

Dated: 15th May, 2025

To,

The Corporate Relations Department. BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Script Code: 532986	National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex, Bandra East Mumbai 400 051 Script Symbol : NIRAJ
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Dear Sir/Madam

Sub: - : Monitoring Agency Report for the quarter ended 31st March, 2025

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 March, 2025, issued by CARE Ratings Limited, the Monitoring Agency appointed to monitor the utilization of proceeds of Preferential Issue of Equity Shares and Warrants of the Company.

You are requested to take the above on your record.

Thanking you,

Yours Faithfully,

For **Niraj Cement Structurals Limited**

Anil Anant Jha

Company Secretary & Compliance Officer
ACS 66063

No. CARE/HO/GEN/2025-26/1058

The Board of Directors

Niraj Cement Structurals Limited

Unit No. 820 to 825, Commercial Building,
Wadhwa, Dukes Horizon, ST Road, Nr. R K Studio,
D G Patil Road, Mumbai - 400088.

May 15, 2025

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended March 31, 2025 - in relation to the Preferential Issue of Niraj Cement Structurals Limited ("the Company")

We write in our capacity of Monitoring Agency for the Preferential Issue for the amount aggregating to Rs. 103.56 crore of the Company and refer to our duties cast under regulation 162A 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, 2025, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated December 19, 2024.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,



Darshan Shah

Assistant Director

Darshan.shah@careedge.in

Report of the Monitoring Agency

Name of the issuer: Niraj Cement Structurals Limited

For quarter ended: March 31, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Yes. The company has provided inter-corporate deposits (ICD) and classified as 'General Corporate Purposes' (GCP). Lending in the form of ICDs does not form part of the definition of GCP given in the Offer Document. Further, the company has parked unutilized proceeds in equity via Portfolio Management Services (PMS) which is not in line with the interim use of proceeds as per the Offer document.

(b) Range of Deviation: Up to 10% (Considering ICD utilization)

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 : Niraj Cement Structural Limited
Name of the promoter : Gulshan Chopra, Pooja Chopra, Aishwarya Chopra, Siddhant Chopra
Industry/sector to which it belongs : Construction – Civil Construction

2) Issue Details

Issue Period : Equity Shares; December 17, 2024, to December 31, 2024, and Convertible Warrants; January 01, 2025, to March 21, 2025
Type of issue (public/rights) : Preferential Issue
Type of specified securities : Convertible Warrants and Equity Shares
IPO Grading, if any : Not Applicable
Issue size (in crore) : Rs. 103.56 crore

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?	No	Offer document, CA certificate*, Bank statement, Management Confirmation	The company has provided inter-corporate deposits (ICD) and classified as 'General Corporate Purposes' (GCP). Lending in the form of ICDs does not form part of the definition of GCP given in the Offer Document. Further, the company has parked unutilized proceeds in equity via Portfolio Management Services (PMS) which is not in line with the interim use of proceeds as per the Offer document. Such investment in equity is exposed to market risks. Utilization of proceeds towards objects was routed from Monitoring Account to current account. The current account statement was submitted by the company wherein classification of the transactions towards the objects was given by the	We respectfully submit that all relevant and requisite documents including Board Resolution pertaining to the Inter-Corporate Deposit (ICD) have already been duly furnished by us. In light of the same, we do not concur with the observations made by the agency in its report. We hereby request that our submissions be duly acknowledged and taken on record, and that the comments made be re-evaluated in view of the documentation and explanations already provided. As outlined in the Company's Offer Document page no. 9 clause C , the Board of Directors is empowered to utilize the Company's funds at their discretion, in accordance with applicable laws. In line with this authorization, the Board, at its meeting held on February 11, 2025, approved the deployment of funds through

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
			management.	<p>Inter-Corporate Loans and investments. Pursuant to this approval, the Company has extended funds in the form of secured Inter-Corporate Deposits (ICDs) to the vendors, for bona fide business purposes. These ICDs are fully secured by PDC's and BG's, significantly mitigating credit risk and ensuring the safety and timely recoverability of the deployed funds with significant returns which is beneficial in the interest of investors and Company. The primary objective of these ICDs is to support vendors in the procurement of raw materials and other essential inputs required for the Company's operations. This initiative helps maintain an uninterrupted supply chain and supports the efficient functioning of production and service cycles, aligning with the Company's broader operational goals.</p> <p>Further, the Company had temporarily deployed its unutilized funds through SEBI-registered Portfolio Management Services (PMS) entities as part of its interim treasury strategy. These investments were made under the fiduciary discretion of professional portfolio managers, with the objective of optimizing returns while maintaining liquidity and capital safety. Although the Offer Document and the resolution passed by the Board primarily refer to the deployment of idle funds in conventional liquid instruments such as fixed deposits and other securities, they do not explicitly restrict investments in equity or market-linked</p>

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
				<p>instruments, provided such investments are made through regulated and transparent platforms. The PMS route, being governed by SEBI regulations, offered a prudent and compliant avenue for such interim deployment. The portfolio was well-diversified across sectors and asset classes to mitigate market risks, and the investments were actively monitored to ensure alignment with the Company's liquidity requirements and financial objectives. The funds remained readily cashable and were structured in a way that ensured they could be withdrawn at short notice to meet project execution needs or other operational commitments. In line with evolving business priorities and with the objective of deploying funds more directly into core operational areas, the Company intends to withdraw funds from its PMS. The proceeds from these withdrawals will be utilized to meet future business requirements, thereby ensuring that the Company's financial resources remain aligned with its long-term growth strategy and operational objectives.</p> <p>All transactions are structured in line with standard norms and comply with all the applicable statutory and regulatory requirements, including the provisions of the Companies Act, 2013, wherever relevant.</p>
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	No	CA certificate*, Management Confirmation	The company has provided inter-corporate deposits (ICD) and same is classified as 'General Corporate Purposes' (GCP). Lending in the form of ICDs do not form	NIL

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
			part of the definition of GCP given in the Offer Document.	
Whether the means of finance for the disclosed objects of the issue have changed?	Yes	Board Resolution, Bank Statements	The issue was undersubscribed resulting in a reduction of issue size from Rs. 132.77 crore to Rs. 103.56 crore. Board resolution for revision in costs of the Objects has been passed.	NIL
Is there any major deviation observed over the earlier monitoring agency reports?	No	Not Applicable	Not Applicable	NIL
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not Ascertainable	Not Applicable	Not Applicable	NIL
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not Ascertainable	Not Applicable	Not Applicable	NIL
Are there any favorable/unfavorable events affecting the viability of these object(s)?	Yes	Board Resolution and Bank Statements	Undersubscription in the issue may affect the viability of the objects.	NIL
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Bank Statement, and Holding Statement	The company has invested unutilized proceeds in equity via PMS which has an unrealized loss of Rs. 0.54 crore.	Due to market fluctuations, the Company had an unrealized loss of ₹0.54 crore as of March 31, 2025. However, this loss has since been recovered. The Company intends to withdraw the entire unutilized amount from the investment.

* The above details are verified with the help of CA certificate issued by Chaturvedi Sohan & Co. dated May 13, 2025

#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.

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	Working capital requirements	CA Certificate*, Management Certificate, Offer Document^, Board Resolution for allotment and Board Resolution for revision in cost	37.57	29.31	Board Resolution for revised cost of objects considering undersubscription in the preferential issue	Due to under-subscription, the cost of the objects has been proportionately reduced, in line with the disclosures made in the Letter of Offer and the Board Resolution		
2	To meet investment in subsidiary to mitigate any business prospects	CA Certificate*, Management Certificate, Offer Document^, Board Resolution for allotment and Board Resolution for revision in cost	62.00	48.37				
3	General Corporate Purposes	CA Certificate*, Management Certificate, Offer Document^, Board Resolution for allotment and Board Resolution for revision in cost	33.19	25.88				
Total			132.76	103.56				

* The above details are verified by with the help of CA certificate issued by Chaturvedi Sohan & Co. dated May 13, 2025

^ Sourced from page 47 and page 56 of the Offer Document

(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	Revised Cost 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	Working capital requirements	CA Certificate*, Management Certificate, Offer Document^, Board Resolution for allotment, Board Resolution for Revision in Cost of Objects and Vendor Acknowledgement Letter and Invoices	37.57	29.31	8.00	18.57	26.57	2.74	Utilization of proceeds is towards advance payment for materials to vendor Neelkanth Infratech Private Limited, payment to supplier for materials and payment to construction contractors Force Construction Private Limited and Omtech Associates.		
2	To meet investment in subsidiary to mitigate any business prospects	CA Certificate*, Management Certificate, Offer Document^, Board Resolution for allotment, Loan Agreement and Acknowledgement Receipt and Board Resolution for Revision in Cost of Objects	62.00	48.37	0.00	48.37	48.37	0.00	Utilization of proceeds is towards making investment in its subsidiaries i.e. Niraj Build India Limited and Niraj Consulting Group Limited in the form of loans.		
3	General Corporate Purposes	CA Certificate*, Management Certificate, Offer Document^, Board Resolution for allotment, Board Resolution for Revision in Cost of Objects, Loan Agreement and Inter-corporate Deposit Receipt, and Invoices	33.19	25.88	8.00	7.88	15.88	10.00	Utilization of proceeds is towards advancing inter-corporate deposits (Offer document does not state this as an object to the issue) to Flightech Solutions Private Limited and Vajraa and Vayu Infra Consulting Private Limited,	As outlined in the Company's Offer Document, the Board of Directors is empowered to utilize the Company's funds at its discretion, in accordance with applicable laws. In line with this authorization,	

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	Revised Cost 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
									and reimbursement of payments made to vendors.	the Board, at its meeting held on February 11, 2025, approved the deployment of funds through Inter-Corporate Loans and investments. Pursuant to this approval, the Company has extended funds in the form of secured Inter-Corporate Deposits (ICDs) to the vendors, for bona fide business purposes. These ICDs are fully secured by PDC's and BG's, significantly mitigating credit risk and ensuring the safety and timely recoverability of the deployed funds with significant returns which is beneficial in the interest of investors and Company. The primary objective of these ICDs is to support vendors in the procurement of raw materials and other essential inputs required	

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	Revised Cost 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
										for the Company's operations. This initiative helps maintain an uninterrupted supply chain and supports the efficient functioning of production and service cycles, aligning with the Company's broader operational goals.	
Total			132.76	103.56	16.00	74.82	90.82	12.74			

* The above details are verified with the help of CA certificate issued by Chaturvedi Sohan & Co. dated May 13, 2025

^ Sourced from page 47 and page 56 of the Offer Document

(iii) Deployment of unutilized 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 (Rs. Crore)
1.	ICICI Bank Monitoring Account	2.74	-	-	-	2.74
2.	Portfolio Management Services (Invested equity) – Motilal Oswal Financial Services	9.91 ^{\$}	-	-	-	9.37
3.	Portfolio Management Services (Cash Balances) – Motilal Oswal	0.09				0.09
Total		12.74				12.20

* The above details are verified with the help of CA certificate issued by Chaturvedi Sohan & Co. dated May 13, 2025

\$ The company has parked unutilized proceeds in Portfolio Management Services (PMS) which is not in line with the interim use of proceeds as per the Offer document.

Board Comments: the Company had temporarily deployed its unutilized funds through SEBI-registered Portfolio Management Services (PMS) entities as part of its interim treasury strategy.

(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
Working capital requirements	March 31, 2027	Ongoing	Not Applicable	NIL	NIL
To meet investment in subsidiary to mitigate any business prospects	March 31, 2027	March 31, 2025	No delay	NIL	NIL
General Corporate Purposes	March 31, 2027	Ongoing	Not Applicable	NIL	NIL

[^] Sourced from page 47 and page 56 of the Offer Document

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	Inter-corporate deposits	6.90	Bank Statement, Management Certificate, CA Certificate, Loan agreement and Inter-corporate deposit receipt letter	Utilization of proceeds is towards advancing inter-corporate deposits (ICDs) to Flightech Solutions Private Limited and Vajraa and Vayu Infra Consulting Private Limited, and reimbursement of payments made to vendors.	NIL
2	Payment to vendors and contractors	0.98	Bank Statement, Management Certificate, CA Certificate, and Invoices.		NIL
Total		7.88			

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^ Section from the offer document related to GCP:

“Upto 25% of the issue proceeds will be allocated for general corporate purposes. This allocation may cover, among other things, addressing ongoing corporate needs and contingencies, funding the company's operational costs and issue related cost as determined by the Board of Directors at their discretion, and any other purposes permitted under applicable laws”

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.