

No. CARE/HO/GEN/2025-2026/1059

The Board of Directors

Godavari Biorefineries Limited

Somaiya Bhavan, 45/47, Mahatma Gandhi Road,
Fort, Mumbai, Maharashtra-400 001

May 27, 2025

Dear Sir,

Monitoring Agency Report for the quarter ended March 31, 2025 - in relation to the Public Issue (IPO) of Godavari Biorefineries Limited ("the Company")

We write in our capacity of Monitoring Agency for the Public Issue (IPO) of equity shares for the amount aggregating to Rs. 325.00 crore of the Company and refer to our duties cast under 41 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 March 31, 2025 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated October 09, 2024. This is the revised Monitoring Agency (MA) report being issued at the request of the company.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,



Raunak Modi

Assistant Director

raunak.modi@careedge.in

Report of the Monitoring Agency

Name of the issuer: Godavari Biorefineries Limited

For quarter ended: March 31, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) **Deviation from the objects:** Yes

- The company has utilized excess funds of Rs. 1.40 crore towards general corporate purposes taking the total utilization under the head to Rs. 65.01 crore against Rs. 63.61 crore as specified in the letter of offer.

(b) **Range of Deviation:** Up to 10% (excess amount of Rs. 1.40 crore, as mentioned above, utilized for GCP)

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:

Name and designation of the Authorized Signatory: Raunak Modi

Designation of Authorized person/Signing Authority: Assistant Director

1) Issuer Details:

Name of the issuer : Godavari Biorefineries Limited
Name of the promoter : Samir Shantilal Somaiya
Somaiya Agencies Private Limited
Sakarwadi Trading Company Private Limited
Lakshmiwadi Mines and Minerals Private Limited

Industry/sector to which it belongs : Agricultural foods and other products

2) Issue Details

Issue Period : October 23, 2024 to October 25, 2024
Type of issue (public/rights) : Public Issue
Type of specified securities : Equity Shares
IPO Grading, if any : NA
Issue size (in crore) : 325.00

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? 	No	Chartered Accountant certificate*, Letter of Offer and Management Certificate	Utilisation of all proceeds in the quarter is towards the stated objects in Offer Document. However, the company has utilized excess funds of Rs. 1.40 crore towards general corporate purposes, taking the total utilization under the head to Rs. 65.01 crore against Rs. 63.61 crore as specified in the letter of offer. As per management certification, this is due to saving in earlier estimated issue expenses. Also, many payments have been made through CC account which has multiple other entries resulting in comingling of funds.	An estimate of monies ear-marked towards issue expenses of the IPO is principally disclosed in the Prospectus to arrive at the amount of Net Proceeds from the Fresh Issue that will be available to the Company for deploying in the Objects. The payment of IPO expenses is not categorised or disclosed as an "Object" of the Issue. The objects of the IPO were to: (i) repay/prepay certain borrowings of the Company; and (ii) general corporate purposes. The Company has already deployed the Net Proceeds towards the objects as mentioned above. In view of the above, the excess funds of Rs. 1.40 crore towards issue expenses (the surplus/savings from the IPO as apportioned to the company) was utilized towards General Corporate Purposes (GCP) and the same does not exceed 25% of the Gross Proceeds from the Fresh Issue in compliance with the SEBI ICDR Regulations



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 shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	No	Chartered Accountant certificate*, Letter of Offer and Management Certificate	The board resolution/shareholder approval for change in cost of objects is still pending.	<p>There has been no instance of variation in use of net proceeds from the fresh issue that requires the company to approach its shareholders for an approval under the Companies Act or the SEBI ICDR Regulations.</p> <p>The Companies Act or the SEBI ICDR Regulations do not require any specific disclosures in the prospectus in relation to the manner in which unutilised IPO expense monies should be managed by the Company, and the same has been opined by Khaitan & Co. The Company is required to distribute the Unutilised IPO Expenses monies between the selling shareholders and the Company in the same proportion in which the IPO expenses have been shared earlier between the Company and the selling shareholders.</p> <p>The legal advisor for the IPO, Khaitan & Co, has opined that the savings /surplus of Issue expenses can be utilised towards GCP and there is no need to have shareholder approval.</p> <p>The Audit Committee and the Board of Directors has ratified the use of Rs 1.46 Cr (interim savings Issue Expenses), Company share amount, utilised for GCP through board resolution.</p>
Whether the means of finance for the disclosed objects of the issue have changed?	No	Chartered Accountant certificate*, Letter of Offer and Management Certificate	Nil	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	Yes	Chartered Accountant certificate*, Management Certificate and previous MA report for Q3 FY25 dated February 12, 2025	As per previous MA report, no utilization was considered towards issue expenses amounting to Rs. 21.39 crore in Q3 FY25 as the supporting documents had not been shared with the MA. As per CA Certificate submitted in the current quarter, funds worth Rs. 12.76 crore had been utilized towards issue	Supporting documents as requested by MA were provided.

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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
			expenses in Q3 FY25. The MA has relied on the CA Certificate to trace the payment trail and for reimbursement of issue expenses. Accordingly, the unutilized amount in the beginning of the quarter has also been changed to Rs. 8.69 crore deployed in the HDFC Public Issue Account.	
Whether all Government/statutory approvals related to the object(s) have been obtained?	None	Chartered Accountant certificate* and Management Certificate	Nil	Nil
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	None	Chartered Accountant certificate* and Management Certificate	Nil	Nil
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Chartered Accountant certificate* and Management Certificate	Nil	Nil
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Unaudited financial statements for quarter ending December 31, 2024, Chartered Accountant certificate* and Management Certificate	The company's cash loss has increased to Rs. 60.25 crore in 9M FY25 from Rs. 32.50 crore in 9M FY24.	Sugarcane is available from November onwards and the sugar cane crushing is seasonal in nature, which happens every year. Further, there was no stock of B-Heavy Molasses due to Ethanol blending programme intervention by GOI, not to produce Ethanol from sugarcane (syrup/Juice) on 9 th December 2024.

* Chartered Accountants certificate from Verma Mehta & Associates dated May 21, 2025 bearing UDIN 25045711BMTDLW9750

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

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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	Issue Expense	CA certificate*, Letter of Offer	21.39	-	As per CA Certificate, the cost of objects has been revised with reclassification of Rs. 1.46 crore from issue expenses to GCP due to lower issue expenses that earlier assumed. However, supporting board resolution/shareholders’ approval has not been shared with MA, in the absence of which, the MA has not considered any change in cost of objects.	There is no change or variation in the Objects. Part Surplus/ Savings - issue expenses were utilised for GCP. Board Resolution is now passed. Further as mentioned above shareholders’ approval is not required.	Not applicable	Not applicable
2	Repayment/Prepayment, in full or in part, of outstanding borrowings		240.00	-				
3	General Corporate Purpose		63.61	-				
Total Gross proceeds			325.00	-				

* Chartered Accountants certificate from Verma Mehta & Associates dated May 21, 2025 bearing UDIN 25045711BMTDLW9750

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(ii) Progress in the objects –

(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 beginnin g of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Issue Expense	CA Certificate^, Bank statements	21.39	12.76*	4.99	17.74	3.65	Of the total issue expenses of Rs. 5.09 crore, the company has incurred Rs. 3.89 crore directly from MA account and the balance Rs. 1.20 crore from CC account which has multiple other entries resulting in comingling of funds.	BRLMs insisted before disbursement for each expense that OFS share of expenses cannot be routed through MA and accordingly we have received in CC account and have been paid immediately	
2	Repayment/ Prepayment, in full or in part, of outstanding borrowings		240.00	240.00	-	240.00	-	-		
3	General Corporate Purpose		63.61	63.55	1.46	65.01	-1.40	The company has made payment of Rs. 1.46 crore to a vendor for purchase of raw material. The same has been routed through the CC account. Total utilisation under GCP has exceeded the amount specified in the offer document.	As majority of the expenses related to Issue expenses were paid and after estimate for the balance expenses, intermittently, Savings/ surplus of the amount earmarked for Issue Expenses in the prospectus was permitted by the BRLMs. Company share has been utilised for GCP Rs 1.46 Cr (0.06 Cr yet to be disbursed- so net Rs 1.40 Cr)	
Total			325.00	316.13*	6.45	322.76	2.24			

^Chartered Accountants certificate from Verma Mehta & Associates dated May 21, 2025 bearing UDIN 25045711BMTDLW9750

* As per previous MA report for Q3 FY25 dated February 12, 2025, no utilisation had been considered towards issue expenses in Q3 FY25 as no supporting documents had been shared with the MA. In the current certificate shared by CA for Q4 FY25, expenses amounting to Rs. 12.76 crore have been claimed to have been utilised for issue expenses in Q3 FY25 with supporting

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invoices being shared with the MA. However, the MA has relied on the CA Certificate to ascertain the payment trail of such expenses in Q3FY25. Accordingly, the amount utilised in the beginning of the quarter has changed to Rs. 316.31 crore from Rs. 303.55 crore as specified in the last MA report for Q3FY25 dated February 12, 2025.

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs in cores)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter (Rs in cores)
1.	Balance in Public Issue account number 57500001606705 maintained with HDFC Bank	2.22 [#]	-	-	-	-
2.	Balance in Monitoring account number 57500001607342 maintained with HDFC Bank	0.02	-	-	-	-
	Total	2.24				

[#]The closing balance in the public issue account as on March 31, 2025, is Rs. 3.68 crore. Of this, Rs. 2.22 crore pertains to the IPO-Fresh Issue proceeds and the balance Rs. 1.46 crore pertains to IPO-OFS.

(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
Issue expense	Not specified*	Not specified*	Not specified*		Nil
Repayment/ Prepayment, in full or in part, of outstanding borrowings	March 31, 2025	November 27, 2024	No delay		Nil
General corporate purposes	March 31, 2025	March 07, 2025	No delay^		Nil

*The offer document does not specify the timeline for utilisation of funds towards issue expenses

^ Total utilisation under general corporate purposes has exceeded the amount specified in the offer document. However, all such funds have been utilized within the timeline defined in the offer document.

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4) 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	General corporate purposes	1.46	Bank Statements, CA Certificate#	The company has made payment of Rs. 1.46 crore to a vendor for purchase of raw material. The same has been routed through the CC account. Total utilisation under GCP has exceeded the amount specified in the offer document.	Interim Saved Issue Expenses to the extent of Rs. 1.46 crore has been utilised for GCP – Object

Chartered Accountants certificate from Verma Mehta & Associates dated May 21, 2025 bearing UDIN 25045711BMTDLW9750

^ Section from the offer document related to GCP (Pg 115 of the Offer letter dated October 25, 2024): Rs. 63.61 crores will be utilised for GCP.

'In terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be used for general corporate purposes is estimated not to exceed 25% of the proceeds of the gross issue. The general corporate purposes for which the Company proposes to utilise the Net Proceeds include funding business development, strategic initiatives and growth opportunities;(ii) strengthening marketing capabilities and brand building exercises;(iii) funding capital expenditure including towards maintenance and/or upkeep of our Manufacturing Facilities and/or intangibles including upgradation of information technology infrastructure; (iv) meeting corporate contingencies, creditors and all expenses including all taxes paid in ordinary course of business; (v) funding working capital requirements and/or business requirements of our Company; and (vi) and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act.'

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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.

