



## Divgi TorqTransfer Systems

**Divgi TorqTransfer Systems Limited**

CIN: L32201MH1964PLC013085

75, General Block, MIDC, Bhosari,

Pune 411 026, India

Tel: (+91-20) 63110110

Web: [www.divgi-tts.com](http://www.divgi-tts.com)

**Ref.: DTTS/Sec/25-26/31**

**August 07, 2025**

To, <b>BSE Limited,</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001  <b>BSE Scrip Code – 543812</b>	To, <b>National Stock Exchange of India Limited,</b> "Exchange Plaza" 5th Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051  <b>NSE Scrip Code - DIVGIITTS</b>
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**Sub: Submission of Report of Monitoring Agency for the Initial Public Offer.**

Dear Sir / Madam,

Pursuant to Regulation 41(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have attached herewith a Report of the Monitoring Agency i.e. ICRA Limited for the quarter ended June 30, 2025.

You are requested to take the same on your record.

Thanking you,

**For Divgi TorqTransfer Systems Limited**

**Aniket Kokane**  
**Company Secretary and Compliance Officer**  
**A51571**

Enclosure: As above

## MONITORING AGENCY REPORT

**Name of the Issuer:** Divgi Torqtransfer Systems Limited

**For quarter ended:** June 30, 2025

**Name of the Monitoring Agency (MA):** ICRA Limited

**(a) Deviation from the objects of the issue:**

No deviation - the utilization of the issuance proceeds is in line with the objects of the issue.

**(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:**

PARUL  
GOYAL  
NARANG

Digitally signed  
by PARUL  
GOYAL NARANG  
Date: 2025.07.30  
13:52:59 +05'30'

Parul Goyal Narang

Vice President & Head- Process Excellence

**Analyst:** Adrita Sadhukhan

**Quality Analyst:** Parul Narang

## 1. Issuer Details

**Name of the Issuer:** Divgi Torqtransfer System Limited

**Name(s) of the promoters:**

Promoters
Hirendra Bhaskar Divgi
Jitendra Bhaskar Divgi
Divgi Holding Pvt Ltd

Source: Prospectus

**Industry/ sector to which it belongs:**

- Auto Components & Equipments

## 2. Issue Details

**Issue Period:** Opening date- March 01, 2023

Closing date- March 03, 2023

**Type of Issue:** Initial Public Offer

**Type of specified securities:** Equity shares

**IPO Grading, if any:** No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the offer.

**Issue Size (Rs. Crore): 412.120**

**With OFS portion:** INR 412.120 Crore

**Excluding OFS portion:** INR 180.000 Crore.

**Net proceeds as per prospectus:** INR 168.434 Crore (Excluding Issue Related Expenses) \*

\*The revised net proceeds stood at INR 169.662 Crore as on 30<sup>th</sup> June 2025 on account of lower issue related expenses.

**3. Details of the arrangement made to ensure the monitoring of issue proceeds.**

Particulars	Reply	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	<b>Yes</b>	-Peer Reviewed CA-Certificate -Confirmation from management -Bank statement of the proceeds account	Revision in General Corporate Purpose is on account of the actual offer-related expenditure being lower than estimated by INR 1.228 Crore.	
Whether shareholder approval has been obtained in case of material deviations <sup>#</sup> from expenditures disclosed in the Offer Document?	<b>Not Applicable</b>	As confirmed by the Issuer's management	No comments	
Whether the means of finance for the disclosed objects of the issue has changed?	<b>No</b>	As confirmed by the Issuer's management	No comments	
Is there any major deviation observed over the earlier monitoring agency reports?	<b>No</b>	No deviation observed.	No comments	
Whether all Government/ statutory approvals related to the object(s) have been obtained?	<b>Not Applicable</b>	As confirmed by the Issuer's management	No comments	
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	<b>Not Applicable</b>	As confirmed by the Issuer's management	No comments	
Are there any favorable events improving the viability of these object(s)?	<b>No</b>	As confirmed by the Issuer's management	As understood from the Issuer's management	
Are there any unfavorable events affecting the viability of the object(s)?	<b>No</b>	As confirmed by the Issuer's management	As understood from the Issuer's management	
Is there any other relevant information that may materially affect the decision making of the investors?	<b>No</b>	As confirmed by the Issuer's management	As understood from the Issuer's management	

# Where material deviation is defined to mean:

(a) Deviation in the objects or purposes for which the funds had been raised.

(b) Deviation in the amount of funds utilized by more than 10% of the amount specified in the offer document.

#### 4. Details of the object(s) to be monitored.

##### (i) Cost of object(s)

S.N.	Item Head	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Original cost (as per the offer document) [Rs. Crore]	Revised cost [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of firm arrangements made
1	Funding capital expenditure requirements for the purchase of equipments/ machineries of manufacturing facilities	Prospectus	150.707	-	No comments	-	-	-
2	General Corporate Purpose	Prospectus	17.727	18.955	Revision in General Corporate Purpose is on account of the actual offer-related expenditure being lower than estimated by INR 1.228 Crore	-	-	-
	<b>Total</b>		<b>168.434</b>	<b>169.662</b>				

**(ii) Progress in the object(s)**

S.N.	Item Head	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Amount as proposed in the offer document [Rs. Crore]	Amount utilized [Rs. Crore]			Total unutilized amount [Rs. Crore]	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors	
				As at the beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Funding capital expenditure requirements for the purchase of equipment/ machineries of manufacturing facilities	-Peer Reviewed CA-Certificate -Bank statement of the proceeds account - Prospectus	150.707	45.504	9.855	55.359	95.348	The issuer has utilized the proceeds of INR 1.089 Crore as reimbursement for the expenditure, which was funded earlier through Internal Accruals	-	-
2	General corporate purposes	Same as above	18.955	18.834	-	18.834	0.121	Revision in General Corporate Purpose is on account of the actual offer-related expenditure being lower than estimated by INR 1.228 Crore	-	-
<b>Total</b>			<b>169.662</b>	<b>64.338</b>	<b>9.855</b>	<b>74.193</b>	<b>95.469</b>			

**(iii) Deployment of unutilized proceeds**

S.N.	Type of instrument and name of the entity invested in	Amount invested [Rs. Crore]	Maturity date	Earning [Rs. Crore]	Return on Investment [%]	Market Value as at the end of quarter [Rs. Crore]
<b>1</b>	<i>Fixed Deposit with SBI Bank</i>	<b>9.864</b>	<i>June 15, 2026</i>	<i>0.095</i>	<b>6.90%</b>	<i>9.959</i>
<b>2</b>	<i>Fixed Deposit with SBI Bank</i>	<b>25.000</b>	<i>September 02, 2025</i>	<i>1.650</i>	<b>7.75%</b>	<i>26.65</i>
<b>3</b>	<i>Fixed Deposit with SBI Bank</i>	<b>53.414</b>	<i>April 09, 2026</i>	<i>0.924</i>	<b>7.40%</b>	<i>54.338</i>
<b>4</b>	<i>Fixed Deposit with HDFC Bank</i>	<b>25.145</b>	<i>April 05, 2026</i>	<i>0.429</i>	<b>7.15%</b>	<i>25.574</i>
<b>5</b>	<i>Balance lying in Monitoring a/c as on 30<sup>th</sup> June 2025</i>	<b>0.077</b>				<i>0.077</i>
<b>Total</b>		<b>113.500*</b>	<b>-</b>	<b>3.098</b>	<b>-</b>	<b>116.598</b>

Source: As certified by A.R Sulakhe & Company, Chartered Accountant (ICA).

\* The additional unutilized amount of INR 18.031 Crore pertains to Interest income, net of withdrawals

**(iv) Delay in the implementation of the object(s)**

Object(s)	Completion date		Delay [Number of days or months]	Comments of the Issuer's Board of Directors	
	As per the offer document	Actual		Reason for delay	Proposed course of action
Funding capital expenditure requirements for the purchase of equipments /machineries of our manufacturing facilities	FY24 (INR 36.120 Crores) FY25 (INR 114.587 Crores)	<i>On schedule</i>	3 to 12months depending on actual usage	Project timelines are being impacted by supplier lead times, which are driven by the complexity of advanced equipment and machinery configurations. Extended negotiation cycles, amid current macroeconomic uncertainties, further compound the impact	No comments
		<i>Out of Rs. 114.587 Cr, the company spent INR. 19.239 Crore; the balance will be spent in FY26</i>			
General corporate purposes	FY24 (INR 18.893 Crore)	<i>Out of Rs. 18.955 crore, the company has spent Rs. 18.834 crore; the remaining balance of Rs. 0.121 crore will be spent in FY26</i>	3 to 12months depending on actual usage	Following payment of offer expenses, the BRLMs cleared the remaining balance in the public offer account by transferring funds to the selling shareholders and the company by March 28, 2025.	No comments

Source: As confirmed by the Issuer's management



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

S.N.	Item Head	Amount [Rs. Crore]	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
<b>Utilization in Q3FY24</b>					
1	Purchase of CNC External Cylindrical Grinding Machine	0.994	-Peer Reviewed CA- Certificate -Bank statement of the proceeds account -Prospectus	No Comments	
2	Retroffiting & Labour charges	0.455	Same as above	No Comments	
3	Fabrication & other works	0.234	Same as above	No Comments	
4	Rail Assly work for Heat Treatment	0.091	Same as above	No Comments	
5	Tooling & Fixtures of 5 <sup>th</sup> /6 <sup>th</sup> /7 <sup>th</sup> M/C HMC Machines	0.482	Same as above	No Comments	
6	5 <sup>th</sup> /6 <sup>th</sup> & 7 <sup>th</sup> M/c HMC machines	0.493	Same as above	No Comments	
7	Technical Testing of E Gear Drive	0.241	Same as above	No Comments	
8	HT Work supply	0.069	Same as above	No Comments	
9	Purchase of UPS 80KVA (2 Nos)	0.141	Same as above	No Comments	
10	Royalty Payment-Jan 2022-Dec 2022	5.596	Same as above	No Comments	
11	3 Dyno Test	4.445	Same as above	No Comments	
<b>Total (A)</b>		<b>13.241</b>			
<b>Utilization in Q4FY24</b>					
12	3 Dyno Test stand	2.413	Same as above	No Comments	
13	NVH Testing of E drive & Additional support of 3 dyno test bench	0.207	Same as above	No Comments	
14	Installation of fire fighting system	0.161	Same as above	No Comments	

S.N.	Item Head	Amount [Rs. Crore]	Source of information, certifications considered by the Monitoring Agency for the preparation of report	Comments of the Monitoring Agency	Comments of the Issuer's Board of Directors
15	Aluminium Fabrication Work-Window Shutters, Coating of windows	0.102	Same as above	No Comments	
16	Tools-Atlas Elect Driver, suspension Yoke, spring balancer, power focus controller	0.080	Same as above	No Comments	
17	EV Gear Box Technical testing	0.073	Same as above	No Comments	
18	Kitchen, pantry, Bathroom, Toilet work- Shriwal Facility	0.047	Same as above	No Comments	
19	Operator Licensing Module	0.019	Same as above	No Comments	
13	Purchase of CNC External Cylindrical Grinding Machine	0.092	Same as above	No Comments	
14	Civil work 10 <sup>th</sup> milestone	0.366	Same as above	No Comments	
15	UPS 80KVA (2 Nos)	0.035	Same as above	No Comments	
16	Induction Hardening Machine for Hub Reduction & Ring Gear	1.998	Same as above	No Comments	
<b>Total (B)</b>		<b>5.593</b>			
<b>Grand Total (A+B)</b>		<b>18.834</b>			