

Ref. No.: Ethos/Secretarial/2025-26/17

Dated: May 05, 2025

Corporate Service Department  
**BSE Limited**  
**Phiroze Jeejeebhoy Towers,**  
**Dalal Street,**  
**Mumbai – 400001**

Listing Department  
**National Stock Exchange of India Limited**  
**Exchange Plaza, C-1, Block G,**  
**Bandra Kurla Complex, Bandra,**  
**Mumbai - 400051**

**Scrip Code: 543532**  
**ISIN: INE04TZ01018**

**Trading Symbol: ETHOSLTD**

**Subject: Report of the Monitoring Agency with respect to utilization of proceeds of the Qualified Institutional Placement of Ethos Limited for the quarter ended March 31, 2025**

**Dear Sir/Madam,**

Pursuant to Regulation 41(4) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 and Regulation 32 (6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Monitoring Agency Report with respect to utilization of proceeds of the Qualified Institutional Placement of the Company for the quarter ended March 31, 2025 issued by CRISIL Ratings Limited, Monitoring Agency.

You are requested to please take on record the above-mentioned information for your reference and further needful.

Thanking You,  
Sincerely,

**For Ethos Limited**

**Shubham Kandhway**  
**Company Secretary & Compliance Officer**

**Encl: as above**

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— **ETHOS LIMITED** —

Registered Office:  
Plot No. 3, Sector III, Parwanoo,  
Himachal Pradesh - 173220, India

Corporate Office:  
Kamla Centre, S.C.O. 88-89, Sector 8-C,  
Chandigarh - 160009, India

Head Office:  
Global Gateway Towers A, 1st Floor, MG Road,  
Sector 26, Gurugram, Haryana - 122002, India

**Monitoring Agency Report**  
**for**  
**Ethos Limited**  
**for the quarter ended**  
**March 31, 2025**

CRL/MAR/ETHOSLO/2024-25/1356

May 05, 2025

To

**Ethos Limited**

Plot no. 3, Sector- III, Parwanoo,  
Himachal Pradesh - 173220

Dear Sir,

**Monitoring Agency Report for the quarter ended March 31, 2025 - in relation to the Qualified institutional placement ("QIP") of Ethos Limited ("the Company")**

Pursuant to Regulation 173A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**") and Monitoring Agency Agreement dated October 25, 2023, entered with the Company, we enclose herewith the Monitoring Agency Report, issued by Crisil Ratings Limited, as per Schedule XI of the SEBI ICDR Regulations towards utilization of QIP proceeds for the quarter ended March 31, 2025.

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:** Ethos Limited**For quarter ended:** March 31, 2025**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)

**1) Issuer Details:**

<b>Name of the issuer:</b>	Ethos Limited
<b>Names of the promoter:</b>	a. Yashovardhan Saboo b. KDDL Limited and c. Mahen Distribution Limited
<b>Industry/sector to which it belongs:</b>	Retailer – watches/watch accessories

**2) Issue Details**

<b>Issue Period:</b>	Monday, October 31, 2023, to Friday, November 03, 2023
<b>Type of issue (public/rights):</b>	Qualified Institutional Placement (QIP)
<b>Type of specified securities:</b>	Equity Shares
<b>QIP Grading, if any:</b>	NA
<b>Issue size:</b>	The issue of 11,31,210 Equity Shares aggregating to Rs 17,499.82 lakh (net proceeds of Rs 16,959.64 lakh*)

\*CRISIL 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, Independent Chartered Accountant Certificate <sup>^</sup> , Final Offer Document, 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		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	Management undertaking, Independent Chartered Accountant Certificate <sup>^</sup>	No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No Comments

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 arrangements pertaining to technical assistance/collaboration are in operation?	NA	Management undertaking, Independent Chartered Accountant Certificate <sup>^</sup>	No Comments	No Comments
Are there any favorable events improving the viability of these object(s)?	No		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	No		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

<sup>^</sup>Certificate dated April 26, 2025, issued by M/s Sultaniya Umesh & Company (Firms' Registration No. 326973E), Independent Chartered Accountant

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

##### i. Cost of the object(s):

Sr. No.	Item Head	Source of information / certifications considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in lakh)	Revised Cost (Rs in lakh)	Comments of the MA	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	Independent Chartered Accountant Certificate <sup>^</sup> , Management undertaking, Placement Document, Bank Statements	13,125.00	NA	No Revision	No Comments		
2	General Corporate Purposes (GCP) <sup>#</sup>		3,834.64	NA	No Revision	No Comments		

<sup>^</sup>Certificate dated April 26, 2025, issued by M/s Sultaniya Umesh & Company (Firms' Registration No. 326973E), Independent Chartered Accountant

<sup>#</sup>The amount utilised for general corporate purposes does not exceed 25% (Rs 4,374.96 lakh) of the Gross Proceeds 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 lakh)	Amount utilized (Rs in lakh)			Total unutilized amount (Rs in lakh)	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 requirement of our Company	Independent Chartered Accountant Certificate^, Management undertaking, Placement Document, Bank Statements	13,125.00	6,958.50	1,497.47	8,455.97	4,669.03	Proceeds were utilised towards working capital payment during the quarter	No Comments	
2	GCP		3,834.64	-	-	-	3,834.64	No proceeds were utilised towards this object during the reported quarter.	No Comments	
	<b>Total</b>		<b>16,959.64</b>	<b>6,958.50</b>	<b>1,497.47</b>	<b>8,455.97</b>	<b>8,503.67</b>			

^Certificate dated April 26, 2025, issued by M/s Sultaniya Umesh & Company (Firms' Registration No. 326973E), Independent Chartered Accountant

**#Brief description of objects:**

Object of the Issue	Description of objects as per the offer document filed by the issuer
Funding working capital requirements of the Company	Issuer is engaged in the business of operating a chain of luxury watch boutiques. As a part of business, Issuer is required to buy watches, pay lease rent for the stores Issuer is operating in. With the expansion of business in both product segment and geographical segment (increase in new store), requires more inventory for the stores. All these factors may result in increase in the quantum of working capital requirements.
GCP	The general corporate purposes for which the issuer proposes to utilise Net Proceeds include investments in subsidiary of the Company, other capital expenditure requirements including for refurbishment, working capital requirements, meeting exigencies and expenses incurred by issuer in the ordinary course of business, as may be applicable.

**iii. Deployment of unutilised QIP proceeds<sup>^</sup>:**

Sr. No.	Type of investment and name of the entity invested in	Amount invested (Rs in lakh)	Maturity Date	Return on Investment (%)	Earnings (Rs in lakh)	Market Value as at the end of quarter (Rs in lakh)*
1	FD- 50301067053042- HDFC Bank	2,500.00	19-Nov-25	7.40%	24.77	2,524.77
2	FD- 50301067056699 - HDFC Bank	2,500.00	17-Nov-25	7.40%	24.77	2,524.77
3	FD- 50301067055325 - HDFC Bank	2,500.00	15-Nov-25	7.40%	24.77	2,524.77
4	FD- 50301067055937 - HDFC Bank	1,000.00	13-Nov-25	7.40%	24.77	2,524.77
5	Monitoring Agency- 0749492074 - Kotak Bank	3.67	NA	NA	NA	3.67
<b>Total</b>		<b>8,503.67</b>	-	-	<b>99.08</b>	<b>8,606.42</b>

\*The market value of Fixed deposits includes the interest accrued.

<sup>^</sup>On the basis of the management undertaking and Certificate dated April 26, 2025, issued by M/s Sultaniya Umesh & Company (Firms' Registration No. 326973E), Independent Chartered Accountant

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
GCP	Fiscal 2025 (Rs 2,000.00 lakh)	Refer Note	Refer Note	Due to delay in procurement of delivery for various new stores in Delhi/NCR	The proceeds shall be utilized in the subsequent quarters

Note: The Prospectus dated November 03, 2023, specifies that “If the Net Proceeds are not utilised (in full or in part) for the Objects during the periods stated in this section due to factors such as the timing of completion of the Issue, economic and market conditions outside the control of our Company and any other business and commercial considerations, the remaining Net Proceeds shall be utilised in subsequent periods in such manner as may be determined by our Company.”

As per the peer-reviewed ICA certificate and management undertaking, Rs. 2,000.00 lakh could not be utilized towards the aforementioned object due to delay in procurement of inventory for various new stores in Delhi NCR area. The same will be utilized in the subsequent quarter.

Additionally, as submitted through the management undertaking and Peer reviewed ICA certificate, the Company has accelerated the use of funds under Object 1 to Rs 8,455.97 lakh, due to increased working capital requirements, which is an additional amount of Rs 498.88 lakh beyond initial disclosed estimates of Rs 7,957.09 lakh in the Placement Document under “Proposed schedule of implementation of Net Proceeds”. This adjustment was made to support operational activities during the fiscal year.

^On the basis of the management undertaking and Certificate dated April 26, 2025, issued by M/s Sultaniya Umesh & Company (Firms’ Registration No. 326973E), Independent Chartered Accountant

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

Not applicable on the basis of the management undertaking and Certificate dated April 26, 2025, issued by M/s Sultaniya Umesh & Company (Firms’ Registration No. 326973E), Independent Chartered Accountant

**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 statutory auditor 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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