

Report of the Monitoring Agency (MA)

Name of the issuer	: BAG Convergence Limited
For quarter ended	: Q3 FY2025-26
Name of the Monitoring Agency	: Acuite Ratings and Research Limited
(a) Deviation from the objects	: No Deviation is observed.
(b) Range of Deviation	: Not Applicable
(c) Any other material fact to be highlighted	: None

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:

Vikas Mishra
Deputy Vice President - Process Excellence

1. Issuer Details:

Name of the issuer : BAG Convergence Limited

Names of the promoter:

Promoters
Ms. Anuradha Prasad Shukla

Industry/sector to which it belongs : Digital Entertainment / Media Entertainment and Publication

2. Issue Details:

Issue Period : September 30, 2025, to October 03, 2025

Type of issue : Public Issue

Type of specified securities : Equity Shares

IPO Grading, if any : Not applicable

Issue size (INR Crore) : INR 48.72 crores*

* Refer the below table for Net Proceeds.

Particulars	INR in Crores
Gross Proceeds	48.72
Less: Issue Related Expenses	4.80
Net Proceeds	43.92

3. Details of the arrangement made to ensure the monitoring of issue proceeds

Particulars	Reply from the issuer	Source of information/ certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments the Board of Directors
1. Whether all utilization is as per the disclosures in the Offer Document?	Yes	Documents provided by the issuer: including Fixed Deposit Certificates, Bank Statements, invoices and Independent Auditors Certificate etc.	Yes, utilizations in the respective objects are as per disclosures by the company.	The Company have utilized the funds strictly as per the implementation schedule outlined in the Prospectus.
2. Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	Not Applicable		Material deviation is not observed.	There are no Deviation or Variations in the utilisation of issue proceeds from the object stated in the Prospectus.
3. Whether the means of finance for the disclosed objects of the issue has changed?	No		No change is observed.	No Comments
4. Is there any major deviation observed over the earlier monitoring agency reports?	Not Applicable		The issuer has not appointed any other Monitoring Agency to monitor utilization of these objects.	Not Applicable
5. Whether all Government/statutory approvals related to the object(s) have been obtained?	No		Government / Statutory approval is not required for objects.	No Comments
6. Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not Applicable		Arrangement pertaining to technical assistance / collaboration is not required with reference to the objects.	Not Applicable
7. Are there any favorable events improving the viability of these object(s)?	No		No favorable event is observed that may improve the viability of these objects.	No Comments
8. Are there any unfavorable events affecting the viability of the object(s)?	No		No unfavorable event is observed affecting the viability of these objects.	No Comments
9. Is there any other relevant information that may materially affect the decision making of the investors?	No		No relevant information is evident that may materially affect the decision making of the investors.	No Comments

4. Details of object(s) to be monitored:

i. Cost of object(s)

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) [INR Crore]	Revised Cost	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangement
1	Expansion of Existing Business	Documents provided by the issuer: including Fixed Deposit Certificates, Bank Statements and Independent Auditors Certificate etc.	13.49	-	No change is observed.	No comments	No comments	No comments
2	Acquisition / Production of Content		13.29	-	No change is observed.	No comments	No comments	No comments
3	Brand building expenses		5.00	-	No change is observed.	No comments	No comments	No comments
4	General Corporate Purposes		12.14	-	No change is observed.	No comments	No comments	No comments
	Total		43.92	-				

ii. Progress in the object(s) –

Sr. No.	Item Heads	Source of information / certifications considered by the Monitoring Agency for the preparation of report	Amount as proposed in the Offer Document (INR Crore)	Amount raised (INR Crore)	Amount utilized [INR Crore]			Total unutilized amount [INR Crore]	Comments of the Monitoring Agency	Comments of the Issuer's 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	Expansion of Existing Business	Documents provided by the issuer: including Fixed Deposit Certificates, Bank Statements, invoices Independent Auditors Certificate etc.	13.49	13.49	-	1.34	1.34	12.15	The company has utilised INR 1.34 crores towards this object.	The Company will spend unutilized amount in the upcoming quarters including this Financial year and next financial year.	Expansion of existing business is happening in the current quarter and in the upcoming quarters as per the implementation schedule of the prospectus as per
2	Acquisition / Production of Content		13.29	13.29	-	4.79	4.79	8.50	The company has utilised INR 4.79 crores towards this object.	The Company will spend unutilized amount in the upcoming quarter including this Financial year and next financial year.	Acquisition / Production of Content is happening in the current quarter and in the upcoming quarters as per the implementation schedule of the prospectus as per
3	Brand building expenses		5.00	5.00	-	-	-	5.00	The company has not utilised any amount towards this object.	The Company is in process of Devising a final marketing and branding Campaign as per the implementation schedule mentioned in the Prospectus	
4	General Corporate Purposes		12.14	12.14	-	5.91	5.91	6.23	The company has utilised INR 5.91 crores towards this object	The Company will spend unutilized amount in the upcoming quarter including this Financial year and next financial year.	
	Total		43.92	43.92	-	12.04	11.98	31.88**			

*Certificate dated February 12, 2026, issued by M/s Joy Mukherjee & Associates., (Firm Registration Number 006792C), as the Statutory Auditors.

**INR 30.19 crores is deployed as Fixed Deposits. Unutilized proceeds of INR 1.69 crores are maintained with account of HDFC Bank monitoring account

iii. **Deployment of unutilised IPO Proceeds:**

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (INR)	Maturity date	Earning (INR)	Return on Investment (%)	Market Value as at the end of quarter (INR)
1	*Fixed Deposit, HDFC Bank (50301248120576)	1,50,00,000.00	May 24, 2026	1,01,157.53	5.47	1,50,00,000.00
2	*Fixed Deposit, HDFC Bank (50301248122582)	2,00,00,000.00	November 27, 2026	1,53,369.86	6.22	2,00,00,000.00
3	*Fixed Deposit, HDFC Bank (50301248123612)	2,00,00,000.00	November 27, 2026	1,53,369.86	6.22	2,00,00,000.00
4	*Fixed Deposit, HDFC Bank (50301248125032)	3,00,00,000.00	November 27, 2026	2,30,054.79	6.22	3,00,00,000.00
5	*Fixed Deposit, HDFC Bank (50301248129452)	2,00,00,000.00	November 27, 2026	1,53,369.86	6.22	2,00,00,000.00
6	*Fixed Deposit, HDFC Bank (50301248130871)	3,00,00,000.00	November 27, 2026	2,30,054.79	6.22	3,00,00,000.00
7	*Fixed Deposit, HDFC Bank (50301248131963)	2,00,00,000.00	November 27, 2026	1,34,876.71	5.47	2,00,00,000.00
8	*Fixed Deposit, HDFC Bank (50301248134350)	2,00,00,000.00	June 06, 2026	1,34,876.71	5.47	2,00,00,000.00
9	*Fixed Deposit, HDFC Bank (50301248135811)	4,00,00,000.00	November 29, 2026	3,06,739.73	6.22	4,00,00,000.00
10	*Fixed Deposit, HDFC Bank (50301248137419)	1,50,00,000.00	November 29, 2026	1,01,157.53	5.47	1,50,00,000.00
11	*Fixed Deposit, HDFC Bank (50301248138731)	1,50,00,000.00	November 29, 2026	1,01,157.53	5.47	1,50,00,000.00
12	*Fixed Deposit, HDFC Bank (50301248139247)	2,00,00,000.00	November 27, 2026	1,53,369.86	6.22	2,00,00,000.00
13	*Fixed Deposit, HDFC Bank (50301248139629)	2,00,00,000.00	November 27, 2026	1,53,369.86	6.22	2,00,00,000.00
14	*Fixed Deposit, HDFC Bank (50301248140159)	1,50,00,000.00	May 27, 2026	1,01,157.53	5.47	1,50,00,000.00
15	Fixed Deposit, HDFC Bank (50301266716814)	5,00,000.00	December 23, 2026	856.16	6.25	5,00,856.16
16	Fixed Deposit, HDFC Bank (50301266717895)	5,00,000.00	December 24, 2026	852.05	6.22	5,00,852.05
17	Fixed Deposit, HDFC Bank (50301266718909)	5,00,000.00	December 25, 2026	852.05	6.22	5,00,852.05
18	Fixed Deposit, HDFC Bank (50301266719875)	2,00,000.00	December 26, 2026	340.82	6.22	2,00,340.82
19	Fixed Deposit, HDFC Bank (50301266721741)	2,00,000.00	December 28, 2026	340.82	6.22	2,00,340.82
	Total	30,19,00,000.00		22,11,324.11		30,41,11,324.11

*Only investments held as on the last day of the quarter are considered for reporting. Interest earned on Fixed Deposits maturing during the quarter was INR 0.06 crores,

iv. **Delay in implementation of the object(s):** Not Applicable

Object(s)	Completion date		Delay [Number of days or months]	Comments of the Issuer's Board of Directors	
	As per the offer document	Actual*		Reason for delay	Proposed course of action
-	-	-	-	There is no any delay in implementation schedule as per prospectus	

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

Sr. No.	Item Head	Amount (INR Cr)	Source of information/certifications considered by Monitoring Agency for preparation of report	Comments of The Monitoring Agency	Comments of the Board of Directors
1	General Corporate Expenses	12.14	As per the documents provided by the issuer, including Bank Statements, invoices and Independent Auditors Certificate	The company has utilized INR 5.91 crores towards this object, which was incurred towards ordinary business expense and Income tax.	The Board of Directors are satisfied on the clarifications of the management on the spending of proceeds towards ordinary business expenses and Income Tax under the designated head of general corporate expenses.
	Total	12.14			

Disclaimer:

- a) This Report is prepared by Acuite Ratings & Research Limited (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 appointed by the Issuer believed by it to be accurate and reliable.
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