

2nd February, 2024

BSE Limited (BSE)

The Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400 001
Scrip Code: 532966

National Stock Exchange of India Limited (NSE)

The Listing Compliance Department
Exchange Plaza Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051
Scrip Code: TITAGARH

Madam/Sir,

Sub: Monitoring Agency Report for the quarter ended 31st December, 2023

Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 173A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed Monitoring Agency Report for the quarter ended 31st December, 2023, issued by CARE Ratings Limited, the Monitoring Agency appointed to monitor the utilization of proceeds of Qualified Institutional Placement of Equity Shares of the Company.

The above is for your information and record.

Thanking you,

Yours faithfully,

For TITAGARH RAIL SYSTEMS LIMITED
(formerly TITAGARH WAGONS LIMITED)

Dinesh Arya
Company Secretary & Chief Compliance Officer
M. No. 3665

Encl: as above

Monitoring Agency Report

No. CARE/HO/GEN/2023-24/1026

Mr. Saurav Singhania
Chief Financial Officer
Titagarh Rail Systems Limited

Poddar Point, 10th Floor
113 Park Street,
Kolkata - 700016

February 02, 2024

Dear Sir,

Monitoring Agency Report for the quarter ended December 31, 2023 - in relation to the Qualified Institutional Placement of Titagarh Rail Systems Limited ("the Company")

We write in our capacity of Monitoring Agency for the Qualified Institutional Placement for the amount aggregating to Rs. 700.00 crore of the Company and refer to our duties cast under Regulation 173A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended December 31, 2023 as per aforesaid SEBI ICDR Regulations and Monitoring Agency Agreement dated December 08, 2023.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,



Richa Bagaria
Associate Director
richa.jain@careedge.in

Report of the Monitoring Agency (MA)

Name of the issuer: Titagarh Rail Systems Limited

For quarter ended: December 31, 2023

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil.

(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 of the Authorized Signatory: Richa Bagaria

Designation of Authorized person/Signing Authority: Associate Director

CARE Ratings Limited

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

CIN-L67190MH1993PLC071691

1) Issuer Details:

Name of the issuer	: Titagarh Rail Systems Limited
Name of the promoters	: Mr. Jagdish Prasad Chowdhary
Industry/sector to which it belongs	: Industrial Manufacturing – Railway Wagons

2) Issue Details

Issue Period	: December 07, 2023 - December 12, 2023
Type of issue	: Qualified Institutional Placement of equity shares
Type of specified securities	: Equity shares
IPO Grading, if any	: Not applicable
Issue size (in Rs. crore)	: Rs. 700.00 crore (Note 1)*

* The issue and Allotment of 75,02,679 Equity Shares each at a price of ₹ 933 per Equity Share, including a premium of ₹ 931 per Equity Share, aggregating to ₹ 700.00 crores pursuant to Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

Note 1:

Particulars	Remarks
Total equity shares issued	75,02,679
Equity share issue price (Rs. per equity share)	933.00
Total proceeds received from equity shares issued (Rs. Crore)	700.00
Details of expenses incurred related to QIP issue (Rs. Crore)	13.25*
Net proceeds available for utilization (in Rs. Crore)	686.75**

* As on December 31, 2023, the company did not utilize any amount towards issue related expenses and the unutilized amount is kept in ICICI escrow account.

** The company has transferred Rs .686.50 crore to ICICI Monitoring Account and the balance amount of Rs.0.25 crore is kept in escrow account as on December 31, 2023.

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*, WC loan statement, Monitoring Account Statement, placement document	As per the placement document, the net proceeds from the QIP issue of Equity shares were Rs.686.75 crore, which has been utilized to the extent of Rs.132.84 crore as per the objects of issue and out of the balance funds, Rs.553.66 crore is held in the form of FDR (excluding interest income of Rs.0.25 crore) while balance Rs.0.25 crore remains unutilized in Escrow Account as on December 31, 2023.	No comments

CARE Ratings Limited

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

CIN-L67190MH1993PLC071691

Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	No comments
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	Not applicable	
Is there any major deviation observed over the earlier monitoring agency reports?	Nil	Report dated Nov.13, 2023	Nil	
Whether all Government/ statutory approvals related to the object(s) have been obtained?	Not Applicable	Not Applicable	Not applicable	
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	No	Not Applicable	
Is there any other relevant information that may materially affect the decision making of the investors?	No	No	Not Applicable	

* Chartered Accountant certificate from Jaipuria and Associates (chartered accountants) dated January 30, 2024

#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.

CARE Ratings Limited

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

CIN-L67190MH1993PLC071691

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	Repayment and/or prepayment, in full or in part, of certain outstanding borrowings availed by the company	Chartered Accountant certificate*, Placement Document	200.00	NA	Amount is specified separately as per Placement Document	No comments		
2	Funding working capital requirements	Chartered Accountant certificate*, Placement Document	317.50	NA	Amount is specified separately as per Placement Document	No comments		
3	General corporate purposes	Chartered Accountant certificate*, Placement Document	169.25	NA	Amount is specified separately as per Placement Document	No comments		
Total			686.75					

* Chartered Accountant certificates from Jaipuria and Associates (chartered accountants) dated January 30, 2024

CARE Ratings Limited

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

CIN-L67190MH1993PLC071691

(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 raised 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 in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore			Reason for idle funds	Proposed course of action
1	Repayment and/or prepayment, in full or in part, of certain outstanding borrowings availed by the company	Chartered Accountant certificate*, Monitoring account statement, Bank statements	200.00	200.00	Nil	125.00	125.00	75.00	No comments	No comments	
2	Funding working capital requirements	Chartered Accountant certificate*	317.50	317.50	Nil	00.00	00.00	317.50	No comments	No comments	
3	General corporate purposes	Chartered Accountant certificate*, Monitoring Account statements	169.25	169.25	Nil	7.84	7.84	161.41	No comments	No comments	
Total			686.75	686.75	Nil	132.84	132.84	553.91			

* Chartered Accountant certificates from Jaipuria and Associates (chartered accountants) dated January 30, 2024

CARE Ratings Limited

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

CIN-L67190MH1993PLC071691

(iii) Deployment of un-utilized proceeds:

Sr. No.	Name of the Mutual Fund/Bank account	Type of account	Amount in Rs. crore	Source of information / certifications considered by Monitoring Agency for preparation of report
1	Yes Bank	Fixed Deposit	210.00	CA certificate and ICICI Bank Monitoring Account Statement
2	Punjab National Bank	Fixed Deposit	243.16	CA certificate and ICICI Bank Monitoring Account Statement
3	IDBI Bank	Fixed Deposit	100.75	CA certificate and ICICI Bank Monitoring Account Statement
4	ICICI Bank	Escrow Account	13.50	ICICI Bank Escrow Account Statement
5	ICICI Bank	Monitoring Account	0.003	ICICI Bank Monitoring Account Statement
Total			567.413*	

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
1	Yes bank (Fixed Deposit)	210.00	Jan 15, 2024	Nil	7.37%	NA
2	IDBI Bank (Fixed Deposit)	100.75	Jan 14, 2024	Nil	7.30%	NA
3	Punjab National Bank (Fixed Deposit)	75.00	Jan 15, 2024	Nil	7.36%	NA
4	Punjab National Bank (Fixed Deposit)	101.00	Jan 15, 2024	Nil	7.40%	NA
5	Punjab National Bank (Fixed Deposit)	67.16	Jan 05, 2024	Nil	7.57%	NA
6	ICICI Bank (Escrow Account)	13.50	NA	Nil	Nil	NA
7	ICICI Bank (Monitoring Account)	0.003	NA	Nil	Nil	NA
Total		567.413*				

NA: Not Applicable

*Surplus amount over and above the unutilized amount (as per table 4(ii) above) is on account of amount kept in escrow account pending utilization towards issue related expenses and interest earned on FD.

(iv) Delay in implementation of the object(s): Not applicable

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	Investment in Ramkrishna Titagarh Rail Wheels Limited – a Joint Venture Company	7.84	CA Certificate*, Bank Statement	No comments	No comments
Total		7.84			

* Chartered Accountant certificate from Jaipuria and Associates (chartered accountants) dated January 30, 2024

CARE Ratings Limited

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