



# SIGACHI INDUSTRIES LIMITED

CIN : U24110TG1989PLC009497

AN EXCIPACT GMP, ISO 9001:2015 & FSSC 22000 CERTIFIED COMPANY



Date: 10.08.2022

To,

<b>The Manager BSE Limited P. J. Towers, Dalal Street Mumbai-400001 (BSE Scrip Code: 543389)</b>	<b>The Manager, NSE Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400051. (NSE Symbol: SIGACHI)</b>
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Dear Sir/Madam,

## **Sub: Reporting of Monitoring Agency**

### **Unit: Sigachi Industries Limited**

Pursuant to Regulation 41(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Monitoring Agency Report dated 22<sup>nd</sup> July 2022 issued by **M/s. Kotak Mahindra Bank Limited**, Monitoring Agency in respect of utilization of proceeds of IPO for the quarter ended **June 30, 2022**.

This is for your information and records.

Thanking You,

Yours faithfully

**For Sigachi Industries Limited**

**Shreya Mitra**

**Company Secretary and Compliance Officer**

**Encl: As above.**

**Registered Office:**  
# 229/1 & 90, 2nd Floor,  
Kalyans Tulasiram Chambers,  
Madinaguda, Hyderabad - 49,  
Telangana State, India.  
Email : mktg.gm@sigachi.com  
Customer Service +91 40 40114874-76

**Unit-1:**  
Plot No. 20-21  
IDA Pasamailaram  
Phase I, Sangareddy Dist.  
Telangana State, India

**Unit-2:**  
Plot No. Z-16, SEZ Unit  
Dahej SEZ Part I  
Bharuch Dist.  
Gujarat, India

**Unit-3:**  
Plot No. 763/2  
Jhagadia GIDC  
Bharuch Dist,  
Gujarat, India



Report of the Monitoring Agency

Name of the Issuer: Sigachi Industries Limited  
For quarter ended: June 30, 2022  
Name of the Monitoring Agency: Kotak Mahindra Bank Ltd.

(a) Deviation from the objects: No deviation is observed in the utilisation of issue proceeds

– Utilization different from Objects of the Offer stated in the Prospectus but in line with change of objects approved by shareholders' resolution;

or

– Utilization neither in line with Objects of the Offer stated in the Prospectus nor approved by shareholders' resolution

– In case there is no deviation, the same shall be stated.

(b) Range of Deviation\*: NA

Indicate range of percentage deviation from the amount of issue proceeds earmarked for objects. For example, up to 10%, 10-25%, 25-50%, 50-75%, 75-100%, not ascertainable etc.

\* The range of deviation may be computed by taking weighted average of financial deviation of each object in the ratio of issue proceeds allocated for it. Non-financial deviation may be indicated separately by way of notes.

Declaration:

We declare that this report is based on the format prescribed by the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. We further declare that this report provides a true and fair view of the utilization of the Offer proceeds.

We declare that we do not have any direct/indirect interest in or relationship with the Company, its promoters, directors, management and also confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the Offer proceeds by the Company.

Signature:

Name of the Authorized Person/Signing Authority: Mr. Anurag Goenka

Designation of Authorized Person/Signing Authority: Executive Vice President

Seal of the Monitoring Agency:

Date: 22<sup>nd</sup> July 2022



Subsequent Pages:

## 1) Issuer Details:

Name of the issuer: Sigachi Industries Limited

Names of the promoter: Rabindra Prasad Sinha, Chidambarnathan Shanmuganathan, Amit Raj Sinha and RPS Projects &amp; Developers Private Limited

Industry/sector to which it belongs: Pharmaceutical

## 2) Offer Details:

Offer Period: November 1, 2021 to November 3, 2021

Type of issue (public/rights): Initial Public Offering

Type of specified securities: Equity Shares

Public issue Grading, if any: No credit rating agency registered with SEBI has been appointed for grading the Issue.

Offer size ( in Crore): ₹ 125.43 Crore

## 3) Details of the arrangement made to ensure the monitoring of Offer proceeds:

**For expansion of production capacity for microcrystalline cellulose ("MCC") at Dahej, Gujarat;**

Particulars	Reply	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Prospectus?	Yes/No	Yes	Utilization of funds has started and 41.79% has been spent so far and the same is in accordance with the offer document.
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Prospectus?	Yes/No	No	There were no material deviations. Hence, shareholder's approval does not arise.
Whether the means of finance for the disclosed Objects of the Offer has changed?	Yes/No	No	No change in the means of finance towards objects.
Is there any major deviation observed over the earlier monitoring agency reports?	Yes/No	No	No major deviation observed.
Whether all Government/statutory approvals related to the Object(s) of the Offer have been obtained?	Yes/No	Yes	The company has received all the material licenses and approvals for expansion of the said production facilities.
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes/No	No	No Collaborations / technical assistance are in operations.
Are there any favorable events improving the viability of these Object(s) of the Offer?	Yes/No	No	No
Are there any unfavorable events affecting the viability of the Object(s) of the Offer?	Yes/No	No	No
Is there any other relevant information that may materially affect the decision making of the investors?	Yes/No	No	No such information that materially affects the decision making of investors.

**For expansion of production capacity for microcrystalline cellulose ("MCC") at Jhagadia, Gujarat;**

Particulars	Reply	Comments of the	Comments of the Board of Directors
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Kotak Mahindra Bank Ltd.  
CIN: L65110MH1985PLC03813727 BKC, 2nd Floor, G Block  
Bandra Kurla Complex (BKC)  
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Maharashtra, India.



	Yes/No	Monitoring Agency	
Whether all utilization is as per the disclosures in the Prospectus?	Yes/No	Yes	Utilization of funds has started and 43.18% has been spent so far and the same is in accordance with the offer document..
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Prospectus?	Yes/No	No	There were no material deviations. Hence, shareholder's approval does not arise.
Whether the means of finance for the disclosed Objects of the Offer has changed?	Yes/No	No	No change in the means of finance towards objects.
Is there any major deviation observed over the earlier monitoring agency reports?	Yes/No	No	No major deviation observed.
Whether all Government/statutory approvals related to the Object(s) of the Offer have been obtained?	Yes/No	Yes	The company has received all the material licenses and approvals for expansion of the said production facilities.
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes/No	No	No Collaborations / technical assistance are in operations.
Are there any favorable events improving the viability of these Object(s) of the Offer?	Yes/No	No	No
Are there any unfavorable events affecting the viability of the Object(s) of the Offer?	Yes/No	No	No
Is there any other relevant information that may materially affect the decision making of the investors?	Yes/No	No	No such information that materially affects the decision making of investors.

**To manufacture Croscarmellose Sodium ("CCS"), a modified cellulose used as excipient at Kurnool, Andhra Pradesh :**

Particulars	Reply	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Prospectus?	Yes/No	NA	Utilization is yet to be commenced since the government has handed over land recently.
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Prospectus?	Yes/No	No	There were no material deviations. Hence, shareholder's approval does not arise.
Whether the means of finance for the disclosed Objects of the Offer has changed?	Yes/No	No	No change in the means of finance towards objects.
Is there any major deviation observed over the earlier monitoring agency reports?	Yes/No	No	No major deviation observed.
Whether all Government/statutory approvals related to the Object(s) of the Offer have been obtained?	Yes/No	No	The company has received registered allotment of the plot on leasehold basis from APIICL. Company is yet to apply for requisite government approvals for the proposed manufacturing unit. Any delay in undertaking such and not adhering to the schedule of implementation could have an adverse effect on the company growth and prospects and results of operations.



Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes/No	No	No Collaborations / technical assistance are in operations.
Are there any favorable events improving the viability of these Object(s) of the Offer?	Yes/No	No	No
Are there any unfavorable events affecting the viability of the Object(s) of the Offer?	Yes/No	NA	Utilization is yet to be commenced.
Is there any other relevant information that may materially affect the decision making of the investors?	Yes/No	No	Company is yet to apply for requisite government approvals for the proposed manufacturing unit. Any delay in undertaking such and not adhering to the schedule of implementation could have an adverse effect on the company growth and prospects and results of operations which ultimately effects the decision making of investor.

\*Where material deviation may be defined to mean:

- a) Deviation in the objects or purposes for which the funds have been raised
- b) Deviation in the amount of fund actually utilized by more than 10% of the amount projected in the offer documents.

4) Details of Object(s) of the Offer to be monitored:

(i) Cost of Object(s) of the Offer- INR 110.13 Cr

In ₹ Crore

Sl. No	Item Head	Original Cost (as per Offer Document s)	Revised Cost	Comments of Monitoring Agency	Comments of Board of Directors		
					Reason of cost revision	Proposed financing option	Particulars of firm arrangements made
1.	For expansion of production capacity for microcrystalline cellulose ("MCC") at Dahej, Gujarat	28.16	NA	-	-	-	-
2.	For expansion of production capacity for microcrystalline cellulose ("MCC") at Jhagadia, Gujarat	29.24	NA	-	-	-	-
3.	To manufacture Croscarmellose Sodium ("CCS"), a modified cellulose used as excipient at Kurnool, Andhra Pradesh	32.30					
4.	General Corporate purposes	20.43	NA	-	-	-	-
	Total	110.13					

(ii) Progress in the Object(s) of the Offer-

Kotak Mahindra Bank Ltd.

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*In ₹ Crores*

Sr. No	Item Heads	Amount as proposed in Prospectus	Amount utilized			Total unutilized Amount	Comments of Monitoring Agency	Comments of Board of Directors	
			As at Beginning of the quarter	During the quarter	At the end of the quarter			Reason of idle funds	Proposed Course of Action
1.	For expansion of production capacity for microcrystalline cellulose ("MCC") at Dahej, Gujarat	28.16	6.56	5.21	11.77	16.39	Refer a	-	-
2.	For expansion of production capacity for microcrystalline cellulose ("MCC") at Jhagadia, Gujarat	29.24	11.00	1.63	12.63	16.61	Refer b	-	-
3.	To manufacture Croscarmellose Sodium ("CCS"), a modified cellulose used as excipient at Kurnool, Andhra Pradesh	32.30	-	-	-	32.30			
	<b>Total to be received and monitored in Monitoring Agency Account (A)</b>	<b>89.70</b>	<b>17.55</b>	<b>6.84</b>	<b>24.39</b>	<b>65.31</b>			
4.	General Corporate purposes (B)	20.43	20.43	-	20.43	-	-	-	-
	<b>Total [(A)+(B)]</b>	<b>110.13</b>	<b>37.98</b>	<b>6.84</b>	<b>44.82</b>	<b>65.31</b>			

- a) Amounts of Rs. 0.21 Cr has been utilised during the quarter ended 30 June 2022 from its own source and the proceeds of the IPO will go towards reimbursing the same. The same has not been withdrawn from the Monitoring Agency Account as on quarter ended 30 June 2022.
- b) Amount of Rs. 0.58 Cr has been utilised during the quarter ended 30 June 2022 from its own source and the proceeds of the IPO will go towards reimbursing the same. The same has not yet been withdrawn from the Monitoring Agency Account as on quarter ended 30 June 2022.

(iii) Deployment of unutilized Offer proceeds\*-

S. No	Type of instrument where amount invested*	Amount invested	Maturity Date	Earnings	Investment (ROI%)	Market Value as at the end of quarter**
1	Fixed Deposits	39,000,000	17-Aug-22 15-Apr-24 22-Apr-24	-	6.00%	39,000,000
2	Fixed Deposits	19,900,000	27-Jan-23	-	6.00%	19,900,000
3	Fixed Deposits	19,900,000	6-Mar-23	-	6.00%	19,900,000
4	Fixed Deposits	19,900,000	12-Apr-23	-	6.00%	19,900,000
5	Fixed Deposits	19,950,000	12-Apr-23	-	6.00%	19,950,000
6	Fixed Deposits	19,900,000	13-Apr-23	-	6.00%	19,900,000
7	Fixed Deposits	19,950,000	14-Apr-23	-	6.50%	19,950,000
8	Fixed Deposits	19,950,000	15-Apr-23	-	6.00%	19,950,000

**Kotak Mahindra Bank Ltd.**  
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9	Fixed Deposits	19,950,000	16-Apr-23	-	6.00%	19,950,000
10	Fixed Deposits	19,950,000	17-Apr-23	-	6.00%	19,950,000
11	Fixed Deposits	19,950,000	19-Apr-23	-	6.00%	19,950,000
12	Fixed Deposits	19,950,000	20-Apr-23	-	6.50%	19,950,000
13	Fixed Deposits	19,950,000	14-May-23	-	6.50%	19,950,000
14	Fixed Deposits	19,950,000	9-Mar-24	-	6.50%	19,950,000
15	Fixed Deposits	19,950,000	26-Mar-24	-	6.50%	19,950,000
16	Fixed Deposits	19,950,000	29-Mar-24	-	6.50%	19,950,000
17	Fixed Deposits	19,950,000	31-Mar-24	-	6.50%	19,950,000
18	Fixed Deposits	19,950,000	5-Apr-24	-	6.00%	19,950,000
19	Fixed Deposits	19,950,000	6-Apr-24	-	6.00%	19,950,000
20	Fixed Deposits	19,950,000	7-Apr-24	-	6.50%	19,950,000
21	Fixed Deposits	19,950,000	13-Apr-24	-	6.50%	19,950,000
22	Fixed Deposits	19,950,000	14-Apr-24	-	6.50%	19,950,000
23	Fixed Deposits	19,950,000	23-Apr-24	-	6.50%	19,950,000
24	Fixed Deposits	19,950,000	26-Apr-24	-	6.50%	19,950,000
25	Fixed Deposits	19,950,000	27-Apr-24	-	6.50%	19,950,000
26	Fixed Deposits	19,950,000	28-Apr-24	-	6.50%	19,950,000
27	Fixed Deposits	19,950,000	6-May-24	-	6.50%	19,950,000
28	Fixed Deposits	19,950,000	7-May-24	-	6.50%	19,950,000
29	Fixed Deposits	19,950,000	25-May-24	-	6.50%	19,950,000
30	Fixed Deposits	19,950,000	26-May-24	-	6.50%	19,950,000
31	Fixed Deposits	19,950,000	28-May-24	-	6.50%	19,950,000
32	Fixed Deposits	19,950,000	4-Jun-24	-	6.50%	19,950,000
<b>Total</b>		<b>65,73,00,000</b>				

\*As on 30<sup>th</sup> June, 2022 the balance in Monitoring Agency Account was Rs. 0.64 Cr.

\*\*\* FD worth 3.9 Cr was auto renewed along with interest portion and 3 FDs of principal value Rs. 1,99,50,000 Cr (2FDs) and Rs. 3,86,375.

(iv) Delay in implementation of the Object(s) of the Offer-

Object(s) Name	Completion Date		Delay (No. of days/ months)	Comments of Board of Directors	
	As per Prospectus	Actual *		Reason of delay	Proposed Course of Action
NA	NA	NA	NA	NA	NA

\* In case of continuing object(s) please specify latest/revised estimate of completion date.

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