

**Date:** February 13, 2023

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 December 31, 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](http://www.syrmasgs.com).

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

For **Syrma SGS Technology Limited**

**RAHUL  
NITIN  
SINNARKAR**  
Rahul Sinnarkar

Digital Signer: RAHUL NITIN SINNARKAR  
DN: CN=DAREK, NITIN SINNARKAR,  
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Phone=8107744db6789c#9249b40baf5417456456882  
825498554845239a9e0e02e,  
OID.2.5.4.65#509995df7ba4424291f5978417320935,  
SERIALNUMBER#69c9e135797b376862309c346a  
72a6ea3274d189e800807c7784ac27400e, CN=Persona  
LL=THANE, SHAMHARASHTRA, PostalCode=421202,  
C=IN  
#13-Feb-23 12:24:38 +05:30

**Company Secretary & Compliance Officer**  
**Membership No: A39709**  
**Place: Gurgaon, HR**

**Monitoring Agency Report  
for  
Syrma SGS Technology Limited  
for the quarter ended  
December 31, 2022**

## Monitoring Agency Report

CRL/JAN/SYMTPL/2022-23/1008

February 10, 2023

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 December 31, 2022 - in relation to the Initial Public Offer (“IPO”) of Syrma SGS Technology Limited (“the Company” or “the Issuer”)**

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, enclosed herewith the Monitoring Agency Report issued by CRISIL Ratings Limited, Monitoring Agency, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of IPO for the quarter ended December 31, 2022.

Request you to kindly take the same on records.

Thanking you,

**For and on behalf of CRISIL Ratings Limited**



**Kshitij Jain**  
Associate Director

## Report of the Monitoring Agency (MA)

**Name of the issuer:** Syrma SGS Technology Limited

**For quarter ended:** December 31, 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: Kshitij Jain

Designation of Authorized person/Signing Authority: Associate 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: Industrial Products

## 2) Issue Details

Issue Period: Friday, August 12, 2022 to Thursday, August 18, 2022

Type of issue (public/rights): 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	Yes	Yes

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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 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, Statutory Auditor Certificate <sup>^</sup>	No	No
Is there any major deviation observed over the earlier monitoring agency reports?	Yes/ No	Management undertaking, Statutory Auditor Certificate <sup>^</sup>	No	No
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes/ No		NA	NA
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes/ No		Yes	Yes
Are there any favorable events improving the viability of these object(s)?	Yes/ No		No	No
Are there any unfavorable events affecting the viability of the object(s)?	Yes/ No		No	No
Is there any other relevant information that may materially affect the decision making of the investors?	Yes/ No		No	No

NA represents Not Applicable

<sup>^</sup>Statutory Auditor Certificate issued by M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number: 117366W/W-100018).

## Ratings

### 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 million)	Revised Cost (Rs in million)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements 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^	4,030.00	NA	Nil	NA	None	None
2	Funding working capital requirements of the Company;	Management undertaking, Statutory Auditor Certificate^	1,315.80	NA	Nil	NA	None	None
3	General Corporate Purposes (GCP)#	Management undertaking, Statutory Auditor Certificate^	1,911.42	NA	Nil	NA	None	None
	<b>Total</b>	-	<b>7,257.22</b>	-	-	-	-	-

^Statutory Auditor Certificate 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.

## Ratings

### ii. Progress in the object(s):

Sr. No.	Item Head <sup>#</sup>	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	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 capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities	Management undertaking, Statutory Auditor Certificate <sup>^</sup> , Final Offer Document	4,030.00	14.54	151.58	166.12	3,863.88	Nil	Amount will be utilised as per proposed schedule	
2	Funding working capital requirements of the Company	Management undertaking, Statutory Auditor Certificate <sup>^</sup> , Final Offer Document	1,315.80	87.18	130.76	217.94	1,097.86	Nil		
3	General Corporate Purposes (GCP)	Management undertaking, Statutory Auditor Certificate <sup>^</sup> , Final Offer Document	1,911.42	-	-	-	1,911.42	Nil		
	<b>Total</b>		<b>7,257.22</b>	<b>101.72</b>	<b>282.34</b>	<b>384.06</b>	<b>6,873.16</b>	-	-	-

<sup>^</sup>Statutory Auditor Certificate 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"> <li>1. Development of a R&amp;D facility and setting up of and expansion of manufacturing and other facilities in Chennai</li> <li>2. Setting up of manufacturing facility in Hyderabad- to set up two surface mount technology (SMT) lines at a new manufacturing facility in Hyderabad</li> <li>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</li> <li>4. Expansion of manufacturing facility in Bawal, Haryana                             <ul style="list-style-type: none"> <li>- to set up four surface mount technology (SMT) lines, of which:</li> <li>- two SMT lines are proposed to be set up at existing manufacturing facility in Bawal, and</li> <li>- two SMT lines are proposed to be set up at a new manufacturing facility in Bawal</li> </ul> </li> <li>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</li> </ol>
Funding working capital requirements of the Company	The Issuer 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)	<p>To deploy the balance Net Proceeds towards general corporate purposes, to drive business growth, including, amongst other things,</p> <ol style="list-style-type: none"> <li>a) funding growth opportunities, including strategic initiatives</li> <li>b) meeting any expenses incurred in the ordinary course of business by the Issuer, including salaries and wages, rent, administration expenses, insurance related expenses, and the payment of taxes and duties</li> <li>c) servicing of borrowings including payment of interest</li> <li>d) brand building and other marketing expenses</li> <li>e) meeting of exigencies which the Issuer may face in the course of any business; and</li> <li>f) any other purpose as permitted by applicable laws and as approved by the Board of directors of the Issuer or a duly appointed committee thereof.</li> </ol> <p>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 Issuer, from time to time.</p>

## iii. Deployment of unutilised IPO proceeds@:

S. No.	Type of instrument where amount invested	Amount invested*	Maturity date	Earnings as on December 31, 2022 **	Return on Investment (ROI) (%)#	Market value as at the end of quarter^
1	Fixed Deposit – 50300670443837	894.00	26-Aug-24	5.16	6.20	899.16
2	Fixed Deposit - 57500000951058	3,028.50	05-Feb-24	24.29	7.32%	3,052.79
3	Fixed Deposit - 922040088197930	1,000.00	22-Nov-23	8.33	7.80%	1008.33
4	Fixed Deposit - 709016553994	1,000.00	24-Nov-24	8.44	7.70%	1008.44
5	Fixed Deposit - 709016553994	1,001.00	28-Nov-24	6.61	7.30%	1007.61
6	Monitoring Account - 57500000951058	0.60	NA	NA	NA	0.60
		<b>6,924.10</b>	<b>-</b>	<b>52.83</b>	<b>-</b>	<b>6,976.93</b>

@On the basis of management undertaking and Statutory Auditor Certificate issued by M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number: 117366W/W-100018)

\* This includes interest received (net of TDS) on closure of Fixed deposits amounting to Rs. 50.94 million.

\*\* Earnings as on December 31, 2022 is arrived by the management considering the tenure and Return on Investment of the Fixed Deposits and we have not performed any further procedures on the same.

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

^Where market value is not practical to find, provided NAV/NRV/Book value of the same.

Note: During the quarter ended September 30, 2022, the Issuer has inadvertently paid Rs 10.16 million through HDFC monitoring agency account instead of HDFC public fund account towards IPO expenses which has been subsequently rectified on November 08, 2022.

**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:** No proceeds are utilized towards GCP during the quarter ended December 31, 2022

**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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## Ratings



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