

CIL/SE/2024-25/9
May 15, 2024

BSE Limited
P.J. Towers
Dalal Street
Mumbai- 400001

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

Scrip code: 540710

Symbol: CAPACITE

Sub: Monitoring Agency Report

Ref: Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 173A of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018

Dear Sir / Madam,

We are enclosing herewith Monitoring Agency Report for the quarter ended March 31, 2024 issued by Care Ratings Limited, Monitoring Agency, with respect to utilisation of proceeds of Qualified Institutional Placement (QIP) of the Company.

Please take same on record.

This disclosure will also be hosted on Company's website viz. <http://www.capacite.in>.

For any correspondence/ queries/ clarifications, please write to cs@capacite.in.

Thanking you

Yours faithfully
For Capacit'e Infraprojects Limited

Rahul Kapur
Company Secretary and Compliance Officer

Encl: a/a

Mumbai (Head office):

605-607, Shrikant Chambers, Phase - 1, 6th Floor, Adjacent to R.K. Studios, Sion - Trombay Road, Chembur, Mumbai - 400 071. Maharashtra, India. Tel.: 022 7173 3717 • Fax : 022 7173 3733 • E-mail : info@capacite.in

No. CARE/HRO/GEN/2024-25/1010

The Board of Directors

Capacit'e Infraprojects Limited

605-607, Shrikant Chambers, Phase-I,
6th Floor, Adjacent to R. K. Studios,
Sion-Trombay Road,
Mumbai, Maharashtra-400071

15/05/2024

Dear Sir/Ma'am,

**Monitoring Agency Report for the quarter ended March 31, 2024 - in relation to the QIP of
Capacite'e Infraprojects Limited ("the Company")**

We write in our capacity of Monitoring Agency for the Qualified Institutions Placement Issue for the amount aggregating to Rs.200 crore 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 March 31, 2024 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated January 08, 2024

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,



Puja Jalan

Associate Director

puja.jalan@careedge.in

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CIN-L67190MH1993PLC071691

Report of the Monitoring Agency

Name of the issuer: Capacit'e Infraprojects Ltd

For quarter ended: 31/03/2024

Name of the Monitoring Agency: CARE 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 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: Puja Jalan

Designation of Authorized person/Signing Authority: Associate Director

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1) Issuer Details:

Name of the issuer : Capacit'e Infraprojects Ltd.
Name of the promoter : Mr. Rahul R Katyal
Industry/sector to which it belongs : Construction

2) Issue Details

Issue Period : 08/01/2024 to 11/01/2024
Type of issue (public/rights) : Qualified Institutions Placement
Type of specified securities : Equity Shares
IPO Grading, if any : Not applicable
Issue size (in ` crore) : Rs.200 crore (Note 1)

Note 1:

The company had offered 79,47,546 Equity Shares under the QIP issue, at Rs.251.65 per share (including share premium of Rs.241.65 per share) aggregating to ₹200 crore. The issue was fully subscribed and the company has allotted 79,47,546 Equity Shares to the applicants.

Particulars	Remarks
Total shares issued and subscribed as part of QIP issue (number)	79,47,546
Total subscriptions towards QIP (in Rs. crore)	200.00
Details of expenses incurred related to issue (in Rs. crore)	7.85
Net Proceeds of QIP issue (Rs. crore)	192.15

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	Chartered Accountant certificate*, Utilization certificate as received from the management ¹	The net proceeds of QIP issue is Rs.192.15 crore. The company estimated issue expenses of Rs.9.95 crore in the offer document. However, the actual issue related expenses stood at Rs.7.85 crore. The balance amount (Rs.2.10 crore) would be utilized towards funding working capital requirements.	Since estimated issue expenses were higher than actual amount spent, the balance of ₹2.10 crore will be utilized towards working capital.

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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 shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	Not Applicable
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	There is no change in the means of finance for the disclosed objects of the issue.	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	Not applicable	Not Applicable
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	Not applicable	Not Applicable
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	Not Applicable
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Not applicable	QIP funds are expected to be utilized towards funding working capital requirements and General Corporate Purposes.	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	Not applicable	Not applicable	Not applicable	Not Applicable

* Chartered Accountant certificate from M/s V.B. Goel & Co. dated May 10, 2024.

¹ A detailed document dated May 04, 2024 presenting the utilization of funds during Q4FY24 undersigned by Executive Director-Finance, Mr. Alok Mehrotra.

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

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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 Working Capital Requirements	Chartered Accountant certificate*, Utilization certificate as received from the management ¹	150.00	152.10	As per offer document, the company's management shall have flexibility in utilising surplus amounts, if any. [^]	Since Estimated Issue Expenses were higher than actual amount spent, the balance of ₹2.10 crore will be utilized towards working capital.		
2	General Corporate Purposes	Chartered Accountant certificate*, Utilization certificate as received from the management ¹	40.05	40.05	Not applicable			
Total			190.05	192.15				

[^] Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds.

* Chartered Accountant certificate from M/s V.B. Goel & Co. dated May 10, 2024.

¹ A detailed document dated May 04, 2024 presenting the utilization of funds during Q4FY24 undersigned by Executive Director-Finance, Mr. Alok Mehrotra.

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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			Unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter as on January 01, 2024 in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter as on March 31, 2024 in Rs. Crore			Reasons for idle funds	Proposed course of action
1	Funding Working Capital Requirements	Chartered Accountant certificate*, Utilization certificate as received from the management ¹	150.00	0.00	78.05	78.05	71.95	During Q4FY24, the company has spent amount of Rs.72.37 crore towards payments to labour and vendors and Rs.5.68 crore towards salaries to employees (working capital requirements), as per the objects of the issue.	We have kept the cushion in the cash flows by way of unencumbered fixed deposit with consortium banks to have adequate liquidity thereby ensuring smooth conduct of operations, scaling up of revenue, timely servicing of obligations and to take care of any contingencies.	
2	General Corporate Purposes	Chartered Accountant certificate*, Utilization certificate as received from the management ¹	40.05	0.00	13.95	13.95	26.10	During Q4FY24, the company made repayment of term loan to the tune of Rs.0.71 crore and Rs.13.24 crore towards statutory dues, as per the objects of the issue.		
3	Unutilised issue expenses	Chartered Accountant certificate*,	2.10	0.00	0.00	0.00	2.10	Since Estimated Issue Expenses were higher than actual amount spent, the		

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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			Unutilised amount in Rs. crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter as on January 01, 2024 in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter as on March 31, 2024 in Rs. Crore			Reasons for idle funds	Proposed course of action
		Utilization certificate as received from the management ¹						balance of ₹2.10 crore will be utilized towards working capital.		
Total			192.15	0.00	92.00	92.00	100.15			

* Chartered Accountant certificate from M/s V.B. Goel & Co. dated May 10, 2024.

¹ A detailed document dated May 04, 2024 presenting the utilization of funds during Q4FY24 undersigned by Executive Director-Finance, Mr. Alok Mehrotra.

(iii) Deployment of unutilized QIP issue proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1	Fixed deposits in State Bank of India	Rs.50.00 crore	September 22, 2024	Rs.2.00 crore	6.85	Rs.50.00 crore
2.	Fixed deposits in State Bank of India	Rs.40.00 crore	August 23, 2024	Rs.1.32 crore	6.57	Rs.40.00 crore
3.	Fixed deposit in Yes Bank Ltd.	Rs.10.00 crore	April 14, 2024	Rs.0.03 crore	6.50	Rs.10.00 crore
4.	Monitoring Account	Rs.0.15 crore	-	-	-	Rs.0.15 crore
	Total	Rs.100.15 crore				

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(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 Working Capital Requirements	Rs. crore	FY24 108.16	FY25 41.85	Rs.78.05 crore during FY24	Ongoing*	We have kept the cushion in the cash flows by way of unencumbered fixed deposit with consortium banks to have adequate liquidity thereby ensuring smooth conduct of operations, scaling up of revenue, timely servicing of obligations and to take care of any contingencies.
General Corporate Purposes	By FY24		Rs.13.95 crore during FY24	Ongoing*		

*as per the terms of offer document, in the event that estimated utilization out of the Net Proceeds in a scheduled fiscal is not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by the company, in accordance with applicable laws. Any such change in such plans may require rescheduling of the expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

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	Statutory Dues Payment	13.24	Chartered Accountant certificate*, utilization certificate as received from the management ¹ , and Monitoring account statement.	Amount of Rs.13.95 crore utilised under various item heads are as per the provisions of letter of offer. Section from the letter of offer related to GCP is presented below.	No Comments
2	Repayment of various term loan	0.71	Chartered Accountant certificate*, utilization certificate as received from the management ¹ , and Monitoring account statement.		
Total		13.95			

*Chartered Accountant certificate from M/s V.B. Goel & Co. dated May 10, 2024.

¹ A detailed document dated May 04, 2024 presenting the utilization of funds during Q4FY24 undersigned by Executive Director-Finance, Mr. Alok Mehrotra.

[^] Section from the offer document related to Funding working capital requirements:

We propose to utilise ₹15,000.00 lakhs from the Net Proceeds to fund the working capital requirement for business operations of our Company in Fiscals 2024 and 2025. We have significant working capital requirements in the ordinary

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course of business, which we typically fund through internal accruals and availing financing facilities from various banks and financial institutions.

^ Section from the offer document related to GCP:

"Our Company proposes to deploy the balance Net Proceeds aggregating to ₹4,005.00 lakhs towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the Gross Proceeds in compliance with applicable laws. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, funding growth opportunities (organic and inorganic), business development initiatives, meeting expenses incurred in the ordinary course of business, investment in subsidiaries, repayment and /or prepayment of outstanding loans of our Company, strategic initiatives, partnership and joint ventures, acquiring fixed assets, working capital requirement of our Company, financial investments like mutual funds, bonds, etc. and towards any exigencies or any other purpose, as may be approved by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act, 2013. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds."

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