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

Ref.: DTTS/Sec/26-27/61

November 03, 2026

To, **BSE Limited,** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 **BSE Scrip Code – 543812**	To, **National Stock Exchange of India Limited**, "Exchange Plaza" 5th Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 **NSE Scrip Code - DIVGIITTS**

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 September 30, 2026.

You are requested to take the same on your record.

Thanking you,

For Divgi TorqTransfer Systems Limited

HIRENDRA BHASKAR DIVGI
Digitally signed by HIRENDRA BHASKAR DIVGI
Date: 2026.11.03 12:05:55 +05'30'

Hirendra Divgi
Whole-Time Director
DIN: 01634431

Enclosure: As above

September 2026

MONITORING AGENCY REPORT

Name of the Issuer: Divgi Torqtransfer Systems Limited
For quarter ended: September 30, 2026

Name of the Monitoring Agency (MA): ICRA Limited

(a) Deviation from the objects of the issue:
No material 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: 2026.11.02 18:20:36 +05'30'

Parul Goyal Narang
Vice President & Head- Process Excellence

Analyst: Sumana Guha
Qulaity Analyst: Dhwani Vinchhi

Sensitivity Label : Public

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 30th September 2026 on account of lower issue-related expenses.

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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?	***Yes***	*-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[#] from expenditures disclosed in the Offer Document?	***Not Applicable***	*As confirmed by the Issuer's management*	*No comments*	
Whether the means of finance for the disclosed objects of the issue has changed?	***No***	*As confirmed by the Issuer's management*	*No comments*	
Is there any major deviation observed over the earlier monitoring agency reports?	***No***	*No deviation observed.*	*No comments*	
Whether all Government/ statutory approvals related to the object(s) have been obtained?	***Not Applicable***	*As confirmed by the Issuer's management*	*No comments*	
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	***Not Applicable***	*As confirmed by the Issuer's management*	*No comments*	
Are there any favorable events improving the viability of these object(s)?	***No***	*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)?	***No***	*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?	***No***	*As confirmed by the Issuer's management*	*As understood from the Issuer's management*	

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[#] 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	-	-	-
	Total		**168.434**	**169.662**				

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(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	91.527	17.474	109.001	41.706	-	-	-
2	General corporate purposes	Same as above	18.955	18.954	-	18.954	0.001	Revision in General Corporate Purpose is on account of the actual offer-related expenditure being lower than estimated by INR 1.228 Crore	-	-
Total			**169.662**	**110.481**	**17.474**	**127.955**	**41.707**			

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(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]
1	Fixed Deposit with SBI Bank	30.000	April 09, 2027	1.003	**6.98%**	31.003
2	Fixed Deposit with SBI Bank	28.406	September 15, 2027	0.085	**6.82%**	28.491
3	Fixed Deposit with SBI Bank	10.534	June 15, 2027	0.218	**6.98%**	10.752
4	Balance lying in Monitoring a/c as on 30th September 2026	0.016	-	-	-	0.016
Total		***68.956****	**-**	***1.306***		***70.262***

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

**** The additional unutilized amount of INR 27.249 Crore pertains to Interest income, net of withdrawals.***

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

	Completion date			Comments of the Issuer's Board of Directors	
Object(s)	**As per the offer document**	**Actual**	**Delay [Number of days or months]**	**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)***	***On schedule*** ***Out of Rs. 114.587 Cr, the company spent INR. 72.881 Crore; the balance will be spent in FY27***	*24 months 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*
General corporate purposes	**FY24** ***(INR 18.893 Crore)***	***Out of Rs. 18.955 crore, the company has spent Rs. 18.954 crore; the remaining balance of Rs. 0.001 crore will be spent in FY27***	*24 months 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

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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
Utilization in Q3FY24					
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^{th}/6^{th}/7^{th} M/C HMC Machines*	*0.482*	*Same as above*	No Comments	-
6	*5^{th} /6^{th} & 7^{th} 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	-
Total (A)		***13.241***			
Utilization in Q4FY24					
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	-
15	*Aluminium Fabrication Work-Window Shutters, Coating of windows*	*0.102*	*Same as above*	No Comments	-

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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
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 10th 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	-
Total (B)		***5.593***			
Utilization in Q4FY26					
17	*Multi-gauging unit for export components*	*0.120*	*Same as above*	No Comments	-
Total (C)		***0.120***			
Grand Total (A+B)		***18.954***			

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