

May 07, 2025

**The BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001

**The National Stock Exchange of India Limited**  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (E), Mumbai – 400 051

**Scrip Code: 541540, 890202**

**Scrip Code: SOLARA, SOLARAPP**

Dear Sir / Madam,

**Sub: Report of the Monitoring Agency for the quarter ended March 31, 2025, for Rights Issue**

Pursuant to the Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Regulation 82(4) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, please find enclosed the Report of the Monitoring Agency for the quarter ended March 31, 2025, issued by CRISIL Ratings Limited, Monitoring Agency appointed to monitor the utilisation of the proceeds of the Rights Issue of the Company.

We request you to kindly take the same on record.

Thanking You,

Yours Faithfully,  
**For Solara Active Pharma Sciences Limited**

**S. Murali Krishna**  
**Company Secretary**

**Encl.: As above**

**Monitoring Agency Report  
for Solara Active Pharma Sciences  
Limited  
for the quarter ended March 31, 2025**

CRL/MAR/SOAPSL/2023-24/1134

May 06, 2025

To

**Solara Active Pharma Sciences Limited**

201, Devavrata, Sector 17, Vashi,

Navi Mumbai - 400 703, Maharashtra, India

Dear Sir,

**Monitoring Agency Report for the quarter ended March 31, 2025 - in relation to the Rights Issue ("RI") of  
Solara Active Pharma Sciences Limited ("the Company")**

Pursuant to Regulation 82(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and Monitoring Agency Agreement dated May 09, 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 RI for the quarter ended March 31, 2025.

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:** Solara Active Pharma Sciences Limited

**For quarter ended:** March 31, 2025

**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:** Solara Active Pharma Sciences Limited

**Names of the promoter:** a. Arun Kumar Pillai  
b. K R Ravishankar  
c. Pronomz Ventures LLP

**Industry/sector to which it belongs:** Pharmaceuticals

**2) Issue Details**

**Issue Period:** May 28, 2024 to June 11, 2024

**Type of issue (public/rights):** Rights Issue (RI)

**Type of specified securities:** Equity Shares

**RI Grading, if any:** NA

**Issue size:** Rs 449.95 crore  
Issue size comprises of gross proceeds of Rs 449.95 crore (Revised Net proceeds of Rs 446.95 crore\*). On Application, Investors paid Rs 131.25 per Rights Equity Share for 1,19,98,755 shares which constitutes 35% of the Issue Price and the balance Rs 243.75 per Rights Equity Share 1,19,98,755 shares which constitutes 65% of the Issue Price, will have to be paid, on one or more subsequent Call(s).

*\*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, Independent Chartered Accountant Certificate^, Final Offer Document, Bank Statements	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 shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking, Independent Chartered Accountant Certificate <sup>^</sup>	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?	No		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

<sup>^</sup>Certificate dated April 29, 2025 issued by M/s Mahesh C. Solanki & Co., Peer reviewed Independent Chartered Accountants (Firm Registration Number: 06228C02)

**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 crore)	Revised Cost (Rs in crore)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment or pre-payment, in full or in part, of certain of outstanding borrowings availed by the Company	Management undertaking, Independent Chartered Accountant Certificate <sup>^</sup> , Final offer document	334.71	334.71	No revision	No Comments	No Comments	No Comments
2	General Corporate Purposes <sup>#</sup>		111.57	112.24	Refer Note 1	No Comments	No Comments	No Comments
<b>Total</b>		-	<b>446.28</b>	<b>446.95</b>		-	-	-

<sup>^</sup>Certificate dated April 29, 2025 issued by M/s Mahesh C. Solanki & Co., Peer reviewed Independent Chartered Accountants (Firm Registration Number: 06228C02)

<sup>#</sup>The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 112.49 crore) from the Fresh Issue.

**Note 1:** Surplus on Account of issue related expenses of Rs. 0.67 crores were added to GCP in the reported quarter.

**Note:** All figures in the above table are rounded off to two decimal places

**ii. Progress in the object(s):**

Sr. No.	Item Head <sup>#</sup>	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in crore)	Amount utilized (Rs in crore)			Total unutilized amount (Rs in crore)	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 or pre-payment, in full or in part, of certain of outstanding borrowings availed by the Company	Management undertaking, Independent Chartered Accountant Certificate <sup>^</sup> , Final Offer Document, Bank Statements	334.71	118.61	-	118.61	216.10	No utilisation during the quarter	No Comments	No Comments
2	General Corporate Purposes		112.24 (Refer Note 1)	35.87	-	35.87	76.37	No utilisation during the quarter	No Comments	No Comments
<b>Total</b>			<b>446.95</b>	<b>154.48</b>	<b>-</b>	<b>154.48</b>	<b>292.47*</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>^</sup>Certificate dated April 29, 2025 issued by M/s Mahesh C. Solanki & Co., Peer reviewed Independent Chartered Accountants (Firm Registration Number: 06228C02)

\* The Company has received 35% of the issue size i.e. Rs 157.48 crore (Rs 131.25/share for 1,19,98,755 Shares), as Application amount. Balance 65% (Rs 243.75/share) will be received athrough subsequent calls.

**Note:** All figures in the above table are rounded off to two decimal places

**#Brief description of objects:**

Object of the Issue	Description of objects as per the offer document filed by the issuer
Repayment or pre-payment, in full or in part, of certain of outstanding borrowings	Company has, in the ordinary course of business, entered into financing arrangements with various banks and financial institutions. The borrowing arrangements entered into by the Company comprise, among others, working capital facilities, cash credit facilities and term loans. The Company proposes to utilise Net Proceeds to repay/pre-pay, in part or full, certain of borrowings.
General Corporate Purposes	Company intends to deploy the balance Net Proceeds aggregating to Rs 111.57 crore towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25% of the Issue Proceeds. Such utilisation towards general corporate purposes shall be to drive business growth, including, amongst other things, brand building and other marketing expenses, meeting any expenses incurred in the ordinary course of business by Company, including salaries and wages, rent, administration expenses, insurance related expenses, and the payment of taxes and duties, repair, maintenance, strategic initiatives, leasehold improvements, meeting of exigencies which Company may face in the course of any business and any other purpose as permitted by applicable laws, subject to meeting regulatory requirements and obtaining necessary approvals / consents, as applicable and other purpose as permitted by applicable laws and as approved by Board or a duly appointed committee thereof for funding growth opportunities. management, in accordance with the policies of Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes, in compliance with all applicable laws and regulations.

**iii. Deployment of unutilised proceeds:**

On the basis of management undertaking and Certificate dated April 29, 2025 issued by M/s Mahesh C. Solanki & Co., Peer reviewed Independent Chartered Accountants (Firm Registration Number: 06228C02)

S. No.	Type of instrument where amount is invested	Amount invested (Rs in crore)	Maturity date	Earnings as on June 30, 2024 (Rs in crore)	Return on Investment (%)	Market value as at the end of quarter (Rs in crore)
Refer Note 2 below						

*Note 2: The company has fully utilized the initially raised net proceeds of Rs. 154.48 crore till quarter ended September 30, 2024, and the remaining amount of Rs. 292.47 crore is yet to be raised by the Company, this amount represents 65% of issue price of partly paid-up equity shares i.e., Rs 243.75 per Rights Equity share for 1,19,98,755 shares which will be raised through subsequent calls.*

**iv. Delay in implementation of the object(s):**

On the basis of management undertaking and Certificate dated April 29, 2025 issued by M/s Mahesh C. Solanki & Co., Peer reviewed Independent Chartered Accountants (Firm Registration Number: 06228C02)

Object(s)	Completion Date		Delay (no. of days/ months) Reason of delay	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 borrowings availed by the Company	Fiscal 2025 (Rs. 117.15)	Rs. 118.61	Refer Note 3	No Comments	No Comments
For General Corporate Purposes	Fiscal 2025 (Rs. 39.05)	Rs. 35.87		No Comments	No Comments

**Note 3:** As per the Offer Document, net proceeds of Rs. 156.20 Crores had to be spent towards the objects during FY 2025. However, the Company had received in its monitoring account, net proceeds of only Rs. 154.48 Crores after spending towards the issue related expenses from public issue account and Rs. 154.48 Crores has been spent by the Company towards its objects. The difference amount of Rs. 1.72 Crores has been spent towards issue related expenses which was not envisaged to be spent in application phase as per the implementation schedule mentioned in offer document. However, this is still in line with offer document, which on page no 66 also states that - "All Issue related expenses will be paid out of the Issue Proceeds received at the time of receipt of the initial subscription amount to the Rights Equity Shares".

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

Not applicable, on the basis of management undertaking and Certificate dated April 29, 2025 issued by M/s Mahesh C. Solanki & Co., Peer reviewed Independent Chartered Accountants (Firm Registration Number: 06228C02)

**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 Independent Chartered Accountants (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.*
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- f) *The MA report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRL providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.*
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