



EL/SEC/2024-25/ 83

November 11, 2024

Corporate Relationship Department
BSE Limited
1st Floor, New Trading Ring Rotunda
Building, P J Towers, Dalal Street, Fort,
Mumbai - 400 001

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

Script Code: 543533

Symbol: EMUDHRA

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter ended September 30, 2024

Pursuant to Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Regulation 41(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith the Monitoring Agency Report in respect of the utilization of proceeds of QIP for the quarter ended September 30, 2024, issued by CRISIL Ratings Limited, the Monitoring Agency.

This is for your information and records.

Thanking you

Yours faithfully,

For eMudhra Limited

Johnson Xavier
Company Secretary & Compliance Officer
Membership No. A28304

Encl: As Above

**Monitoring Agency Report
for
eMudhra Limited
for the quarter ended
September 30, 2024**

CRL/MAR/EMULIM/2024-25/1199

November 07, 2024

To

eMudhra Limited

Plot No 12-P1-A & 12-P1-B, Hi-Tech

Defence and Aerospace Park (IT sector),

Jala Hobli, BK Palya, Bangalore, Karnataka - 562149

Dear Sir,

Monitoring Agency Report for the quarter ended September 30, 2024 - in relation to the Qualified Institutional Offer ("QIP") of eMudhra Limited ("the Company")

Pursuant to Regulation 173A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and Monitoring Agency Agreement dated January 12, 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 QIP 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: eMudhra Limited

For quarter ended: September 30, 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)

Ratings

1) Issuer Details:

Name of the issuer:	eMudhra Limited
Names of the promoter:	Venkatraman Srinivasan, and Taarav Pte Limited
Industry/sector to which it belongs:	IT Enabled Services

2) Issue Details

Issue Period:	Friday, January 12, 2024 to Wednesday, January 17, 2024
Type of issue (public/rights):	Qualified Institutional Offer (QIP)
Type of specified securities:	Equity Shares
QIP Grading, if any:	NA
Issue size:	Rs 2,000.00 million (Gross proceeds); Rs.1,930.01 million (Net Proceeds*)

*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^ Offer Document, Bank Statements	No Comments	Yes
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA		No Comments	NA
Whether the means of finance for the disclosed objects of the issue has changed?	NA		No Comments	NA
Is there any major deviation observed over the earlier monitoring agency reports?	No		No Comments	No
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	NA

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 arrangements pertaining to technical assistance/collaboration are in operation?	NA	Statutory Auditor Certificate [^] , Management undertaking	No Comments	NA
Are there any favorable events improving the viability of these object(s)?	No		No Comments	No
Are there any unfavorable events affecting the viability of the object(s)?	No		No Comments	No
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No

NA represents Not Applicable

[^]Certificate dated October 26, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), 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 million)	Revised Cost (Rs in million)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Funding of expenditure relating to product development by the Company and by eMudhra INC, one of the Subsidiaries	Management undertaking, Statutory Auditor Certificate [^] , Offer Document	407.8	NA	No revision	NA	NA	NA

Ratings

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 MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
2	Investment in eMudhra INC for funding their working capital requirements		270.0	NA	No revision	NA	NA	NA
3	Funding the Company's inorganic growth initiatives by itself or by investing in its Indian and /or Overseas Subsidiaries		850.0	NA	No revision	NA	NA	NA
4	General Corporate Purposes [#]		402.21	NA	No revision	NA	NA	NA
	Total	-	1930.01	-	-	-	-	-

[#]Certificate dated October 26, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company.

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	Funding of expenditure relating to product development by the Company and by eMudhra INC, one of the Subsidiaries	Management undertaking, Statutory Auditor Certificate [^] , Offer Document,	407.8	141.67	78.39	220.06	187.74	No comments	Funds will be utilised as per the prospectus	

Ratings

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
2	Investment in eMudhra INC for funding their working capital requirements	Bank Statements	270.0	155.25	114.75	270.00	0.00	No comments	Funds will be utilised as per the prospectus	
3	Funding the Company's inorganic growth initiatives by itself or by investing in its Indian and /or Overseas Subsidiaries		850.0	-	850.00	850.00#	0.00	No comments	Funds will be utilised as per the prospectus	
4	General Corporate Purposes		402.21	152.23	87.77	240.00	162.21	No comments	Funds will be utilised as per the prospectus	
	Total		1,930.01	449.15	1,130.91*	1,580.06	349.95		-	-

^Certificate dated October 26, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company.

*During the reported quarter, net proceeds amounting to Rs 40.57 million are reimbursed against internal accruals utilized during last quarter from eMudhra Limited current account by transferring Net proceeds from eMudhra Limited MA account to eMudhra Limited current account for Object 1 and Object 4. The same has been considered regarding utilization of net proceeds during the reported quarter.

#During the reported quarter, the company acquired TWO95 International Inc (TWO95), USA for Rs. 850.00 million, out of this amount, Rs. 737.46 million was paid out of net proceeds from eMudhra Inc. account and balance Rs. 112.54 million shall be paid from internal accruals of the company. Further, the company also acquired Sendrcrypt Technologies Inc, USA for Rs. 251.41 million, out of this amount Rs. 112.54 million was paid out of net proceeds from eMudhra Inc. account and the balance Rs 138.87 million was paid from internal accruals of company. For the aforementioned acquisitions, an amount of Rs 750.00 million was transferred from eMudhra Limited MA account to eMudhra Limited KVB current account and Rs. 100.00 million was credited from redemption of Fixed deposit in eMudhra Limited KVB current account, hence the aggregate amount of Rs 850.00 million was transferred to eMudhra Inc. account.

\$ All figures in the above table are rounded off

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Funding of expenditure relating to product development by the Company and by eMudhra INC, one of the Subsidiaries	Company is into Technology solutions and provides products for e-digital signatures and other authentication services. Company plans to develop new products in the areas of identity management, authentication and authorization or digital signatures for its customers and plans to use available net proceeds under this Object towards these objectives.
Investment in eMudhra INC for funding their working capital requirements	As Company plans to develop new products in the areas of identity management, authentication and authorization or digital signatures for its customers, it proposes to utilise Rs 270.00 million towards funding the working capital requirements of one of its Subsidiaries, eMudhra INC in the ordinary course of the business.
Funding the Company's inorganic growth initiatives by itself or by investing in its Indian and /or Overseas Subsidiaries	Company proposes to deploy, to the extent of Rs 850.00 million, towards strategic acquisitions and investments towards inorganic growth. The amount of Net Proceeds to be used for acquisitions will be based on management's decision and may not be the total value or cost of any such acquisitions but is expected to provide with sufficient financial leverage to pursue such acquisitions.
General Corporate Purposes	<p>As per offer document filed by the Company, General corporate purposes may include, but are not restricted to,</p> <ul style="list-style-type: none"> i. Funding growth opportunities ii. Business development initiatives iii. Meeting expenses incurred in the ordinary course of business iv. Towards any exigencies or any other purpose, as may be approved by the Board <p>The quantum of utilisation of funds towards each of the above purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of Company, from time to time, subject to compliance with applicable law.</p>

iii. Deployment of unutilised proceeds:

Based on management undertaking and Certificate dated October 26, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company.

S. No.	Type of instrument where amount is invested	Amount invested (Rs in million)	Maturity date	Earnings (Rs in million)	Return on Investment (%)	Market value as at the end of quarter (Rs in million)
1	FD ICICI Bank (041110018030)	100.00	18-Dec-24	0.20	6.50%	100.20
2	MA Account balance*	163.04	NA	NA	NA	163.04
3	eMudhra Inc. account balance^	86.91	NA	NA	NA	86.91
	Total	349.95		0.20		350.15

*Interest received on closure of FDs amounted to Rs 5.62 million was transferred from eMudhra Limited MA account to eMudhra Limited current account for business requirements during the reported quarter.

^During Q4 FY24, allocation out of net proceeds towards PQC (Post Quantum Cryptography) as per the offer document was Rs 183.92 million, out of this amount Rs 180.00 million was invested by overseas direct investment from MA account of eMudhra Limited to its subsidiary eMudhra Inc. account and balance Rs 3.92 million was transferred from internal accruals of eMudhra Limited current account maintained with KVB to eMudhra Inc. account, as the net proceeds were invested in FDs and Company was not willing to prematurely redeem these FDs. This amount of Rs 3.92 million has been reimbursed during the reported quarter.

#Monitoring the deployment of Interest Income earned from unutilised Net proceeds & utilisation towards issue expenses does not form part of the scope of Monitoring Agency report.

\$All figures in the above table are rounded off

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

Based on management undertaking and Certificate dated October 26, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company

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					

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

Based on management undertaking and Certificate dated October 26, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company

S. No.	Item heads	Amount (Rs in million)	Remarks
1	UIDAI Expenses	29.86	As approved by the board of directors of the Company vide board resolution dated April 29, 2024
2	Employee Sales Incentive FY 24-25	8.9	
3	Marketing & Business Promotion Exp	7.88	
4	Web Hosting Expenses	4.65	
5	Employee Transportation	8.38	
6	Professional charges	10.64	
7	Travel & Boarding	7.32	
8	Rent Expenses	2.71	
9	Housekeeping & Security Expenses	2.83	
10	Broadband Leaded Lines	3.98	
11	Annual Maintenance charges	0.62	
		87.77	

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.*
- 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.*
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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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