



NEOGEN
CHEMICALS LTD.

February 14, 2024

BSE Limited Department of Corporate Services, Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code No: 542665	National Stock Exchange of India Limited Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Company Symbol: NEOGEN
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Sub: Monitoring Agency Report for the quarter ended December 31, 2023.

Ref: Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (**“Listing Regulations”**).

Dear Sir/Madam,

Pursuant to Regulation 32(6) of the Listing Regulations, as amended from time to time read with Regulation 162A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we are enclosing herewith the Monitoring Agency Report dated February 14, 2024, with ref.no. CRL/MAR/HTPPLTD/2023-24/1079 as received from CRISIL Ratings Limited (Monitoring Agency), for the quarter ended December 31, 2023, in respect of utilisation of proceeds raised through Preferential Issue of Equity Shares of the Company.

Further, we hereby confirm that there has been no deviation/ variation in the use of proceeds of funds raised through issue of Equity Shares on preferential basis.

This disclosure is also being uploaded on the Company’s website at <https://neogenchem.com/financial-performance/> and <https://neogenchem.com/announcements/>

The same may please be taken on record.

Thanking you,

Yours faithfully,

For NEOGEN CHEMICALS LIMITED

Unnati Kanani

Company Secretary & Compliance Officer

Membership No: A35131

Monitoring Agency Report
for
Neogen Chemicals Limited
for the quarter ended
December 31, 2023

CRI/MAR/HTPPLTD/2023-24/1079

February 14, 2024

To
Neogen Chemicals Limited,
1002, Dev Corpora, Cadbury Junction,
Eastern Express Highway, Thane (W) 400 601, India.

Dear Sir,

Sub: Final Monitoring Agency Report for the quarter ended December 31, 2023 – in relation to the Preferential Issue of Neogen Chemicals Limited (“the Company”)

Pursuant to Regulation 162 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”) and Monitoring Agency Agreement dated November 02, 2023, entered with the Company, we enclose the Monitoring Agency Report, issued by CRISIL Ratings Limited, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of Preferential Issue for the quarter ended December 31, 2023.

Request you to kindly take the same on records.

Thanking you,
For and on behalf of CRISIL Ratings Limited



Sushant Sarode
Director, Ratings (LCG)

Final Report of the Monitoring Agency (MA)

Name of the issuer: Neogen Chemicals Limited

For quarter ended: December 31, 2023

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

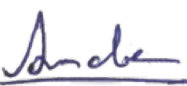
(b) Range of Deviation: Not applicable

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: 

Name and designation of the Authorized Signatory: Sushant Sarode

Designation of Authorized person/Signing Authority: Director, Ratings (LCG)

1) Issuer Details:

Name of the issuer: Neogen Chemicals Limited

Names of the promoter: a. Haridas Thakarshi Kanani
b. Harin Haridas Kanani

Industry/sector to which it belongs: Speciality Chemicals

2) Issue Details

Issue Period: Wednesday, October 31, 2023, to November 01, 2023

Type of issue: Preferential Issue

Type of specified securities: Equity Shares

IPO Grading, if any: NA

Issue size: up to 14,42,358 Equity shares for cash at a price of Rs 1754.07 per Equity Share aggregating to Rs 253.00 crore* (assuming full subscription).

**CRISIL Ratings shall be monitoring the proceeds raised through issue equity shares pursuant to Notice of Extra Ordinary General Meeting dated October 05, 2023 and corrigendum to the Notice of Extra Ordinary General Meeting dated October 17, 2023.*

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	Bank Statement, Offer document, Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the offer document?	NA		No Comments	No Comments
Whether the means of Finance for the disclosed objects of the issue has changed?	No	Management Undertaking, Statutory Auditor certificate [^]	No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	NA		No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No Comments	No Comments
Are there any favourable events improving the viability of these object(s)?	NA		No Comments	No Comments
Are there any unfavourable events affecting the viability of these object(s)?	NA		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	NA		No Comments	No Comments

NA represents Not Applicable

[^]Certificate dated February 06, 2024, issued by M/s JMT & Associates, Chartered Accountants (Firm Registration Number: 104167W), Statutory Auditors of the Company.

4) Details of object(s) to be monitored:

i. Cost of the object(s):

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost* (as per the Offer Document) (Rs in crore)	Revised Cost (Rs in crore)	Comment of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Investment in Wholly owned subsidiaries of the Company viz. Neogen Ionics Limited and BuLi Chemicals India Private Limited	Management undertaking, Statutory Auditor Certificate [^] , Offer Document	100.00	NA	No revision	No revision		
2	Meeting working capital requirements		91.00	NA	No revision	No revision		
3	General corporate purpose		62.00	NA	No revision	No revision		
	Total	-	253.00	-	-	-		

[^]Certificate dated February 06, 2024, issued by M/s JMT & Associates, Chartered Accountants (Firm Registration Number: 104167W), Statutory Auditors of the Company.

*As per the Corrigendum to the Notice of Extra Ordinary General Meeting filed by the Company dated October 17, 2023.

ii. Progress in the object(s):

Sr. No.	Item Head [#]	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in crore)	Amount utilized (Rs in crore)			Total unutilized amount (Rs in crore)	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			Reasons for idle funds	Proposed course of action
1	Investment in wholly owned subsidiaries of the Company viz. Neogen Ionics Limited and BuLi Chemicals India Private Limited	Management undertaking, Statutory Auditor Certificate [^] , Offer Document, Bank Statements	100.00	NA	100.00	100.00	-	Refer Note 1	-	
2	Meeting working capital requirements		91.00	NA	91.00	91.00	-	Refer Note 2	-	
3	General corporate purpose		62.00	NA	62.00	62.00	-	Refer Note 2	-	
		Total	253.00	NA	253.00	253.00	-	-	-	

Note 1: The Company invested net proceeds into wholly owned subsidiaries by way of debt amounting to Rs 25.00 crore in Buli Chemicals Private Limited and Rs 75.00 crore in Neogen Ionics Limited. This utilisation is in line with Notice of Extra Ordinary General Meeting and corrigendum to the Notice of Extra Ordinary General Meeting filed by the Company and further utilisation of funds by aforementioned subsidiaries is not monitored by CRL.

Note 2: Proceeds were transferred from Monitoring Agency account of the Company maintained with HDFC Bank to respective Cash Credit accounts of the Company for meeting working capital requirements and repayment of loans.

Note: All figures mentioned in the above table are rounded off to two decimal places.

[^]Certificate dated February 06, 2024, issued by M/s JMT & Associates, Chartered Accountants (Firm Registration Number: 104167W), Statutory Auditors of the Company.

#Brief description of objects:

Object of the Issue	Description of objects
Investment in Wholly owned subsidiaries	The Company envisages growth in Battery Chemical business and to meet the growth initiatives it intends to invest funds by way of equity / loans into its wholly owned subsidiaries.
Meeting working capital requirements	To Deploy the available funds in lowering working capital utilisation.
General corporate purpose	Deployment under this head will vary depending upon requirement of the Company. The management of the Company shall have the flexibility in utilising sums allocated towards this purpose.

iii. Deployment of unutilised proceeds[^]:

Sr. No:	Type of instrument and name of the entity invested in	Amount invested (Rs in crore)	Maturity date	Earnings (Rs in crore)	Return on investment (%)	Market Value as at end of quarter (Rs in crore)
Not Applicable						

[^]On the basis of Management undertaking and certificate dated February 06, 2024, issued by M/s JMT & Associates, Chartered Accountants (Firm Registration Number: 104167W), Statutory Auditors of the Company.

iv. Delay in implementation of the object(s)[^]

Object(s)	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
Not applicable					

[^]On the basis of management undertaking and certificate dated February 06, 2024, issued by M/s JMT & Associates, Chartered Accountants (Firm Registration Number: 104167W), Statutory Auditors of the Company.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document[^]:

S.no.	Item heads*	Amount utilised (Rs in crore)
1	Reduction of Working Capital Utilization	49.00
2	Repayment of Loan	13.00
	Total	62.00

**In the Notice of Extra Ordinary General Meeting, Company has specified that - "The management of the Company shall have the flexibility in utilising sums allocated towards this purpose." Hence, as per the management undertaking submitted by the Company, the management of the Company had utilised proceeds towards aforementioned item heads.*

Note: All figures mentioned in the above table are rounded off to two decimal places.

[^]On the basis of Management undertaking and certificate dated February 06, 2024, issued by M/s JMT & Associates, Chartered Accountants (Firm Registration Number: 104167W), Statutory Auditors of the Company.

Disclaimers:

- a) *This Report is prepared by CRISIL Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). 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.*
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