

Date: 14.02.2025

To

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G-Block,
Bandra- Kurla Complex, Bandra (East),
Mumbai - 400051 Maharashtra, India.

NSE Symbol- DANISH

Subject: Submission of Monitoring Agency Report pursuant to Regulation 32 (6) & (7) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 32(6) and (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed a Monitoring Agency to oversee the utilization of proceeds from the Initial Public Offering (IPO).

It is hereby informed that the draft Monitoring Agency Report, prepared by CARE Ratings Limited ("CARE"), was presented before the Audit Committee at its meeting held on February 13, 2025. The Audit Committee, after due consideration, recommended the report for approval by the Board of Directors. The Board, at its meeting, approved the said report without offering any comments thereon. A copy of the duly signed report, as issued by CARE Ratings Limited, is attached herewith for reference.

You are requested to take note of the same and oblige.

Thanking You

For Danish Power Limited



Vimal Chauhan

Company Secretary & Compliance Officer

Meb No. A54984

Monitoring Agency Report



No. CARE/HO/GEN/2024-25/1162

**The Board of Directors
Danish Power Limited**

597/2A, Somnath Road, Dabhel, Nani
Daman 396 210,
Daman and Diu, India

February 13, 2025

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended December 31, 2024 - in relation to the IPO of Danish Power Limited ("the Company")

We write in our capacity of Monitoring Agency for the IPO for the amount aggregating to Rs. 197.90 crore of the Company and refer to our duties cast under 262 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 December 31, 2024, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated October 10, 2024.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

A handwritten signature in black ink, appearing to read "Darshan Shah".

Darshan Shah

Assistant Director

Darshan.Shah@careedge.in

Report of the Monitoring Agency

Name of the issuer: Danish Power Limited

For quarter ended: December 31, 2024

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil**

(b) Range of Deviation: Not applicable

** Under Object 4, "General Corporate Purpose (GCP)," the company has used GCP funds to repay part of a Yes Bank ECLGS loan which was mentioned as a general business loan in offer document. The company has provided an undertaking to pass a board resolution in their upcoming meeting to approve loan repayment as a part of GCP as GCP definition does not explicitly include loan repayment. Board resolution as mentioned is pending.

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:

Name and designation of the Authorized Signatory: Darshan Shah

Designation of Authorized person/Signing Authority: Assistant Director

1) Issuer Details:

Name of the issuer : Danish Power Limited
Name of the promoter : Mr. Dinesh Talwar, Mr. Shivam Talwar, and Mr. Puneet Sandhu Talwar
Industry/sector to which it belongs : Electrical Equipment - Heavy Electrical Equipments

2) Issue Details

Issue Period : October 22, 2024, to October 24, 2024
Type of issue (public/rights) : Public Issue (IPO)
Type of specified securities : Equity Shares
IPO Grading, if any : Not applicable
Issue size (in crore) : Rs. 197.90 crore

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*	CA Certificate, Management Certificate, Bank Statements, Invoices.	Utilization of proceeds during Q3FY25 is towards the objects as per the prospectus. Except for ICICI Term Loan Repayment, utilization of proceeds has taken place by transferring money from Monitoring Account to Cash Credit (CC) Account for final payment. CC Account has numerous other transactions hence CARE has relied on Invoices, Bank Statement, Management classification for utilization towards Objects and CA certificate.	No comment
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	No comment	No comment
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	No comment	No comment
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	1 st MA Report.	No comment
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes (Refer Comment)	Prospectus, CA Certificate, Management certificate	Possession of land is obtained and other approval such as consent to establish, fire NOC, Factory License & Building Plan approval and Proposed installation of Machinery is yet to be applied as per the offer document. The approvals will be required	No comment

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
			post completion of the establishment of new facility.	
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	No comment	No comment
Are there any favorable/unfavorable events affecting the viability of these object(s)?	Not applicable	Not applicable	No comment	No comment
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	No comment	No comment

* Under object 4, "General Corporate Purpose (GCP)," the company has used GCP funds to repay part of a Yes Bank ECLGS loan which was mentioned as a general business loan in offer document. The company has provided an undertaking to pass a board resolution in their upcoming meeting to approve loan repayment as a part of GCP as GCP definition does not explicitly include loan repayment. Further, as per the Prospectus: "Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes." Board resolution as mentioned is pending.

-Verified with the help of CA Certificate from M/s. R Sogani and Associates dated February 11, 2025

#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.



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. Crore	Revised Cost in Rs. Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	Funding capital expenditure towards expansion of the manufacturing facility of the Company by building of factory shed and installation of additional plant and machinery therein	Prospectus, CA Certificate, Management certificate	36.99	Not applicable	No revision in the cost	No comment	No comment	No comment
2	To Meet Working Capital Requirements	Prospectus, CA Certificate, Management certificate	85.00	Not applicable	No revision in the cost	No comment	No comment	No comment
3	Repayment of certain borrowing availed by Company, in part or full	Prospectus, CA Certificate, Management certificate	20.00	Not applicable	No revision in the cost	No comment	No comment	No comment
4	General Corporate Purpose	Prospectus, CA Certificate, Management certificate	38.38	Not applicable	No revision in the cost	No comment	No comment	No comment
5	Issue Expenses	Prospectus, CA Certificate, Management certificate	17.53	Not applicable	No revision in the cost	No comment	No comment	No comment
Total Gross Proceeds from IPO			197.90					

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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. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Funding capital expenditure towards expansion of the manufacturing facility of the Company by building of factory shed and installation of additional plant and machinery therein	CA Certificate, Management certificate, ICICI CC A/c, Invoices	36.99	--	1.91	1.91	35.08	DPL has utilised the issue proceeds towards capex, wherein DPL has purchased machinery, spare parts, accessories for installation, electrical testing equipment's, repairing, reshaping, etc.	No comment	No comment
2	To Meet Working Capital Requirements	CA Certificate, Management certificate, ICICI CC A/c, Invoices	85.00	--	36.09	36.09	48.91	Utilised towards working capital purpose, where in we have received over 100s of invoices, hence we have relied on CA Certificate and checked invoices on sample basis.	No comment	No comment
3	Repayment of certain borrowing availed by Company, in part or full	CA Certificate, Management certificate, ICICI CC A/c, Loan Statement report, Yes Bank CC A/c, Yes Bank No Dues Certificate (NDC)	20.00	--	20.00	20.00	0.00	DPL has repaid ICICI bank term loans and part of Yes Bank ECLGS loan as per the offer document.	No comment	No comment
4	General Corporate Purpose	CA Certificate, Management certificate, Placement document, Invoices, Bank Statements, Yes Bank NDC, Company undertaking	38.38	--	2.34	2.34	36.04	DPL has paid taxes on issue expenses related transactions from GCP, stating that, taxes are statutory liability hence, treating those part of their operating expenses and utilized GCP for the same. Further, some portion of Yes	No comment	No comment

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. Crore	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reasons for idle funds	Proposed course of action
								Bank ECLGS loan repayment was repaid from GCP. As the loan was taken for working capital purpose, hence treated as a part of ordinary course of business.		
5	Issue Expenses	CA Certificate, Management certificate, Placement document, Invoices	17.53	--	17.53	17.53	0.00	The utilization is towards book running lead manager fees, advertising and publishing expenses, legal advisor fees etc.	No comment	No comment
Total Gross Proceeds from IPO			197.90	0.00	77.87	77.87	120.03			

-Verified with the help of CA Certificate from M/s. R Sogani and Associates dated February 11, 2025



(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning (Rs. Crroe)	Return on Investment (%)	Market Value as at the end of quarter
1.	Fixed Deposit – 674813006538	10.00	01-11-2025	0.75	7.30%	--
2.	Fixed Deposit – 674813006537	10.00	01-11-2025	0.75	7.30%	--
3.	Fixed Deposit – 674813006535	25.00	01-11-2025	1.90	7.40%	--
4.	Fixed Deposit – 674813006534	25.00	01-11-2025	1.90	7.40%	--
5.	Fixed Deposit – 674813006540	25.00	02-11-2025	2.00	7.76%	--
6.	Fixed Deposit – 674813006541	25.00	02-11-2025	2.00	7.76%	--
7.	Balance at ICICI MA Account	0.03				
	Total Unutilized IPO proceeds	120.03				

-Verified with the help of Fixed Deposit Advice and CA Certificate from M/s. R Sogani and Associates dated February 11, 2025

(iv) Delay in implementation of the object(s) –

Objects	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
Funding capital expenditure towards expansion of the manufacturing facility of the Company by building of factory shed and installation of additional plant and machinery therein	March 31, 2025	On going	Not applicable	No comment	No comment
To Meet Working Capital Requirements	March 31, 2025	On going	Not applicable	No comment	No comment
	March 31, 2026	On going	Not applicable	No comment	No comment
Repayment of certain borrowing availed by Company, in part or full	March 31, 2025	Completed	No delays	No comment	No comment
General Corporate Purpose	March 31, 2025	On going	Not applicable	No comment	No comment
	March 31, 2026	On going	Not applicable	No comment	No comment
Issue Expenses	No schedule	Completed	Not applicable	No comment	No comment

-Verified with the help of CA Certificate from M/s. R Sogani and Associates dated February 11, 2025

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

Sr. No	Item Head^	Amount in Rs. Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1.	Term Loan repayment*	0.97	CA Certificate, Management certificate, ICICI CC A/c, Yes Bank CC A/c, Yes Bank NDC	Some portion of Yes Bank ECLGS has been paid from GCP. As the loan was taken for working capital purpose, treated the same as a part of ordinary course of business.	No comment
2.	GST payment of IPO Issue expense	1.37	CA Certificate, Management certificate, MA A/c bank statement, ICICI CC A/c, Invoices	As per the prospectus, issue expenses excludes, applicable taxes, hence company has paid taxes, statutory liability being part of operating expenses, part from GCP.	No comment
	Total	2.34			

* Under object 4, "General Corporate Purpose (GCP)," the company has used GCP funds to repay part of a Yes Bank ECLGS loan which was mentioned as a general business loan in offer document. The company has provided an undertaking to pass a board resolution in their upcoming meeting to approve loan repayment as a part of GCP as GCP definition does not explicitly include loan repayment. Further, as per the Prospectus: "Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes." Board resolution as mentioned is pending.

-Verified with the help of CA Certificate from M/s. R Sogani and Associates dated February 11, 2025

^ Section from the offer document related to GCP:

"Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Issue proceeds aggregating Rs. 3838.12 lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated issue expenses, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue."

Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as “**Monitoring Agency/MA**”). 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.
- 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.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
- 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.