



CIN No. : L24239DL2004PLC125888

AKUMS DRUGS & PHARMACEUTICALS LIMITED

Regd. Office : 304, 3rd Floor, Mohan Place, L.S.C., Block-C, Saraswati Vihar, New Delhi-110034 (INDIA)
Corporate Office : Akums House - Plot No. 131 to 133, Block-C, Mangolpuri Ind. Area, Phase-I, Delhi-110083
Phone : 91-11 - 69041000 Fax : 91-11 27023256 E-mail : akumsho@akums.net ; website : www.akums.in

Ref: Akums/Exchange/2024-25/ 36

November 13, 2024

**To,
The Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051**

**To,
The Listing Department
BSE Limited
Rotunda Building, Phiroze
Jeejeebhoy Towers, Dalal Street,
Fort, Mumbai - 400 001**

Symbol: AKUMS

Scrip Code: 544222

Sub: Report of CRISIL Ratings Limited, Monitoring Agency.

Respected Sir/Madam,

Pursuant to the regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith the report of CRISIL Ratings Limited, Monitoring Agency dated November 12, 2024 in respect of utilization of proceeds of Initial Public Offer of the company for the quarter ended September 30, 2024.

This is for your kind information and record.

Thanking You

For Akums Drugs and Pharmaceuticals Limited

Dharamvir Malik
Company Secretary & Compliance Officer



ISO 9001 : 2015
ISO 14001 : 2015
ISO 17025 : 2005 (NABL)

WHO-GMP
US : NSF
H A C C P



Monitoring Agency Report
for
Akums Drugs and Pharmaceuticals Limited
for the quarter ended
September 30, 2024

CRL/MAR/GDS655/2024-25/1218

November 12, 2024

To
Akums Drugs and Pharmaceuticals Limited
304 Mohan Place LSC
Saraswati Vihar,
Delhi-110034

Dear Sir,

Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the Initial Public Offer ("IPO") of Akums Drugs and Pharmaceuticals Limited ("the Company")

Pursuant to Regulation 41(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated July 24, 2024, 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 IPO for the quarter ended September 30, 2024.

Request you to kindly take the same on records.

Thanking you,
For and on behalf of CRISIL Ratings Limited



Sushant Sarode
Director, Ratings (LCG)

Report of the Monitoring Agency (MA)

Name of the issuer: Akums Drugs and Pharmaceuticals Limited

For quarter ended: September 30, 2024

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)

Ratings

1) Issuer Details:

Name of the issuer: Akums Drugs and Pharmaceuticals Limited

Names of the promoter:
a. Sandeep Jain
b. Sanjeev Jain
c. Akums Master Trust

Industry/sector to which it belongs: Pharmaceuticals

2) Issue Details

Issue Period: Tuesday, July 30, 2024, to Thursday, August 1, 2024

Type of issue (public/rights): Initial Public Offer (IPO)

Type of specified securities: Equity Shares

IPO Grading, if any: NA

Issue size: Fresh issuance of Rs 6,800.00 million (Refer Note 1)

Note 1

Particulars	Amount as per the Prospectus (Rs. in million)
Gross Proceeds	6,800.00*
Less: Offer Expenses	426.30**
Net Proceeds	6,373.70

*CRISIL Ratings shall be monitoring the gross proceeds.

**Out of the issue expenses of Rs 426.30 million, the Company has spent Rs 103.81 million towards the issue expenses as at the quarter ended September 30, 2024, and the remaining Rs 322.49 million are lying in public offer accounts of the Company.

The aforementioned disclosure is based on management undertaking & Certificate issued by M/s V. P. Gupta & Co., Chartered Accountants (Firm Registration Number: 000699N), Peer Reviewed Independent Chartered Accountant.

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, Peer-reviewed Independent Chartered Accountant certificate [^] , Prospectus, 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, Peer-reviewed Independent Chartered Accountant certificate [^]	No Comments	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		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		Refer note	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)?	NA		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	NA		No Comments	No Comments

NA represents Not Applicable

[^]Certificate dated November 05, 2024, issued by M/s V. P. Gupta & Co., Chartered Accountants (Firm Registration Number: 000699N), Peer Reviewed Independent Chartered Accountant.

Ratings

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 Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment/prepayment of indebtedness of the Company	Management undertaking, Peer-reviewed Independent Chartered Accountant certificate [^] , Prospectus	1,599.10	NA	No revision	No revision		
2	Repayment/prepayment of indebtedness of its Subsidiaries namely, Maxcure Nutravedics Limited and Pure and Cure Healthcare Private Limited		2,270.90	NA	No revision	No revision		
3	Funding incremental working capital requirements of our Company		550.00	NA	No revision	No revision		
4	Pursuing inorganic growth initiatives through acquisitions		278.70	NA	No revision	No revision		
5	General corporate purposes (GCP)*		1,675.00	NA	No revision	No revision		
	Total		6,373.70	-	-			

[^]Certificate dated November 05, 2024, issued by M/s V. P. Gupta & Co., Chartered Accountants (Firm Registration Number: 000699N), Peer Reviewed Independent Chartered Accountant.

*The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 1700.00 million) from the Fresh Issue.

Ratings

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/prepayment of indebtedness of the Company	Management undertaking, Peer-reviewed Independent Chartered Accountant certificate ^, Prospectus, Bank Statements	1,599.10	Nil	1599.10	1599.10	-	No Comments	No Comments	
2	Repayment/prepayment of indebtedness of its Subsidiaries namely, Maxcure Nutravedics Limited and Pure and Cure Healthcare Private Limited		2,270.90	Nil	0.00	0.00	2,270.90	No Comments	No Comments	
3	Funding incremental working capital requirements of our Company		550.00	Nil	0.00	0.00	550.00	No Comments	No Comments	
4	Pursuing inorganic growth initiatives through acquisitions		278.70	Nil	0.00	0.00	278.70	No Comments	No Comments	
5	General corporate purposes (GCP)*		1,675.00	Nil	619.93	619.93	1,055.07	No Comments	No Comments	
	Total		6,373.70	Nil	2,219.03	2,219.03	4,154.67			

^ Certificate dated November 05, 2024, issued by M/s V. P. Gupta & Co., Chartered Accountants (Firm Registration Number: 000699N), Peer Reviewed Independent Chartered Accountant.

Ratings



#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Repayment/ prepayment of indebtedness of the Company	The Company proposes to utilise an estimated amount of Rs 3,870 million from the Net Proceeds towards repayment/ prepayment of some of the loan facilities availed by the Company and its Subsidiaries (“Identified Loans”). The repayment/ prepayment, will help reduce their outstanding indebtedness, assist in maintaining a favourable debt-equity ratio and enable utilisation of some additional amount from our internal accruals for further investment in business growth and expansion.
Repayment/ prepayment of indebtedness of its Subsidiaries namely, Maxcure Nutravedics Limited and Pure and Cure Healthcare Private Limited	
Funding incremental working capital requirements of our Company	On the basis of the existing working capital requirements, management estimates and projected working capital requirements, the Board has, pursuant to its resolution dated February 7, 2024, approved the projected working capital requirements for the financial year ended March 31, 2025, and the proposed funding of such working capital requirements of the Company. The requirement is proportionate and variable in nature with the growth of our Company.
Pursuing inorganic growth initiatives through acquisitions	The Company has in the past undertaken several acquisitions and shall continue to evaluate acquisition opportunities in the future that it believes supplement the strategic business objectives and growth strategies. In line with the past practice, The Company intends to pursue opportunities to undertake acquisitions (i) that allow us to enhance our scale and market position; (ii) that allow us to enhance our product portfolio including product category adjacencies by unlocking potential synergy benefits; (iii) to extend the reach to new geographic markets outside India; and (iv) to capture additional revenue opportunities from the existing customer base to improve our margin profile
General corporate purposes (GCP)*	<p>The general corporate purposes include, but are not restricted to:</p> <ul style="list-style-type: none"> (i) meeting fund requirements which our Company may face in the ordinary course of business; (ii) strengthening marketing capabilities and brand building exercises; (iii) meeting ongoing general corporate contingencies; and (iv) business requirements of our Company in the ordinary course of business towards salaries and wages, rent, administration expenses, upgrading our technology and maintenance, payment to creditors, advisory services. <p>The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by the Board of the Company, based on its business requirements and other relevant considerations, from time to time. The management, in accordance with the policies of the Board, shall have the flexibility in utilizing surplus amounts, if any.</p>

CRISIL Ratings Limited

(A subsidiary of CRISIL Limited)

Corporate Identity Number: U67100MH2019PLC326247

Registered Office: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076. Phone: +91 22 3342 3000 | Fax: +91 22 3342 3001

www.crisilratings.com

iii. Deployment of unutilised proceeds^:

S. No.	Type of instrument where amount is invested	Amount invested (in Rs million)	Maturity date	Earnings as on September 30, 2024 (in Rs million)	Return on Investment (%)	Market value as at the end of quarter (in Rs million)
1	Fixed deposit in ICICI Bank	250.00	10-10-2024	0.79	5.75%	250.79
2	Fixed deposit in ICICI Bank	742.00	10-11-2024	2.44	6.00%	744.44
3	Fixed deposit in ICICI Bank	250.00	10-10-2024	0.79	5.75%	250.79
4	Fixed deposit in ICICI Bank	1,000.00	10-10-2024	3.15	5.75%	1,003.15
5	Fixed deposit in ICICI Bank	250.00	10-10-2024	0.79	5.75%	250.79
6	Fixed deposit in ICICI Bank	1,020.00	10-10-2024	3.21	5.75%	1,023.21
7	Fixed deposit in ICICI Bank	83.46	11-10-2024	0.25	5.75%	83.71
8	Fixed deposit in ICICI Bank	550.00	10-09-2025	2.23	7.40%	552.23
9	Fixed deposit in ICICI Bank	278.00	10-09-2025	1.13	7.40%	279.13
10	Balance in MA account	0.05	-	-	-	0.045
11	Balance in Public offer account pertaining to gross proceeds	322.49	Note 1	-	-	322.49
	Total	4,745.99	Refer Note 2, 3 and 4	14.77		4,760.76

Note 1 - Total balance in public offer account is Rs 844.66 million. Out of this, Rs 322.49 million pertains to gross proceeds from the fresh issue. The balance portion belongs to the selling shareholders which will be transferred later to their respective accounts.

Note 2 - Out of Rs 4,745.99 million, Rs 4,154.67 million pertains to net proceeds.

Note 3 - This also includes the interest income of Rs 20.45 million which is reinvested in the FDs. Monitoring the deployment of Interest Income earned from unutilised proceeds does not form part of the scope of Monitoring Agency report.

Note 4 - During the quarter ended September 30, 2024, the Company had transferred Rs 248.38 million from its Public offer account to MA account of the Company for the purpose of reimbursement of issue expenses. These funds have not been reimbursed during the reported quarter and were temporarily parked in fixed deposits. As

confirmed by the management in the undertaking, the issue expenses will be reimbursed upon maturity of FD in the upcoming quarters.

^On the basis of management undertaking and certificate dated November 05, 2024, issued by M/s V. P. Gupta & Co., Chartered Accountants (Firm Registration Number: 000699N), Peer Reviewed Independent Chartered Accountant.

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 November 05, 2024, issued by M/s V. P. Gupta & Co., Chartered Accountants (Firm Registration Number: 000699N), Peer Reviewed Independent Chartered Accountant.

5) Details of utilization of proceeds stated as General Corporate Purpose amount in the offer document^:

Item Head	Amount (Rs. in million)	Comments of Monitoring Agency
Payment to creditors	619.93	Utilization under GCP towards mentioned item head is approved by the Board of Directors in their meeting dated August 24, 2024.

^ On the basis of management undertaking and certificate dated November 05, 2024, issued by M/s V. P. Gupta & Co., Chartered Accountants (Firm Registration Number: 000699N), Peer Reviewed Independent Chartered Accountant.

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 Peer-reviewed Independent Chartered Accountants (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.*
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Ratings

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