

ZAGGLE/23-24/64

February 12, 2024

To Listing Department, NATIONAL STOCK EXCHANGE OF INDIA LIMITED Exchange Plaza, Plot No C/1, G Block Bandra Kurla Complex, Bandra (East), Mumbai -400 051, Maharashtra	To The Corporate Relations Department BSE LIMITED Phiroz Jeejeebhoy Towers, 25 th Floor, Dalal Street, Mumbai -400 001, Maharashtra
Company Symbol: ZAGGLE	Company Scrip Code: 543985

Dear Sir / Madam,

Sub: Monitoring Agency Report for the quarter ended December 31, 2023.

Pursuant to Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 41(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed Monitoring Agency Report for the quarter ended December 31, 2023, issued by Care Ratings Limited, duly reviewed and taken on record by the Audit Committee & Board of Directors of the Company respectively.

Further, we hereby confirm that there has been no deviation in the utilization of Issue proceeds from the objects as stated in the Offer Document for Public Issue of the Company.

Please take the information on record.

Thanking You,

Yours faithfully,

For Zaggle Prepaid Ocean Services Limited

Hari Priya

Company Secretary and Compliance Officer

Encl: As above

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Zaggle Prepaid Ocean Services Limited

(formerly known as Zaggle Prepaid Ocean Services Private Limited)

Regd. Office: 301, III Floor, CSR Estate, Plot No.8, Sector 1, HUDA Techno Enclave, Madhapur Main Road,
Hyderabad, Rangareddi – 500081, Telangana. Ph.: 040 23119049

CIN : U65999TG2011PLC074795 | PAN : AAACZ4965E | accounts.hyd@zaggle.in | www.zaggle.in

Monitoring Agency Report



No. CARE/HO/RL/2023-24/4189

Mr. Venkata Aditya Kumar Gandhi
Chief Financial Officer
Zaggle Prepaid Ocean Services Limited
301, III Floor, CSR Estate Plot No. 8, Sector 1, HUDA
Techno Enclave,
Madhapur Main Road,
Hyderabad, Rangareddi – 500081
Telangana, India

February 05, 2024

Dear Sir,

Monitoring Agency Report for the quarter ended December 31, 2023 - in relation to the Initial Public Offer (IPO) of Equity Shares of Zaggle Prepaid Ocean Services Limited ("the Company")

We write in our capacity of Monitoring Agency for the fresh issue of 2.39 crore shares aggregating to Rs 392.00 crores of the Company and refer to our duties cast under 41 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, 2023, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated August 29, 2023.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

M. S. Annappanavar

Manohar Annappanavar

Associate Director

Manohar.annappanavar@careedge.in

Report of the Monitoring Agency (MA)

Name of the issuer: Zaggle Prepaid Ocean Services Limited

For quarter ended: December 31, 2023

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

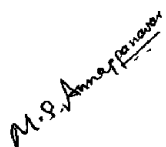
(b) Range of Deviation: Not applicable

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 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 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: Manohar Annappanavar

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Zaggle Prepaid Ocean Services Limited
Name of the promoter : Raj P Narayanam; Avinash Godkhindi
Industry/sector to which it belongs : IT Enabled Services, Information Technology

2) Issue Details

Issue Period : Opened on September 14, 2023, and closed on September 18, 2023
Type of issue (public/rights) : Initial Public Offer (IPO)
Type of specified securities : Equity shares
IPO Grading, if any : Not applicable
Issue size (in ` crore) : Rs. 392 crore (Note 1)

Note 1:

Particulars	Values
Total shares issued and subscribed Nos @ (Rs. 164/share)	23,902,439
Total Proceeds received from IPO (in Rs. Crore)	392
Issue expenses (in Rs. Crore)	29.82
Net Proceeds available (in Rs. Crore)	362.2 [^]

[^]The net proceeds available is Rs.362.160, due to the changes in the estimated offer related expenses, the same would be adjusted against the GCP, post the approval is taken from Audit committee/ Board.

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	Chartered Accountant certificate*, Bank statement, Invoices	Not applicable	Nil
Whether shareholder approval has been obtained in case of material deviations [§] from expenditures disclosed in the Offer Document?	Not Applicable	Chartered Accountant certificate**	Not applicable	Nil
Whether the means of finance for the disclosed objects of the issue have changed?	No	Chartered Accountant certificate*	Not applicable	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	Not Applicable	Chartered Accountant certificate*	Not applicable	Nil
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not Applicable	Chartered Accountant certificate*	Not applicable	Nil
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Chartered Accountant certificate*	Not applicable	Nil
Are there any favourable/unfavourable events affecting the viability of these object(s)?	Not Applicable	Chartered Accountant certificate*	Not applicable	Nil
Is there any other relevant information that may materially affect the decision making of the investors?	Not Applicable	Chartered Accountant certificate*	Not applicable	Nil

* The above details are verified by PRSV & Co. LLP Chartered Accountants vide its CA certificate dated February 05, 2024.

**Auditor's remark: No deviations from expenditure disclosed in the Offer document.

[§] Material Deviation would mean

a) deviation in the objects or purposes for which the funds have been raised

b) deviation in the amount of funds actually utilised by more than 10% of the amount projected in the offer documents

a 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 Placement 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	Expenditure towards Customer acquisition and retention	Placement Document* and CA Certificate**	300.00	-	Not applicable	Nil	Nil	Nil
2	Expenditure towards development of technology and products	Placement Document* and CA Certificate**	40.00	-	Not applicable	Nil	Nil	Nil
3	Repayment/ pre-payment of certain borrowings, in full or part, availed by our Company	Placement Document* and CA Certificate**	17.083	-	Not applicable	Nil	Nil	Nil
4	General corporate purposes (GCP)	Placement Document* and CA Certificate**	5.099	-	Not applicable	Nil	Nil	Nil
Total			362.2^					

*Sourced from Page No. 100 of Placement Document.

** The above details are verified PRSV & Co. LLP Chartered Accountants vide its CA certificate dated February 05, 2024.

^The net proceeds available is Rs.362.160, due to the changes in the estimated offer related expenses, the same would be adjusted against the GCP, post the approval is taken from Audit committee / Board.



(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 (A)	Revised cost in Rs. crore	Amount utilised in Rs. Crore			Total Unutilised amount in Rs. Crore as on December 31, 2023 (C=A-B)	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 (B)			Reasons for idle funds	Proposed course of action
1	Expenditure towards Customer acquisition and retention	Placement Document* and CA Certificate**	300	300	-	45.112	45.112	254.888	Not applicable	Nil	Nil
2	Expenditure towards development of technology and products	Placement Document* and CA Certificate**	40	40	-	0.199	0.199	39.801	Not applicable	Nil	Nil
3	Repayment/ pre-payment of certain borrowings, in full or part, availed by our Company	Placement Document* and CA Certificate**	17.083	17.083	16.80	-	16.8	0.283#	Not applicable	Nil	Nil
4	General corporate purposes (GCP)	Placement Document* and CA Certificate**	5.099	5.077	-	-	-	5.099	Not applicable	Nil	Nil
Total			362.182^	362.182	16.80	45.311	62.111	300.071			

* Sourced from Page No. 100 of Placement Document.

**The above details are verified by PRSV & Co. LLP Chartered Accountants vide its CA certificate dated February 05, 2024.

^The net proceeds available is Rs.362.160, due to the changes in the estimated offer related expenses, the same would be adjusted against the GCP, post the approval is taken from Audit committee / Board.

#The unutilised amount of Rs.0.283 crores is due to the payment of one EMI which was made by the company as they has expected to receive the funds by August instead of which they received in the month of September.

iii) Deployment of unutilised IPO proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (Rs. Crore)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter*
1	Fixed Deposit with IDFC Bank	25.50	22-01-2024		6.25%	NA
2	Fixed Deposit with IndusInd Bank	101.00	05-02-2024		7.40%	NA
3	Fixed Deposit with ICICI Bank	25.00	11-02-2024		4.75%	NA
4	Fixed Deposit with ICICI Bank	50.00	11-02-2024		5.75%	NA
5	Fixed Deposit with ICICI Bank	50.00	11-02-2024		5.75%	NA
6	Fixed Deposit with ICICI Bank	50.00	11-02-2024		5.75%	NA
	Total Fixed Deposits	301.50				
	Bank Balances\$	2.34				
	Total	303.84^				

The above details are verified by PRSV & Co. LLP Chartered Accountants vide its CA certificate dated February 05, 2024.

^The excess amount is on account of interest income amounting to Rs.2.90 crores and excess funds transferred from Issue account to monitoring account during Q2FY24 amounting to Rs.0.878 crores.

\$Please note that this balance is in current account (previously it was monitoring account whose type is subsequently changed to current account during Q3FY24).

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

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
-	-	-	-	-	-

The above details are verified by PRSV & Co. LLP Chartered Accountants vide its CA certificate dated February 05, 2024.

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

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
-	-	-	-	-	-
	TOTAL				

The above details are verified by PRSV & Co. LLP Chartered Accountants vide its CA certificate dated February 05, 2024.