			

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^The amount of Rs. 259.00 crore has been transferred on August 06, 2024, from Monitoring account maintained with Axis Bank to FD A/C (High Value Term deposit i.e. HVTD with Axis bank), which has been made accordingly. Further subject FD has been partially withdrawn multiple times during the quarter ended Q2FY25 and amount has been credited back to monitoring account maintained with Axis bank only. Same has been verified from the account statement submitted by the company.

Note: As per offer document, issue proceeds, if any, pending utilization for the purposes described above, the company intends to deposit the Gross Proceeds, only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or deploy funds for such businesses opportunities as may be

allowed by the Board from time to time. Accordingly, prospective investors in the Issue will need to rely upon our management's judgment with respect to the use of Net Proceeds.

(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
Part financing the cost towards capacity expansion of our existing manufacturing facility by setting up a new unit at Raigad, Maharashtra#	Till March 31, 2025	Ongoing	No delays*	-	-
Working Capital Requirements				-	-
General Corporate Purposes				-	-

* Chartered Accountant certificate from N. KUMAR CHHABRA AND CO. dated November 08, 2024.

#While the outer timeline for implementation of the above object is March 31, 2025, the quarterly implementation timeline schedule is not available, hence, unable to ascertain any delay.

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

Sr. No	Item Head	Amount Rs. in crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency [^]	Comments of the Board of Directors
1.)	Investment in Nabha Steels & Metals	2.90	CA Certificate & Bank statement	During Q2FY25, total Rs.13.61 crores were utilised from MA account for investments in Associate company & purchase of vehicle.	-
2.)	Investment in Nabha Steels & Metals	10.50	CA Certificate & Bank statement		-
3.)	Purchases of Vehicle	0.21	CA Certificate, Invoice & Bank statement		-

* Chartered Accountant certificate from N. KUMAR CHHABRA AND CO. dated November 08, 2024.

[^] Section from the offer document related to GCP: As per Placement document dated July 23, 2024, it is mentioned that the general corporate purposes for which Company proposes to utilise Net Proceeds include, without limitation, meeting contingencies, undertaking brand building and expenses incurred in the ordinary course of business, towards any exigencies or other similar purpose, as may be approved by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act. The company has submitted resolution passed by their Fund-Raising Committee dated November 13, 2024, to take note of Utilization of QIP proceeds of Rs. 13.61 crores under GCP during the quarter ended September 30, 2024. The company has further submitted Management declaration, CA Certificate and Bank statements to consider the same.

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.