



# Tatva Chintan Pharma Chem Limited

(CIN:L24232GJ1996PLC029894)



Date: 07 November 2023

Ref. No.: TCPCL/SEC/2023-24/00075

**To,**  
**The General Manager,**  
**Corporate relationship department,**  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400 001  
**Scrip Code: 543321**

**The Manager,**  
**Listing department,**  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block-G,  
Bandra-Kurla Complex, Bandra(E),  
Mumbai-400 051  
**Scrip Symbol: TATVA**

**Subject: Submission of Monitoring agency report**

Dear Sir/Madam,

Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed a copy of the Monitoring agency report of the Company for the quarter ended 30 September 2023, issued by CRISIL Ratings Limited, appointed to monitor the utilization of proceeds of Qualified Institutions Placement ("QIP") of the Company.

The above information shall be made available on the website of the Company at [www.tatvachintan.com](http://www.tatvachintan.com).

Kindly take the above information on your record.

Thanking You,

Yours Faithfully,  
**For Tatva Chintan Pharma Chem Limited**

**Ishwar Nayi**  
**Company Secretary and Compliance Officer**  
**M. No.: A37444**

Encl.: As above

**Monitoring Agency Report**  
**for**  
**Tatva Chintan Pharma Chem Limited**  
**for the quarter ended**  
**September 30, 2023**

CRL/MAR/TCPCPLTD/2023-24/1038

November 07, 2023

To

**Tatva Chintan Pharma Chem Limited**  
Plot No, 502 / 17, GIDC Estate,  
Ankleshwar, Bharuch, Gujarat - 393002

Dear Sir,

**Monitoring Agency Report for the quarter ended September 30, 2023 - in relation to the Qualified Institutional Placement ("QIP") of Tatva Chintan Pharma Chem 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 August 23, 2023 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 September 30, 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)

## Report of the Monitoring Agency (MA)

**Name of the issuer:** Tatva Chintan Pharma Chem Limited

**For quarter ended:** September 30, 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:

<b>Name of the issuer:</b>	Tatva Chintan Pharma Chem Limited
<b>Names of the promoter:</b>	a. Mr. Shekhar Rasiklal Somani b. Mr. Chintan Nitinkumar Shah c. Mr. Ajay Mansukhlal Patel
<b>Industry/sector to which it belongs:</b>	Specialty Chemicals

## 2) Issue Details

<b>Issue Period:</b>	Thursday, August 24, 2023 to Tuesday, August 29, 2023
<b>Type of issue (public/rights):</b>	Qualified Institutional Placement (QIP)
<b>Type of specified securities:</b>	Equity Shares
<b>QIP Grading, if any:</b>	NA
<b>Issue size:</b>	Rs 2,000.00 million

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

## 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, 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

# Ratings

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
Is there any major deviation observed over the earlier monitoring agency reports?	NA	Management undertaking	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)?	NA		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

#### 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 million)	Revised Cost (Rs in million)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by the Company	Management undertaking, Statutory Auditor Certificate^, Placement Document	1,550.00	NA	No comments	NA	NA	NA
2	General Corporate Purposes#		392.50	NA	No comments	NA	NA	NA
<b>Total</b>		-	<b>1,942.50</b>	-	-	-	-	-

^Certificate dated October 11, 2023 issued by NDJ & Co, Chartered Accountants (Firm Registration Number: 136345W), Statutory Auditors of the Company.

#The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 500.00 million) from the Issue.

## 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 million)	Amount utilized (Rs in million)			Total unutilized amount (Rs in million)	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 / pre-payment, in full or in part, of certain outstanding borrowings availed by the Company	Management undertaking, Statutory Auditor Certificate^, Placement Document, Bank Statements	1,550.00	NA	1,550.00	1,550.00	-	No comments	NA	NA
2	General Corporate Purposes	Bank Statements	392.50	NA	289.86	289.86	102.64	No comments	NA	NA
	<b>Total</b>		<b>1,942.50</b>	<b>NA</b>	<b>1,839.86</b>	<b>1,839.86</b>	<b>102.64</b>	<b>-</b>	<b>-</b>	<b>-</b>

^Certificate dated October 11, 2023, issued by NDJ & Co., Chartered Accountants (Firm Registration Number: 136345W), Statutory Auditors of the Company.

Note: The Company has transferred net proceeds from Monitoring Account maintained by the Company to various current account of the Company maintained with ICICI Bank for making vendor payments towards general corporate purposes, and to other Banks for discharging various debt liability, due to mapping of Company's ERP with these banks, as configuration with MA account was neither feasible nor viable for the Company, as per the undertaking submitted by the management.



#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by the Company	The company avails fund-based and non-fund-based facilities in the ordinary course of business from various banks and financial institutions. The borrowing arrangements entered into by them include, inter alia, term loans and working capital facilities.
General Corporate Purposes	<p>General corporate purposes may include, but are not restricted to,</p> <ul style="list-style-type: none"> <li>(i) Investment in Subsidiaries, joint ventures, associates or others (either through debt or equity or any convertible securities)</li> <li>(ii) Meeting ongoing general corporate exigencies and contingencies</li> <li>(iii) Capital expenditure</li> <li><b>(iv) Expenses of the company</b></li> <li><b>(v) Funding working capital requirements of the company</b></li> <li>(vi) Any other general purposes as may be permissible under applicable law</li> </ul> <p>The allocation or quantum of utilisation of funds towards the specific purposes described above will be determined by Company's management, based on their business requirements and other relevant considerations, from time to time.</p>

### iii. Deployment of unutilised proceeds<sup>^</sup>:

S. No.	Type of instrument where amount is invested	Amount invested (in million)	Maturity date	Earnings# (in million)	Return on Investment (%)	Market value as at the end of quarter (in million)
1	FD 8861230905000851 -DBS Bank	50.00	04/01/2024	0.24	6.7	NA
2	Balance lying in DBS Current Account*	50.00	-	-	-	-
3	Balance lying in ICICI Escrow account**	2.50	-	-	-	-
4	Balance lying in ICICI Monitoring Account	0.14	-	-	-	-
	<b>Total</b>	<b>102.64</b>	-	-	-	-

**Note:**

#Earnings means the accrued earnings from the date of receipt of deposit to September 30, 2023.

\*As per the management undertaking, the Company has encashed one FD with DBS Bank amounting to Rs. 50.00 million on September 29, 2023, however the FD amount has been transferred to monitoring account, opened and maintained by the Company, on October 3, 2023, hence for the period September 29, 2023, to October 2, 2023, this amount was lying in account maintained with DBS Bank.

\*\*As per the management undertaking, total net proceeds from the Issue were Rs. 1,942.50 million however, till September 30, 2023, the amount transferred to monitoring account held with ICICI Bank was Rs. 1,940.00 million hence balance Rs. 2.50 million is still lying with Tatva Chintan Pharma Chem Limited - QIP escrow account maintained with ICICI bank.

<sup>^</sup>On the basis of management undertaking and Certificate dated October 11, 2023, issued by NDJ & Co., Chartered Accountants (Firm Registration Number: 136345W), 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 October 11, 2023, issued by NDJ & Co., Chartered Accountants (Firm Registration Number: 136345W), 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 (Rs in million)	Remarks
1.	Expenses of the Company	158.61	These expenses are towards advance tax, CSR, bank charges, vendor payments, GST, Electricity Payments
2.	Funding Working Capital requirements	131.25	These expenses are towards Import Purchase, Debt Payment, Dividend Payment, TDS on Dividend
	<b>Total</b>	289.86	

^ On the basis of management undertaking and Certificate dated October 11, 2023, issued by NDJ & Co., Chartered Accountants (Firm Registration Number: 136345W), 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.*
- 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.*
- f) *The MA report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRL providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.*
- g) *Access or use of this report does not create a client relationship between CRL and the user.*
- h) *CRL is not aware that any user intends to rely on the report or of the manner in which a user intends to use the report. In preparing this report, MA has not taken into consideration the objectives or particular needs of any particular user.*
- i) *It is made abundantly clear that the report is not intended to and does not constitute an investment advice. The report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The report should not be a basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).*
- j) *The report comprises professional opinion of CRL as of the date they are expressed, based on the information received from the issuer and other sources considered reliable by CRL. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. The report does not constitute statements of fact or recommendations to purchase, hold or sell any securities/instruments or to make any investment decisions.*
- k) *Neither CRL nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents guarantee the accuracy, completeness or adequacy of the report, and shall not have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. CRL and each aforesaid party disclaims any and all express or implied warranties, including but not limited to any warranties of merchantability, suitability or fitness for a particular purpose or use or use. In no event shall CRL or any aforesaid party be liable to any user for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost*

*income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.*

- l) CRL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with the preparation of this report. CRL has in place a code of conduct and policies for managing conflict of interest.*
- m) Unless required under any applicable law, this report should not be reproduced or redistributed to any other person or in any form without prior written consent from CRL.*
- n) By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.*