



EL/SEC/2024-25/ 18

May 09, 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 March 31, 2024**

Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 41(4) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed herewith Monitoring Agency Report in respect of the utilization of proceeds of QIP for the quarter ended March 31, 2024 issued by CRISIL Ratings Limited, 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**  
**March 31, 2024**

CRL/MAR/EMULIM/2023-24/1092

May 08, 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 March 31, 2024 - in relation to the Qualified Institutional Placement ("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 March 31, 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:** March 31, 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)

## 1) Issuer Details:

**Name of the issuer:** eMudhra Limited

**Names of the promoter:** Venkatraman Srinivasan

**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 Placement (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^ Placement 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

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
Is there any major deviation observed over the earlier monitoring agency reports?	NA	Statutory Auditor Certificate <sup>^</sup> , Management undertaking	No Comments	NA
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	NA
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		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

<sup>^</sup>Certificate dated April 23, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company.

# Ratings

## 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 <sup>^</sup> , Placement Document	407.8	NA	No comments	NA	NA	NA
2	Investment in eMudhra INC for funding their working capital requirements		270.0	NA	No comments	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 comments	NA	NA	NA
4	General Corporate Purposes <sup>#</sup>		402.21	NA	No comments	NA	NA	NA
	<b>Total</b>	-	<b>1,930.01</b>	-	-	-	-	-

<sup>^</sup>Certificate dated April 23, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company.

<sup>#</sup>The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 482.50 million) from the Issue.

## 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 <sup>^</sup> , Placement Document, Bank Statements	407.8	-	32.34*	32.34	375.46	No comments	Funds will be utilised as per the prospectus	
2	Investment in eMudhra INC for funding their working capital requirements		270.0	-	144.71*	144.71	125.29	No comments		
3	Funding the Company's inorganic growth initiatives by itself or by investing in its Indian and /or Overseas Subsidiaries		850.0	-	-	-	850.00	No comments		
4	General Corporate Purposes**		402.21	-	9.00	9.00	393.21	No comments		
<b>Total</b>			<b>1930.01</b>	<b>-</b>	<b>186.04</b>	<b>186.04</b>	<b>1743.97</b>		<b>-</b>	<b>-</b>

<sup>^</sup>Certificate dated April 23, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company.

\* As submitted in the management undertaking, internal accruals of Rs. 23.78 million was utilized from eMudhra Inc account towards object 1 and object 2 before transfer of net proceeds from MA account to eMudhra Inc account for operational ease. The amount of Rs. 23.78 million was reimbursed through transfer of net proceeds to eMudhra Inc account from eMudhra Limited MA account.



*\*\* As submitted in the management undertaking, internal accruals of Rs. 136.79 million were utilized from eMudhra Limited account towards object 1 and object 4 for operational ease as Net proceeds were invested in FDs. The amount of Rs. 136.79 million will be reimbursed through transfer of net proceeds to eMudhra Limited account from eMudhra Limited MA account. The same has not been considered towards utilisation of Net proceeds during the reported quarter.*

**#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 ₹ 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 ₹ 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 placement document filed by the Company, General corporate purposes may include, but are not restricted to,</p> <ul style="list-style-type: none"> <li>i. funding growth opportunities</li> <li>ii. business development initiatives</li> <li>iii. meeting expenses incurred in the ordinary course of business</li> <li>iv. towards any exigencies or any other purpose, as may be approved by our Board</li> </ul> <p>The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.</p>

iii. Deployment of unutilised proceeds<sup>^</sup>:

S. No.	Type of instrument where amount is invested	Amount invested (in million)	Maturity date	Earnings (in million)	Return on Investment (%)	Market value as at the end of quarter (in million)
1	FD Kotak (No. 4450215366)	250.00	20-Apr-24	3.50	7.20%	253.50
2	FD Kotak (No. 4450215359)	250.00	20-Apr-24	3.50	7.20%	253.50
3	FD Kotak (No. 4450215373)	120.00	20-Apr-24	1.67	7.15%	121.67
4	FD Kotak (No. 4450215434)	100.00	20-Apr-24	1.39	7.15%	101.39
5	FD Kotak (No. 4450215427)	100.00	20-Apr-24	1.39	7.15%	101.39
6	FD Kotak (No. 4450215397)	100.00	20-Apr-24	1.39	7.15%	101.39
7	FD Kotak (No. 4450215380)	100.00	20-Apr-24	1.39	7.15%	101.39
8	FD Kotak (No. 4450215403)	100.00	20-Apr-24	1.39	7.15%	101.39
9	FD ICICI (No. 041110016635) (Refer Note 2)	100.00	31-Mar-24	0.59	5.52%	100.59
10	FD KVB (No. 1317467000000040/1) (Refer Note 3)	100.00	23-May-24	0.85	7.96%	100.85
11	FD KVB (No. 1317467000000040/3) (Refer Note 3)	100.00	31-Mar-24	0.72	6.74%	100.72
12	MA Account balance (Refer Note 1)	51.23	NA	NA	NA	51.23
13	eMudhra INC account balance (Refer Note 3 & 4)	276.88	NA	NA	NA	276.88
	<b>Total</b>	<b>1,748.11</b>		<b>17.78</b>		<b>1,765.89</b>

<sup>^</sup>On the basis of management undertaking and Certificate dated April 23, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company.

**Note 1:** Interest received on closure of FDs amounted to Rs 3.57 Mn out of which Rs 3.35 million was transferred to eMudhra Current account for business purpose and remaining amount of Rs 0.22 million is lying in MA account as at the end of reported quarter.

**Note 2:** Rs 100 million of the net proceeds were transferred from MA account of the Company maintained with Kotak Mahindra bank to ICICI current account (A/c No 004705008059) for creation of FD

**Note 3:** Rs 650 million of the net proceeds were transferred from MA account (A/c No 8947708959) to KVB account (A/c No 1317135000000304). From KVB account (A/c No 1317135000000304) Rs 200 million were deployed towards FDs and Rs 453.92 million were transferred to eMudhra Inc account (A/c No 8114020129), from where Rs 144.71 million were utilized towards working capital requirement of eMudhra Inc and Rs 32.34 million utilized towards PQC.

**Note 4:** Allocation out of net proceeds towards PQC (Post Quantum Cryptography) as per the placement document was Rs. 183.92 million, out of this amount Rs. 180.00 Mn was invested by overseas direct investment from MA account of eMudhra to its subsidiary eMudhra Inc account and balance Rs. 3.92 million was transferred from internal accruals of eMudhra KVB

account 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 will be reimbursed in next quarter from the MA account to KVB account.

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

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
Refer Note below					

^ On the basis of management undertaking and Certificate dated April 23, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company.

Note:

Unutilised amount at the end of Fiscal 2024, as compared to schedule, would be spent in fiscal year 2025. As per the offer document "if estimated utilization out of the Net Proceeds in a fiscal is not completely met, the same shall be utilized in the subsequent fiscals, as may be decided by our Company, in accordance with applicable laws". Hence there is no delay in implementation.

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

S. No.	Item heads	Amount (Rs in million)	Remarks
1.	Payment towards KIADB Devanahalli Land	9.00	GCP utilisation is approved vide Board resolution dated February 05, 2024

^ On the basis of management undertaking and Certificate dated April 23, 2024 issued by Suri & Co., Chartered Accountants (Firm Registration Number: 004283S), Statutory Auditors of the Company.

## 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.*
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