

**Monitoring Agency Report**  
**for**  
**Deepak Builders and Engineers India**  
**Limited**  
**for the quarter ended**  
**December 31, 2024**

CRL/MAR/AKDPL/2024-25/1314

February 26, 2025

To

**Deepak Builders and Engineers India Limited**

Ahluwalia Chambers, 1st Floor, Plot No. 16 &17,  
Local Shopping Centre, Madangir,  
near Pushpa Bhawan, South Delhi,  
New Delhi - 110 062, India

Dear Sir,

**Monitoring Agency Report for the quarter ended December 31, 2024 - in relation to the Initial Public Offer  
("IPO") of Deepak Builders And Engineers India 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 September 28, 2024, 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, 2024.

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:** Deepak Builders and Engineers India Limited

**For quarter ended:** December 31, 2024

**Name of the Monitoring Agency:** Crisil Ratings Limited

(a) Deviation from the objects: Not applicable

(b) Range of Deviation: Not applicable

*Note: CRL issued the draft MA report to Deepak Builders and Engineers India Limited ("the company") on February 14, 2025, on the basis of draft Management Undertaking and draft Certificate issued by M/s Parmod G. Gupta & Associates, Chartered Accountants (Firm Registration Number: 018870N), Statutory Auditors of the Company. However, the draft MA report was subject to receipt of the signed Management Undertaking and signed Statutory Auditor's Certificate. The Company provided the signed Management Undertaking and signed Statutory Auditor's Certificate at a later date viz. February 24, 2025, resulting delay in sharing of signed MA report for the quarter ended December 31, 2024.*

*CRL hereby disclaims any responsibility and liability arising from breach of regulatory timelines, including delayed submission of the MA report to relevant regulatory authorities, that may be attributed to the delay or default on the part of the issuer Company in providing any data and/or information necessary for the issuance of MA report for the quarter ended December 31, 2024.*

**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:

<b>Name of the issuer:</b>	Deepak Builders and Engineers India Limited
<b>Names of the promoter:</b>	Mr. Deepak Kumar Singal Mrs. Sunita Singal
<b>Industry/sector to which it belongs:</b>	Construction

## 2) Issue Details

<b>Issue Period:</b>	October 21, 2024 to October 23, 2024
<b>Type of issue (public/rights):</b>	Initial Public Offer (IPO)
<b>Type of specified securities:</b>	Equity Shares
<b>IPO Grading, if any:</b>	NA
<b>Issue size:</b>	Rs 2,172.10 Millions (Fresh issue - Rs 2,172.10* Millions and OFS of Rs 428.33 Millions)

*\*Note 1: The prospectus dated October 23, 2024, filed by the company, mentions Rs. 254.84 Millions as the total amount towards issue expenses in following manner.*

Particulars	Amount (Rs. Millions)	Revised Amount (Rs. Millions)\$
Gross proceeds of the Fresh Issue	2,172.10 <sup>#</sup>	NA
Less: Issue Expenses	254.84	212.86
Net Proceeds	1,917.26	1,959.24

<sup>#</sup>Crisil Ratings shall be monitoring the gross proceeds.

<sup>\$</sup>The Total deduction of Rs. 254.84 Millions from gross proceeds as shown above includes expenses for both OFS and fresh issuance. "As per the clarification provided by the merchant banker to the issue, Rs. 212.86 Millions pertains to fresh issuance. Since, OFS expenses are separate, this amount is adjusted with General Corporate Expenses to reflect the proceeds, proportionate to the issue expenses attributable to selling shareholders."

<sup>^</sup>Certificate issued by M/s Parmod G. Gupta & Associates, Chartered Accountants (Firm Registration Number: 018870N), Statutory Auditors of the Company submitted to Monitoring Agency on February 24, 2025.

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

NA represents Not Applicable

<sup>^</sup>Certificate issued by M/s Parmod G. Gupta & Associates, Chartered Accountants (Firm Registration Number: 018870N), Statutory Auditors of the Company submitted to Monitoring Agency on February 24, 2025.

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 Millions)	Revised Cost (Rs in Millions)	Comment of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment/prepayment, in full or part, of certain borrowings availed by the Company	Management undertaking, Statutory Auditor certificate <sup>^</sup> , Prospectus	300.00	300.00	No Comments	No Comments		
2	Funding of working capital requirements of the Company		1,119.56	1119.56	No Comments	No Comments		
3	General corporate purposes#		497.70*	539.68	No Comments	No Comments		
	<b>Total</b>		<b>1,917.17</b>	<b>1,959.24</b>	-	-		
4	Issue Expense		254.84	212.86	Refer note 1	No Comments		
	<b>Total</b>	<b>2,172.10</b>	<b>2,172.10</b>		-			

<sup>^</sup>Certificate issued by M/s Parmod G. Gupta & Associates, Chartered Accountants (Firm Registration Number: 018870N), Statutory Auditors of the Company submitted to Monitoring Agency on February 24, 2025.

\*Pursuant to the Prospectus dated October 23, 2024, the Company has filed a corrigendum on October 25, 2024, updating the GCP amount to Rs 497.70 Millions, from the previously stated Rs 497.61 Millions.

#The amount to be utilized for general corporate purposes does not exceed 25% of Gross Proceeds which is Rs 543.03 (i.e., 25% of Rs 2,172.10)

**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 (Revised) (Rs in Millions) (Refer Note 2)	Amount utilized (Rs in Millions)			Total unutilized amount (Rs in Millions)	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	Repayment/prepayment, in full or part, of certain borrowings availed by the Company	Management undertaking, Statutory Auditor certificate <sup>^</sup> , Prospectus, Bank Statements	300.00	Nil	233.12	233.12	66.88	No Comments	No Comments	
2	Funding of working capital requirements of the Company		1,119.56	Nil	1,119.56	1,119.56	0.00	Refer note 3	No Comments	
3	General corporate purposes		539.68	Nil	157.01	157.01	382.67	Refer note 3	No Comments	
	<b>Total</b>		<b>1,959.24</b>	-	<b>1,509.69</b>	<b>1,509.69</b>	<b>449.55</b>	-	-	-
4	Issue Expenses		212.86	Nil	205.79	205.79	7.07	Refer note 3 & 4	No Comments	
	<b>Gross proceeds</b>		<b>2,172.10</b>	-	<b>1,715.48</b>	<b>1,715.48</b>	<b>456.62</b>	-	-	

<sup>^</sup>Certificate issued by M/s Parmod G. Gupta & Associates, Chartered Accountants (Firm Registration Number: 018870N), Statutory Auditors of the Company submitted to Monitoring Agency on February 24, 2025.

**Note 2:** Out of the gross proceeds of Rs. 2,172.10 Millions, an amount of Rs. 56.02 Millions were utilized towards issue expenses from Public offer account of the Company, Rs. 2,115.76 Millions were transferred from Company's Public Offer Account to Monitoring Account of the company for utilisation towards objects and issue expenses as mentioned in the prospectus and Rs. 0.32 Millions is lying as balance in Public offer account of the Company during the reported quarter.

**Note 3:** During the reported quarter, an amount of Rs. 1,396.24 Millions was transferred from the Company's Monitoring Account to various CC accounts of the company. Out of this amount, Rs 1,119.56 Millions were utilized towards Object 2, Rs. 121.36 Millon were utilized towards Object 3, Rs. 126.89 Millon were utilized towards issue expenses and remaining balance of Rs. 28.43 Millions is lying as balance in cash credit account as at the end of the reported quarter.

**Note 4:** During the reported quarter, the Company took reimbursement towards issue expenses of Rs 15.78 Millions, which were incurred by the Company prior to the receipt of the IPO proceeds.

**Note 5:** All the figures in the above table are rounded off to two decimal points

**#Brief description of objects:**

Object of the Issue	Description of objects as per the offer document filed by the issuer
Repayment/prepayment, in full or part, of certain borrowings availed by the Company	The Company has entered into various financing arrangements with banks and financial institutions, which include term loans, working capital facilities, including fund based and non-fund-based borrowings and vehicle & equipment finance.
Funding of working capital requirements of the Company;	The Company proposes to utilise ₹1,119.56 Millions from the Net Proceeds towards funding its working capital requirements in Fiscal 2025. We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions, non-banking financial companies and related parties.
General corporate purposes	General corporate purposes may include, without limitation, <ul style="list-style-type: none"> <li>i. meeting ongoing general corporate contingencies,</li> <li>ii. meeting business requirements,</li> <li>iii. funding growth opportunities, including funding any new or proposed projects</li> <li>iv. payment of commission and/or fees to consultants,</li> <li>v. and any other purpose, as may be approved by the Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act</li> </ul> The quantum of utilisation of funds towards each of the above purposes will be determined by the Board of Directors of the Company, based on the amount available under this head and business requirements, from time to time.

**iii. Deployment of unutilised proceeds:**

Based on Management undertaking and Certificate issued by M/s Parmod G. Gupta & Associates, Chartered Accountants (Firm Registration Number: 018870N), Statutory Auditor of the Company submitted to Monitoring Agency on February 24, 2025.

S. No.	Type of instrument where amount is invested	Amount invested (in Rs Millions)	Maturity date	Accrued Earnings as on December 31, 2024 (in Rs Millions)	Return on Investment (%)	Market value as at the end of quarter (in Rs Millions)
1	Fixed Deposits with HDFC Bank	150.00	06.05.25	0.67	6.75	429.13
2	Fixed Deposits with HDFC Bank	28.46	03.01.25		6.85	
3	Fixed Deposits with HDFC Bank	100.00	06.05.25		6.75	
4	Fixed Deposits with HDFC Bank	150.00	06.05.25		6.75	
5	Balance in Public Offer Account (Refer Note 6)	8.07	-	-	-	8.07



6	Cash Credit Account with Punjab National Bank (A/c. No. 4451008700000991) Refer Note 7)	28.43	-	-	-	28.43
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**Note 6:** Includes an amount of Rs. 6.35 Millions payable towards selling shareholders, Rs. 1.40 Millions towards Issue Expenses related to Offer for sale and balance Rs. 0.32 Millions towards Gross proceeds.

**Note 7:** An amount of Rs. 28.43 Millions transferred from Monitoring account of the Company to Punjab National Bank cash credit account of the Company includes interest amount of Rs. 0.67 Millions received from closure of Fixed deposit during the reported quarter.

**Note 8:** Monitoring the deployment of Interest Income earned from unutilised issue proceeds does not form part of the scope of Monitoring Agency report.

**Note 9:** All the figures in the above table are rounded off to two decimal points

**iv. Delay in implementation of the object(s):**

Based on Management undertaking and Certificate issued by M/s Parmod G. Gupta & Associates, Chartered Accountants (Firm Registration Number: 018870N), Statutory Auditor of the Company submitted to Monitoring Agency on February 24, 2025.

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 amount in the offer document:**

Based on Management undertaking and Certificate issued by M/s Parmod G. Gupta & Associates, Chartered Accountants (Firm Registration Number: 018870N), Statutory Auditor of the Company submitted to Monitoring Agency on February 24, 2025.

S. No.	Item heads	Amount (Rs in Millions)	Remarks
1	Capital Expenditure	35.65	The Board of Directors of the Company vide resolution dated February 14, 2025, has approved the quantum of utilization of GCP towards mentioned item heads in line with the disclosure provided in the offer document dated October 23, 2024.
2	General Corporate Contingencies	121.36	
	<b>Total</b>	<b>157.01</b>	

## 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 Peer-reviewed Independent Chartered Accountants (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.*
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- 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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