

VKL/C&L/2024/073

November 14, 2024

To,

<b>Department of Corporate Relationship BSE Ltd.</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001  Scrip Code – 511431	<b>Corporate Relationship Department National Stock Exchange of India Ltd.</b> 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 and half year ended September 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 and half year ended September 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](http://www.vakrangee.in)

Kindly take the same on record.

Thanking you,

Yours faithfully,

For **Vakrangee Limited**

**Amit Gadgil**  
**Company Secretary**  
**(Mem. No.: A49442)**

# Monitoring Agency Report



**No. CARE/HO/GEN/2024-25/1101**

**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

November 14, 2024

Dear Sir/Ma'am,

**Monitoring Agency Report for the quarter ended September 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 Sept 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](mailto:ashish.k@careedge.in)

**Report of the Monitoring Agency**

Name of the issuer: Vakrangee Limited

For quarter ended: September 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 : Vakrangee Holdings Private Limited  
NJD Capital Private Limited  
Mr. Dinesh Nandwana  
  
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 Rs. crore) : Rs. 162 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.



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

\*CA certificate from S K Patodia & Associates LLP dated Nov 08, 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.



**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	Expansion of Business	As per Notice of Postal Ballot and Chartered Accountant Certificate	10.00	No	NA	Nil		
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, Chartered Accountant Certificate and Revised Board Resolution#	15.00	No	NA			
<b>Total</b>			<b>162.00</b>					

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

\*CA certificate from S K Patodia & Associates LLP dated Nov 08, 2024.

# As per the revised board resolution dated August 12, 2024, the payment of dividend has been allocated towards General Corporate Purposes from the money raised out of the preferential issue of the company.



(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	Amount raised till Sept 30, 2024	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	88.94	1.00	-	1.00	5.70	73.06	Nil utilization during the quarter.	Nil	Nil
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		47.53	3.11	50.64			The funds received from issue proceeds were utilized towards repayments of Secured loans viz. Cash credit and term loan as per the objects of the issue and the balance amount lying in the MA's bank account.	Nil	Nil
3	Strategic Investment	As per Notice of Postal Ballot, Share Purchase Agreements, CA Certificate*	35.00		26.59	-	26.59			Nil utilization during the quarter.	Nil	Nil



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	Amount raised till Sept 30, 2024	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
4	Investment in Subsidiaries	As per Notice of Postal Ballot, CA Certificate*	5.00		-	-	-				Nil	Nil
5	Working Capital for existing business	As per Notice of Postal Ballot, CA Certificate*	25.00		-	-	-				Nil	Nil
6	General Corporate Purposes	As per Notice of Postal Ballot, CA Certificate* bank statement of dividend account which is with Axis Bank and Revised Board Resolution#	15.00		-	5.01	5.01				Same has utilized for dividend payment#	Nil
		<b>Total</b>	<b>162.00</b>	<b>88.94</b>	<b>75.12</b>	<b>8.12</b>	<b>83.24</b>	<b>5.70^</b>	<b>73.06</b>			

\* CA certificate from S K Patodia & Associates LLP dated Nov 08, 2024.

# As per the revised board resolution dated August 12, 2024, the payment of dividend has been allocated towards General Corporate Purposes from the money raised out of the preferential issue of the company.

^Rs. 5.70 crore is an unutilized amount out of total amount raised (Rs. 88.94 crore) till September 30, 2024





(iii) Deployment of unutilized Preferential Issue proceeds as on 30th September 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	Balance lying in Union Bank of India's MA A/C	5.70	Not applicable	-	-	5.70
	<b>Total</b>	<b>5.70</b>				<b>5.70</b>

\*Verified from Bank Statements (MA account) and CA certificate from S K Patodia & Associates LLP dated Nov 08, 2024

(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
1. Expansion of Business	Within 12 months from the date of receipt of funds for the Warrants^	Ongoing	Not applicable	Nil	Nil
2. Repayment of Secured / Unsecured Loans / Creditors				Nil	Nil
3. Strategic Investment				Nil	Nil
4. Investment in Subsidiaries				Nil	Nil
5. Working Capital for existing business				Nil	Nil
6. General Corporate Purposes				Nil	Nil

^Out of total amount raised of Rs. 88.94 crore till Q2FY25 (Rs. 41.75 crore has been raised during 1<sup>st</sup> tranche in Q4FY24, Rs. 34.02 crore has been raised in Q1FY25 during second tranche and Rs.13.17 crore has been raised during Q2FY25).

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document: Nil for the quarter ended Sept 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
1.	Dividend Payment	5.01	Board resolution, postal ballot and CA certificate	The amount was utilised for the dividend payment.	Nil
	<b>Total</b>	--	--	--	--

^ Section from the offer document related to GCP:

“General Corporate Purpose - Up to 20% (twenty percent) of the Issue Proceeds will be utilised 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.”



*“As per the revised board resolution dated August 12, 2024, the payment of dividend has been allocated towards General Corporate Purposes from the money raised out of the preferential issue of the company.”*



### **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.