



Valiant Laboratories
Limited
ESTD: 1980

February 13, 2024

To,
Listing/Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

To,
Listing/Compliance Department
National Stock Exchange of India Limited
“Exchange Plaza”, Plot No. C/1,
G Block Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051.

SCRIP CODE – 543998

Symbol: VALIANTLAB

Dear Sir/Madam,

Sub: Monitoring Agency Report

Pursuant to Regulation 32 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, We are enclosing herewith Monitoring Agency Report issued by CARE Ratings Limited, Monitoring Agency, for the Quarter ended December 31, 2023 in respect of utilization of proceeds of the Initial Public Offer ('IPO') of the Company.

The above-mentioned statement has been duly reviewed by the Audit Committee at its meeting held on February 09, 2024.

Please take the same on your records.

Thanking you,

Yours faithfully,
For Valiant Laboratories Limited

Saloni Mehta
Company Secretary
ICSI M. No. A65706

www.valiantlabs.in | CIN : L24299MH2021PLC365904

Registered Office: 104, Udyog Kshetra, Mulund-Goregaon Link Road, Mulund (W), Mumbai - 400080.
T: 022-49712001 / 49717220 /49717221| **E:** investor@valiantlabs.in

Monitoring Agency Report



No. CARE/HO/RL/2023-24/4126

Mr. Santosh Vora
Managing Director
Valiant Laboratories Limited

104, Udyog Kshetra,
Mulund Goregaon Link Road,
Mulund West, Mumbai – 400080
Maharashtra, India

January 30, 2024

Dear Sir,

Monitoring Agency Report for the quarter ended December 31, 2023 - in relation to the Initial Public Offering (IPOs) of Equity Shares of Valiant Laboratories Limited ("the Company")

We write in our capacity of Monitoring Agency for the Fresh Issue of 10,890,000 equity shares aggregating to Rs. 152.460 Crores of the Company and refer to our duties cast under 82 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 December 31, 2023, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated September 07, 2023.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

A handwritten signature in black ink, slanted upwards to the right, reading "M. S. Annappanavar".

Manohar Annappanavar

Associate Director

Manohar.annappanavar@careedge.in

Report of the Monitoring Agency (MA)

Name of the issuer: Valiant Laboratories Limited

For quarter ended: December 31, 2023

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: As per ICDR guidelines the net issue proceeds pending utilization (for the stated objects) shall be deposited only in the scheduled commercial banks. However, the company has parked the part of unutilised interim proceeds in mutual funds (Nippon Mutual Funds (Arbitrage Fund) amounting to Rs. 35 crores and ICICI mutual funds (Money market fund) amounting to Rs. 25 crores). Further, as per the details shared by the company, the aforesaid mutual funds amounting to Rs.60 crores as on December 31, 2023. As on date (January 30, 2024) the mutual funds have been redeemed and the same has been parked in Fixed Deposits (Kotak Bank).

(b) Range of Deviation: As per ICDR guidelines the net issue proceeds pending utilization (for the stated objects) shall be deposited only in the scheduled commercial banks. However, the company has parked the part of unutilised interim proceeds in mutual funds (Nippon Mutual Funds (Arbitrage Fund) amounting to Rs. 35 crores and ICICI mutual funds (Money market fund) amounting to Rs. 25 crores) Further, as per the details shared by the company, the aforesaid mutual funds amounting to Rs.60 crores as on December 31, 2023. As on date (January 30, 2024) the mutual funds have been redeemed and the same has been parked in Fixed Deposits (Kotak Bank).

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.

M. S. Annappanavar

Signature:

Name of the Authorized Signatory: Manohar Annappanavar

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Valiant Laboratories Limited
Name of the promoter : Shantilal. S. Vora and Santosh. S. Vora
Industry/sector to which it belongs : Pharmaceutical/API manufacturer.

2) Issue Details

Issue Period : Opened on September 27, 2023, and closed on October 03, 2023
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. 152.46 crore (Note 1)

Note 1:

Particulars	Values
Total shares issued and subscribed Nos @ (Rs. 140/share)	1,08,90,000
Total Proceeds received from IPO (in Rs. Crore)	152.46
Issue expenses (in Rs. Crore)	18.14
Net Proceeds available (in Rs. Crore)	134.32

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*, RHP, Bank statement, Copy of invoices	Not applicable	Nil
Whether shareholder approval has been obtained in case of material deviations [§] from expenditures disclosed in the Offer Document?	Not applicable	RHP, Chartered Accountant certificate**	Not applicable	Nil
Whether the means of finance for the disclosed objects of the issue have changed?	No	RHP, Chartered Accountant certificate*	Not applicable	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable, this is the first-time monitoring agency report	Chartered Accountant certificate*	Not applicable	Nil
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	RHP, GIDC, SEIAA & GPCB, Chartered Accountant certificate*	Not applicable	Nil
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	RHP, Chartered Accountant certificate*	Not applicable	Nil
Are there any favourable/unfavourable events affecting the viability of these object(s)?	No	Chartered Accountant certificate*	Not applicable	Nil
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	RHP, Chartered Accountant certificate*	Comments below [^]	Comment below

* The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated January 15, 2024.

**Auditor's remark: No deviations from expenditure disclosed in the Offer document.

[§] Material Deviation would mean

a) deviation in the objects or purposes for which the funds have been raised

b) deviation in the amount of funds actually utilised by more than 10% of the amount projected in the offer documents

CARE's Comment: As per ICDR guidelines the net issue proceeds pending utilization (for the stated objects) shall be deposited only in the scheduled commercial banks. However, the company has parked the part of unutilised interim proceeds in mutual funds (Nippon Mutual Funds (Arbitrage Fund) amounting to Rs. 35 crores and ICICI mutual funds (Money market fund) amounting to Rs. 25 crores) Further, as per the details shared by the company, the aforesaid mutual funds amounting to Rs.60 crores as on December 31, 2023. As on date (January 30, 2024) the mutual funds have been redeemed and the same has been parked in Fixed Deposits (Kotak Bank).

Board's Comment: There is no deviation or change in the actual object for which funds have been raised. However, the Company has redeemed the mutual funds and parked the same into fixed deposits

a 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 Placement 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	Investment in VASPL for part financing its capital expenditure requirements in relation to the setting up of the Proposed Facility	RHP* and CA Certificate**	80.00	-	Not applicable	Nil	Nil	Nil
2	Investment in VASPL for funding its working capital requirements of VASPL	RHP* and CA Certificate**	45.00	-	Not applicable	Nil	Nil	Nil
3	General corporate purposes (GCP)	RHP* and CA Certificate**	9.317	-	Not applicable	Nil	Nil	Nil
Total			134.317					

* Sourced from Page No. 118 of RHP.

** The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated January 15, 2024.

(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			Total Unutilised amount in Rs. Crore as on December 31, 2023 (C=A-B)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in Rs. Crore	During the quarter in Rs. Crore	At the end of the quarter in Rs. Crore (B)			Reasons for idle funds	Proposed course of action
1	Investment in VASPL for part financing its capital expenditure requirements in relation to the setting up of the Proposed Facility	CA Certificate, Bank Statements, Prospectus	80.00	-	15.00	15.00	65.00	During the quarter, company has transferred Rs.15 crore to VASPL out of which Rs.11.17 has been utilised and remaining Rs.3.83 crore will be utilised in the subsequent quarter.	Nil	Nil
2	Investment in VASPL for funding its working capital requirements of VASPL	CA Certificate, Bank Statements, Prospectus	45.00	-	0.00	0.00	45.00	Not applicable	Nil	Nil
3	General corporate purposes (GCP)	CA Certificate, Bank Statements, Prospectus	9.317	-	7.122	7.122	2.195	Not applicable	Nil	Nil
Total			134.317	-	22.122	-	112.195			

The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated January 15, 2024.

iii) Deployment of unutilised IPO proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1	Nippon India Mutual Fund	35.00	NA			
2	ICICI Prudential Mutual Fund	25.00	NA			
3	Valiant Laboratories Ltd (Kotak FD)	10.00	11-01-2024	0.18	1.77%	10.18
4	Valiant Laboratories Ltd (Kotak FD)	10.00	11-01-2024	0.18	1.77%	10.18
5	Valiant Laboratories Ltd (Kotak FD)	10.00	10-02-2024	0.24	2.37%	10.24
6	Valiant Laboratories Ltd (Kotak FD)	10.00	10-02-2024	0.24	2.37%	10.24
7	Valiant Laboratories Ltd (Kotak FD)	10.00	10-04-2024	0.36	3.62%	10.36
8	Bank Balance (Public Issue A/c)	2.195	-	-	-	-
	TOTAL	112.195				

The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated January 15, 2024.

(iv) Delay in implementation of the object(s) : Nil

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
-	-	-	-	-	-

The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated January 15, 2024.

4) 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
1	Raw materials purchased from various suppliers	7.122	CA Certificate, Bank Statements, and invoices	Not applicable	
	TOTAL	7.122			

The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated January 15, 2024.

^Please note that out of Rs.7.122 crores, Rs.4.991 crore is from group companies (Valiant organics Limited and Aarti Pharmalabs Limited).