



November 14, 2024

To,
The Manager
Listing Department,
The National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai - 400051

Dear Sir/ Madam,

Trading Symbol: ZOTA

Sub: Monitoring Agency Report issued by CRISIL Ratings Limited for the utilization of funds raised through Preferential Issue for quarter ended September 30, 2024

Ref: Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject read with applicable Regulations of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we Zota Health Care Limited have enclosed herewith the Monitoring Agency Report issued by the CRISIL Ratings Limited, Monitoring Agency, appointed by the Company for monitoring the utilization of funds raised through Preferential Issue for the quarter ended on September 30, 2024.

The above Monitoring agency report has been reviewed by the Audit committee and Board of Directors of the Company in their respective meetings held on November 14, 2024.

This is for your information and record.

Thanking you,

Yours faithfully,

For **Zota Health Care Limited**

Ashvin Variya
(Company Secretary & Compliance Officer)
Place: Surat
Encl: a/a

Registered Office:

Zota House, 2/896, Hira Modi Street,
Sagrampura, Surat-395002 Ph: +91 261 2331601
Email: info@zotahealthcare.com
Web: www.zotahealthcare.com
CIN: L24231GJ2000PLC038352

**Monitoring Agency Report for
Zota Health Care Limited
for the quarter ended
September 30, 2024**

CRI/MAR/ZHCL/2024-25/1239

November 14, 2024

To

Zota Health Care Limited

Zota House 2/896,

Hira Modi Street, Sagrampura,

Surat, Gujarat-395002

Dear Sir,

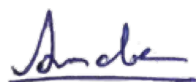
Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the Preferential Issue of Zota Health Care Limited ("the Company")

Pursuant to Regulation 162A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated June 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 Preferential issue 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: Zota Health Care Limited

For quarter ended: September 30, 2024

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

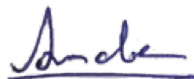
(b) Range of Deviation: Not applicable

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)

1) Issuer Details:

Name of the issuer: Zota Health Care Limited

Names of the promoter: Mr. Kamlesh Rajnikant Zota
Mr. Ketankumar Chandulal Zota
Mr. Manukant Chandulal Zota
Mr. Himanshubhai Muktilal Zota

Industry/sector to which it belongs: Pharmaceuticals

2) Issue Details

Issue Period: Wednesday August 07, 2024, till Tuesday, August 13, 2024

Type of issue (public/rights): Preferential Issue

Type of specified securities: Equity shares and Fully Convertible warrants

Issue size: Rs 179.07 crore*

**CRISIL Ratings shall be monitoring the issue proceeds raised through issue of fully convertible share warrants and equity shares*

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, Statutory auditor certificate [^] , Notice to Shareholders, 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, Statutory auditor certificate [^]	No Comments	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No Comments

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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?	NA		No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA	Management Undertaking, Statutory auditor certificate [^]	No Comments	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)?	No		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	No		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No Comments

NA represents Not Applicable

[^] Certificate dated November 11, 2024, issued by M/s Pradeep K Singhi & Associates, Chartered Accountants (Firm Registration Number: 0126027W), Statutory Auditors of the Company.

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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)	Revised Cost	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Expansion of 'DAVAINDIA' Project	Management undertaking, Statutory auditor certificate [^] , Notice to Shareholders	143,25,82,535.00	NA	No Revision	No revision	NA	NA
2	Working capital requirements		26,86,09,226.00	NA	No Revision	No revision	NA	NA
3	GCP#		8,95,36,409.00	NA	No Revision	No revision	NA	NA
	Total		179,07,28,170.00	-	-			

[^]Certificate dated November 11, 2024, issued by M/s Pradeep K Singhi & Associates, Chartered Accountants (Firm Registration Number: 0126027W), Statutory Auditors of the Company.

#The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 44,76,82,042.5) from the issue of fully convertible warrants and equity shares.

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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	Amount utilized			Total unutilized amount	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	Expansion of 'DAVAINDIA' Project	Management undertaking, Statutory auditor certificate ^, Notice to Shareholders, Bank Statements	143,25,82,535.00	0.00	34,95,62,027.00	34,95,62,027.00	108,30,20,508.00	Refer Note 1 and 2	Funds will be utilized in phased manner, in line with the expansion of Davaindia project.	We are anticipating to expand "Davaindia" footprint in the foreseeable future.
2	Working capital requirements		26,86,09,226.00	0.00	3,20,00,000.00	3,20,00,000.00	23,66,09,226.00	Refer Note 2	Funds will be utilized in phased manner, in line with the expansion of Davaindia project.	We are anticipating to expand "Davaindia" footprint in the foreseeable future.
3	GCP		8,95,36,409.00	0.00	95,00,000.00	95,00,000.00	8,00,36,409.00	Refer Note 2	As of now we have identified tax payment as a part of GCP and the same will be utilized in a phased manner.	NA

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Sr. No.	Item Head	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document	Amount utilized			Total unutilized amount	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
	Total		179,07,28,170.00	0.00	39,10,62,027.00	39,10,62,027.00	139,96,66,143.00	Refer below note 3 for bifurcation of total unutilized proceeds		

Note 1: The Company has utilized Rs 18.86 crore out of the total Rs 34.96 crore utilization towards Object 1 by transferring funds from its ICICI CC account to its Axis Bank account for vendor payments. The balance of Rs 16.10 crore was used to finance the expansion of the Davaindia project, which was initially funded through ICICI Bank's cash credit facilities prior to receiving the issue proceeds. Hence, this expenditure has been subsequently reimbursed from the Preferential Issue proceeds during the reported quarter.

Note 2: For operational ease, issue proceeds of Rs. 78.11 crores which were received by the Company during the quarter ended September 30, 2024, were transferred from the escrow account to the CC account of the Company and further to the current accounts of the Company and Wholly Owned Subsidiary of the Company, for final utilization. The funds transferred to the current account have been fully utilized.

Note 3: During the reported quarter, the Company has received proceeds of **Rs 78.11 crore** from the issue upon allotment of equity shares of Rs 44.45 crore and fully convertible warrants (25% of the issue price) of Rs 33.66 crore. Further, the balance of Rs 100.97 out of Rs 179.07 crore is expected to be received by the Company. It shall be payable by the warrant holders at the time of exercising the conversion of warrant into equity shares on or before the expiry of 18 (eighteen) months from the date of allotment of the fully convertible Warrants i.e. February 13, 2026, as per the Notice to Shareholders dated July 13, 2024.

[^]Certificate dated November 11, 2024, issued by M/s Pradeep K Singhi & Associates, Chartered Accountants (Firm Registration Number: 0126027W), Statutory Auditors of the Company.

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iii. Deployment of unutilised proceeds[^]:

S. No.	Type of instrument where amount is invested	Amount invested	Maturity date	Earnings	Return on Investment (%)	Market value as at the end of quarter
1	ICICI Bank Ltd.-813313000023	3,00,00,000.00	03-04-2025	2,47,726.00	6.85%	3,02,47,726.00
2	ICICI Bank Ltd.-813313000022	3,00,00,000.00	18-02-2025	2,47,726.00	6.85%	3,02,47,726.00
3	ICICI Bank Ltd.-813313000021	3,00,00,000.00	09-03-2025	2,47,726.00	6.85%	3,02,47,726.00
4	ICICI Bank Ltd.-813310000015	3,00,00,000.00	02-02-2025	2,35,068.00	6.50%	3,02,35,068.00
5	ICICI Bank Ltd.-813313000020	3,00,00,000.00	19-03-2025	2,47,726.00	6.85%	3,02,47,726.00
6	ICICI Bank Ltd.-813310000014	3,00,00,000.00	13-01-2025	2,35,068.00	6.50%	3,02,35,068.00
7	ICICI Bank Ltd.-813310000013	3,00,00,000.00	30-12-2024	2,35,068.00	6.50%	3,02,35,068.00
8	ICICI Bank Ltd.-813313000019	3,00,00,000.00	18-04-2025	2,47,726.00	6.85%	3,02,47,726.00
9	ICICI Bank Ltd.-813310000007	3,00,00,000.00	15-12-2024	2,35,068.00	6.50%	3,02,35,068.00
10	ICICI Bank Ltd.-813310000009	3,00,00,000.00	05-10-2024	2,07,945.00	5.75%	3,02,07,945.00
11	ICICI Bank Ltd.-813310000010	3,00,00,000.00	20-10-2024	2,16,986.00	6.00%	3,02,16,986.00
12	ICICI Bank Ltd.-813310000011	3,00,00,000.00	04-11-2024	2,16,986.00	6.00%	3,02,16,986.00
13	ICICI Bank Ltd.-813310000012	3,00,00,000.00	19-11-2024	2,35,068.00	6.50%	3,02,35,068.00
	Total	39,00,00,000.00*		30,55,887.00		39,30,55,887.00

[^] On the basis of management undertaking and certificate dated November 11, 2024, issued by M/s Pradeep K Singhi & Associates, Chartered Accountants (Firm Registration Number: 0126027W), Statutory Auditors of the Company.

*Above mentioned unutilized amount is out of the total proceeds received during the reported quarter. Balance proceeds are yet to be received, refer note on page no. 7 of the report.

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 11, 2024, issued by M/s Pradeep K Singhi & Associates, Chartered Accountants (Firm Registration Number: 0126027W), Statutory Auditors of the Company.

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

S. No	Item heads	Amount	Remarks
1	Payment of Taxes	95,00,000	Payment of GST and Advance Income Tax

^ On the basis of management undertaking and certificate dated November 11, 2024, issued by M/s Pradeep K Singhi & Associates, Chartered Accountants (Firm Registration Number: 0126027W), Statutory Auditors of the Company.

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 statutory auditors (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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