

**Pitti Engineering Limited**

(Formerly Pitti Laminations Limited)

ISO 9001:2015 ISO 14001:2015

[www.pitti.in](http://www.pitti.in)



24<sup>th</sup> October 2024

To  
BSE Ltd  
Floor 25, P J Towers, Dalal Street  
Mumbai – 400 001  
Scrip Code: 513519

To  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex  
Bandra (E), Mumbai – 400 051  
Scrip Code: PITTIENG

Dear Sir,

Sub: Monitoring Agency Report on the utilization of proceeds raised through Qualified Institutional Placement for quarter ended 30<sup>th</sup> September 2024

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Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Regulation 173A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed the Monitoring Agency Report issued by India Ratings and Research Private Limited, in respect of utilization of proceeds raised through the issue of equity shares by way of Qualified Institutional Placement, for the quarter ended 30<sup>th</sup> September 2024.

We request you to take the same on record.

Thanking You

For Pitti Engineering Limited

MARY  
MONICA  
BRAGANZA

Digitally signed by  
MARY MONICA  
BRAGANZA  
Date: 2024.10.24  
17:26:19 +05'30'

Mary Monica Braganza

Company Secretary & Chief Compliance Officer

FCS : 5532

CIN: L29253TG1983PLC004141

**Registered Office**

6-3-648/401, 4<sup>th</sup> Floor  
Padmaja Landmark, Somajiguda  
Hyderabad – 500 082  
Telangana, India  
T: +91 40 2331 2774 / 2331 2770  
F: +91 40 2339 3985  
[info@pitti.in](mailto:info@pitti.in)

Date: 24<sup>th</sup> October 2024

To,

Pitti Engineering Limited.

6-3-648/401, 4<sup>th</sup> Floor, Padmaja Landmark,

Somajiguda,

Hyderabad – 500082.

**Subject: Monitoring Agency Report for the quarter ended 30<sup>th</sup> September 2024 in relation to Qualified Institutions Placement (QIP).**

Dear Sir,

Pursuant to Regulation 173A (2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) and Monitoring Agency Agreement dated 8<sup>th</sup> July 2024, please find enclosed herewith the Monitoring Agency Report, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of QIP, for the quarter ended September 30, 2024.

Request you to kindly take the same on records.

Thanking You,

For and on behalf of India Ratings & Research Private Limited



Name: Shrikant Dev

Designation: Company Secretary



**Report of the Monitoring Agency (MA)**

Name of the issuer: **Pitti Engineering Limited**

For quarter ended: **30<sup>th</sup> September 2024**

Name of the Monitoring Agency: **India Ratings & Research Private Limited**

(a) Deviation from the objects: No deviation from the objects.

Based on the Management undertaking and as per the Statutory Auditor Certificate dated 11<sup>th</sup> October 2024 issued by Talati & Talati LLP, Chartered Accountants (FRN – 110758W/W100377) having UDIN 24122131BKHHEY4377\* and other documents provided to us, no deviation from the objects has been observed.

\*The reference to the Statutory Auditor Certificate anywhere in the MA report refers to the said Certificate.

(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: **Shrikant Dev (Company Secretary)**

Date: **24<sup>th</sup> October 2024.**

1) Issuer Details:

Name of the issuer:	Pitti Engineering Limited
Names of the promoters:	<ul style="list-style-type: none"> <li>Sharad Badrivishal Pitti</li> <li>Akshay Sharad Pitti</li> </ul>
Industry/sector to which it belongs:	Manufacturing – Industrial Products

2) Issue Details:

Issue Period:	8 <sup>th</sup> July 2024 to 11 <sup>th</sup> July 2024
Type of issue (public/rights):	Qualified Institutions Placement (QIP)
Type of specified securities:	34,14,749 Equity Shares of FV ₹ 5 each @ ₹ 1,054.25 per Equity Share.
IPO Grading, if any:	Not Applicable
Issue size:	INR 35,999.99 Lakhs

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, Statutory Auditor Certificate, Placement Document, Relevant Bank Statements and Loan account Statements, Balance Confirmations.	Refer Below*	Nil
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking, Statutory Auditor Certificate	No Comments	NA
Whether the means of finance for the disclosed objects of the issue has changed?	No	Management undertaking, Statutory Auditor Certificate	No Comments	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	NA	NA	NA	NA



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 Government/Statutory approvals related to the object(s) have been obtained?	NA	Management undertaking, Statutory Auditor Certificate	No Comments	NA
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA	Management undertaking, Statutory Auditor Certificate	No Comments	NA
Are there any favorable events improving the viability of these object(s)?	No	Management undertaking, Statutory Auditor Certificate	No Comments	NA
Are there any unfavorable events affecting the viability of the object(s)?	No	Management undertaking, Statutory Auditor Certificate	No Comments	NA
Is there any other relevant information that may materially affect the decision making of the investors?	No	Management undertaking, Statutory Auditor Certificate	No Comments	NA

\*The actual QIP issue expense (inclusive of GST) incurred by the company is ₹ 1,314.10 Lakhs against ₹ 1,336.64 Lakhs as estimated in the placement document. Thus, there is a surplus of ₹ 22.54 Lakhs which has resulted in increase in the total available fund (net-off expenses) from ₹ 34,663.35 Lakhs as mentioned in the placement document to ₹ 34,685.89 Lakhs. This available surplus amount of ₹ 22.54 Lakhs is utilized for the object "Repayment and /or prepayment of certain borrowings, in full or part, availed by our Company", which has resulted in increase in actual utilization for repayment/prepayment of borrowings from ₹ 27,000.00 Lakhs as mentioned in placement document to ₹ 27,022.54 Lakhs.



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

i. Cost of object(s)-

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) (INR Lakhs)	Revised Cost (INR Lakhs)	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment and /or prepayment of certain borrowings, in full or part, availed by our Company	Management undertaking, Statutory Auditor Certificate,	27,000.00	27,022.54*	Refer Below*	NA	NA	NA
2	General Corporate Purposes	Placement Document,	7,663.35	7,663.35	NA	NA	NA	NA
3	Issue related expenses	Relevant Bank Statements.	1,336.64	1,314.10*	Refer Below*	NA	NA	NA
<b>TOTAL</b>			<b>35,999.99</b>	<b>35,999.99</b>				

\*The actual QIP issue expense (inclusive of GST) incurred by the company is ₹ 1,314.10 Lakhs against ₹ 1,336.64 Lakhs as estimated in the placement document. Thus, there is a surplus of ₹ 22.54 Lakhs which has resulted in increase in the total available fund (net-off expenses) from ₹ 34,663.35 Lakhs as mentioned in the placement document to ₹ 34,685.89 Lakhs. This available surplus amount of ₹ 22.54 Lakhs is utilized for the object "Repayment and /or prepayment of certain borrowings, in full or part, availed by our Company", which has resulted in increase in actual utilization for repayment/prepayment of borrowings from ₹ 27,000.00 Lakhs as mentioned in placement document to ₹ 27,022.54 Lakhs.



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 (INR Lakhs)	Amount Utilized (INR Lakhs)			Total unutilized amount (INR Lakhs)	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	Repayment and /or prepayment of certain borrowings, in full or part, availed by our Company	Management undertaking, Statutory Auditor Certificate, Placement Document, Relevant Bank Statements, Loan account Statements, Balance Confirmation , Copy of Invoices.	27,000.00	-	27,022.54*	27,022.54	-	Refer Below^	NA	NA
2	General Corporate Purposes		7,663.35	-	7,663.35	7,663.35	-		NA	NA
3	Issue related expenses		1,336.64	-	1,314.10*	1,314.10	-	Refer Below*	NA	NA
<b>TOTAL</b>			<b>35,999.99</b>	<b>-</b>	<b>35,999.99</b>	<b>35,999.99</b>	<b>-</b>			

\*The actual QIP issue expense (inclusive of GST) incurred by the company is ₹ 1,314.10 Lakhs against ₹ 1,336.64 Lakhs as estimated in the placement document. Thus, there is a surplus of ₹ 22.54 Lakhs which has resulted in increase in the total available fund (net-off expenses) from ₹ 34,663.35 Lakhs as mentioned in the placement document to ₹ 34,685.89 Lakhs. This available surplus amount of ₹ 22.54 Lakhs is utilized for the object "Repayment and /or prepayment of certain borrowings, in full or part, availed by our Company", which has resulted in increase in actual utilization for repayment/prepayment of borrowings from ₹ 27,000.00 Lakhs as mentioned in placement document to ₹ 27,022.54 Lakhs.

^Includes INR 71.44 Lakhs towards interest on the borrowings/bank charges for the borrowings repaid out of issue proceeds.



iii. Deployment of unutilized issue proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (INR Lakhs)	Maturity date	Earnings (INR Lakhs)	Return on Investment (%)	Market Value as at the end of the quarter (INR Lakhs)
Not Applicable as entire issue proceeds are utilized as on 30 <sup>th</sup> September 2024						

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
Repayment and /or prepayment of certain borrowings, in full or part, availed by our Company	Fiscal 2025	By 30 <sup>th</sup> Sep'24	NA	NA	NA
General Corporate Purposes	Fiscal 2025	By 30 <sup>th</sup> Sep'24	NA	NA	NA

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

Sr. No.	Item Head	Amount (INR Lakhs)	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
1	Funding Growth Opportunities - Strategic Acquisition	7,663.35	Management undertaking, Statutory Auditor Certificate, Placement Document, Relevant Bank Statements, Board Resolution, Copy of Demat account.	The company has utilized the said amount for part funding the strategic acquisition made by the company.	NA
	<b>TOTAL</b>	<b>7,663.35</b>			



**Disclaimers:**

The MA Report is prepared by India Ratings. India Ratings 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.

India Ratings declare that the MA Report is based on the format prescribed by the SEBI (ICDR) Regulations, 2018. This declaration forms part of and applies to each MA Report that is issued by India Ratings. The MA Report does not constitute an offer of services. Access or use of any MA Report does not create a client relationship between India Ratings and the Applicant or between India Ratings and User of the report.

This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments.

Please note that the information presented in the MA Report is based solely on the review of the requisite information, documents, papers, statements received from the Company with regard to the use of the Issue Proceeds including the status of implementation of the activities proposed to be funded out of the Issue proceeds as stated in the Prospectus. India Ratings has not verified any source of information such as invoices, ledgers or payment receipts and other documents either in normal course or in case of deviations from the objects, as the same is the duty of the management and the statutory auditors. India Ratings has relied in good faith and without any liability, upon the contents thereof. The user of the MA Report should understand that India Ratings does not perform an audit and undertakes no independent verification of any information/certifications/statements it receives from auditors, lawyers, chartered engineers or other experts, and relies on in its reports. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings. In issuing the MA Report, India Ratings may rely on the representations and certifications from the issuer and experts, including statutory auditors with respect to financial statements, attorneys with respect to legal and tax matters and other entities considered reliable by India Ratings. The Company shall be solely responsible and liable for any omission, commission, errors and misrepresentations in the contents of the Information provided to India Ratings. India Ratings disclaims any liability arising out of the contents of the information provided by the Company and in no event shall be held liable to anyone for any damages or claims arising out of such information.

India Ratings may rate the Company or any debt instruments or facilities issued or proposed to be issued by the Company that is subject matter of the MA Report.

As India Ratings have only acted in the capacity of a monitoring agency, the MA Report does not, in any way, constitute an opinion regarding securities, expressed in the form of standard symbols or in any other standardized manner and does not include any qualitative and quantitative assessment of the probability of default on payment of interest and principal on a debt instrument. The content of the MA Report does not constitute any recommendation to buy, hold or sell any securities. The MA Report does not comment on the quality of the objects of the issue, reasonableness of costs or spending by the issuer against any objects / heads or assurance on outcome of such spending, the adequacy of market price or market liquidity, suitability of any security for an investor. The MA Report does not provide to any party any financial advice, or legal, auditing, accounting, appraisal, valuation or actuarial services and should not be viewed as a replacement for such advice or services.



The issuance of the MA Report by India Ratings shall not constitute consent by the agency to use its name as an expert in connection with any registration statement, offering document or other filings under any relevant securities laws.

India Ratings is neither construed to be nor acting under the capacity or nature of an 'expert' as defined under Section 2(38) of the Companies Act, 2013. It is issuing the MA Report solely in the capacity of a monitoring agency and that the same shall not be construed to be an opinion of an expert, as it relies on certificates, confirmations and representations of reliable stakeholders such as auditors, banks and others.

