

Date: 09/05/2023

To,

Manager,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
BandraKurla Complex- Bandra (E),
Mumbai-400051
NSE Symbol: HITECH

Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers, Rotunda Building,
Dalal Street, Fort
Mumbai- 400001
BSE Scrip Code: 543411

Sub: Report of the Monitoring Agency with respect to utilization of proceeds of the Preferential Issue for the quarter ended March 31, 2023.

Dear Sir/ Madam,

Pursuant to Regulation 162A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 and Regulation 32 (6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Monitoring Agency Report with respect to utilization of proceeds of the Preferential Issue for the quarter ended on March 31, 2023, issued by Monitoring Agency i.e. CRISIL Ratings Limited.

Kindly place the same on your record.

Thanking You,
Yours Truly
For Hi-Tech Pipes Limited

Ajay Kumar Bansal
Managing Director
DIN: 01070123

Monitoring Agency Report for Hi-Tech Pipes Limited for the quarter ended March 31, 2023

RL/MAR/IOXWSL/2022-23/1018

May 08, 2023

To
Hi-Tech Pipes Limited,
505, Pearl Omaxe Tower, Netaji Subhash Place,
Pitampura, New Delhi -110034

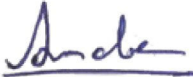
Dear Sir,

Sub: Monitoring Agency Report for the quarter ended March 31, 2023 - in relation to the Preferential Issue of Hi-Tech Pipes Limited ("the Company")

Pursuant to Regulation 162A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") and Monitoring Agency Agreement dated January 13th, 2023 entered with the Company, we enclose the Monitoring Agency Report as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of Preferential Issue for the quarter ended March 31, 2023 issued by CRISIL Ratings Limited.

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: Hi- Tech Pipes Limited

For quarter ended: March 31, 2023

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

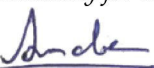
(b) Range of Deviation: Not applicable

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: Sushant Sarode

Designation of Authorized person/Signing Authority: Director, Ratings (LCG)

1) Issuer Details:

Name of the issuer: Hi- Tech Pipes Limited

Names of the promoter: a. Ajay Kumar Bansal
b. Anish Bansal

Industry/sector to which it belongs: Iron and Steel Products

2) Issue Details

Issue Period: Wednesday, December 28, 2022 to Tuesday, January 10, 2023

Type of issue: Preferential Issue

Type of specified securities: Fully convertible Equity Warrants

IPO Grading, if any: NA

Issue size: up to 55,40,000 fully convertible Equity Warrants for cash at a price of ₹ 692 per Warrant Equity Share aggregating to ₹ 383.368 crore* (assuming full subscription).

*CRISIL Ratings shall be monitoring the proceeds raised through issue of fully convertible share warrants pursuant to offer letter dated December 28, 2022

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply (Yes/No)	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	Bank Statement, Offer document, Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments
Whether shareholder approval has been obtained in case of material deviations [#] from expenditures disclosed in the offer document?	NA	Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments

Particulars	Reply (Yes/No)	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether the means of Finance for the disclosed objects of the issue has changed?	No	Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	NA	Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA	Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA	Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments
Are there any favourable events improving the viability of these object(s)?	NA	Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments
Are there any unfavourable events affecting the viability of these object(s)?	NA	Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	NA	Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments
<p># Where material deviation may be defined to mean:-</p> <p>(a) Deviation in the objects or purposes for which the funds have been raised.</p> <p>(b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.</p>				

NA represents Not Applicable

[^]Statutory auditor certificate dated April 19, 2023 issued by AN Garg and Company, Chartered Accountants (Firm Registration Number: 004616N).

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

i. Cost of the object(s):

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in crore)	Revised Cost (Rs in crore)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Augment the long-term resources of the Company for meeting funding requirements of its business activities	Management undertaking, Statutory Auditor Certificate [^] , Offer Document	19.17	NA	No revision		No revision	
2	Maintain adequate liquidity	Management undertaking, Statutory Auditor Certificate [^] , Offer Document	230.02	NA	No revision		No revision	
3	Pursue growth opportunities	Management undertaking, Statutory Auditor Certificate [^] , Offer Document	-	NA	No revision		No revision	

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in crore)	Revised Cost (Rs in crore)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
4	To extend financial support to its subsidiaries in implementing their projects	Management undertaking, Statutory Auditor Certificate [^] , Offer Document	19.17	NA	No revision		No revision	
5	General corporate [#]	Management undertaking, Statutory Auditor Certificate [^] , Offer Document	95.84	NA	No revision		No revision	
6	Debt reduction and strengthen balance sheet	Management undertaking, Statutory Auditor Certificate [^] , Offer Document	19.17	NA	No revision		No revision	
7	Brand building	Management undertaking, Statutory Auditor Certificate [^] , Offer Document	-	NA	No revision		No revision	
	Total	-	383.368	-	-	-	-	-

[^]Statutory auditor certificate dated April 19, 2023 issued by AN Garg and Company, Chartered Accountants (Firm Registration Number: 004616N).

[#]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 Crore)	Amount utilized* (Rs in crore)			Total unutilized amount	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	Augment the long-term resources of the Company for meeting funding requirements of its business activities.	Management undertaking, Statutory Auditor Certificate^, Offer Document	19.17	-	-	-	19.17	No proceeds were utilized towards this object during the reported quarter	No Comments	
2	Maintain adequate liquidity	Management undertaking, Statutory Auditor Certificate^, Offer Document	230.02	-	110.71	-	119.31	Utilized towards working capital requirements	No Comments	
3	To extend financial support to its subsidiaries in implementing their projects	Management undertaking, Statutory Auditor Certificate^, Offer Document	19.17	-	-	-	19.17	No proceeds were utilized towards this object during the reported quarter	No Comments	

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 Crore)	Amount utilized* (Rs in crore)			Total unutilized amount	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
4	General corporate	Management undertaking, Statutory Auditor Certificate^, Offer Document	95.84	-	-	-	95.84	No proceeds were utilized towards this object during the reported quarter	No Comments	
5	Debt reduction and strengthen balance sheet	Management undertaking, Statutory Auditor Certificate^, Offer Document	19.17	-	11.60	-	7.57	Utilized towards term loan prepayment	No Comments	
6	Brand building	Management undertaking, Statutory Auditor Certificate^, Offer Document	-	-	-	-	-	No proceeds were utilized towards this object during the reported quarter	No Comments	

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 Crore)	Amount utilized* (Rs in crore)			Total unutilized amount	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
7	Pursue growth opportunities	Management undertaking, Statutory Auditor Certificate^, Offer Document	-	-	-	-	No proceeds were utilized towards this object during the reported quarter	No Comments		
		Total	383.368	-	122.31	-	261.06			

^Statutory auditor certificate dated April 19, 2023 issued by AN Garg and Company, Chartered Accountants (Firm Registration Number: 004616N).

*As per offer document total issue size is Rs 383.368 crore, however, during the reported quarter, only Rs 122.31 crore is received/raised and fully utilised in the manner given above. Remaining amount of Rs 261.06 crore is not raised by the Company as on March 31, 2023.

#Brief description of objects:

Object of the Issue	Description of objects as per the Statutory Auditor certificate shared by the issuer
Maintain adequate liquidity	Working Capital requirement
Debt reduction and strengthen balance sheet	Payment of Term Loan
Augment the long-term resources of the Company for meeting funding requirements of its business activities	Capex (Capacity Extension) and debottlenecking
General corporate	General business purpose
Pursue growth opportunities	Acquisition/ Green field Setup
Brand building	Brand Promotion
To extend financial support to its subsidiaries in implementing their projects	Fund to existing and proposed subsidiary, if any.

iii. Deployment of unutilised proceeds[^]:

Sr. No:	Type of instrument and name of the entity invested in	Amount invested (Rs in lakh)	Maturity date	Earnings (Rs in lakh)	Return on investment (%)	Market Value as at end of quarter (Rs in lakh)
Not Applicable						

[^]On the basis of Statutory auditor certificate dated April 19, 2023 issued by AN Garg and Company, Chartered Accountants (Firm Registration Number: 004616N). Out of Rs 383.368 crore, only Rs 122.31 crore is received/raised and fully utilised by the company during the quarter ended March 31, 2023.

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 management undertaking and Statutory auditor certificate dated April 19, 2023 issued by AN Garg and Company, Chartered Accountants (Firm Registration Number: 004616N). Out of Rs 383.368 crore, only Rs 122.31 crore is received/raised and fully utilised by the company during the quarter ended March 31, 2023.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:
Not Applicable[^]

[^]On the basis of management undertaking and Statutory auditor certificate dated April 19, 2023 issued by AN Garg and Company, Chartered Accountants (Firm Registration Number: 004616N).

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 (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.*
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- 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.*
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