



# IKIO LIGHTING LIMITED

(Formerly known as IKIO LIGHTING Pvt. Ltd.)

(CIN.:U31401DL2016PLC292884)

**Regd. Office:**

411, Arunachal Building,  
19 Barakhamba Road,  
Cannaught Place New Delhi-110001

**Corp. Office:**

D-234, Sector-63,  
Noida 201301(U.P.)  
India.

**Works:**

Plot no. 102, Sector 07, IIE,  
Sidcul Haridwar, 249403,  
India.

Date: - 11<sup>th</sup> August, 2023

To,  
Listing Operation Department,  
BSE Limited  
20th Floor, Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai- 400 001  
Scrip Code: - 543923

To,  
Listing Compliance Department,  
National Stock Exchange of India Limited,  
05th Floor, Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai – 400051  
Symbol: - IKIO

**Sub: - Monitoring Agency Report for the quarter ended June 30, 2023**

Dear Sir/Ma'am,

Pursuant to Regulation 32(6) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 41(4) of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, we hereby enclosed the Monitoring Agency Report for the quarter ended June 30, 2023, issued by CRISIL Ratings Limited, Monitoring Agency, appointed to monitor the utilisation of proceeds of the Public Issue (IPO) of the Company which was duly taken on records by the Audit Committee in the Meeting held on 04<sup>th</sup> August, 2023.

You are requested to take the same on record.

Thanking You,  
FOR IKIO Lighting Limited

Sandeep Kumar Agarwal  
Company Secretary & Compliance Officer

# Monitoring Agency Report for IKIO Lighting Limited for the quarter ended June 30, 2023

CRL/MAR/IKLIPL/2023-24/1028

August 08, 2023

To

**IKIO Lighting Limited**

411, Arunachal Building, 19 Barakhamba Road,  
Connaught Place, New Delhi - 110 001

Dear Sir,

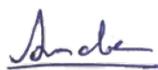
**Monitoring Agency Report for the quarter ended June 30, 2023 - in relation to the Initial Public Offer ("IPO")  
of IKIO Lighting Limited ("the Company")**

Pursuant to Regulation 41(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and Monitoring Agency Agreement dated April 18, 2023, enclosed 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:** IKIO Lighting 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:

<b>Name of the issuer:</b>	IKIO Lighting Limited
<b>Names of the promoter:</b>	a. Hardeep Singh b. Surmeet Kaur
<b>Industry/sector to which it belongs:</b>	Cables - Electricals

## 2) Issue Details

<b>Issue Period:</b>	Tuesday, June 06, 2023 to Thursday, June 08, 2023
<b>Type of issue (public/rights):</b>	Initial Public Offer (IPO)
<b>Type of specified securities:</b>	Equity Shares
<b>IPO Grading, if any:</b>	NA
<b>Issue size:</b>	Rs 6,065.00 million Issue size comprises of fresh issuance/gross proceeds of Rs 3,500.00 million (Net proceeds of Rs 3,257.50 million*) and an offer for sale of Rs 2,565.00 million

\*CRISIL Ratings shall be monitoring the net proceeds amount. GST amount of Rs 35.17 million on IPO expenses retained in "Public Issue Account" (Refer: footnote to the IPO expenses table on page no. 116 of the prospectus, reproduced here for case of reference "All aforementioned fees do not include applicable taxes")

## 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 <sup>^</sup> , 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, Statutory Auditor Certificate <sup>^</sup>	No Comments	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No Comments

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
Is there any major deviation observed over the earlier monitoring agency reports?	NA	Management undertaking, Statutory Auditor Certificate^	No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	No approval was required to be obtained		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)?	No		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	No		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 20, 2023 issued by BGJC & Associates LLP, Chartered Accountants (Firm Registration Number: 00304N/N500056), Statutory Auditors of the Company.

#### 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/prepayment, in full or part, of certain borrowings availed by Company and its Subsidiaries on consolidated basis	Management undertaking, Statutory Auditor Certificate <sup>^</sup> , Final offer document	500.00	NA	No Comments	No Comments	No Comments	No Comments
2	Investment in wholly owned Subsidiary, IKIO Solutions Private Limited, for setting up a new facility at Noida, Uttar Pradesh		2,123.12	NA	No Comments	No Comments	No Comments	No Comments
3	General Corporate Purposes (GCP) <sup>#</sup>		669.55	634.38	Refer note*	No Comments	No Comments	No Comments
<b>Total</b>		-	<b>3,292.67</b>	<b>3,257.50</b>	-	-	-	-

<sup>^</sup>Certificate dated July 20, 2023 issued by BGJC & Associates LLP, Chartered Accountants (Firm Registration Number: 00304N/N500056), Statutory Auditors of the Company.

<sup>#</sup>The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 875.00 million) from the Fresh Issue.

\*GST amount of Rs 35.17 million on IPO expenses retained in "Public Issue Account" (Refer: footnote to the IPO expenses table on page no. 116 of the prospectus, reproduced here for case of reference "All aforementioned fees do not include applicable taxes")

## 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/prepayment, in full or part, of certain borrowings availed by Company and its Subsidiaries on consolidated basis	Management undertaking, Statutory Auditor Certificate^, Final Offer Document, Bank Statements	500.00 <sup>@</sup>	NA	500.00	500.00	Nil	No comments	No comments	No comments
2	Investment in wholly owned Subsidiary, IKIO Solutions Private Limited, for setting up a new facility at Noida, Uttar Pradesh		2,123.12	NA	21.28	21.28	2,101.84	No comments	No comments	No comments
3	General Corporate Purposes (GCP)		634.38**	NA	135.25	135.25	499.13	No comments	No comments	No comments
<b>Total</b>			<b>3,257.50</b>	<b>NA</b>	<b>656.53</b>	<b>656.53</b>	<b>2,600.97</b>			

<sup>^</sup>Certificate dated July 20, 2023 issued by BGJC & Associates LLP, Chartered Accountants (Firm Registration Number: 00304N/N500056), Statutory Auditors of the Company.

\*Part of spend has been made by the Company by transferring net proceeds from Monitoring Agency Account opened and maintained by the Company with HDFC bank to "Object account" opened and maintained by the Company with HDFC bank, which is in variation to the standard industry practice of utilising funds directly from Company's Monitoring Agency account. However, entire net proceeds transferred to object account has been fully utilised and there is no balance lying in the object account as at the end of the quarter.

\*\*GST amount of Rs 35.17 million on IPO expenses retained in "Public Issue Account" (Refer: footnote to the IPO expenses table on page no. 116 of the prospectus, reproduced here for case of reference "All aforementioned fees do not include applicable taxes")

<sup>@</sup>Includes repayment of WCTL of Rs 7.00 million transferred to IKIO Lighting Limited's IndusInd bank CC account on June 26, 2023 which was adjusted by bank on July 14, 2023

**#Brief description of objects:**

Object of the Issue	Description of objects as per the offer document filed by the issuer
<p>Repayment/ prepayment, in full or part, of certain borrowings availed by Company and its Subsidiaries on consolidated basis</p>	<p>The loan facilities availed by the Company and its Subsidiaries include borrowing in the form of, inter alia, vehicle loans, term loans and working capital facilities including fund based and non-fund-based borrowings. As at January 31, 2023, total outstanding borrowings amounted on consolidated basis to ₹1,515.53 million. Company proposes to utilise an estimated amount of ₹500.00 million from the Net Proceeds towards full or partial repayment or pre-payment of certain borrowings availed by the Company and its Subsidiaries on consolidated basis.</p>
<p>Investment in wholly owned Subsidiary, IKIO Solutions Private Limited, for setting up a new facility at Noida, Uttar Pradesh</p>	<p>Investment in wholly owned Subsidiary, IKIO Solutions, in order to set up a new manufacturing facility at Noida, Uttar Pradesh. The proposed investment by the Company will be undertaken to set -up a new manufacturing facility for carrying out electronic manufacturing services. This will also allow the Company to better serve its existing customers, assist in better addressing the business requirements of large customers, and allowing them to expand into new business verticals, in particular, to address the growing consumer of electronic manufacturing services for lights, rotary switch and electric switch, socket, ABS pipe and solar for recreational vehicles.</p>
<p>General Corporate Purposes (GCP)</p>	<p>The general corporate purposes for which the Company proposes to utilize Net Proceeds include, without limitation:</p> <ul style="list-style-type: none"> <li>(i) Business development initiatives,</li> <li>(ii) Research and development,</li> <li>(iii) Meeting any expense including salaries and wages, rent, administration costs, insurance premiums, repairs and maintenance,</li> <li>(iv) Payment of taxes and duties,</li> </ul> <p>Other similar other expenses incurred in the ordinary course of the business or towards any exigencies</p>

iii. Deployment of unutilised proceeds<sup>^</sup>:

S. No.	Type of instrument where amount is invested	Amount invested (in million)	Maturity date	Earnings as on June 30, 2023 (in million)	Return on Investment (%)	Market value as at the end of quarter (in million)
1	HDFC Fixed Deposit - 50300813076361	400.00	15-Jan-24	0.87	7.25	400.87
2	HDFC Fixed Deposit - 50300813065777	300.00	20-Dec-23	0.66	7.25	300.66
3	HDFC Fixed Deposit - 50300813065511	400.00	20-Mar-24	0.89	7.40	400.89
4	HDFC Fixed Deposit - 50300813056841	300.00	18-Sep-23	0.63	7.00	300.63
5	HDFC Fixed Deposit - 50300813056726	100.00	20-Jul-23	0.17	5.50	100.17
6	HDFC Fixed Deposit - 50300813056446	400.00	19-Jun-24	0.89	7.40	400.89
7	HDFC Fixed Deposit - 50300813056271	300.00	20-Oct-23	0.63	7.00	300.63
8	HDFC Fixed Deposit - 50300813055940	300.00	21-Nov-23	0.63	7.00	300.63
9.	HDFC Fixed Deposit - 50300815573204	80.00	03 Jul 2023	0.04	4.75	80.04
10.	Balance net proceeds lying in Monitoring account of the Company*	20.60	NA	0.60	NA	20.60
11.	Balance net proceeds lying in IKIO Solutions Limited - Current account	0.97	NA	NA	NA	0.97
	<b>Total</b>	<b>2,601.57</b>		<b>6.01</b>		<b>2,606.98</b>

\*This includes Rs 0.60 million interest earned on FDRs

<sup>^</sup>On the basis of management undertaking and Certificate dated July 20, 2023 issued by BGJC & Associates LLP, Chartered Accountants (Firm Registration Number: 00304N/N500056), Statutory Auditors of the Company.

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					

^On the basis of management undertaking and Certificate dated July 20, 2023 issued by BGJC & Associates LLP, Chartered Accountants (Firm Registration Number: 00304N/N500056), Statutory Auditors of the Company.

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

S.no.	Item heads	Amount (Rs in million)
1	Debt repayment	130.00*
2	Rent and security deposit	5.25*

^Note: On the basis of management undertaking and Certificate dated July 20, 2023 issued by BGJC & Associates LLP, Chartered Accountants (Firm Registration Number: 00304N/N500056), Statutory Auditors of the Company

\*The Board of Directors of the Company vide resolution dated 24 June, 2023 has approved the utilisation of GCP towards debt repayment of IKIO Lighting Limited, its WOS – Fine technologies (India) Private Limited and its step-down subsidiary – Royalux Lighting Private Limited. The Board of Directors of the Company also approved utilisation towards rents and security deposit in IKIO Solutions Private Limited. Accordingly, proceeds were deployed from Company's Object account to CC accounts of IKIO Lighting Limited, its WOS – Fine technologies (India) Private Limited and its step-down subsidiary – Royalux Lighting Private Limited, for debt reduction of respective Companies, and to current account of IKIO Solutions Private Limited for rent and security deposit payments.

## 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.*
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## Ratings

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