

VL E-GOVERNANCE & IT SOLUTIONS LIMITED

(Formerly Vakrangee Logistics Private Limited)

“Vakrangee Corporate House” | Plot No. 93 | Road No.16 |
M.I.D.C. Marol | Andheri (East) | Mumbai-400093 | Maharashtra | India |
Phone No. 022 67765100 | E-mail:- info@vlegovernance.in |
Web:- <https://vlegovernance.in/> | CIN:- L74110MH2016PLC274618

Date: 14/02/2025

To,

Department of Corporate Relationship BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001	Corporate Relationship Department National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
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Dear Sir/Madam,

Sub.: Monitoring Agency Report for the quarter ended December 31, 2024.

Ref.: Scrip Code – 543958/VLEGOV

Pursuant to the Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 162A of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, enclosed herewith is the Monitoring Agency Report for the quarter ended December 31, 2024 issued by CARE Ratings Limited, Monitoring Agency for the utilisation of the proceeds raised through preferential issue.

The aforesaid information is also being made available on the website of the Company at <https://vlegovernance.in/>.

Kindly acknowledge its receipt.

Thanking you,
For **VL E- Governance & IT Solutions Limited**

Nilesh Champalal Wadode
Company Secretary & Compliance Officer
ACS: 73702

Encl.: A/a

No. CARE/HO/GEN/2024-25/1160

The Board of Directors
VL E-Governance & IT Solutions Limited
Plot No. 93, Vakrangee Corporate House,
Road No. 16, MIDC Marol,
Andheri (East), Mumbai,
Maharashtra, 400093

February 12, 2025

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended December 31, 2024 - in relation to the Preferential Issue of VL E-Governance & IT Solutions Limited ("the Company")

We write in our capacity of Monitoring Agency for the Preferential Issue for the amount aggregating to Rs. 630.00 crore of the Company and refer to our duties cast under 162A 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 December 31, 2024 as per the aforesaid SEBI Regulations and Monitoring Agency Agreement dated February 23, 2024.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,



Ashish Kambli

Associate Director

ashish.k@careedge.in

Report of the Monitoring Agency

Name of the issuer: VL E-Governance & IT Solutions Limited

For quarter ended: December 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 with 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 a 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.

Signature: 

Name of the Authorized Signatory: Ashish A Kambli

Designation of Authorized person/Signing Authority: Associate Direct

1) Issuer Details:

Name of the issuer : VL E-Governance & IT Solutions Limited
 Name of the promoter : Vakrangee Holdings Private Limited; NJD Capital Private Limited; Dinesh Nandwana; Dinesh Nandwana HUF
 Industry/sector to which it belongs : IT - Software

2) Issue Details

Issue Period : 18 months from date of allotment (No allotment done during Q3FY25)
 Type of issue (public/rights) : Share warrants issued to Non-Promoter Category
 Type of specified securities : Warrants convertible into equity shares
 IPO Grading, if any : Not applicable
 Issue size (in crore) : Rs. 630 crore (Note 1)

Note 1:

The company offered 8,40,00,000 fully convertible warrants, each convertible into 1 (One) Equity Share of face value of Rs. 10/- (Rupees ten Only) to the Non-Promoter group, on preferential basis, in one or more tranches, at an issue price of Rs 75/- (Rupees Seventy-five Only) each, for an aggregate amount of up to Rs. 630 crore.

3) Details of the arrangement made to ensure the monitoring of the 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* and Bank statements	Nil utilization in the quarter.	Noted
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	NA	Not applicable	Not applicable	Not applicable
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	Not applicable	Not applicable
Is there any major deviation observed over the earlier monitoring agency reports?	No	Not applicable	Not applicable	Not applicable
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	Approval letters from BSE and NSE	In Principal Approvals of NSE and BSE received on January 02, 2025.	Noted
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA	Not applicable	Not applicable	Not applicable
Are there any favourable/unfavourable events affecting the viability of these object(s)?	NA	Not applicable	Not applicable	Not applicable
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	Not applicable	Not applicable

*Chartered Accountant certificate from B K G & Associates dated January 19, 2025.

#Where material deviation may be defined to mean:

- Deviation in the objects or purposes for which the funds have been raised
- Deviation in the amount of funds 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	Execution of Large-scale e-Governance projects	As per Letter of Offer and Chartered Accountant Certificate	50.00	-	Not applicable	Not Applicable		
2	Expansion of business		100.00	-				
3	Repayment of Unsecured Loans/ Creditors		70.00	-				
4	Strategic Investment		150.00	-				
5	Working Capital for existing & new projects		103.00	-				
6	General Corporate Purpose		157.00	-				
Total			630.00	-				

*Here "Postal Ballot notice" is the offer document, containing details related to preferential issue.

* Chartered Accountant certificate from B K G & Associates dated January 19, 2025.

(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	Total amount raised till Q3FY25	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	Total amount unutilized as against amount raised till Q3FY25	Amount to be received	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					Reasons for idle funds	Proposed course of action
1	Execution of Large-scale e-Governance projects	As per Letter of Offer, CA Certificate*	50.00	19.78	0.00	0.00	0.00	630.00	19.78	610.22	The funds received remained un-utilized. Total funds received of Rs. 19.78 crore has been kept in the form of Fixed Deposits.	-	-
2	Expansion of business		100.00		0.00	0.00	0.00					-	-
3	Repayment of Unsecured Loans/ Creditors		70.00		0.00	0.00	0.00					-	-
4	Strategic Investment		150.00		0.00	0.00	0.00					-	-
5	Working Capital for existing & new projects		103.00		0.00	0.00	0.00					-	-
6	General Corporate Purpose		157.00		0.00	0.00	0.00					-	-
Total			630.00	19.78	0.00	0.00	0.00	630.00	19.78	610.22			

* Chartered Accountant certificate from B K G & Associates dated January 19, 2025

(iii) Deployment of unutilized Preferential Issue proceeds as on 31st December 2024:

Sr. No.	Type of instrument and name of the entity invested in	*Amount invested	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1	FDR- Union Bank, Mumbai	10.78	06-03-2025	0.25	7.10%	10.78
2	FDR- Union Bank, Mumbai	9.00	06-03-2025	0.17	5.75%	9.00
Total unutilized proceeds		19.78		0.42		19.78

*Verified from FD receipts from Union Bank of India, current account statement of Union Bank of India and Chartered Accountant certificate from B K G & Associates dated January 19, 2025.

#Where the market value is not feasible, provide NAV/NRV/Book Value of the same

(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
Execution of Large-scale e-Governance projects	12 months from the date of receipt of funds	On-going	Not applicable	Not Applicable	
Expansion of business		On-going			
Repayment of Unsecured Loans/Creditors		On-going			
Strategic Investment		On-going			
Working Capital for existing & new projects		On-going			
General Corporate Purpose		On-going			

* As per the offer document (Postal Ballot Notice)

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document: Nil for the quarter ended December 31, 2024*.

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
No utilization for Q3FY25					

*Verified from Chartered Accountant certificate from B K G & Associates dated January 19, 2025

[^] Section from the offer document related to GCP:

"Up to 25% (twenty five percent) of the Issue Proceeds will be utilized for general corporate purposes, which includes, inter alia, meeting ongoing general corporate exigencies and contingencies, expenses of the Company as applicable in such a manner and proportion as may be decided by the Board from time to time, and/or any other general purposes as may be permissible under applicable laws

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.