



Date: January 30, 2026

To
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Symbol/Security ID: **POWERMECH**

To
Dept. of Corp. Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
Security Code: **539302**

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter ended December 31, 2025

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with regulation 173A (4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith, Monitoring Agency report issue by CARE Ratings Limited, for the quarter ended December 31, 2025, with regard to the utilization of proceeds of the Qualified Institutional Placement (QIP) of the Company.

Kindly take the same on record and acknowledge the receipt.

Thanking you.
Yours faithfully,
For Power Mech Projects Limited



M. Raghavendra Prasad
Company Secretary and Compliance Officer

Encl: as above

POWER MECH PROJECTS LIMITED

AN ISO 14001:2015, ISO 9001:2015 & ISO 45001:2018 CERTIFIED COMPANY



JAS-ANZ



M4570910IN

Regd. & Corporate Office :
Plot No. 77, Jubilee Enclave, Opp. Hitex,
Madhapur, Hyderabad-500081
Telangana, India
CIN : L74140TG1999PLC032156

Phone : 040-30444444
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E-mail : info@powermech.net
Website : www.powermechprojects.com



No. CARE/HRO/GEN/2025-26/1039

The Board of Directors

Power Mech Projects Limited

Plot No. 77, Jubilee Enclave,
Opp. Hitex Arcade, Madhapur,
Hyderabad
Telangana 500081

January 30, 2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended 12/31/2025 - in relation to the QIP issue of Power Mech Projects Limited ("the Company")

We write in our capacity of Monitoring Agency for the QIP Issue for the amount aggregating to Rs. 350 crores of the Company and refer to our duties cast under 173A 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 12/31/2025 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated October 18, 2023.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

Tej Kiran

Tej Kiran Ghattamaneni

Associate Director

Tej.kiran@careedge.in

CARE Ratings Limited

401, Ashoka Scintilla, 3-6-520, Himayat Nagar,
Hyderabad - 500 029
Phone: +91-40-4010 2030

CIN-L67190MH1993PLC071691

Corporate Office :4th Floor, Godrej Coliseum,
Somaiya Hospital Road, Off Eastern Express
Highway, Sion (E), Mumbai - 400 022
Phone: +91-22-6754 3456 • www.careedge.in

Report of the Monitoring Agency

Name of the issuer: Power Mech Projects Ltd

For quarter ended: December 31, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: NA

(b) Range of Deviation: NA

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: *Tej Kiran*

Name and designation of the Authorized Signatory: Tej Kiran Ghattamaneni

Designation of Authorized person/Signing Authority: Associate Director

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1) Issuer Details:

Name of the issuer : Power Mech Projects Ltd
 Name of the promoter : Mr. Sajja Kishore Babu
 Industry/sector to which it belongs : Construction and Mining

2) Issue Details

Issue Period : 10/18/2023 to 10/23/2023
 Type of issue (public/rights) : Qualified Institutions Placement
 Type of specified securities : Equity Shares
 IPO Grading, if any : NA
 Issue size (in crore) : Rs. 350 crores

3) Details of the arrangement made to ensure the monitoring of the 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	Chartered Accountant certificate*	The utilization is in line with offer document.	No Comments
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable as there is no deviation from expenditures disclosed in the offer document	Mail correspondence from the company.	Not Applicable	No Comments
Whether the means of finance for the disclosed objects of the issue have changed?	Not applicable as there is no change	Mail correspondence from the company.	Not Applicable	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	No, there are no deviations observed from the last monitoring agency report	Chartered Accountant certificate*	Not Applicable	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes, the company has received all the required approvals for the installation of coal washery for	Mail correspondence from the company.	There has been delay in receiving approvals for coal washery installation with the required approvals received by June 2025.	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
	the Tasra MDO project.			
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not Applicable	Mail correspondence from the company.	Not Applicable	No Comments
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Mail correspondence from the company.	-	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Chartered Accountant certificate*	As per the letter of offer, the remaining amount of Rs.240 crore will be utilized towards installation of coal washery by financial year 2026 (Rs.24 crore in FY24, Rs.48 crore in FY25 and Rs. 168 crore in FY26). However, there has been a delay in implementation of the objects from the stipulated timeline mentioned in the offer document due to delay in receipt of approvals.	No Comments

*Chartered Accountant certificate from M/s. Brahmayya & Co. Chartered Accountants (Statuary Auditor/Member of Peer Review Board) dated January 10, 2026.

#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 for the installation and operation of washery and coal handling plant including other incidental infrastructure works for the Tasra opencast project	Chartered Accountant certificate*	240.00	Not applicable	Not applicable	No Comments	No Comments	No Comments

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
2	Repayment / prepayment in full or part, of a portion of the loan availed by our Company from Bank of Bahrain and Kuwait B.S.C	Chartered Accountant certificate considered during earlier review	20.00	Not applicable	Not applicable	No Comments	No Comments	No Comments
3	General corporate purposes (GCP)	Chartered Accountant certificate considered during earlier review	83.40	Not applicable	Not applicable	No Comments	No Comments	No Comments
Total			343.40					

*Chartered Accountant certificate from M/s. Brahmayya & Co. Chartered Accountants (Statuary Auditor/Member of Peer Review Board) dated January 10, 2026.

(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 for the installation and operation of washery and coal handling plant including other incidental infrastructure works for the Tasra opencast project	Chartered Accountant certificate*	240.00	68.30	28.78	97.08	142.92	During Q3FY26, the company utilized Rs.28.78 crore towards payments for installation of washery. The balance unutilised amount of Rs.142.92 crore is outstanding in fixed deposits and MA account.	No Comments	No Comments
2	Repayment / prepayment in full or part, of a portion of the loan availed by our	Chartered Accountant certificate*	20.00	20.00	0.00	20.00	0.00	-	No Comments	No Comments

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
	Company from Bank of Bahrain and Kuwait B.S.C									
3	General corporate purposes (GCP)	Chartered Accountant certificate*	83.40	83.40	0.00	83.40	0.00	-	No Comments	No Comments
Total			343.40	171.70	28.78	200.48	142.92			

*Chartered Accountant certificate from M/s. Brahmayya & Co. Chartered Accountants (Statuary Auditor/Member of Peer Review Board) dated January 10, 2026.

(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. Crore)	Return on Investment (%)	Market Value as at the end of quarter (Rs. Crore)
1.	Fixed Deposits in RBL	40.00@	November 01, 2026	1.83	7.00	40.47
2.	Fixed Deposits in RBL	40.00@	November 01, 2026		7.00	40.47
3.	Fixed Deposits in RBL	40.00@	November 01, 2026		7.00	40.47
4.	Fixed Deposits in RBL	14.00@	November 01, 2026		6.85	14.16
5.	Fixed Deposits in RBL	36.56@	November 01, 2026		7.00	36.99
6.	Monitoring Account	6.61	-		-	6.61
Total		177.18	-	1.83	-	179.01

@Includes Rs.34.26 crore of interest which was earned in previous quarters and subsequently reinvested.

(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 for the installation and operation of washery and coal handling plant including	Rs. crore	FY24	FY25	FY26	FY24 -Rs.2.88 crore FY25- Rs.19.06. crore	Delay (Exact number of days of delay not ascertainable)	No Comments	No Comments

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
other incidental infrastructure works for the Tasra opencast project		FY26- Rs.75.14 crore spent till December 31, 2025			
Repayment / prepayment in full or part, of a portion of the loan availed by our Company from Bank of Bahrain and Kuwait B.S.C	By FY24	Fully utilized on October 30, 2023 (within timelines)		No Comments	No Comments
General corporate purposes (GCP)	By FY24	Full amount of Rs.83.40 crores has been spent till Dec. 31, 2023 (within timelines).		No Comments	No Comments

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document: The company has fully utilized proceeds raised towards GCP during Q3FY23 and there is no utilization during current quarter.

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 statutory 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.