



Tatva Chintan Pharma Chem Limited

(CIN:L24232GJ1996PLC029894)



Date: 23 January 2024

Ref. No.: TCPCL/SEC/2023-24/00092

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 31 December 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.

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
December 31, 2023

CRL/MAR/TCPCPLTD/2023-24/1055

January 23, 2024

To

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

Dear Sir,

Final Monitoring Agency Report for the quarter ended December 31, 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 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: Tatva Chintan Pharma Chem 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:	Tatva Chintan Pharma Chem Limited
Names of the promoter:	a. Mr. Shekhar Rasiklal Somani b. Mr. Chintan Nitinkumar Shah c. Mr. Ajay Mansukhlal Patel
Industry/sector to which it belongs:	Specialty Chemicals

2) Issue Details

Issue Period:	Thursday, August 24, 2023 to Tuesday, August 29, 2023
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 2,000.00 million* Net proceeds: Rs 1,943.45 million**

*CRISIL Ratings shall be monitoring the net proceeds amount.

**Net proceeds are revised from Rs 1,942.50 million to Rs 1,943.45 million. The actual cost incurred by the Company towards offer related expenses is lower against the estimated cost disclosed in the final offer document. Hence, the surplus proceeds of Rs 0.95 million available from offer expenses is added to GCP during the quarter ended December 31, 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	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

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
Whether the means of finance for the disclosed objects of the issue has changed?	No	Management undertaking	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)?	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	393.45	Refer Note 1	NA	NA	NA
Total		-	1,942.50	-	-	-	-	-

[^]Certificate dated January 09, 2024, issued by M/s 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.

Note 1: Net proceeds are revised from Rs 1,942.50 million to Rs 1,943.45 million. The actual cost incurred by the Company towards offer related expenses is lower against the estimated cost disclosed in the final offer document. Hence, the surplus proceeds of Rs 0.95 million available from offer expenses is added to GCP during the quarter ended December 31, 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 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	1,550.00	0.00	1,550.00	-	Fully utilised during the quarter ended September 30, 2023	NA	NA
2	General Corporate Purposes	Bank Statements	393.45	289.86	103.59	393.45	-	Refer Note 1 and 2	NA	NA
	Total		1,943.45	1,839.86	103.59	1,943.45	-	-	-	-

^Certificate dated January 09, 2024, issued by M/s NDJ & Co., Chartered Accountants (Firm Registration Number: 136345W), Statutory Auditors of the Company.

Note 1: 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.

Note 2: Net proceeds are revised from Rs 1,942.50 million to Rs 1,943.45 million. The actual cost incurred by the Company towards offer related expenses is lower against the estimated cost disclosed in the final offer document. Hence, the surplus proceeds of Rs 0.95 million available from offer expenses is added to GCP during the quarter ended December 31, 2023..

#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"> (i) Investment in Subsidiaries, joint ventures, associates or others (either through debt or equity or any convertible securities) (ii) Meeting ongoing general corporate exigencies and contingencies (iii) Capital expenditure (iv) Expenses of the company (v) Funding working capital requirements of the company (vi) Any other general purposes as may be permissible under applicable law <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^:

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)
Not applicable						

^On the basis of management undertaking and Certificate dated January 09, 2024, issued by M/s 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 January 09, 2024, issued by M/s 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	75.89	On the basis of management undertaking and Statutory Auditor's certificate^, these expenses are towards interest, bank charges, vendor payments, salary, PF, ESIC, GST.
2.	Funding working capital requirements	27.70	On the basis of management undertaking and Statutory Auditor's certificate^, these expenses are towards import purchase, debt payment.
	Total	103.59	

^Certificate dated January 09, 2024, issued by M/s 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.*
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