

VKL/C&L/2024/019

August 14, 2024

To,

Department of Corporate Relationship BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001 Scrip Code – 511431	Corporate Relationship Department National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Symbol: VAKRANGEE
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Sub.: Monitoring Agency Report for the quarter ended June 30, 2024

Dear Sir/Madam,

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 June 30, 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 www.vakrangee.in

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For **Vakrangee Limited**

Amit Gadgil
Company Secretary & Compliance Officer
Encl: As above

Monitoring Agency Report



No. CARE/HO/GEN/2024-25/1058

**The Board of Directors
Vakrangee Limited**

Plot No.93, Road No.16, Vakrangee House,
Marol Co.op Industrial Estate, Kandivali,
Off. M.V. Road, Marol, Andheri (East)
Mumbai- 400093

August 13, 2024

Dear Sir/Ma'am,

**Monitoring Agency Report for the quarter ended 06/30/2024 - in relation to the Preferential
Issue of Vakrangee Limited ("the Company")**

We write in our capacity of Monitoring Agency for the Preferential Issue for the amount aggregating to Rs. 162.00 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 June 30, 2024 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated February 02, 2024.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

A handwritten signature in blue ink that reads "Ashish Kambli".

Ashish Kambli

Associate Director

ashish.k@careedge.in

Report of the Monitoring Agency

Name of the issuer: Vakrangee Limited

For quarter ended: June 30, 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 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 and designation of the Authorized Signatory: Ashish Kambli

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer	: Vakrangee Limited
Name of the promoter	: Mr. Ramesh Joshi Mr. Dinesh Nandwana Dr. Nishikant Hayatnagarkar Mr. Avinash Chandra Vyas Mr. Sunil Agarwal Mr. Babu Lal Meena Mr. Hari Chand Mittal Mrs. Sujata Chattopadhyay
Industry/sector to which it belongs	: IT Enabled Services

2) Issue Details

Issue Period for share warrants	: 18 months from date of allotment
Type of issue (public/rights)	: Share warrants issued to Promoter Group and Non- Promoter Category
Type of specified securities	: Warrants convertible into equity shares
IPO Grading, if any	: Not applicable
Issue size (in ` crore)	: Rs. 162.00 crore (Note 1)

Note 1:

The company had offered 6,00,00,000 fully convertible warrants each convertible into 1 (One) Equity Share of face value of Rs. 1/- (Rupees One Only) each to the Promoter Group and Non-Promoter group, on preferential basis, in one or more tranches, at an issue price of Rs 27/- (Rupees Twenty-Seven Only) each, for an aggregate amount of up to Rs. 162.00 crore.

Particulars	Remarks
Total shares issued and subscribed as part of Preferential Issue (whichever is applicable)	6,00,00,000
Total Preferential Issue (all tranches) (in Rs. Crore)	162.00
Total subscriptions towards Preferential Issue till date	75.78 [^]
Details of expenses incurred related to issue (in Rs.)	---*
Net Proceeds of Preferential Issue from 2nd Tranche (Rs. Crore)	34.03
Balance warrants (Pending tranches) yet to be converted from Preferential Issue (in Rs. Crore)	86.22

[^] Includes the preferential issues of Rs. 41.75 crore in the first tranche during Q4FY24 and Rs. 34.03crore in the second tranche during Q1FY25.

* The postal ballot document does not mention the issue expenses. However, as articulated by the management, the company has incurred expenses prior to the issue of warrants from its own sources.

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	Notice of Postal Ballot, Chartered Accountant certificate*, share purchase agreements, invoices and Bank statements	---	
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	NA	Not applicable	Not applicable	
Whether the means of finance for the disclosed objects of the issue have changed?	No	Not applicable	Not applicable	
Is there any major deviation observed over the earlier monitoring agency reports?	No	Not applicable	Not applicable	
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	Final approvals of NSE and BSE the stock exchanges	---	
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA	Not applicable	Not applicable	
Are there any favorable/unfavorable events affecting the viability of these object(s)?	NA	Not applicable	Not applicable	
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not applicable	^	

*Chartered Accountant certificate from S K Patodia & Associates LLP dated July 22, 2024.

#Where material deviation may be defined to mean:

- a) Deviation in the objects or purposes for which the funds have been raised
- b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the offer documents.

^As per Notice of Postal Ballot, under the head "interim use of issue proceeds, the pending complete utilization of the Issue Proceeds for the Objects described in the notice of Postal Ballot, the Company intends to, inter alia, invest the Issue Proceeds in money market instruments including money market mutual funds, deposits in scheduled commercial banks, securities issued by government of India or any other investments as permitted under applicable laws. However, the company has parked the Unutilized amount of Rs.11.35 lakh in CC A/c. And, the company has shared the board resolution dated April 30, 2024, where-in the board has approved to keep unutilized amount in CC account as interim use of issue proceeds.



3) 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	Expansion of Business	As per Notice of Postal Ballot and Chartered Accountant Certificate	10.00	No	NA			
2	Repayment of Secured / Unsecured Loans / Creditors	As per Notice of Postal Ballot and Chartered Accountant Certificate	72.00	No	NA			
3	Strategic Investment	As per Notice of Postal Ballot and Chartered Accountant Certificate	35.00	No	NA			
4	Investment in Subsidiaries	As per Notice of Postal Ballot and Chartered Accountant Certificate	5.00	No	NA			
5	Working Capital for existing business	As per Notice of Postal Ballot and Chartered Accountant Certificate	25.00	No	NA			
6	General Corporate Purposes	As per Notice of Postal Ballot and Chartered Accountant Certificate	15.00	No	NA			
Total			162.00					

NA: Not applicable

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

*Chartered Accountant certificate from S K Patodia & Associates LLP dated July 22, 2024.



(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 date	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	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	Expansion of Business	As per Notice of Postal Ballot, CA Certificate* and Equipment Purchase Order Invoice	10.00	75.78	0.00	1.00	1.00	0.65	86.22			
2	Repayment of Secured / Unsecured Loans / Creditors	CA Certificate*, Banker email and Bank statement (MA Account bank statements and CC A/c bank statement)	72.00		41.63	5.90	47.53			The funds received from issue proceeds were utilized towards repayments of Secured loan- Cash credit as per the objects of the issue and the balance amount lying in the CC account and MA's bank account.		
3	Strategic Investment	As per Notice of Postal Ballot, Share Purchase Agreements, CA Certificate*	35.00		-	26.59	26.59					
4	Investment in Subsidiaries	As per Notice of Postal Ballot, CA Certificate*	5.00		-	-	-					
5	Working Capital for existing business	As per Notice of Postal Ballot, CA Certificate*	25		-	-	-					
6	General Corporate Purposes	As per Notice of Postal Ballot, CA Certificate*	15		-	-	-					
Total			162.00	75.78^	41.63	33.49	75.12	0.65**	86.22			

* Chartered Accountant certificate from S K Patodia & Associates LLP dated July 22, 2024.

^Out of total amount raised of Rs. 75.78 crore till date, Rs. 41.75 crore has been raised during 1st tranche in Q4FY24 and Rs. 34.03 crore has been raised in Q1FY25 during 2nd tranche.

**Unutilised amount of Rs.65,44,480.25 includes the balance lying in CC account of Rs.11,35,414.21 and balance lying in the MA Account of Rs. 54,09,066.04 as on June 30, 2024.

(iii) Deployment of unutilized Preferential Issue proceeds as on 30th June 2024:

Sr. No.	Type of instrument and name of the entity invested in	Amount (Rs. crore)	Maturity date	Earning	Return on Investment (%)	Market Value as at the end of quarter
1.	Balance lying in MA A/C	0.54	--	--	--	--
2.	Balance lying in Cash Credit Account	0.11	--	--	--	--
	Total	0.65**				

*Verified from Bank Statements (Cash credit account and MA account) and Chartered Accountant certificate from S K Patodia & Associates LLP dated July 22, 2024

**Unutilised amount of Rs.65,44,480.25 includes, the balance lying in CC account of Rs.11,35,414.21 and balance lying in the MA Account of Rs. 54,09,066.04.

(iv) Delay in implementation of the object(s) – Not applicable*

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
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*Verified from Chartered Accountant certificate from S K Patodia & Associates LLP dated July 22, 2024

4) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document: Nil for the quarter ended June 30, 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
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	Total				

*Verified from Chartered Accountant certificate from S K Patodia & Associates LLP dated July 22, 2024.



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.