



PATEL ENGINEERING LTD.

CIN: L99999MH1949PLC007039

August 10, 2023

BSE Limited

P.J. Towers,
Dalal Street,
Mumbai-400001

National Stock Exchange of India Limited

"Exchange Plaza",
Bandra-Kurla Complex, Bandra (East),
Mumbai-400051.

Scrip Code: 531120

NSE Symbol: PATELENG/ EQ

Dear Sirs,

Sub: Monitoring Agency Report for the quarter ended June 30, 2023

Pursuant to Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 82 (4) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, enclosed is the Monitoring Agency Report for the quarter ended June 30, 2023, issued by Care Ratings Limited, duly reviewed and taken on record by the Board of Directors & Audit Committee of the Company.

Further, we hereby confirm that there has been no deviation in the utilisation of Issue proceeds from the objects as stated in the Letter of Offer for Rights Issue dated January 31, 2023.

Kindly take the above information on record.

For Patel Engineering Limited

Kavita Shirvaikar

Whole time Director & CFO

DIN: 07737376

REGD. OFFICE:

Patel Estate Road, Jogeshwari (W), Mumbai – 400 102. India
Phone +91 22 26767500, 26782916 Fax +91 22 26782455, 26781505
Email headoffice@pateleng.com Website: www.pateleng.com

No. CARE/ARO/GEN/2023-24/1106

Ms Kavita Shirvaikar
Whole Time Director & CFO
Patel Engineering Limited
Patel Estate, Jogeshwari (W)
Mumbai- 400102,
Maharashtra

August 10, 2023

Dear Ma'am,

Monitoring Agency Report for the quarter ended June 30, 2023 - in relation to the Rights Issue of Patel Engineering Limited ("the Company")

We write in our capacity of Monitoring Agency for the Rights Issue for the amount aggregating to Rs.3249.19 million of the Company and refer to our duties cast under 82 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 June 30, 2023 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated January 31, 2023.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

Palak Vyas

Palak Vyas
Associate Director
palak.gandhi@careedge.in

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Satellite, Ahmedabad - 380 015
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CIN-L67190MH1993PLC071691

Report of the Monitoring Agency

Name of the issuer: Patel Engineering Limited

For quarter ended: June 30, 2023

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.

Signature: *Palak Vyas*

Name and designation of the Authorized Signatory: Palak Vyas

Designation of Authorized person/Signing Authority: Associate Director

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1) Issuer Details:

Name of the issuer : Patel Engineering Limited
 Name of the promoter : Mr Rupen Patel, Prahm India LLP and Raathiya Constructions Pvt Ltd.
 Industry/sector to which it belongs : Infrastructure Sector

2) Issue Details

Issue Period	:	February 14, 2023 to February 27, 2023
Type of issue	:	Rights Issue
IPO Grading, if any	:	Not Applicable
Issue size	:	Rs. 3249.19 million
Issue size net of Repayment of promoter's loan as per LOF	:	Rs. 1949.19 million

Note 1:

Particulars	Remarks
Total shares issued and subscribed as part of rights issue	25,78,72,409
Total proceeds received from rights issue (Rs. in million) (net of Promoters Contribution)	1949.19
Details of expenses incurred from escrow account related to rights issues (Rs. in million)	116.14
Net proceeds available for utilisation (Rs. in million)	1833.06

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 the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Chartered Accountant certificate*, Bank statement	None	None
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	Not Applicable
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	None	None
Is there any major deviation observed over the earlier monitoring agency reports?	No	Monitoring agency report dated May 11, 2023	Not applicable	Not applicable

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Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments the Board of Directors
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	Not applicable	Not applicable
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	Not applicable
Are there any favourable/unfavourable events affecting the viability of these object(s)?	No	Not applicable	None	None
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	None	None

* Chartered Accountant certificate from N.H. Karnesh & Associates dated July 17, 2023

#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.

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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. Million	Revised Cost in Rs. Million	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of firm arrangements made
1 (a)	Repayment of Promoter's Loan	Chartered Accountant certificate*, Bank statements, Offer Document	1300.00	Not applicable	No change; amount fully utilized till June 30, 2023	Not Applicable	Not Applicable	Not Applicable
(b)	Prepayment and/ or repayment of certain external outstanding borrowings availed by our Company (including interest);	Chartered Accountant certificate*, Bank statements, Offer Document	1023.55	Not applicable	No change; amount fully utilized till June 30, 2023	Not Applicable	Not Applicable	Not Applicable
2.	General corporate purposes	Chartered Accountant certificate*, Bank statements, Offer Document, invoices	809.50	Not Applicable	No change; amount fully utilized till June 30, 2023	Not Applicable	Not Applicable	Not Applicable
Total			3133.05	3133.05				

** Chartered Accountant certificate from N.H. Karnesh & Associates dated July 17, 2023

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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 proposed in the Offer Document in Rs. Million	Amount utilised in Rs. million			Total amount unutilized (Rs Million)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the Quarter (i.e. April 01 2023) in Rs. Million	During the Quarter (Q1FY24) in Rs. Million	At the end of the Quarter (i.e. June 30, 2023) in Rs. Million			Reasons for idle funds	Proposed course of action
1(a)	Repayment of Promoter's loan	Chartered Accountant certificate*, Bank statements, Offer Document	1300.00	1300.00	-	1300.00	0.00	Fully Utilized	NA	NA
(b)	Prepayment and/ or repayment of certain outstanding borrowings availed by our Company (including interest);	Chartered Accountant certificate*, Bank statements, Offer Document	1023.55	597.96	425.59	1023.55#	0.00	Fully Utilized	NA	NA
2	General Corporate Purpose	Chartered Accountant certificate*, Bank statements, Offer Document, Invoices	809.50	705.60	103.90	809.50	0.00	Fully Utilized	NA	NA
Total			3133.05	2603.56	529.49	3133.05	0.00			

* Chartered Accountant certificate from N.H. Karnesh & Associates dated July 17, 2023

As per LOF, Company had invested interim proceeds in fixed deposits and accrual of Rs 3.01 million on interim proceeds have been utilised towards prepayment and/ or repayment of outstanding borrowings availed by Company (including interest thereon), taking total prepayment to Rs.1026.6 million

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(iii) Deployment of unutilised Right issue proceeds (Rs. in million):

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	Nil	Nil	Nil	Nil	Nil	Nil

* Where the market value is not feasible, provide NAV/NRV/Book Value of the same

(iv) Delay in implementation of the object(s): Not applicable

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

Sr. No	Item Head	Amount in Rs. million	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Repayment/prepayment of external Debt	93.10	Bank Statement and CA Certificate*	Verified with bank statements	Nil
2	Payment of creditors	10.80	Bank Statement and CA Certificate*	Verified with bank statements	Nil
	Total	103.90			

* Chartered Accountant certificate from N.H. Karnesh & Associates dated July 17, 2023

Details of entire transaction

S.No	Particulars	Total Amount (Rs. in million)	Documentary Proof checked by CARE
1.	Issue Proceeds	3249.19	CA Certificate
2.	Repayment of Promoter's Loan	1300.00	CA Certificate
3.	Amount received in BOB Escrow Account	1949.19	Bank Statement and CA Certificate
4.	Issue Expenses from BOB Escrow Account	116.14	CA Certificate
1.	Receipt of Funds in current account	1833.06	Bank Statement and CA Certificate
	Use of Funds		
2.	Repayment/prepayment of External debt	1023.55	Bank Statement and CA Certificate
3.	General Corporate Purposes	809.50	Bank Statement and CA Certificate
	Unutilised proceeds	Nil	

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