



May 14, 2024

To
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400 051

To
BSE Limited
Phiroze Jeejeebhoy Towers
21st Floor, Dalal Street
Mumbai – 400 001

NSE Symbol: SURAJEST

BSE Scrip Code: 544054

Dear Sir/Madam,

Sub.: Monitoring Agency Report for the quarter ended March 31, 2024

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Regulation 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we are enclosing herewith Monitoring Agency Report issued by CARE Ratings Limited, Monitoring Agency, for the quarter ended 31st March, 2024 in respect of utilization of proceeds of the IPO of the Company.

Kindly take the aforesaid information on record and oblige.

Thanking you,

Yours sincerely,

For Suraj Estate Developers Limited

Shivil Kapoor
Company Secretary & Compliance officer
ICSI Membership No.: F11865

Final Monitoring Agency Report



No. CARE/HO/GEN/2024-25/1018

**The Board of Directors
Suraj Estate Developers Limited**

Aman Chambers, 3rd Floor, Century Bazaar,
Prabhadevi,
Mumbai – 400025
Maharashtra, India

May 09, 2024

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended March 31, 2024 - in relation to the IPO of Suraj Estate Developers Limited ("the Company")

We write in our capacity of Monitoring Agency for the Public Issue for the amount aggregating to Rs.400.00 crore of the Company and refer to our duties cast under 41 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 December 06, 2023.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

A handwritten signature in black ink, appearing to read "Darshan Shah".

Darshan Shah

Assistant Director

Darshan.shah@careedge.in

Final Monitoring Agency Report



Report of the Monitoring Agency

Name of the issuer: Suraj Estate Developers Limited

For quarter ended: March 31, 2024

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.

A handwritten signature in black ink, appearing to read "Darshan Shah".

Signature:

Name of the Authorized Signatory: Darshan Shah

Designation of Authorized person/Signing Authority: Assistant Director

1) Issuer Details:

Name of the issuer : Suraj Estate Developers Limited
Name of the promoter : Rajan Meenathakonil Thomas
Industry/sector to which it belongs : Real Estate

2) Issue Details

Issue Period : Opened on December 18, 2023, and closed on December 20, 2023
Type of issue (public/rights) : Initial Public Offer
Type of specified securities : Equity Shares
IPO Grading, if any : Not applicable
Issue size (in ` crore) : Rs. 400.00 crore (Note 1)

Note 1:

The company had offered 1.111 crores Equity Shares under the initial public offer, at Rs. 360 per share (including share premium of Rs. 355 per share) aggregating to ₹ 400 crore. The issue was oversubscribed by 16.57 times and the company has allotted 1,11,11,111 Equity Shares to the applicants.

Particulars	Remarks
Total shares issued and subscribed as part of IPO	1,11,11,111
Total subscriptions towards IPO (in Rs. crore)	400.00
Details of expenses incurred related to issue (in Rs. crore)	35.266*
Net Proceeds of IPO (Rs. crore)	364.734

*The utilisation of issue related expenses till March 31, 2024, includes Rs. 7.25 cr incurred by the company prior to receipt of the issue proceeds. Reimbursement of the amount has been routed through MA Account. The same is certified by the Statutory Auditor.

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*, prospectus, Bank statement	Utilization of proceeds towards General Corporate Purpose (GCP) was partly routed from MA account to Current Account (CA) and further, transferred to another CA which has numerous other transactions resulting in co-mingling of funds. Due to this, MA is unable to track end utilization of these funds. However, MA has relied on the Statutory Auditor's (SKLR & Co. LLP) certificate for utilization of the funds towards the stated object (GCP) of the company.	Utilization as per the disclosure in the offer documents towards the stated objects (GCP) of the Company is approved.
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not Applicable	Not applicable	Not applicable	Nil
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	Not applicable	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	No	Chartered Accountant certificate*	As on December 31, 2023, the company parked unutilized funds in liquid mutual funds. However, as on March 31, 2024, the unutilised net proceeds are parked in FDs and current account.	Nil
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Not applicable	Not applicable	Nil
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Not applicable	Not applicable	Nil
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Not applicable	Not applicable	Nil
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	Not applicable	Nil

* The above details are verified by SKLR & CO LLP, Chartered Accountants vide its CA certificate dated May 08, 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.

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/Prepayment of the aggregate outstanding borrowings of our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited	Prospectus*, CA Certificate**	285.00	-	Not applicable	Nil	Nil	Nil
2	Acquisition of land or land development rights	Prospectus*, CA Certificate**	35.00	-	Not applicable	Nil	Nil	Nil
3	General corporate purposes (GCP)	Prospectus*, CA Certificate**	44.73	-	Not applicable	Nil	Nil	Nil
Total			364.73					

*Sourced from Page No. 130 of Placement Document.

** The above details are verified by SKLR & CO LLP, Chartered Accountants vide its CA certificate dated May 08, 2024.

(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 (A)	Amount utilised in Rs. Crore			Total Unutilised amount in Rs. Crore as on March 31, 2024 (C=A-B)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter (January 01, 2024) in Rs. Crore	During the quarter (January 01, 2024, to March 31, 2024) in Rs. Crore	At the end of the quarter (January 01, 2024 to March 31, 2024) in Rs. Crore (B)			Reasons for idle funds	Proposed course of action
1	Repayment/Prepayment of the aggregate outstanding borrowings of our Company and our Subsidiaries, Accord Estates Private Limited, Iconic Property Developers Private Limited and Skyline Realty Private Limited	CA Certificate, Bank Statements, Prospectus	285.00	285.00	-	285.00	-	Not applicable	Nil	Nil
2	Acquisition of land or land development rights	CA Certificate, Bank Statements, Prospectus	35.00	-	14.88	14.88	20.12	Not applicable	Nil	Nil
3	General corporate purposes (GCP)*	CA Certificate, Bank Statements, Prospectus	44.73	26.35	18.34**	44.69	0.04	Not applicable	Nil	Nil
Total			364.73	311.35	33.22	344.57	20.16			

****The actual outflow towards GCP is Rs.18.68 crores, additional expenditure was funded from interest income earned as on March 31, 2024, of Rs.0.34 crore.**

The above details are verified by SKLR & CO LLP, Chartered Accountants vide its CA certificate dated May 08, 2024.

(iii) Deployment of unutilized public issue proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1.	Fixed Deposits	20.00	Weekly; auto renewal	0.0184 (weekly)	4.80%	-
2.	Suraj Estate Developers (Axis Bank Current account)	0.16	-	-	-	-
Total		20.16				

The above details are verified by SKLR & CO LLP, Chartered Accountants vide its CA certificate dated May 08, 2024.

(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
Acquisition of land or land development rights	March 31, 2024	Still pending*		Nil	Nil
General corporate purposes (GCP)	March 31, 2024	Still pending^		Nil	Nil

*The company has utilised Rs.14.88 crore as on March 31, 2024, as against the scheduled deployment of Rs. 22.5 crore during FY24.

^The company has utilised Rs.44.69 crore as on March 31, 2024, as against the scheduled deployment of Rs. 44.73 crore during FY24.

1) 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	Salaries	1.46	CA Certificate**	-	Nil
2	Unsecured Loans	5.22	CA Certificate**	-	Nil
3	TDS	3.01	CA Certificate**	-	Nil
4	Cancellation refund paid	1.31	CA Certificate**	-	Nil
5	Secured loan interest payment	1.05	CA Certificate**	-	Nil
6	Towards project expense	0.11	CA Certificate**	-	Nil
7	Software purchase	0.01	CA Certificate**	-	Nil
8	Prof. fees	0.24	CA Certificate**	-	Nil
9	Statutory Dues	6.28	CA Certificate**	-	Nil
	Total	18.68^			

^^The difference in the amount utilised during the quarter mentioned in the table no. 4 (ii) – 'progress of the object' and Table no. 5 is on account of utilisation of interest income earned of Rs.0.34 crore towards GCP.

** The above details are verified by SKLR & CO LLP, Chartered Accountants vide its CA certificate dated May 08, 2024.

^ Section from the offer document related to GCP:

"The Net Proceeds will first be utilised for the objects as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards our general corporate purposes. Our Company proposes to deploy the balance Net Proceeds aggregating to ₹447.34 million towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. Such general corporate purposes may include, but are not restricted to, the following:

- meeting any expense of the Company, including salaries and wages, administration, insurance, repairs and maintenance, payment of taxes and duties;
- meeting expenses incurred in the ordinary course of business and towards any exigencies; and
- any other purpose, as considered expedient.

The allocation or quantum of utilisation of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilising surplus amounts, if any. "

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 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.