

Date: November 14, 2022

To,

Listing Department

National Stock Exchange of India Limited

Exchange Plaza, C-1, G Block, Bandra Kurla Complex,

Bandra (East), Mumbai - 400 051.

Symbol: SYRMA

Department of Corporate Service

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai - 400 001.

Scrip Code: 543573

Subject: Report of the Monitoring Agency under Regulation 41 (4) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Dear Sir/ Madam,

Pursuant to the aforesaid SEBI ICDR Regulations and SEBI Listing Regulations, please find enclosed herewith the monitoring agency report in respect of utilization of proceeds of the initial public offer of the Company for the quarter ended September 30, 2022, issued by CRISIL Ratings Limited, Monitoring Agency. The said Monitoring Agency Report shall also be available on the Company's website at www.syrmasgs.com.

You are requested to take the same on record and disseminate to all concerned.

For **Syrma SGS Technology Limited**

Rahul Sinnarkar

Company Secretary & Compliance Officer

Membership No: A39709

Place: Mumbai

**Monitoring Agency Report
for
Syrma SGS Technology Limited
for the quarter ended
September 30, 2022**

CRL/MAR/SYMTPL/2022-23/1003

November 14, 2022

To

Syrma SGS Technology Limited

Unit no. 601, 6th floor, Floral Deck PL MIDC,
Andheri (East) Mumbai, Maharashtra - 400093

Dear Sir,

Monitoring Agency Report for the quarter ended September 30, 2022 - in relation to the Initial Public Offer ("IPO") of Syrma SGS Technology Limited ("the Company")

Pursuant to Regulation 41(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated August 02, 2022, we in our capacity of Monitoring Agent to the Company hereby enclose the Monitoring Agency Report as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of IPO for the quarter ended September 30, 2022.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of CRISIL Ratings Limited



Saurabh Kamdar
Director

Report of the Monitoring Agency (MA)

Name of the issuer: Syrma SGS Technology Limited

For quarter ended: September 2022

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

(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: Saurabh Kamdar

Designation of Authorized person/Signing Authority: Director

1) Issuer Details:

Name of the issuer: Syrma SGS Technology Limited
 Names of the promoter: a. Sandeep Tandon
 b. Jasbir Singh Gujral
 c. Veena Kumari Tandon
 d. Tancom Electronics Private Limited
 Industry/sector to which it belongs: Electronics manufacturing

2) Issue Details

Issue Period: Friday, August 12, 2022 to Thursday, August 18, 2022
 Type of issue (public/rights): Public Issue - Initial Public Offer (IPO)
 Type of specified securities: Equity Shares
 IPO Grading, if any: NA
 Issue size: Rs 8,401.26 million
 Issue size comprises of fresh issuance/gross proceeds of Rs 7,660.00 million (net proceeds of Rs 7,257.22 million*) and an offer for sale of Rs 741.26 million

*CRISIL Ratings shall be monitoring the net proceeds amount

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/ No	Management undertaking, Statutory Auditor Certificate*, Final Offer Document, Bank Statements	Yes@	Yes
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	Yes/ No	NA	NA	NA
Whether the means of finance for the disclosed objects of the issue has changed?	Yes/ No	Management undertaking, Final Offer Document, Bank Statements	No	No
Is there any major deviation observed over the earlier monitoring agency reports?	Yes/ No	NA	NA	NA

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 Government/statutory approvals related to the object(s) have been obtained?	Yes/ No	NA	NA	NA
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes/ No	NA	Yes	Yes
Are there any favorable events improving the viability of these object(s)?	Yes/ No	NA	No	No
Are there any unfavorable events affecting the viability of the object(s)?	Yes/ No	NA	No	No
Is there any other relevant information that may materially affect the decision making of the investors?	Yes/ No	NA	No	No

NA represents Not Applicable

@Amount of Rs 10.16 million was spent towards expenses in connection with IPO through HDFC monitoring agency account instead of HDFC public fund account. However, subsequently Company has rectified by reimbursing the same from IPO public fund account to monitoring agency account during the quarter ending Dec 2022. The company has provided a management undertaking clarifying the same.

**Statutory Auditor Certificate dated November 10, 2022 issued by M/s Deloitte Haskins & Sells LLP Chartered Accountants (Firm Registration Number: 117366W/W-100018).*

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

i. Cost of the object(s):

(Rs in million)

S r . N o .	Item Head	Source of information/ certification considered by MA for preparation of report	Original cost (as per the Offer Docume nt) (Rs in million)	Revised Cost (Rs in million)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particular s of firm arrange- ments made
1	Funding capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities	Management undertaking, Statutory Auditor Certificate*, Final Offer Document, Bank Statements	4,030.00	NA	Nil	Nil	Nil	Nil
2	Funding working capital requirements of the Company;	Management undertaking, Statutory Auditor Certificate*, Final Offer Document, Bank Statements	1,315.80	NA	Nil	Nil	Nil	Nil
3	General Corporate Purposes (GCP)#	Management undertaking, Statutory Auditor Certificate*, Final Offer Document, Bank Statements	1,911.42	NA	Nil	Nil	Nil	Nil
Total		-	7,257.22	-	-	-	-	-

*Statutory Auditor Certificate dated November 10, 2022 issued by M/s Deloitte Haskins & Sells LLP Chartered Accountants (Firm Registration Number: 117366W/W-100018).

#The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds from the Fresh Issue.

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	Comments of the Monitoring Agency	(Rs in million)	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Comments of the Board of Directors	
									Reasons for idle funds	Proposed course of action
1	Funding capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities	Management undertaking, Statutory Auditor Certificate*, Final Offer Document, Bank Statements	4,030.00	-	14.54	14.54	4,015.46	Nil	Nil	Nil
2	Funding working capital requirements of the Company	Management undertaking, Statutory Auditor Certificate*, Final Offer Document, Bank Statements	1,315.80	-	87.18	87.18	1,228.62	Nil	Nil	Nil
5	General Corporate Purposes (GCP)	Management undertaking, Statutory Auditor Certificate*, Final Offer Document, Bank Statements	1,911.42	-	-	-	1,911.42	Nil	Nil	Nil
	Total		7,257.22	-	101.72	101.72	7,155.50	-	-	-

* Statutory Auditor Certificate dated November 10, 2022 issued by M/s Deloitte Haskins & Sells LLP Chartered Accountants (Firm Registration Number: 117366W/W-100018).

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Funding capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities	<ol style="list-style-type: none"> 1. Development of a R&D facility and setting up of and expansion of manufacturing and other facilities in Chennai 2. Setting up of manufacturing facility in Hyderabad- to set up two surface mount technology (SMT) lines at a new manufacturing facility in Hyderabad 3. Setting up of a new manufacturing facility and expansion of existing manufacturing facility, in Manesar, Haryana - to set up 14 surface mount technology (SMT) lines at a new manufacturing facility in Manesar 4. Expansion of manufacturing facility in Bawal, Haryana <ul style="list-style-type: none"> - to set up four surface mount technology (SMT) lines, of which: - two SMT lines are proposed to be set up at existing manufacturing facility in Bawal, and - two SMT lines are proposed to be set up at a new manufacturing facility in Bawal 5. Setting up of manufacturing facility in Hosur, Tamil Nadu - to set up three surface mount technology (SMT) lines at a new manufacturing facility in Hosur
Funding working capital requirements of the Company	The Company funds majority of its working capital requirements in the ordinary course of business from banks and internal accruals and intends to utilise the Net Proceeds to fund its working capital requirements.
General Corporate Purposes (GCP)	To deploy the balance Net Proceeds towards general corporate purposes, to drive business growth, including, amongst other things, <ol style="list-style-type: none"> a) funding growth opportunities, including strategic initiatives b) meeting any expenses incurred in the ordinary course of business by the Company, including salaries and wages, rent, administration expenses, insurance related expenses, and the payment of taxes and duties c) servicing of borrowings including payment of interest d) brand building and other marketing expenses e) meeting of exigencies which the Company may face in the course of any business; and f) any other purpose as permitted by applicable laws and as approved by the Board of directors of the Company or a duly appointed committee thereof. The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of the Company, from time to time.

iii. Deployment of unutilised IPO proceeds:

(Rs in millions)

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs in million)	Maturity date	Earning ^{&}	Return on Investment (%) [^]	Market Value as at the end of quarter
1.	HDFC Fixed Deposit 50300670443837	7,110.00	Aug 26, 2024	42.27	6.20	7,152.27
2.	Monitoring Agency bank account	35.56 [#]	-	-	-	-
	Total	7,145.56^{\$}	-	-	-	-

[&]Earnings as on 30 September 2022 is arrived by the management considering the tenure and return on investment of the fixed deposits.

[#]This closing balance includes the interest received, net of TDS, amounting to Rs 0.22 million on matured Fixed Deposits

[^]ROI % is based on the assumption that the fixed deposits will be matured only at the end of the maturity date.

^{\$} Note relating to utilization of Net proceeds:

Particulars	Amount (in million)
Amount unutilized as per table (B) above	7,155.50
Less: Amount utilized towards expenses in connection with IPO inadvertently paid through HDFC monitoring agency account instead of HDFC public fund account which has been subsequently rectified by crediting the amount from public fund account	10.16
Balance as per HDFC monitoring agency account as on September 30, 2022	7,145.34

iv. Delay in implementation of the object(s) – Not Applicable

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					

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

S. No.	Item Head	Amount (Rs in million)	Source of information /certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
Not applicable					

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 auditors appointed by the Issuer believed by it to be accurate and reliable.*
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