

May 14th, 2025

To,

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra-Kurla Complex, Bandra (E)
MUMBAI-400 051
Symbol: DENTA

To,

The Manager,
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI-400 001
Scrip Code: 544345

Company Name: Denta Water and Infra Solutions Limited

Dear Sir/Madam,

Subject: Report of the Monitoring Agency with respect to utilization of proceeds of the Initial Public Offering (IPO), for the quarter ended 31st March 2025.

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we are enclosing herewith the Monitoring Agency Report dated 14th May 2025, issued by CareEdge Ratings (CARE Ratings Ltd), for the quarter ended 31st March 2025, in respect of utilization of proceeds of the Initial Public Offering (IPO) of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Denta Water And Infra Solutions Limited**
(Formerly known as Denta Properties And Infrastructure Private Limited)

Sujata Gaonkar
Company Secretary and Compliance Officer

Encl: as above.

Denta Water and Infra Solutions Limited

Formerly known as Denta Properties And Infrastructure Private Limited

CIN: L70109KA2016PLC097869
#40, 3rd Floor, Sri Lakshminarayana Mansion, South End Road,

Basavanagudi, Bengaluru 560004



080 - 29916509



info@denta.co.in



www.denta.co.in



No. CARE/BRO/GEN/2025-26/1006

The Board of Directors

Denta Water & Info Solutions Ltd

No. 40, 3rd floor, Sri Lakshminarayana mansion, South End Road, Basavanagudi
Bengaluru Karnataka 560004

May 14, 2025

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended 31/03/2025 - in relation to the IPO of Denta Water & Info Solutions Ltd ("the Company")

We write in our capacity of Monitoring Agency for the Rights Issue for the amount aggregating to Rs. 220.50 crore of the Company and refer to our duties cast under 82 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 31/03/2025 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated March 22, 2024.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,



Himanshu Jain

Associate Director

Himanshu.jain@careedge.in

Report of the Monitoring Agency

Name of the issuer: Denta Water & Infra Solutions Ltd

For quarter ended: March 31, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

(b) Range of Deviation: Nil

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:

A handwritten signature in blue ink that reads 'Himanshu Jain'.

Name and designation of the Authorized Signatory: Himanshu Jain

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Denta Water & Infra Solutions Ltd
 Name of the promoter : Sowbhagyamma, Sujith T R, C Mruthyunjaya Swamy, Hema H M
 Industry/sector to which it belongs : Water Supply & Management

2) Issue Details

Issue Period : 22/01/2025 to 24/01/2025
 Type of issue (public/rights) : Public
 Type of specified securities : Equity
 IPO Grading, if any : --
 Issue size (in crore) : Rs. 220.50 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?	Yes	CA Certificate*, Management Certificate	Proceeds have been utilized for working capital requirements and GCP	None
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	NA	CA Certificate*, Management Certificate, Invoices	No deviations from expenditures observed from the objects mentioned in Offer Document	None
Whether the means of finance for the disclosed objects of the issue have changed?	No	CA Certificate*, Management Certificate	No change in means of finance for the disclosed objects	None
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Not applicable	This is the first monitoring agency report	None
Whether all Government/statutory approvals related to the object(s) have been obtained?	No	Management Certificate, Discussion with management	Extension of time (EoT) for some of the ongoing projects has not yet been given by awarding authority though the company has applied for the same. For future projects, company would	As is typical in the normal course of business, official communication letters for extension of time may not always

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
			be obtaining requisite approvals as and when required.	be received promptly from the relevant Government departments due to their internal processes. However, the absence of such communication does not impact the continuity of the projects or the flow of funds from the departments in any manner
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes	Management Certificate	All arrangements pertaining to technical collaborations are in place.	None
Are there any favorable/unfavorable events affecting the viability of these object(s)?	Unascertainable	Management Certificate	The company has requested for EoT for 11 projects from the respective counterparties. Unexecuted order book of these projects was Rs. 279.83 crore as on March 31, 2025. While as per management, work is being continued without hinderance with no adverse action from awarding authority, it is important that the EoT request approvals be obtained timely for smooth operations.	None
Is there any other relevant information that may materially affect the decision making of the investors?	No	Management Certificate	No events have occurred to materially affect the decision making of investors.	None

*CA Certificate from Maheshwari & Co dated 08th May, 2025.

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#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	To meet the working capital requirements	CA Certificate*, Management Certificate, Final Prospectus	150.00	No revision	No revision	None	None	None
2	General corporate purposes	CA Certificate*, Management Certificate, Final Prospectus	45.34	No revision	No revision	None	None	None
3	Issue expenses	CA Certificate*, Management Certificate, Final Prospectus	25.16	No revision	No revision	None	None	None
Total			220.50					

*CA Certificate from Maheshwari & Co dated 08th May, 2025.

(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 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	To meet the working capital requirements	CA Certificate*, Management	150.00	0.00	49.47	49.47	100.53	Funds have been majorly utilised for purchase of	None	None

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 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
		Certificate, Bank statements						construction related raw materials and payments to sub-contractors. All payments are routed through monitoring agency account.		
2	General corporate purposes	CA Certificate*, Management Certificate, Bank statements	45.34	0.00	14.14	14.14	31.20	Funds have been used for paying taxes, salaries, fees to professionals etc. All payments are routed through monitoring agency account.	None	None
3	Issue expenses	CA Certificate*, Management Certificate, Bank statements	25.16	0.00	24.42	24.42	0.74	As per management, it is awaiting invoices	None	None
Total			220.50	0.00	88.03	88.03	132.47			

*CA Certificate from Maheshwari & Co dated 08th May, 2025.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. In Crs)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter (Rs. In Crs)
1.	Fixed Deposit-Axis Bank	25.00	01/08/2025	-	7.25%	25.00
2.	Fixed Deposit-Axis Bank	25.00	01/08/2025	-	7.25%	25.00
3.	Fixed Deposit -Axis Bank	15.00	07/08/2025	-	6.90%	15.00
4.	Fixed Deposit-Axis Bank	25.00	01/08/2025	-	7.25%	25.00

5.	Fixed Deposit-Axis Bank	25.00	01/08/2025	-	7.25%	25.00
6.	Balance in allotment account-Axis Bank	5.50	--	-		
7.	Balance in monitoring agency account-Axis Bank	12.80	--	-		
	Total	133.3*				

*Rs. 0.83 Crs pertains to FD interest

(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
To meet the working capital requirements	Rs. 50 crore by March 31, 2025 Rs. 100 crore by March 31, 2026	Rs. 49.47 crore in FY25	Delayed. Exact number of days of delay not ascertainable	None	None
General corporate purposes	Rs. 15.11 crore by March 31, 2025 Rs. 30.23 crore by March 31, 2026	Rs. 14.14 crore in FY25		None	None
Issue Expenses	Not specified	Rs. 24.42 crore	-		

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	Advance tax payments	6.34	CA Certificate*, Invoices and Management certificate	The utilization has been made for items mentioned in the offer document.	None
2	Fees to professionals for various services	2.84			
3	TDS Challans	2.49			
4	Director remuneration	1.14			
5	Salary & wages	0.32			
6	Other administration exp	1.01			
	Total	14.14			

*CA Certificate from Maheshwari & Co dated 08th May, 2025.

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[^] Section from the offer document related to GCP:

“Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ 453.42 million towards general corporate purposes, subject to such amount not exceeding 25% of the gross proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include, without limitation, in the ordinary course of business, any strategic initiatives, creation of collaterals, monetisation of assets, partnerships, tie-ups, joint ventures or acquisitions, and meeting capital requirements incurred in the ordinary course of business towards salaries and wages, rent, administration expenses, meeting exigencies and expenses and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013.”

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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.

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