

10th May, 2024

BSE Limited

P.J. Towers, Dalal Street, Fort,
Mumbai- 400 001
BSE scrip code: 543635

National Stock Exchange of India Limited

Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051
NSE symbol: PPLPHARMA

Sub: Monitoring Agency Report for the quarter ended 31st March, 2024

Dear Sir/Madam,

Pursuant to the Regulation 32(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 82(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith Monitoring Agency Report for the quarter ended 31st March, 2024 issued by CARE Rating Limited, Monitoring Agency appointed to monitor utilisation of proceeds of the Rights Issue of the Company.

Further, we reiterate that there has been no deviation in the utilisation of proceeds of Rights Issue from the Objects as stated in the Letter of Offer dated 27th July, 2023.

You are requested to kindly take the above information on record.

Yours faithfully,

For **Piramal Pharma Limited**

Tanya Sanish
Company Secretary

Encl.: a/a

Piramal Pharma Limited

CIN: U24297MH2020PLC338592

Registered Office: Gr. Flr. Piramal Ananta, Agastya Corporate Park, Opp Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400070 India

T +91 22 3802 3000 / 4000

piramalpharma.com

No. CARE/HRO/GEN/2024-25/1004

**The Board of Directors
Piramal Pharma Limited**

Ground Floor, Piramal Ananta,
Agastya Corporate Park,
Kamani Junction, LBS Marg,
Kurla, Mumbai
Maharashtra 400070

May 10, 2024

Dear Sir/Mam,

Monitoring Agency Report for the quarter ended March 31, 2024 - in relation to the Rights Issue of Piramal Pharma Limited ("the Company")

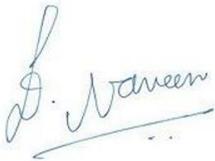
We write in our capacity of Monitoring Agency for the Rights Issue for the amount aggregating to Rs. 1050.00 crore of the Company and refer to our duties cast under Regulation 82 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended March 31, 2024 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated July 27, 2023.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,



Naveen Kumar Dhondy

Associate Director

dnaveen.kumar@careedge.in

CARE Ratings Limited

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Hyderabad - 500 029
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Highway, Sion (E), Mumbai - 400 022
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Report of the Monitoring Agency

Name of the issuer: Piramal Pharma Limited

For quarter ended: March 31, 2024

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

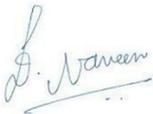
(b) Range of Deviation: Not applicable

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 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.



Signature:

Name and designation of the Authorized Signatory: Naveen Kumar Dhondy

Designation of Authorized person/Signing Authority: Associate Director

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1) Issuer Details:

Name of the issuer	: Piramal Pharma Limited
Name of the promoter	: Ajay Piramal
Industry/sector to which it belongs	: Pharmaceuticals

2) Issue Details

Issue Period	: August 8, 2023 to August 17, 2023
Type of issue (public/rights)	: Rights issue
Type of specified securities	: Equity shares
IPO Grading, if any	: Not applicable
Issue size (in Rs. crore)	: Rs. 1050.00 crore (Note 1)

Note 1:

Particulars	Remarks
Total shares issued and subscribed as part of rights issue	12,96,29,630
Total proceeds received from rights issue (in Rs.)	10,50,00,00,030.00
Details of expenses incurred related to rights issues (in Rs.)	18,02,74,879.92*
Net proceeds available for utilisation (in Rs.)	10,31,97,25,150.08

*Out of the total estimated issue expenses of Rs. 24.54 crore, Rs. 18.03 crore was spent and the company has transferred the balance of Rs. 6.51 crores to the monitoring agency account. As per the offer document, in case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.

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	Bank statement ¹ , Chartered Accountant certificate*, Utilization certificate as received from the management ²	The net proceeds of rights issue are Rs. 1032 crore. As per the letter of offer, the net proceeds from the rights issue have to be utilized as per the objects by financial year 2024.	-
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable as no deviation	As confirmed by the issuer's management	Not applicable	-
Whether the means of finance for the disclosed objects of the issue have changed?	No change	As confirmed by the issuer's management	Not applicable	-

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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?	No deviation	Previous report issued by CARE Ratings.	Not applicable	-
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not Applicable	As confirmed by the issuer's management	Not applicable	-
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not Applicable	As confirmed by the issuer's management	Not applicable	-
Are there any favorable/unfavorable events affecting the viability of these object(s)?	Not Applicable	As confirmed by the issuer's management	No	-
Is there any other relevant information that may materially affect the decision making of the investors?	Not Applicable	As confirmed by the issuer's management	No	-

*Chartered Accountant certificate from M/s Deloitte Haskins & Sells LLP. Chartered Accountants dated April 19, 2024.

¹ CARE has verified the Monitoring account bank statements

² A detailed document dated April 19, 2024 presenting the utilization of funds undersigned by ED & CFO, Mr Vivek Valsaraj.

#Where material deviation may be defined to mean:

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

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

4) 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 Offer 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	Repayment or prepayment, in full or in part, of certain borrowings availed by our Company	Bank Statements ¹ , Chartered Accountant certificate*, utilization	859.24	Not applicable	In line with the objects in letter of offer	-	-	-

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2	General corporate purposes (GCP)	certificate from the management ²	166.22	172.73 [^]	Transferring any surplus to GCP is in line with the letter of offer	-	--	-
Total			1025.46	1,031.97				

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[^] The final amount spent Rs. 172.73 crores is more than the initial amount as per offer letter as the total estimated issue expenses (Rs. 24.54 crore) was more than the actual amount spent of Rs. 18.03 crore. The company has transferred the balance of Rs. 6.51 crores to the monitoring agency account. As per the offer document, in case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes.

(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	Amount utilised in Rs. Crore			Unutilised amount in Rs. crore	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			Reasons for idle funds	Proposed course of action
1	Repayment or prepayment, in full or in part, of certain borrowings availed by PPL	Bank Statements ¹ , Chartered Accountant certificate*, utilization certificate from the management ²	859.24	859.24	-	859.24	-	In line with the objects in letter of offer	-	-
2	General corporate purposes (GCP)	Bank Statements ¹ , Chartered Accountant certificate*, utilization certificate from the management ²	166.22	87.85	84.88	172.73 [^]	-	Transferring any surplus to GCP is in line with the letter of offer	-	-
Total			1025.46	947.09	84.88	1,031.97	-			

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(iii) Deployment of unutilized public issue proceeds: Not applicable as no unutilized amount at year end March 31, 2024

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
Not applicable as the proceeds were fully utilized towards objects of the offer.						

(iv) Delay in implementation of the object(s) – No delays in Q4FY24

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
Repayment, in full or part, of certain subordinated debt and certain outstanding borrowings (including interest) availed by the Company	By FY24	25 th Aug 2023 – Aug 30 th 2023	NA	-	-
General corporate purposes	By FY24	Amount of Rs. 172.73 crores spent by March 24.	NA	-	-

5) 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	Advertisement & Business promotion	69.98	Bank Statement ¹ , Chartered Accountant certificate*, Management certificate ²	Amount of Rs. 172.73 crore utilised under various item heads are as per the provisions of letter of offer. Section from the letter of offer related to GCP is presented below.	-
2	Building	12.33			
3	Computer	0.01			
4	Furniture & Fixtures	0.47			
5	Insurance	12.96			
6	Intangibles/ computer software	2.18			
7	Office Equipment	0.22			
8	Plant & Machinery	74.51			
10	Roads	0.07			
	Total	172.73			

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^ Section from the offer document related to GCP:

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"Our Company intends to deploy the balance Net Proceeds aggregating up to ₹166.22 crore towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25% of the Net Proceeds. Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, acquiring assets, such as plant and machinery, furniture and fixtures, and vehicles and intangibles, meeting any expenses related to brand building, other marketing expenses, upgradation of information technology infrastructure, insurance related expenses, funding growth opportunities, including strategic initiatives, payment of interest on borrowings, leasehold improvements, meeting of exigencies which our Company may face in the course of any business and any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof, subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable.

Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes."

Disclaimers

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "Monitoring Agency/MA"). 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.

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