

**Monitoring Agency Report
for BCL Industries Limited
for the quarter ended Sep 30, 2023**



Monitoring Agency Report

10 Nov 2023

To BCL Industries Limited
Hazi Ratan Link Road, Post box no. 71,
Bathinda- 151001, Punjab

Dear Sir,

Monitoring Agency Report for the quarter ended Sept 30th, 2023 - in relation to the issue of Preferential Convertible Warrants of BCL Industries 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 17 April 2023, we in our capacity of Monitoring Agency to the Company hereby enclose the Monitoring Agency Report as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds from Convertible Warrants for the quarter ended Sep 30th, 2023. Request you to kindly take the same on records.

Thanking you,

For and on behalf of Infomerics Valuation and Rating Private Limited

(Director-Rating)

Report of the Monitoring Agency

Name of the Issuer: BCL Industries Limited

For quarter ended: 30 Sep 2023

Name of the Monitoring Agency: Infomerics Valuation and Rating Private Limited

(a) Deviation from the objects: **No Deviation**

- Utilization different from Objects stated in OD but in line with change of objects approved by shareholders' resolution; or
- Utilization neither in line with Objects stated in OD nor approved by shareholders' resolution
- In case of no deviation, the fact would be stated.

(b) Range of Deviation*: **0%**

Indicate range of percentage deviation from the amount of issue proceeds earmarked for objects. For example, up to 10%, 10 – 25%, 25-50%, 50-75%, 75-100%, not ascertainable etc.

* Range of Deviation may be computed by taking weighted average of financial deviation of each object in the ratio of issue proceeds allocated for it. Non-financial deviation may be indicated separately by way of notes.

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 declare that we do not have any direct / indirect interest in or relationship with the issuer/promoters/directors/management and also confirm that we do not perceive any conflict of



interest in such relationship / interest while monitoring and reporting the utilization of issue proceeds by the issuer.

We further declare that this report provides true and fair view of the utilization of issue proceeds.

Signature:

Name of the Authorized Person/Signing Authority:

Om Parkash Jain

Designation of Authorized person/Signing Authority:

Director- Rating

Seal of the Monitoring Agency:

Date: **Nov 10 , 2023**

1) Issuer Details:

Name of the issuer: **BCL Industries Limited**

Names of the promoters of the issuer: **Rajinder Mittal and Kushal Mittal**

Industry/sector to which it belongs: **Edible oil and Distillery segment**

2) Issue Details:

Issue Period: **July 01, 2023 – Sept 30, 2023.**

Type of issue (public/rights): **Public**

Type of specified securities: **Share Warrants**

Grading:NA

Issue size (Rs in Crores): **Rs. 196.79 crores (Reduced from Rs. 201.00 Crore**

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

(Give item by item description for all the objects stated in offer document separately in following format)

| Particulars | Reply | Comments of Monitoring Agency | Comments of Board of Directors |
|---|--------------|---|---|
| Whether all the utilization is as per disclosure in Offer Document? | Yes | The Company has raised Rs. 32.59 Crore through the share warrants out of which Rs. 32.54 Crore has been utilised by the company for the below mentioned purpose: <ol style="list-style-type: none"> 1) Issue Related Expense 2) General Corporate Purpose 3) Modernization of existing manufacturing Unit 4) Re-payment of Existing Debt | The unutilised Amount of Rs. 0.05 Crore has been parked in the bank account of the company. |

| | | | |
|---|----------------|------------------|---|
| Whether Shareholder approval is obtained in case of material deviations# from expenditures disclosed in Offer Document? | No | NA. No deviation | Not applicable |
| Whether means of finance for disclosed objects of the Issue has changed? | No | No | Not applicable |
| Any major deviation observed over the earlier monitoring agency reports? | No | NA. No deviation | Not applicable |
| Whether all Government / Statutory approvals related to the object(s) obtained? | Yes | Not applicable | The company will adhere to the required compliances for obtaining such approvals if any |
| Whether all arrangements pertaining to technical assistance/collaboration in operation? | Not applicable | Not applicable | Not applicable |
| Any favourable events improving object(s) viability | No | No | No |
| Any unfavourable events affecting object(s) viability | No | No | No |

| | | | |
|--|----|----|----|
| Any other relevant information that may materially affect the decision making of the investors | No | No | No |
|--|----|----|----|

#Material Deviation would mean

- a) deviation in the objects or purposes for which the funds have been raised
- b) deviation in the amount of funds actually utilised by more than 10% of the amount projected in the offer documents

*Chartered Accountant certificate dated Oct 27th, 2023 from K N S G & Co LLP.

(Membership Number: 545783).

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

(i) Cost of object(s)-

(Give Item by Item Description for all the Objects Stated in Offer Document separately in following format)

| Sl. No | Item Head | Original Cost (as per Offer Document) (in crores) | Revised Cost | Comments of Monitoring Agency | Comments of Board of Directors | | |
|--------|---|---|--------------|---|---|---------------------------|---------------------------------------|
| | | | | | Reason of cost revision | Proposed financing option | Particulars of firm arrangements made |
| | 1.General Corporate Purposes | 50.00 | 49.20 | The original issue size of the company was Rs. 201.00 Crore which was subsequently reduced to Rs. 196.79 Crore. | SEBI put restriction for issue of convertible warrant of 117000 resulting decline in issue size | | |
| | 2.Modernization of Existing Manufacturing Units | 25.00 | 25.00 | | | | |

| | | | | | | | |
|--|--------------------------------|---------------|---------------|--|--|--|--|
| | 3.Repayment of existing Debt | 30.00 | 23.25 | | | | |
| | 4.Working Capital Requirements | 95.75 | 99.02 | | | | |
| | 5. Issue Related Expenses | 0.25 | 0.32 | | | | |
| | Total | 201.00 | 196.79 | | | | |

(ii) Progress in the object(s)-

(Give Item by Item Description for all the Objects Stated in Offer Document separately in the following format)

| S l · N o | Item Head | Original Cost (as per Offer Document) (in crores) | Revised Cost | Amount utilized (Amount in Crs) | | | Total unutilized Amount | Comments of Monitoring Agency | Comments of Board of Directors | |
|-----------------------|---|---|-------------------------|------------------------------------|-----------------------|---------------------------|-------------------------|--|--|--|
| | | | | As at Beginning of the quarter | During the quarter | At the end of the quarter | | | Reason of idle funds | Proposed Course of Action |
| 1 | 1.General Corporate Purposes 2.Modernization of Existing Manufacturing Units 3.Repayment of existing Debt | 50.00 25.00 30.00 | 49.20 25.00 23.25 | 0 0 0 | 16.50 9.31 6.41 | 16.50 9.31 6.41 | 32.70 15.69 16.84 | The Company has received Rs. 32.59 Crore out of the balance payment under share warrants issued during March 2023. | Rs.0.05 Crore kept in warrant collection account. The amount is nominal. | Unutilised amount is small which will be utilised in the Next quarter. |

| | | | | | | | |
|---------------------------------|---------------|---------------|--------------|--------------|--------------|---------------|--|
| 4. Working Capital Requirements | 95.75 | 99.02 | 49.19 | 0 | 49.19 | 49.83 | Out of which Rs. 32.54 Crore has been utilised by the company for the below mentioned purpose*: a) Issue Related Expense b) General Corporate Purpose c) Modernization of existing manufacturing Unit. d) Repayment of Existing Debt |
| 5. Issue Related Expenses | 0.25 | 0.32 | 0 | 0.32 | 0.32 | 0 | |
| Total | 201.00 | 196.79 | 49.19 | 32.54 | 81.73 | 115.06 | |

*The above details are verified by KNSG & Co LLP. Chartered Accountants vide its CA certificate dated Oct 27, 2023.

***Brief description of Object(s)**

| S.no | Name of the object(s) | Brief description of the object(s) | Location of the object(s) (if applicable) |
|------|--|---|---|
| 1 | General Corporate Purpose | The Company has utilised a Sum of Rs. 16.50 Crore for the General Corporate Purpose namely Payment of Income Tax, Electricity Bills, Salary Payment and promotional activities. | |
| 2 | Modernization of Existing manufacturing Unit | The Company had spent a Rs. 9.31 Crore towards the modernization of the | |

| | | | |
|----|----------------------------|--|--|
| 3 | Repayment of Existing Debt | existing manufacturing Unit. The Company had spent a Rs. 6.41 Crore towards the Repayment of Existing Debt to the PNB, Tata Motors Finance Ltd, Yes Bank, HDFC Bank & Axis Bank | |
| 4) | Issue Related expense | The Company had spent a Rs. 0.32 Crore towards the Issue related expenses. | |

(iii) Deployment of unutilized IPO proceeds- Not applicable

| Sl. no. | Type of instrument where amount invested* | Amount invested | Maturity date | Earnings | Return on Investment (ROI %) | Market Value as at the end of quarter** |
|---------|---|-----------------|---------------|----------|------------------------------|---|
| | | | | | | |

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

| Object(s) Name | Completion Date | | Delay (No. of days/ months) | Comments of Board of Directors | |
|----------------|-----------------------|----------|-----------------------------|--------------------------------|---------------------------|
| | As per Offer Document | Actual * | | Reason of delay | Proposed Course of Action |
| | | | | | |

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