

SOM DISTILLERIES AND BREWERIES LIMITED

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Email : compliance@somindia.com **Website:** www.somindia.com

CIN : L74899DL1993PLC052787

(BSE : 507514, NSE : SDBL)



SDBL/BSE/NSE/2023

14.11.2023

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. cmlist@nse.co.in <u>Security ID: SDBL</u> | Dy. General Manager, Department of Corporate Services, BSE LIMITED, First Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400001. corp.compliance@bseindia.com <u>Security ID: 507514</u> |
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SUB: - MONITORING AGENCY REPORT

Dear Sir/ Madam,

In accordance with Regulation 32(6) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Regulation 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Monitoring Agency Report for the Quarter ended on September 30, 2023, issued by M/s. ICRA Limited is enclosed herewith.

We request you to kindly take the information on your records.

Thanking you,

For Som Distilleries and Breweries Limited

Om Prakash Singh
Company Secretary and Compliance Officer

MONITORING AGENCY REPORT

Name of the Issuer: Som Distilleries and Breweries Limited

For quarter ended: Q2 FY2024

Name of the Monitoring Agency: 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: 2023.11.14
12:58:38 +05'30'

Parul Goyal Narang
Vice President & Head-Process excellence

Analyst: Dhvani Vinchhi

QA: Parul Narang

1. Issuer Details

Name of the Issuer: Som Distilleries and Breweries Limited

Name(s) of the promoters:

| Promoters |
|---------------------|
| Ajay Kumar Arora |
| Sunita Arora |
| Natasha Arora |
| Jagdish Kumar Arora |
| Sweena Arora |
| Deepak Arora |
| Surjee Lal |

Source: BSE

Industry/ sector to which it belongs: Breweries & Distilleries

2. Issue Details

Issue Period: Opening date- August 11, 2023

Closing date- August 25, 2023

Type of Issue: Preferential Issue

Type of specified securities: Equity and Warrants fully convertible into Equity shares.

IPO Grading, if any: Not Applicable since it's a Preferential Issue

Issue Size (Rs. Crore): 148.50 Crore (51,50,000 warrants + 2,50,000 equity shares @275 each)

Net proceeds credited: INR 42.28 Crore

**The proceeds credited to the Net Proceeds account stood at INR 42.28 Crore as on 30th September 2023 as only 25% of the proceeds has been received against warrant. ICRA will be monitoring INR 42.28 Crore for Q2FY2024.*

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 | -Certification from Statutory Auditors -Confirmation from management -Bank statement of the proceeds account/Current account | No deviation observed. | - |
| Whether shareholder approval | Not | As confirmed by the | No comments | - |

| 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 |
|--|-----------------------|---|---|---|
| has been obtained in case of material deviations [#] from expenditures disclosed in the Offer Document? | Applicable | <i>Issuer's management</i> | | |
| Whether the means of finance for the disclosed objects of the issue has changed? | No | <i>As confirmed by the Issuer's management</i> | <i>No deviation observed.</i> | - |
| Is there any major deviation observed over the earlier monitoring agency reports? | Not Applicable | <i>No deviation observed.</i> | <i>No comments</i> | - |
| Whether all Government/ statutory approvals related to the object(s) have been obtained? | Not Applicable | <i>As confirmed by the Issuer's management</i> | <i>No comments</i> | - |
| Whether all arrangements pertaining to technical assistance/ collaboration are in operation? | Not Applicable | <i>As confirmed by the Issuer's management</i> | <i>No comments</i> | - |
| Are there any favorable events improving the viability of these object(s)? | No | <i>As confirmed by the Issuer's management</i> | <i>As understood from the Issuer's management</i> | - |
| Are there any unfavorable events affecting the viability of the object(s)? | No | <i>As confirmed by the Issuer's management</i> | <i>As understood from the Issuer's management</i> | - |
| Is there any other relevant information that may materially affect the decision making of the investors? | No | <i>As confirmed by the Issuer's management</i> | <i>As understood from the Issuer's management</i> | - |

[#] 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 | Capital Expenditure | -Letter of Offer -Issuer confirmation | 148.50 | 30.00 | As per estimates provided by management | - | - | - |
| 2 | Working Capital | -Letter of Offer -Issuer confirmation | | 26.50 | Same as above | - | - | - |
| 3 | Operational Expenditure | -Letter of Offer -Issuer confirmation | | 30.00 | Same as above | - | - | - |
| 4 | Repayment of Loans | -Letter of Offer -Issuer confirmation | | 30.00 | Same as above | - | - | - |
| 5 | General Corporate purpose | -Letter of Offer -Issuer confirmation | | 32.00 | Same as above | - | - | - |
| | Total | | 148.50 | 148.50 | | | | |

(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 | Capital Expenditure | -Letter of offer -Certificate from statutory Auditors -Bank Statement of the proceed account -Bank Statement of the current account | 30.00 | - | - | - | 30.00 | No comments | - | - |
| 2 | Working capital | Same as above | 26.50 | - | 17.28 | 17.28 | 9.22 | No comments | - | - |
| 3 | Operational Expenditure | Same as above | 30.00 | - | 15.00 | 15.00 | 15.00 | No comments | - | - |
| 4 | Repayment of Loans | Same as above | 30.00 | - | - | - | 30.00 | No comments | - | - |
| 5 | General Corporate purpose | Same as above | 32.00 | - | 10.00 | 10.00 | 22.00 | No comments | - | - |
| Total | | | 148.50 | | 42.28 | 42.28 | 106.22* | | | |

* The proceeds credited to the Net Proceeds account stood at INR 42.28 Crore as on 30th September 2023 as only 25% of the proceeds has been received against warrant. ICRA will be monitoring INR 42.28 Crore for Q2FY2024.

(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] |
|------|---|-----------------------------|---------------|---------------------|--------------------------|--|
| N.A. | N.A. | N.A.* | N.A. | N.A. | N.A. | N.A. |

Source: As certified by A K B Jain & Co. Chartered Accountant (ICA).

* As of 30th September 2023, The company has fully utilized the Issue proceeds.

(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 |
| Capital Expenditure | N.A. | N.A. | N.A. | - | - |
| Working capital | | | | | |
| Operational Expenditure | | | | | |
| Repayment of Loans | | | | | |
| General Corporate purpose | | | | | |

Source: As confirmed by the Issuer's management

[^]Refers to the latest estimate of the completion date

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 |
|------|-----------------|-----------------------|---|--------------------------------------|---|
| 1 | Working capital | 10.00 | -Certificate from statutory Auditors -Bank Statement from proceed account/Current account | No Comments | - |