

**Monitoring Agency Report
for
Inox Green Energy Services Limited
for the quarter ended June 30, 2023**

Ratings



01st August, 2023

To

Inox Green Energy Services Limited
Survey No. 1837 & 1834 at Moje Jetalpur,
ABS Towers, Second Floor, Old Padra Road,
Vadodara, Gujarat - 390007

Dear Sir,

Monitoring Agency Report for the quarter ended June 30, 2023 - in relation to the Initial Public Offer ("IPO") of Inox Green Energy Services Limited ("the Company")

Pursuant to Regulation 41 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated October 31, 2022, enclosing herewith the Monitoring Agency Report issued by CRISIL Ratings Limited, Monitoring Agency, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of IPO for the quarter ended June 30, 2023.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of CRISIL Ratings Limited

Sushant Sarode
Director, Ratings (LCG)

Report of the Monitoring Agency (MA)

Name of the issuer: Inox Green Energy Services Limited

For quarter ended: June 30, 2023

Name of the Monitoring Agency: CRISIL 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 we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.

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: **Sushant Sarode**

Designation of Authorized person/Signing Authority: **Director, Ratings (LCG)**

Ratings

1) Issuer Details:

Name of the issuer:	Inox Green Energy Services Limited
Names of the promoter^:	Inox Wind Limited
Industry/sector to which it belongs:	Heavy Electrical Equipment

^Source: BSE and NSE site

2) Issue Details

Issue Period:	Friday, November 11, 2022 to Tuesday, November 15, 2022
Type of issue (public/rights):	Initial Public Offer (IPO)
Type of specified securities:	Equity Shares
IPO Grading, if any:	NA
Issue size:	Rs 7,400.00 million Issue size comprises of fresh issuance/gross proceeds of Rs. 3,700.00 million (net proceeds of Rs 3,386.88 million*) and an offer for sale of Rs 3,700 million

**CRISIL Ratings shall be monitoring the net proceeds amount*

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, Independent Chartered Accountant Certificate*, Final Offer Document, Bank Statements	No Comments	No Comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking, Independent Chartered Accountant Certificate* Final Offer Document	No Comments	No Comments

Ratings

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 the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	NA	Management undertaking, Independent Chartered Accountant Certificate*	No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No Comments	No Comments
Are there any favorable events improving the viability of these object(s)?	NA		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	NA		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No Comments

NA represents Not Applicable

*Certificate dated July 21, 2023 issued by D A R P N and Company, Chartered Accountants (Firm Registration Number: 016790C).

Ratings

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

i. Cost of the object(s):

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in million)	Revised Cost (Rs in million)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment and/or pre-payment, in full or part, of certain borrowings availed by the Company including redemption of Secured NCDs in full	Management undertaking, Independent Chartered Accountant Certificate*, Final Offer Document, Bank Statements	2,600.00	NA	No revision in cost during the quarter	No Comments		
2	General Corporate Purposes (GCP)#		786.88	904.30	Refer note^	No Comments		

*Certificate dated July 21, 2023 issued by D A R P N and Company, Chartered Accountants (Firm Registration Number: 016790C).

^During the quarter ended 31st March, 2023, surplus amount of Rs. 108.10 million was transferred from Inox Green Energy Services Limited- Public Issue account to Inox Green Energy Services Limited - Monitoring Agency account which was adjusted towards General Corporate Purpose and resulted in increase in General Corporate Purpose amount to Rs 895.00 million.

Further, during the quarter ended 30th June, 2023, surplus amount of Rs. 9.30 million was transferred from Inox Green Energy Services Limited- Public Issue account to Inox Green Energy Services Limited - Monitoring Agency account which was adjusted towards General Corporate Purpose and resulted in increase in General Corporate Purpose amount to Rs 904.30 million.

#The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds from the Fresh Issue.

Ratings

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 (Rs in million)	Amount utilized* (Rs in million)			Total unutilized amount (Rs in million)	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 pre-payment, in full or part, of certain borrowings availed by the Company including redemption of Secured NCDs in full	Management undertaking, Independent Chartered Accountant Certificate*, Final Offer Document, Bank Statements	2,600.00	2,600.00	-	2,600.00	Nil	No Comments	No Comments	
2	General Corporate Purposes (GCP)	Management undertaking, Independent Chartered Accountant Certificate*, Final Offer Document, Bank Statements	904.30^	895.00	9.30**	904.30	Nil	No Comments	No Comments	
Total			3,504.30^	3,495.00	9.30	3,504.30	Nil	-	-	-

*Certificate dated July 21, 2023 issued by D A R P N and Company, Chartered Accountants (Firm Registration Number: 016790C).

^During the quarter ended 31st March, 2023, surplus amount of Rs. 108.10 million was transferred from Inox Green Energy Services Limited- Public Issue account to Inox Green Energy Services Limited - Monitoring Agency account which was adjusted towards General Corporate Purpose and resulted in increase in General Corporate Purpose amount to Rs 895.00 million. Further, during the quarter ended 30th June, 2023, surplus amount of Rs. 9.30 million was transferred from Inox Green Energy Services Limited- Public Issue account to Inox Green Energy Services Limited - Monitoring Agency account which was adjusted towards General Corporate Purpose and resulted in increase in General Corporate Purpose amount to Rs 904.30 million.

**The company has transferred net proceeds from Inox Green Energy Services Limited - Monitoring Agency account to its current account for operational ease towards payment of TDS/TCS.

Ratings



#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Repayment and/or pre-payment of certain borrowings, in full or part, availed by the Company including redemption of Secured NCDs in full	<ol style="list-style-type: none"> The loan facilities availed by the Company include borrowing in the form of, inter alia, term loans and working capital facilities from various lenders. The Company has proposed to utilise an estimated amount of Rs 1,800 million from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings. The company intends to utilise the amount of Rs 800 million out of the Net Proceeds towards the scheduled redemption of Secured NCDs.
General Corporate Purposes (GCP)	<p>The company intends to deploy the balance Net Proceeds towards general corporate purposes, including, but not restricted to following:</p> <ul style="list-style-type: none"> funding growth opportunities strengthening marketing capabilities meeting ongoing general corporate contingencies meeting fund requirements and other working capital requirements of our Company, in the ordinary course of its business meeting expenses incurred in the ordinary course of business; and any other purpose, as may be approved by the Board or a duly constituted committee thereof, subject to compliance with applicable law.

iii. Deployment of unutilised IPO proceeds[^]:

S. No.	Type of instrument and name of the entity invested in	Amount invested (Rs in million)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter [^]
Not applicable						

[^]On the basis of the management undertaking and Certificate dated July 21, 2023 issued by D A R P N and Company, Chartered Accountants (Firm Registration Number: 016790C), as on June 30, 2023, entire net proceeds is fully utilized and there is no amount remaining for utilisation in upcoming quarters from the proceeds of Initial public offer of the Company in the Inox Green Energy Services Limited - Public Issue account and Inox Green Energy Services Limited - Monitoring Agency account.

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
Not Applicable					

*Certificate dated July 21, 2023 issued by D A R P N and Company, Chartered Accountants (Firm Registration Number: 016790C).

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

S. No.	Particulars	Amount (Rs in million)	Source of information /certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Payment of TDS/TCS	9.30	Management undertaking, Independent Chartered Accountant Certificate*	Proceeds are utilized pursuant to approval accorded by IPO committee^ of the Board vide its resolution dated November 24, 2022	No Comments
	Total	9.30			

*Certificate dated July 21, 2023 issued by D A R P N and Company, Chartered Accountants (Firm Registration Number: 016790C).

^Board of Directors of the Company vide resolution dated November 17, 2022 authorised IPO committee to undertake and determine the quantum and allocation/utilisation of GCP.

Disclaimers:

- a) *This Report is prepared by CRISIL Ratings Limited (hereinafter referred to as "Monitoring Agency"/ "MA" / "CRL"). 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.*
- f) *The MA report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRL providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.*
- g) *Access or use of this report does not create a client relationship between CRL and the user.*
- h) *CRL is not aware that any user intends to rely on the report or of the manner in which a user intends to use the report. In preparing this report, MA has not taken into consideration the objectives or particular needs of any particular user.*
- i) *It is made abundantly clear that the report is not intended to and does not constitute an investment advice. The report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The report should not be a basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).*
- j) *The report comprises professional opinion of CRL as of the date they are expressed, based on the information received from the issuer and other sources considered reliable by CRL. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. The report does not constitute statements of fact or recommendations to purchase, hold or sell any securities/instruments or to make any investment decisions.*
- k) *Neither CRL nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents guarantee the accuracy, completeness or adequacy of the report, and shall not have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. CRL and each aforesaid party disclaims any and all express or implied warranties, including but not limited to any warranties of merchantability, suitability or fitness for a*

Ratings

particular purpose or use or use. In no event shall CRL or any aforesaid party be liable to any user for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

- l) CRL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with the preparation of this report. CRL has in place a code of conduct and policies for managing conflict of interest.*
- m) Unless required under any applicable law, this report should not be reproduced or redistributed to any other person or in any form without prior written consent from CRL.*
- n) By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.*