

BSE Limited Corporate Relations Department P J Towers, Dalal Street Mumbai - 400 001 <u>Scrip Code: 532300</u>	National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 <u>NSE Symbol: WOCKPHARMA</u>
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Sub: Monitoring Agency Report for the quarter ended 31st March, 2024

Dear Sir/Madam,

Pursuant to Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 173A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed Monitoring Agency Report towards utilization of proceeds of QIP for the quarter ended March 31, 2024, issued by CRISIL Ratings Limited, duly reviewed and taken on record by the Board of Directors & Audit Committee of the Company.

Further, we hereby confirm that there has been no deviation in the utilization of Issue proceeds from the objects as stated in the Placement Document dated 26th March, 2024 for Qualified Institutions Placement of Equity Shares.

Kindly take the above information on record.

Thanking you,

For **Wockhardt Limited**

Rashmi Mamtura
Company Secretary



Monitoring Agency Report
for
Wockhardt Limited
for the quarter ended March 31, 2024

CRL/MAR/ WOCLIM/2023-24/1116

May 14, 2024

To
Wockhardt Limited
Wockhardt Research Centre,
D - 4, MIDC, Chikalthana,
Aurangabad 431 006,
Maharashtra, India

Dear Sir,

Monitoring Agency Report for the quarter ended March 31, 2024 - in relation to the Qualified Institutional Placement ("QIP") of Wockhardt Limited ("the Company")

Pursuant to Regulation 173A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated March 20, 2024, enclosed herewith the Monitoring Agency Report, issued by CRISIL Ratings Limited, Monitoring Agency, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of QIP for the quarter ended March 31, 2024.

Request you to kindly take the same on records.

Thanking you,
For and on behalf of CRISIL Ratings Limited



Sushant Sarode
Director, Ratings (LCG)

Report of the Monitoring Agency (MA)

Name of the issuer: Wockhardt Limited

For quarter ended: March 31, 2024

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: No

(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:	Wockhardt Limited
Names of the promoter:	a. Habil F Khorakiwala b. Themisto Trustee Company Private Limited
Industry/sector to which it belongs:	Pharmaceuticals

2) Issue Details

Issue Period:	Wednesday, March 20, 2024, to Tuesday, March 26, 2024
Type of issue (public/rights):	Qualified Institutional Placement (QIP)
Type of specified securities:	Equity Shares
QIP Grading, if any:	NA
Issue size:	Gross proceeds: Rs 480.04 crores Net proceeds: Rs 462.87 crores*

**CRISIL Ratings shall be monitoring the net proceeds.*

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	Management undertaking, Independent Chartered Accountant Certificate [^] , Placement Document, Bank Statements	No Comments	No Comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management Undertaking	No Comments	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		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 favorable events improving the viability of these object(s)?	No		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	No		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No Comments

NA represents Not Applicable

[^]Certificate dated May 08, 2024, issued by M/s Harshil Patel & Co., Chartered Accountants (Firm Registration Number: 148237W), Peer-reviewed Independent Chartered Accountant.

Ratings

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 MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment and / or pre - payment, in full or part, of certain borrowings availed by the Company	Management undertaking, Independent Chartered Accountant Certificate [^] , Placement document	110.00	NA	No revision	No Comments	No Comments	No Comments
2	Funding of costs related to the clinical trials and research and development undertaken by the Company and/ or Wockhardt Bio AG, one of the Subsidiaries of the Company		210.00	NA	No revision	No Comments	No Comments	No Comments
3	Funding working capital requirements of the Company		115.00	NA	No revision	No Comments	No Comments	No Comments
4	General Corporate Purposes		27.87	NA	No revision	No Comments	No Comments	No Comments
	Total	-	462.87	-	-	-	-	-

[^]Certificate dated May 08, 2024, issued by M/s Harshil Patel & Co., Chartered Accountants (Firm Registration Number: 148237W), Peer-reviewed Independent Chartered Accountant.

[#]The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 120.01 crore) from the Fresh Issue.

Ratings

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	Repayment and / or pre - payment, in full or part, of certain borrowings availed by the Company	Management undertaking, Independent Chartered Accountant Certificate ^, Placement Document, Bank Statements	110.00	Nil	10.00	10.00	100.00	Utilized as per the details provided in Placement Document	No Comments	No Comments
2	Funding of costs related to the clinical trials and research and development undertaken by the Company and/ or Wockhardt Bio AG, one of the Subsidiaries of the Company		210.00	Nil	Nil	Nil	210.00	No utilization during the reported quarter	No Comments	No Comments
3	Funding working capital requirements of the Company		115.00	Nil	Nil	Nil	115.00	No utilization during the reported quarter	No Comments	No Comments
4	General Corporate Purposes		27.87	Nil	Nil	Nil	27.87	No utilization during the reported quarter	No Comments	No Comments
	Total	-	462.87	Nil	10.00	10.00	452.87	-	-	-

^Certificate dated May 08, 2024, issued by M/s Harshil Patel & Co., Chartered Accountants (Firm Registration Number: 148237W), Peer-reviewed Independent Chartered Accountant.

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Repayment and / or pre - payment, in full or part, of certain borrowings availed by the Company	The Company has entered into various borrowing arrangements from time to time, with banks and financial institutions. The outstanding borrowing arrangements entered into by the Company includes debt in the form of, inter alia, availing term loans and working capital facilities, including fund based and non-fund based borrowings. The Company proposes to utilise an estimated amount of ₹ 110 crores from the Net Proceeds towards part or full repayment and/or pre-payment of certain borrowings availed by the Company.
Funding of costs related to the clinical trials and research and development undertaken by the Company and/ or Wockhardt Bio AG, one of the Subsidiaries of the Company	The Company is engaged in the research and development, manufacture and distribution of pure and branded generics, vaccines, biosimilars, active pharmaceutical ingredients (“APIs”), as well as new chemical entity (“NCE”) antibiotics targeting antimicrobial resistance (“AMR”). The Company proposes to utilise an estimated amount of ₹ 210 crores from the Net Proceeds towards funding of costs related to the clinical trials and research and development undertaken by the Company and its Subsidiary.
Funding working capital requirements of the Company	The Company proposes to utilise ₹ 115 crores from the Net Proceeds to fund the working capital requirement for business operations of the Company in Fiscal 2025. They have significant working capital requirements in the ordinary course of business, which they typically fund through internal accruals and by availing financing facilities from various banks and financial institutions.
General Corporate Purposes	General corporate purposes may include, but are not restricted to, <ul style="list-style-type: none"> (i) meeting fund requirements which the Company or Subsidiaries may face in the ordinary course of business, (ii) any additional re-payment or prepayment of our borrowings, (iii) strategic initiatives, funding growth opportunities, (iv) strengthening marketing capabilities and brand building exercises, (v) meeting ongoing general corporate exigencies and contingencies, (vi) capital expenditure, (vii) meeting working capital requirements, expenses of the Company and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013.

iii. Deployment of unutilised proceeds[^]:

S. No.	Type of instrument where amount is invested	Amount invested (in crore)	Maturity date	Earnings as on March 31, 2024 (in crore)	Return on Investment (%)	Market value as at the end of quarter (in crore)
1	Balance lying in Company's Monitoring account maintained with Bank of Baroda	428.27*	-	-	-	428.27
2	Balance lying in Company's cash credit account maintained with ICICI bank	24.60	-	-	-	24.60
	Total	452.87	-	-	-	452.87

[^]On the basis of management undertaking and certificate dated May 08, 2024, issued by M/s Harshil Patel & Co., Chartered Accountants (Firm Registration Number: 148237W), Peer-reviewed Independent Chartered Accountant.

*Company's Bank of Baroda monitoring account had a balance of Rs 431.83 crores as of March 31, 2024. The excess Rs 3.56 crores pertains to the QIP issue expenses.

Note:

The Company has transferred Rs 25.00 crores from its MA account to its ICICI cash credit account, out of which Rs 0.40 crore has been utilized towards QIP issue expenses, and the remaining Rs 24.60 crore is lying in the ICICI cash credit account.

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 for the fiscal ended March 31, 2024					

[^]On the basis of management undertaking and certificate dated May 08, 2024, issued by M/s Harshil Patel & Co., Chartered Accountants (Firm Registration Number: 148237W), Peer-reviewed Independent Chartered Accountant.

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

[^]Not applicable on the basis of management undertaking and certificate dated May 08, 2024, issued by M/s Harshil Patel & Co., Chartered Accountants (Firm Registration Number: 148237W), Peer-reviewed Independent Chartered Accountant.

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.*
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