



Valiant Laboratories
Limited
ESTD. 1980

14th May, 2024

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

To,
National Stock Exchange of India
Listing/Compliance Department
Exchange Plaza, Plot No C/1, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai 400051

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 March 31, 2024 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 May 14, 2024.

Please take the same on your records.

Thanking you,

Yours Faithfully,
For Valiant Laboratories Limited

Santosh Vora
Managing Director
DIN: 07633923

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

Final Monitoring Agency Report



No. CARE /HO/GEN/2024-25/1026

**The Board of Directors
Valiant Laboratories Limited**

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

May 14, 2024

Dear Sir/Ma'am,

**Monitoring Agency Report for the quarter ended March 31, 2024 - in relation to the IPO of
Valiant Laboratories Limited ("the Company")**

We write in our capacity of Monitoring Agency for the Public Issue for the amount aggregating to Rs. 152.460 crore of the Company and refer to our duties cast under 41 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 March 31, 2024, 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, appearing to read "Darshan Shah".

Darshan Shah

Assistant Director

Darshan.shah@careedge.in

Final Monitoring Agency Report



Report of the Monitoring Agency

Name of the issuer: Valiant Laboratories 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.

A handwritten signature in black ink, appearing to read "Darshan Shah".

Signature:

Name of the Authorized Signatory: Darshan Shah

Designation of Authorized person/Signing Authority: Assistant 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 Offer
Type of specified securities : Equity Shares
IPO Grading, if any : Not applicable
Issue size (in ` crore) : Rs. 152.46 crore (Note 1)

Note 1:

The company had offered 1.089 crores Equity Shares under the initial public offer, at Rs. 140 per share (including share premium of Rs. 130 per share) aggregating to ₹152.46 crore. The issue was oversubscribed by 29.76 times and the company has allotted 1,08,90,000 Equity Shares to the applicants.

Particulars	Remarks
Total shares issued and subscribed as part of IPO	1,08,90,000
Total subscriptions towards IPO (in Rs. crore)	152.46
Details of expenses incurred related to issue (in Rs. crore)	18.14
Net Proceeds of IPO (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, Prospectus, Bank statement, Copy of invoices	All the proceeds from IPO have been utilized appropriately for the objectives mentioned in the offer document	Nil
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not Applicable	Not Applicable	Not applicable	Nil
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	Not applicable	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	No	Chartered Accountant certificate	As on December 31, 2023, the company had parked unutilized funds towards liquid mutual funds, however, during as on March 31, 2024, the unutilised net proceeds has been parked in FDs.	Nil
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	Prospectus, GIDC, SEIAA & GPCB, Chartered Accountant certificate	Not applicable	Nil
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Prospectus, Chartered Accountant certificate*	Not applicable	Nil
Are there any favorable/unfavorable 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?	No	Prospectus, Chartered Accountant certificate*	Not applicable	Nil

* The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated April 25, 2024.

#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 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	Investment in our wholly owned Subsidiary, Valiant Advanced Sciences Private Limited ("VASPL") for part-financing its capital expenditure requirements in relation to the setting up of a manufacturing facility for speciality chemicals at Saykha Industrial Area, Bharuch, Gujarat	Prospectus*, CA Certificate**	80.00	-	Not applicable	Nil	Nil	Nil
2	Investment in VASPL for funding its working capital requirements of VASPL	Prospectus*, CA Certificate**	45.00	-	Not applicable	Nil	Nil	Nil
3	General corporate purposes (GCP)	Prospectus*, CA Certificate**	9.317	-	Not applicable	Nil	Nil	Nil
Total			134.317					

*Sourced from Page No. 118 of Placement Document.

**The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated April 25, 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 March 31, 2024 (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 our wholly owned Subsidiary, Valiant Advanced Sciences Private Limited ("VASPL") for part-financing its capital expenditure requirements in relation to the setting up of a manufacturing facility for speciality chemicals at Saykha Industrial Area, Bharuch, Gujarat	CA Certificate**, Bank Statements, Prospectus	80.00	15.00	25.950	40.950	39.050	As on December 31, 2023, the unutilised amount stood at Rs.3.83 crore in the VASPL's Current Account. In Q4-FY24, the company has transferred Rs.25.95 crore to VASPL out of which Rs.20.26 crore has been utilised resulting in unutilised amount of Rs.5.69 crore in the VASPL's Current Account. Cumulatively, unutilised proceeds stood at Rs. 9.51 cr which is lying in the VASPL's Current Account.	Nil	Nil
2	Investment in VASPL for funding its working capital requirements of VASPL	CA Certificate**, Bank Statements, Prospectus	45.00	-	-	-	45.00	Not applicable	Nil	Nil
3	General corporate purposes (GCP)	CA Certificate**, Bank Statements, Prospectus	9.317	7.122	2.195	9.317	0.00	GCP has been utilised towards business related expenses such as vendor payment and utilities payment	Nil	Nil
Total			134.317	22.122	28.145	50.267	84.050			

**The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated April 25, 2024.

(iii) Deployment of unutilized public issue proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs.crore)	Maturity date	Earning (Rs. Crore)	Return on Investment (%)	Market Value as at the end of quarter
1	Valiant Laboratories Ltd (Kotak FD)	10.000	10-04-2024	0.322	3.22%	10.322
2	Valiant Laboratories Ltd (Kotak FD)	10.000	11-04-2024	0.160	1.60%	10.160
3	Valiant Laboratories Ltd (Kotak FD)	10.159	11-04-2024	0.163	1.60%	10.322
4	Valiant Laboratories Ltd (Kotak FD)	10.159	11-04-2024	0.163	1.60%	10.322
5	Valiant Laboratories Ltd (Kotak FD)	5.645	17-04-2024	0.095	1.68%	5.740
6	Valiant Laboratories Ltd (Kotak FD)	10.000	17-04-2024	0.240	2.40%	10.240
7	Valiant Laboratories Ltd (Kotak FD)	10.000	17-05-2024	0.240	2.40%	10.240
8	Valiant Laboratories Ltd (Kotak FD)	10.000	10-07-2024	0.364	3.64%	10.364
9	Valiant Laboratories Ltd (Kotak FD)	10.000	16-07-2024	0.372	3.72%	10.372
TOTAL		85.963				

The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated April 25, 2024.

(iv) Delay in implementation of the object(s) –

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
Investment in our wholly owned Subsidiary, Valiant Advanced Sciences Private Limited ("VASPL") for part-financing its capital expenditure requirements in relation to the setting up of a manufacturing facility for speciality chemicals at Saykha Industrial Area, Bharuch, Gujarat	March 31, 2024	Still pending^		Nil	Nil
Investment in VASPL for funding its working capital requirements of VASPL	March 31, 2024	Still pending*		Nil	Nil

^VLL has utilised Rs.40.0950 crores as on March 31, 2024 as against the scheduled deployment of Rs.80.00 crore.

* VLL's utilisation remained nil as on March 31, 2024 as against the scheduled deployment of Rs.15.514 crore.

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	Vendor payment	1.33	CA Certificate**, Bank Statements, and invoices	Not applicable	Nil
2	Electricity expense	0.86	CA Certificate**, Bank Statements, and invoices	Not applicable	Nil
3	Professional fees	0.01	CA Certificate**, Bank Statements, and invoices	Not applicable	Nil
	TOTAL	2.195			

** The above details are verified by Raman S Shah & Co. Chartered Accountants vide its CA certificate dated April 25, 2024.

^ Section from the offer document related to GCP:

"We will have flexibility in utilizing the balance Net Proceeds, aggregating to ₹ 93.17 million towards general corporate purposes, subject to such utilization not exceeding 25% of the aggregate of the gross proceeds from the Issue, in accordance with Regulation 7(2) of the SEBI ICDR Regulations, including but not restricted towards part or full prepayment / repayment

of our borrowings, strategic initiatives, acquisitions, investments in future subsidiaries of our Company, opening or setting up offices, business development initiatives, R&D, acquiring fixed assets, meeting any expense (including capital expenditure requirements) of our Company, including salaries and wages, rent, administration, insurance, repairs and maintenance, payment of taxes and duties, meeting expenses incurred in the ordinary course of business and towards any exigencies. The quantum of utilization of funds toward the aforementioned purposes will be determined by our Board based on the amount actually available under the head "General Corporate Purposes" and the corporate requirements of our Company. In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any which are not applied to the other purposes set out above. In addition to the above, our Company may utilize the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular Object i.e., the utilization of Net Proceeds."

Disclaimers to MA report:

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.