

**Monitoring Agency Report
for
Suven Life Sciences Limited
for the quarter ended
December 31, 2024**

CRL/MAR/SLSL/2024-25/1288

January 31, 2025

To

Suven Life Sciences Limited

8-2-334, SDE Serene Chambers Road, Road No. 5,
Avenue 7, Banjara Hills, Hyderabad-500034

Dear Sir,

Monitoring Agency Report for the quarter ended December 31, 2024 - in relation to the Rights Issue of Suven Life Sciences Limited ("the Company")

Pursuant to Regulation 82(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("*ICDR Regulations*") and Monitoring Agency Agreement dated October 17, 2022, entered with the Company, we enclose the Monitoring Agency Report, issued by CRISIL Ratings Limited, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of Rights Issue for the quarter ended December 31, 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**Name of the issuer:** Suven Life Sciences Limited**For quarter ended:** December 31, 2024**Name of the Monitoring Agency:** CRISIL Ratings Limited

(a) Deviation from the objects: No

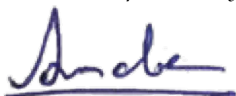
(b) Range of Deviation: Not applicable

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: Suven Life Sciences Limited

Names of the promoter:
a. Venkateswarlu Jasti
b. Sudharani Jasti

Industry/sector to which it belongs: Pharmaceutical

2) Issue Details

Issue Period: Monday, October 31, 2022, to Thursday, November 10, 2022

Type of issue (public/rights): Rights Issue

Type of specified securities: Equity Shares

IPO Grading, if any: NA

Issue size: Rs 39,980.18 lakh is gross proceeds, out of which net proceeds is Rs 39,700.18 lakh*

**CRISIL Ratings shall be monitoring the net proceeds amount*

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^, Final Offer Document, 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's Certificate^	No Comments	No Comments

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 the means of finance for the disclosed objects of the issue has changed?	No	Management undertaking, Statutory Auditor's Certificate^	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		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 January 17, 2025, issued by M/s Karvy & Co., Chartered Accountants (Firm Registration Number: 001757S), Statutory Auditors of the Company.

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 lakh)	Revised cost (Rs in lakh)	Comments of the MA	Comments of the Board of Directors		
						Reason of cost revision	Proposed financing option	Particulars of firm arrangements made
1	Meeting costs related to pharmaceutical research and development and clinical trial for molecules in the research pipelines	Management undertaking, Statutory Auditor Certificate [^] , Final Offer Document, Bank Statements	25,001.48	NA	No revision	No Comments		
2	Repayment of an inter-corporate deposit availed by the company	Management undertaking, Statutory Auditor Certificate [^] , Final Offer Document, Bank Statements	5,000.00	NA	No revision	No Comments		
3	General Corporate Purposes*	Management undertaking, Statutory Auditor Certificate [^] , Final Offer Document, Bank Statements	9,698.70	NA	No revision	No Comments		
	Total	-	39,700.18	-	-			

[^]Certificate dated January 17, 2025, issued by M/s Karvy & Co., Chartered Accountants (Firm Registration Number: 001757S), Statutory Auditors of the Company.

[^]The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds from the Fresh Issue.

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 lakh)	Amount utilized (Rs in lakh)			Total unutilized amount (Rs in lakh)	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	Meeting costs related to pharmaceutical research and development and clinical trial for molecules in the research pipelines	Management undertaking, Statutory Auditor Certificate^, Letter of Offer, Bank Statements	25,001.48	24,563.53	437.95	25,001.48	0.00	Proceeds are utilised towards R&D material purchase, Patents renewal fees, Lab maintenance cost, clinical development and R&D related expenses.	No Comments	
2	Repayment of an inter-corporate deposit availed by the company	Management undertaking, Statutory Auditor Certificate^, Letter of Offer, Bank Statements	5,000.00	5,000.00	-	5,000.00	0.00	Entire proceeds towards this object were utilised during the quarter ended December 31, 2022	No Comments	

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 lakh)	Amount utilized (Rs in lakh)			Total unutilized amount (Rs in lakh)	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
3	General Corporate Purposes	Management undertaking, Statutory Auditor Certificate [^] , Letter of Offer, Bank Statements	9,698.70	3,656.96	3,832.30 (Refer Note 1)	7,489.26	2,209.44	GCP is utilized towards expenses incurred in ordinary course of business.	No Comments	
	Total*		39,700.18	33,220.48	4,270.25	37,490.74	2,209.44			

*The figures are rounded off to the second decimal.

Note 1: The Letter of Offer dated October 18, 2022, filed by the Company, specifies that-
"In the event that there is a shortfall of funds required for research and development activities and conducting such clinical trials projects then, such shortfall shall be met out of the amounts allocated for general corporate purposes and/or through internal accruals."

Pursuant to the aforementioned disclosure, the Company has utilized the net proceeds in following manner:

Particulars	Rs in lakh
Balance available for utilization for object 1 as at the beginning of the quarter	437.95
Proceeds utilized during the quarter for object 1	3,638.61
Shortfall met out of GCP**	3,200.66

**The above-mentioned adjustment is in line with the disclosures provided in the Letter of Offer and management undertaking.

[^]Certificate dated January 17, 2025, issued by M/s Karvy & Co., Chartered Accountants (Firm Registration Number: 001757S), Statutory Auditors of the Company

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Meeting costs related to pharmaceutical research and development and clinical trial for molecules in the research pipelines	The company focuses on discovering and developing novel pharmaceutical products. The focus has been on discovery and development of innovative molecules targeting disease areas which has unmet medical needs. As on date of the Letter of Offer, the Company has 53 inventions leading to 15 molecules of NCEs in research pipeline of which 5 NCE in clinical development and rest on various stages of discovery and preclinical studies, with 2,509 global patents. Typically, an NCE activity involves several stages of innovation starting from drug discovery, clinical trials, regulatory approvals and commercialization.
Repayment of an inter-corporate deposit availed by the Company	The Company has an outstanding inter corporate deposit (" Borrowing ") currently provided by Jasti Property and Equity Holdings Private Limited (In its capacity as sole trustee of Jasti Family Trust), one of its Promoter Group entities.
General Corporate Purposes	<p>To deploy the balance Net Proceeds towards general corporate purposes, to drive business growth, including, amongst other things,</p> <ul style="list-style-type: none"> • funding growth opportunities; • strengthening marketing capabilities and brand building exercises; • meeting ongoing general corporate contingencies • strengthening of the company's manufacturing and R&D capabilities as may be applicable • expenses incurred in ordinary course of business; and • any other purpose, as may be approved by the Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act. <p>The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time.</p>

iii. Deployment of unutilised Rights Issue proceeds[^]:

Sr. No :	Type of instrument and name of the entity invested in	Amount invested (Rs in lakh)	Maturity date	Earnings (Rs in lakh)	Return on investment (%)	Market Value as at 31-Dec-2024 (Rs in lakh)
1	SBI-FD-42653531822	400.00	30-Jan-25	25.60	6.80	425.60
2	SBI-FD-43247014718	2,500.00	11-Mar-25	70.90	7.25	2,570.90
3	SBI-FD-43621134699	600.00	28-Jan-25	1.95	6.25	601.95
4	SBI-FD-43563731277	300.00	6-Jan-25	0.09	5.25	300.09
5	Monitoring Agency bank account of the Company [@]	191.81	-	-	-	191.81
6	WOS Current account - CHASE bank	442.63	-	-	-	442.63
Total[#]		4,434.43		98.54		4,532.97

[#]This closing balance includes the interest received (net of TDS) amounting to Rs 2,224.99 lakh on matured Fixed Deposits.

[@]Monitoring Agency account opened and maintained by the Company with SBI bank towards rights issue net proceeds.

[^]On the basis of management undertaking and certificate dated January 17, 2025, issued by M/s Karvy & Co., Chartered Accountants (Firm Registration Number: 001757S), Statutory Auditors of the Company.

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 delay	of Proposed course of action
NA					

[^]On the basis of management undertaking and certificate dated January 17, 2025, issued by M/s Karvy & Co., Chartered Accountants (Firm Registration Number: 001757S), Statutory Auditors of the Company.

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

S. No.	Particulars	Amount utilized during the quarter (Rs in lakh)	Supporting documents referred by MA	Comments of the Monitoring Agency
1	Expenses incurred in ordinary course of business	631.46	Letter of Offer, Management undertaking, Statutory Auditor's Certificate^	The Board of Directors of the Company vide resolution dated January 24, 2025, has ratified and approved the utilization of proceeds for payments under GCP for the mentioned sub-category.
2	Utilization towards object 1 pursuant to the disclosure provided in the Letter of Offer dated October 18, 2022	3,200.66	Letter of Offer, Management undertaking, Statutory Auditor's Certificate^	Refer Note 1 provided under the heading 4(ii) above for the mentioned utilization

^ On the basis of management undertaking and certificate dated January 17, 2025, issued by M/s Karvy & Co., Chartered Accountants (Firm Registration Number: 001757S), Statutory Auditors of the Company.

Note: As per final offer document, the GCP can be utilized for, but are not restricted to,

- (i) funding growth opportunities;
- (ii) strengthening marketing capabilities and brand building exercises;
- (iii) meeting ongoing general corporate contingencies;
- (iv) strengthening of our manufacturing and R&D capabilities, as may be applicable;
- (v) **expenses incurred in ordinary course of business; and**
- (vi) any other purpose, as may be approved by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act

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.
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