



SIGACHI INDUSTRIES LIMITED

CIN: L24110TG1989PLC009497

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

www.sigachi.com



To,

Date: 12.05.2023

The Manager BSE Limited P. J. Towers, Dalal Street Mumbai-400001 (BSE Scrip Code: 543389)	The Manager, NSE Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400051. (NSE Symbol: SIGACHI)
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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 12th May 2023, issued by **M/s. Kotak Mahindra Bank Limited**, Monitoring Agency in respect of utilization of proceeds of IPO for the quarter ended **March 31, 2023**.

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, Kalyan's Tulsiram Chambers, Madinaguda, Hyderabad-49, Telangana State, India.

Email: info@sigachi.com, Customer Service +91 40 40114874 - 76

Report of the Monitoring Agency

Name of the Issuer: Sigachi Industries Limited
For quarter ended: Mar 31, 2023
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. Amit Kumar

Designation of Authorized Person/Signing Authority: Vice President

Seal of the Monitoring Agency:

Date: 12th May, 2023



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 Industries 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	The Funds have been fully utilized as per offer document, the monitoring agency need not monitor further .
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Prospectus?	Yes/No	No	No Comments
Whether the means of finance for the disclosed Objects of the Offer has changed?	Yes/No	No	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	Yes/No	No	No Comments
Whether all Government/statutory approvals related to the Object(s) of the Offer have been obtained?	Yes/No	Yes	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes/No	No	No Comments
Are there any favorable events improving the viability of these Object(s) of the Offer?	Yes/No	No	No Comments
Are there any unfavorable events affecting the viability of the Object(s) of the Offer?	Yes/No	No	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	Yes/No	No	No Comments

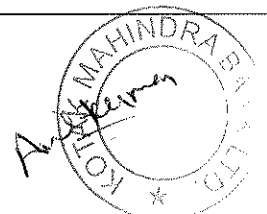
Kotak Mahindra Bank Ltd.

CIN: L65110MH1985PLC038137

27 BKC, Plot No C-27, G Block
Bandra Kurla Complex
Bandra (East), Mumbai - 400 051

www.kotak.com

Registered Office:

27 BKC, C 27, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai 400051,
Maharashtra, India.

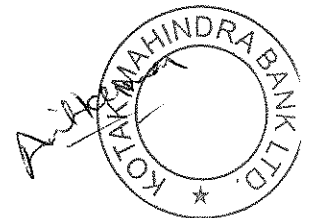


For expansion of production capacity for microcrystalline cellulose ("MCC") at Jhagadia, Gujarat;

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	The Funds have been fully utilized as per offer document, the monitoring agency need not monitor further .
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Prospectus?	Yes/No	No	No Comments
Whether the means of finance for the disclosed Objects of the Offer has changed?	Yes/No	No	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	Yes/No	No	No Comments
Whether all Government/statutory approvals related to the Object(s) of the Offer have been obtained?	Yes/No	Yes	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes/No	No	No Comments
Are there any favorable events improving the viability of these Object(s) of the Offer?	Yes/No	No	No Comments
Are there any unfavorable events affecting the viability of the Object(s) of the Offer?	Yes/No	No	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	Yes/No	No	No Comments

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	No Comments
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Prospectus?	Yes/No	No	No Comments
Whether the means of finance for the disclosed Objects of the Offer has changed?	Yes/No	No	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	Yes/No	No	No Comments
Whether all Government/statutory approvals related to the Object(s) of the Offer have been obtained?	Yes/No	No	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Yes/No	No	No Comments
Are there any favorable events improving the viability of these Object(s) of the Offer?	Yes/No	No	No Comments





Are there any unfavorable events affecting the viability of the Object(s) of the Offer?	Yes/No	NA	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	Yes/No	No	No Comments

*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

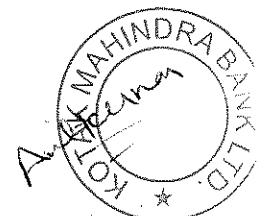
In ₹ Crore

Sl. No	Item Head	Original Cost (as per Offer Documents)	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	-	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	NA	-			
4.	General Corporate purposes	20.43	NA	-			
	Total	110.13					

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

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	21.13	7.03	28.16	-	Refer a	-	The Funds have been fully utilized as per offer document, the monitoring agency need not monitor further on this objects.
2.	For expansion of production capacity for microcrystalline cellulose ("MCC") at Jhagadia, Gujarat	29.24	20.96	8.28	29.24	-	Refer b	-	



3.	To manufacture Croscarmellose Sodium ("CCS"), a modified cellulose used as excipient at Kurnool, Andhra Pradesh	32.30	-	0.00	0.00	32.30	Object to be utilised in FY24	-	Will be utilized as per offer document.
	Total to be received and monitored in Monitoring Agency Account (A)	89.70	42.09	15.31	57.40	32.30			
4.	General Corporate purposes (B)	20.43	20.43	0.00	20.43	0.00	-	-	-
	Total [(A)+(B)]	110.13	62.52	15.31	80.75	32.30			

- a) Amount of Rs. 1.527 Cr has been utilised during the quarter ended 31st Mar-2023 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 31st March 2023. INR 2.23 Cr utilized for the object, is out of the funds from interest received in Monitoring Agency Account from fixed deposits made out of idle funds.
- b) Amount of Rs. 0.503 Cr has been withdrawn from the Monitoring agency Account during the quarter ended 31st Mar-2023 as advance payment to vendor for capex of Jhagadia facility. The same has not yet been withdrawn from the Monitoring Agency Account as on quarter ended 31st March 2023. INR 0.67 Cr utilized for the object is out of the funds from interest received in Monitoring Agency Account from fixed deposits made out of idle funds.

(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 Deposit	9,00,00,000	22-Mar-24	-	8.40%	9,00,00,000
2	Fixed Deposit	5,30,00,000	22-Mar-24	-	8.40%	5,30,00,000
3	Fixed Deposit	18,00,00,000	29-Nov-25	-	7.85%	18,00,00,000
	Total	32,30,00,000				32,30,00,000

*As on 31st March, 2023 the balance in Monitoring Agency Account was Rs. 0.67.

***Book Value is considered

(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
For expansion of production capacity for microcrystalline cellulose ("MCC") at Dahej, Gujarat	FY 2023	FY 2024	6 Months	The reason for delay is due to increase in the scope of the work.	The utilisation for this object is already done from IPO proceeds. The monitoring agency need not monitor further on this if the amounts are paid out of internal accruals.
For expansion of production capacity for microcrystalline cellulose ("MCC") at Jhagadia, Gujarat	FY 2023	FY 2024	6 Months	The reason for delay is due to increase in the scope of the work.	The utilisation for this object is already done from IPO proceeds. The monitoring agency need not monitor further on this if the amounts are paid out of internal accruals.
To manufacture Croscarmellose Sodium ("CCS"), a modified cellulose used as excipient at Kurnool, Andhra Pradesh	FY 2024	FY 2024	NA	NA	From now onwards the utilisation shall be only towards this facility from the monitoring agency account unless there is a special resolution to change the objects of the issue and the amounts allocated towards other objects.

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