

14th August, 2024

Listing Compliance Department

BSE Limited Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai - 400001 Scrip Code: 544198	The National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 Symbol: DEEDEV
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SUBJECT: Monitoring Agency Report for the quarter ended June 30, 2024

Dear Sir/Ma'am,

Pursuant to Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 41(4) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith Monitoring Agency Report for the quarter ended June 30, 2024, issued by CRISIL Ratings Limited, duly reviewed and taken on record by the Audit Committee & the Board of Directors of the Company in their meeting held on 14th August, 2024.

The above information is being made available on the website of the Company www.deepiping.com.

This is for your information and record please.

Yours faithfully,

For DEE Development Engineers Limited



Ranjan Kumar Sarangi
Company Secretary and Compliance Officer
Membership No.: F8604
Address: Unit 1, Prithla - Tatarpur Road, Village Tatarpur
Dist. Palwal, Faridabad, Haryana - 121 102

**Monitoring Agency Report for
DEE Development Engineers Limited
for the quarter ended
June 30, 2024**

CRL/MAR/DDEPL/2024-25/1123

August 13, 2024

To
DEE Development Engineers Limited
Unit 1, Prithla - Tatarpur Road,
Village Tatarpur, Dist. Palwal,
Faridabad, Haryana - 121102, India

Dear Sir,

**Monitoring Agency Report for the quarter ended June 30, 2024 - in relation to the Initial Public Offer ("IPO")
of DEE Development Engineers 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 March 13, 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 June 30, 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: DEE Development Engineers Limited

For quarter ended: June 30, 2024

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: Sushant Sarode

Designation of Authorized person/Signing Authority: Director, Ratings (LCG)

Ratings

1) Issuer Details:

Name of the issuer:	DEE Development Engineers Limited
Names of the promoter:	a. Krishan Lalit Bansal b. Ashima Bansal c. Dde Piping Components Private Limited
Industry/sector to which it belongs:	Industrial Products

2) Issue Details

Issue Period:	Wednesday, June 19, 2024, to Friday, June 21, 2024
Type of issue (public/rights):	Initial Public Offer (IPO)
Type of specified securities:	Equity Shares
IPO Grading, if any:	NA
Issue size:	Fresh issuance of Rs 3,250.00 million (Net proceeds of Rs 2,971.29 million*)

**CRISIL Ratings shall be monitoring the net proceeds.*

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, Peer-reviewed Independent Chartered Accountant certificate [^] , 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, Peer-reviewed Independent Chartered Accountant certificate [^]	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?	NA		No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		Refer note	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?	No		No Comments	No Comments

NA represents Not Applicable

[^]Certificate dated July 11, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants.

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 Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Funding working capital requirements of the Company	Management undertaking, Peer-reviewed Independent Chartered Accountant certificate [^] , Prospectus	750.00	NA	No revision	No comments		
2	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company		1,750.00	NA	No revision			
3	General corporate purposes [#]		471.29	NA	No revision			
Total		-	2,971.29	-	-	-	-	-

[^]Certificate dated July 11, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants of the company.

[#]The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 812.50 million) from the Fresh Issue.

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 (Rs in million)	Amount utilized (Rs in million)			Total unutilized amount (Rs in million)	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 working capital requirements of the Company	Management undertaking, Peer-reviewed Independent Chartered Accountant certificate ^, Prospectus, Bank Statements	750.00	Nil	179.82	179.82	570.18	Refer note	No comments	
2	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company		1,750.00	Nil	755.50	755.50	994.50	Refer note		
3	General corporate purposes		471.29	Nil	Nil	Nil	471.29	No utilization during the reported quarter		
Total			2,971.29	Nil	935.32	935.32	2,035.97	-	-	-

^Certificate dated July 11, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants of the company.

Note:

From the received proceeds, Rs 1,750.00 million was transferred from Company's Monitoring account to its various current/cash credit accounts through five bulk transactions, for utilization towards the objects of the issue as specified in the Prospectus. Out of the transferred funds, Rs 935.32 million has been utilized towards the objects of the issue, and the remaining funds are lying in Company's current/cash credit accounts.

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
<p>Funding working capital requirements of the Company</p>	<p>The Company's business is working capital intensive, and they fund a majority of their working capital requirements in the ordinary course of business from internal accruals and by entering into financing arrangements with various banks and financial institutions. The Company intends to utilise Rs 750.00 million from the Net Proceeds to fund the working capital for meeting business requirements of the Company in Fiscal 2025. The funding of the incremental working capital requirements of the Company will help lead to a consequent increase in their profitability and in achieving the proposed targets as per their business plan.</p>
<p>Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company</p>	<p>The Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by the Company include inter alia term loans and working capital facilities. The Company proposes to utilise an estimated amount of Rs 1,750.00 million from the Net Proceeds towards pre-payment or scheduled repayment of all or a portion of term loans, working capital facilities and other types of facilities availed by the Company.</p>
<p>General corporate purposes</p>	<p>Details on "GCP" as per prospectus:</p> <p>General corporate purposes may include, but are not restricted to,</p> <ul style="list-style-type: none"> (i) Funding working capital requirements of the Company, and (ii) prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company <p>The quantum of utilisation of funds towards the aforementioned purposes will be determined by the Board of Directors of the Company based on the amount actually available under the head "General Corporate Purposes" and the corporate requirements of the Company, from time to time.</p>

iii. Deployment of unutilised proceeds[^]:

S. No.	Type of instrument where amount is invested	Amount invested (in Rs million)	Maturity date	Earnings as on June 30, 2024 (in Rs million)	Return on Investment (%)	Market value as at the end of quarter (in Rs million)
1	Company's Yes Bank Current Account - 002080100000037	173.62	-	-	-	173.62
2	Company's Bank of India Cash Credit Account - 670330100003013	641.06	-	-	-	641.06
3	Company's Yes Bank Monitoring Account - 002081300001350	1,156.43	-	-	-	1,156.43
4	Company's Axis Bank Public Offer Account - 924020010963565	64.86	-	-	-	64.86
Total		2,035.97	-	-	-	2,035.97

[^]On the basis of management undertaking & certificate dated July 11, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants of the company.

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

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 [^]					

[^]On the basis of management undertaking & certificate dated July 11, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants of the company.

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

Not applicable on the basis of management undertaking and certificate dated July 11, 2024, issued by M/s VSD & Associates, Chartered Accountants (Firm Registration Number: 008726N), Peer-reviewed Independent Chartered Accountants of the company.

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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