

No. CARE/ARO/GEN/2025-26/1122

The Board of Directors

Neptune Petrochemicals Limited

Block-B, Office No.606, Mondeal heights,
Nr. Panchratna Party Plot,
S.G. Highway,
Ahmedabad – 380015,
Gujarat- India.

August 08, 2025

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended June 30, 2025 - in relation to the IPO of Neptune Petrochemicals Limited ("the Company")

We write in our capacity of Monitoring Agency for the Initial Public Offering (IPO) for the amount aggregating to Rs. 73.20 crore of the Company and refer to our duties cast under 262 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 June 30, 2025 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated May 19, 2025.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

Sajni Shah

Sajni Shah

Assistant Director

Sajni.shah@careedge.in

Report of the Monitoring Agency

Name of the issuer: Neptune Petrochemicals Limited

For quarter ended: June 30, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

(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 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: Sajni Shah

Designation of Authorized person/Signing Authority: Assistant Director

1) Issuer Details:

Name of the issuer : Neptune Petrochemicals Limited
Name of the promoter : Pareshkumar Subodhchandra Shah, Riddhi Pareshkumar Shah and Sanjaykumar Subodhchandra Shah
Industry/sector to which it belongs : Petrochemical

2) Issue Details

Issue Period : May 28, 2025, to May 30, 2025
Type of issue (public/rights) : Initial Public Offering (IPO)
Type of specified securities : Equity shares
IPO Grading, if any : Not Applicable
Issue size (in crore) : Rs. 73.20 crore of fresh issue

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	Chartered Accountant certificate*; Bank statement, Company declaration, Invoices of Import purchase	Proceeds have been utilized as per the objects mentioned in the offer document.	Nil
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	There is not any material deviation	Company declaration	Nil	Nil
Whether the means of finance for the disclosed objects of the issue have changed?	No	Company declaration	No change	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	No	Not applicable	Not Applicable	Nil
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	Company declaration and Red herring Prospectus\$	Nil	Nil
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes	Company declaration	Nil	Nil
Are there any favourable/unfavourable events affecting the viability of these object(s)?	No	Company declaration	Nil	Nil
Is there any other relevant information that may materially affect the decision making of the investors?	No	Company declaration	Nil	Nil

*Chartered Accountant certificate from Piyush J. Shah & Co. dated July 19, 2025

\$Company has in place government and other approvals including tax related approvals, registrations related to labour laws, business specific approvals, environmental clearance for Bavla, Ahmedabad unit from Gujarat Pollution Control Board (GPCB). The capital expenditure requirement towards installation of additional plant and machinery is at Bavla Plant.

#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	Funding capital expenditure requirement towards installation of additional plant and machinery and related infrastructure	Offer Document	5.15	Not applicable	No deviation observed in the expense incurred during Q1FY26 from the objectives mentioned in the Offer document.	Nil	Nil	Nil
2.	Funding the capital expenditure for purchase of office space		14.75			Nil	Nil	Nil
3.	Funding Working Capital Requirement (FY26)		25.00			Nil	Nil	Nil
4.	Funding Working Capital Requirement (FY27)		17.00			Nil	Nil	Nil
5.	General Corporate Expenses		9.40			Nil	Nil	Nil
6.	Public Issue Related Expenses		1.90			Nil	Nil	Nil
Total						73.20		

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(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 (A)	Amount utilised in Rs. Crore			Unutilized Amount in Rs. Crore as on June 30, 2025 (C=A-B)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the Quarter	During the Quarter	At the end of the Quarter (B)			Reasons for idle funds	Proposed course of action
1.	Funding capital expenditure requirement towards installation of additional plant and machinery and related infrastructure	Chartered Accountant certificate*; Bank statement, Company declaration, Invoices of Import purchase	5.15	-	-	-	5.15	The amount is utilized towards working capital requirements by transferring the funds from the monitoring account of NPL to cash credit account. There are numerous other debits and credits in the said CC account resulting in the comingling of funds, and we have relied on management declarations and CA certificate to ascertain utilization of funds.	Nil	Nil
2.	Funding the capital expenditure for purchase of office space		14.75	-	-	-	14.75		Nil	Nil
3.	Funding Working Capital Requirement (FY26)		25.00	-	22.89	22.89	2.11		Nil	Nil
4.	Funding Working Capital Requirement (FY27)		17.00	-	-	-	17.00		Nil	Nil
5.	General Corporate Expenses		9.40	-	-	-	9.40		Nil	Nil
6.	Public Issue Related Expenses		1.90	-	-	-	1.90		Nil	Nil
Total			73.20	-	22.89	22.89	50.31			

*Chartered Accountant certificate from Piyush J. Shah & Co. dated July 19, 2025

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(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter (Rs. Crore)
1.	Fixed deposit with yes bank FD no. - 048040600013066	2.65	12-Jun-26	-	7.50%	2.65
2.	Fixed deposit with yes bank FD no. - 048040600013056	2.20	26-Jun-26	-	7.50%	2.20
3.	Fixed deposit with yes bank FD no. - 048040600013046	2.55	19-Jun-26	-	7.50%	2.55
4.	Fixed deposit with yes bank FD no. - 048040600013036	1.90	22-Jun-26	-	7.50%	1.90
5.	Fixed deposit with yes bank FD no. - 048040600013006	2.50	16-Jun-26	-	7.50%	2.50
6.	Fixed deposit with yes bank FD no. - 048040600013016	2.85	10-Jun-26	-	7.50%	2.85
7.	Fixed deposit with yes bank FD no. - 048040600013026	2.35	14-Jun-26	-	7.50%	2.35
8.	Fixed deposit with yes bank FD no. - 048040300002936	3.90	10-Sep-25	-	6.45%	3.90
9.	Fixed deposit with yes bank FD no. - 048040300002926	4.30	08-Sep-25	-	6.45%	4.30
10.	Fixed deposit with yes bank FD no. - 048040300002893	3.04	14-Sep-25	-	6.45%	3.04
11.	Fixed deposit with yes bank FD no. - 048040300002883	3.50	12-Sep-25	-	6.45%	3.50
12.	Fixed deposit with yes bank FD no. - 048040300002916	0.20	09-Dec-25	-	6.25%	0.20
13.	Fixed deposit with yes bank FD no. - 048040300002906	4.95	07-Dec-25	-	6.65%	4.95
	Total Fixed deposit	36.89				
	Balance in yes Bank Public Offer account	1.90	-	-	-	-
	Balance in Yes Bank Monitoring account	11.52	-	-	-	-

(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
Funding capital expenditure requirement towards installation of additional plant and machinery and related infrastructure	FY26	Ongoing	Nil	Nil	Nil
Funding the capital expenditure for purchase of office space	FY26	Ongoing		Nil	Nil
Funding Working Capital Requirement (FY26)	FY26	Ongoing		Nil	Nil
Funding Working Capital Requirement (FY27)	FY27	-		Nil	Nil
General Corporate Expenses	FY26	Ongoing		Nil	Nil

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
Not Applicable*					

*No utilization during the quarter

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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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