ENCOMPASS

To

Date:-13th August, 2026

National Stock Exchange of India Limited
Listing Compliance Department,
Exchange Plaza, 5th Floor,
Plot No. C/1, Block-G,
Bandra, Kurla Complex, Bandra (E),
Mumbai-400051

Company Symbol: ENCOMPAS; ISIN: INE433T01015

Dear Sir/Madam,

Sub: Monitoring Agency Report for the quarter ended June 30, 2026

Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), read with Regulation 262 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, please find enclosed the Monitoring Agency Report issued by CARE Ratings Limited, acting as the Monitoring Agency, for the quarter ended June 30, 2026, pertaining to the utilization of proceeds raised through the Initial Public Offer of the Company.

We request you to kindly take the aforesaid information on record.

Thanking You,
Yours Faithfully,

For Encompass Design India Limited

AMIT DALMIA
Digitally signed by AMIT DALMIA
Date: 2026.08.13 17:50:46 +05'30'

Amit Rajendraprasad Dalmia
Chairman & Managing Director
DIN: 00210919

Encl: as above

Monitoring Agency Report

CARE/HO/GEN/2026-27/1134

The Board of Directors
Encompass Design India Limited
Virwani Indl Estate, Shop No. A-101,
Opp. Western Exp Highway, Goregaon (E),
Mumbai, Maharashtra, India - 400063

August 11, 2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended June 30, 2026 - in relation to the Initial Public Offer (IPO) of Encompass Design India Limited ("the Company")

We write in our capacity of Monitoring Agency for the IPO for the amount aggregating to Rs. 40.21 crore of the Company and refer to our duties cast under 262 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, 2026, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated November 24, 2025.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

Darshan Shah
Associate Director
Darshan.shah@careedge.in

Monitoring Agency Report

Report of the Monitoring Agency
Name of the issuer: Encompass Design India Limited
For quarter ended: June 30, 2026
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.

Dshah

Signature:
Name and designation of the Authorized Signatory: Darshan Shah
Designation of Authorized person/Signing Authority: Associate Director

1) **Issuer Details:**

Name of the issuer : Encompass Design India Limited

Name of the promoter : Amit Rajendraprasad Dalmia, Susmita Amit Dalmia, Ruman Kailash Agarwal & Yogendra Vashishta

Industry/sector to which it belongs : Commercial Services & Supplies – Trading & Distributors

2) **Issue Details**

Issue Period : December 05, 2025, to December 09, 2025

Type of issue (public/rights) : Initial Public Offer (SME IPO)

Type of specified securities : Equity Shares

IPO Grading, if any : Not applicable

Issue size (in crore) : Rs. 40.21 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?	No	Prospectus, Management Certificate, CA Certificate*, Invoices, Quotation, Sale Deed, TDS Challans, and Bank Statements	• There is a delay in utilization towards objects as per the offer document. The company has not obtained requisite approval in this regard. • During this quarter, the company has utilized proceeds towards objects as per the Prospectus and as per revised cost based on shareholders' approval. • For Capex and Working capital requirements, the Company has transferred the funds from its public issue account to its current account, which also has numerous other business transactions. As a result, there was comingling of funds. MA has relied on bank statements, Management Certificate, and CA certificate for utilization of proceeds.	We confirm that the utilization of the IPO proceeds during Q1 FY2026-27 (quarter ended June 30, 2026) is in accordance with the objects stated in the Prospectus. The total IPO proceeds amounted to ₹40.21 crore. During FY2026-27, the Company utilized ₹4.71crore towards Working Capital requirements in line with the stated objects. As of June 30, 2026, there were no outstanding payments or amounts payable towards the stated objects. The unutilized IPO proceeds of ₹4.99 crore were maintained in Fixed Deposits and the Current Account with Union Bank of India, in compliance with the applicable SEBI (ICDR) Regulations. All payments towards the stated objects are traceable to the IPO proceeds and are supported by

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
				relevant documentary evidence, including bank statements, invoices, quotations, sale deeds, and the CA Certificate dated August 7, 2026, issued by V K Beswal & Associates.
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Management Certificate, CA Certificate*, Special Resolution passed by Members (refer note 1)	The company has taken shareholders' approval via Special Resolution dated March 30, 2026, to revise the cost of objects. (refer note 1)	The Company has utilized the IPO proceeds in accordance with the objects stated in the Prospectus and the revised cost approved by the shareholders vide Special Resolution dated March 30, 2026. This reallocation was made as the originally stated objects had been duly achieved and substantially fulfilled. Accordingly, the Company has utilized the IPO proceeds towards its approved objects and revised requirements.
Whether the means of finance for the disclosed objects of the issue have changed?	No	Management Certificate, CA Certificate*	No comments	No comments
Is there any major deviation observed over the earlier monitoring agency reports?	No	Previous Monitoring Agency Report	Not applicable	No comments. There is no major deviation observed over the earlier Monitoring Agency reports. As reported in the Q4FY26 report, the previously noted deviation relating to investment of unutilized proceeds in mutual funds was fully rectified during Q4FY26, with all funds transferred to Fixed Deposits with Union Bank of India by February 1, 2026. No deviations have been noted in Q1FY27.
Whether all Government/statutory approvals related to the object(s) have been obtained?	Not applicable	Management Certificate, CA Certificate*	No comments	All applicable government and statutory approvals required in connection with the objects of the issue have been obtained.
Whether all arrangements pertaining to technical assistance/collaboration are in	Not applicable	Management Certificate, CA Certificate*	No comments	No comments. The objects of the issue do not involve any technical assistance or collaboration arrangements.

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
operation?				
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Management Certificate, CA Certificate*	No comments	No comments. There are no favorable or unfavorable events that materially affect the viability of the objects of the issue.
Is there any other relevant information that may materially affect the decision making of the investors?	Yes	Prospectus, Bank Statement, Management Certificate, CA Certificate*	The company has taken shareholders' approval via Special Resolution dated March 30, 2026, to increase the amount under working capital requirement object by reducing the amount against other objects. (refer to Note 1)	No. There is no other relevant information or material event that may adversely affect or materially influence the decision-making of investors. The Company continues to utilize the IPO proceeds in accordance with the stated objects and the revised cost approved by the shareholders.

*Verified from the CA Certificate dated August 07, 2026, from V K Beswal & Associates.

*Note 1: Shareholders via Special Resolution dated March 30, 2026, have accorded the variation in the unutilized portion of the proceeds of the initial public offer (IPO) to the tune of ₹1.16 crore, comprising of ₹0.28 crore of "*Repayment/ prepayment of certain borrowings availed by our company*", and ₹0.88 crore of "Issue Related Expenses", which has been reallocated towards, "Working Capital Requirements of the Company" thereby revising the object cost from ₹7.29 crore to ₹8.45 crore. It states, "This is because the objects for which the funds were originally allocated have been duly achieved and substantially fulfilled."*

#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 Effective from March 30, 2026^	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	Funding capital expenditure requirements of our company towards purchasing office, interior work and refurbishment	Prospectus*, Management Certificate, CA Certificate$, Special Resolution passed by Members**	11.48	11.48	-	No revision in cost. The original allocation of ₹11.48 crore remains unchanged.	NA	NA
2	To meet working capital requirements of the company	Prospectus*, Management Certificate, CA Certificate$, Special Resolution passed by Members**	7.29	8.45	**	The allocation was increased from ₹7.29 crore to ₹8.45 crore pursuant to the shareholders' approval dated March 30, 2026, by reallocating ₹1.16 crore from other objects whose requirements were substantially fulfilled.	NA - Reallocation from other fully utilized objects, approved by shareholders vide Special Resolution dated March 30, 2026.	NA
3	Repayment/ prepayment of certain borrowings availed by our company	Prospectus*, Management Certificate, CA Certificate$, Special Resolution passed by Members**	11.00	10.72	**	The allocation was reduced from ₹11.00 crore to ₹10.72 crore as the borrowing repayment requirement was lower than originally estimated. The	NA - Surplus reallocated to Working Capital requirements pursuant to shareholders approval dated March 30, 2026.	NA

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 Effective from March 30, 2026^	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
						balance ₹0.28 crore was reallocated towards Working Capital with shareholders' approval.		
4	General corporate purpose	Prospectus*, Management Certificate, CA Certificate$, Special Resolution passed by Members**	5.59	5.59	-	No revision in cost. The original allocation of ₹5.59 crore remains	NA	NA
5	Issue related expenses	Prospectus*, Management Certificate, CA Certificate$, Special Resolution passed by Members**	4.85	3.97	**	The allocation was reduced from ₹4.85 crore to ₹3.97 crore due to lower-than-estimated issue-related expenses. The resulting surplus of ₹0.88 crore was reallocated towards Working Capital with shareholders' approval.	NA - Surplus reallocated to Working Capital requirements pursuant to shareholders approval dated March 30, 2026.	NA
Total			**40.21**	**40.21**				

**Sourced from Page 99 of the prospectus.*

***Shareholders via Special Resolution dated March 30, 2026, have accorded the variation in the unutilized portion of the proceeds of the initial public offer (IPO) to the tune of ₹1.16 crore, comprising of ₹0.28 crore of "*Repayment/ prepayment of certain borrowings availed by our company*", and ₹0.88 crore of "Issue Related Expenses", which has been reallocated towards, "Working Capital Requirements of the Company" thereby revising the object cost from ₹7.29 crore to ₹8.45 crore. It states, "This is because the objects for which the funds were originally allocated have been duly achieved and substantially fulfilled."*

$Verified from the CA Certificate dated August 07, 2026, from V K Beswal & Associates.

(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	Revised cost in Rs. Crore from March 30, 2026[&]	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	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	Funding capital expenditure requirements of our company towards purchasing office, interior work and refurbishment	Prospectus*, Management Certificate, CA Certificate**, Current Account Statement, Quotation	11.48	11.48	11.20	0.28	11.48	0.00	The company has utilized proceeds towards renovation of the office space purchased at Office No. 701, Simba Tower, CTS No. 67/A/1/2, as per the offer document. The company has made payment of Rs. 0.28 crore in multiple tranches against the quotation of Rs. 1.00 crore.	NA - Utilization under capital expenditure is fully completed.	NA - Utilization under capital expenditure is fully completed.
2	To meet working capital requirements of the company	Prospectus*, Invoices, Current Account Statement, Management Certificate, CA Certificate**, Special Resolution	7.29	8.45	3.74	4.71	8.45	0.00	The company has utilized proceeds towards vendor payment under working capital requirement.	NA - Utilization under working capital is fully completed.	NA - Utilization under working capital is fully completed.

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	Revised cost in Rs. Crore from March 30, 2026&	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	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
		passed by Members&									
3	Repayment/ prepayment of certain borrowings availed by our company	Prospectus*, Management Certificate, CA Certificate**, Special Resolution passed by Members&	11.00	10.72	10.72	0.00	10.72	0.00	No utilization during the quarter	NA - Utilization under Borrowing payment is fully completed.	NA - Utilization under Borrowing payment is fully completed.
4	General corporate purpose	Prospectus*, Management Certificate, CA Certificate**	5.59	5.59	5.59	0.00	5.59	0.00	No utilization during the quarter	NA - Utilization under General Corporate Purpose is fully completed.	NA - Utilization under General Corporate Purpose is fully completed.
5	Issue related expenses	Prospectus*, Management Certificate, CA Certificate**,	4.85	3.97	3.97	0.00	3.97	0.00	No utilization during the quarter	NA - Utilization under Issue related expenses is	NA - Utilization under Issue related expenses is

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	Revised cost in Rs. Crore from March 30, 2026&	Amount utilised in Rs. Crore			Total unutilised amount in Rs. crore	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
		Special Resolution passed by Members&								fully completed	fully completed
Total			**40.21**	**40.21**	**35.22**	**4.99**	**40.21**	**0.00**			

**Sourced from Page 99 of the prospectus.*

***Verified from the CA Certificate dated August 07, 2026, from V K Beswal & Associates*

&*Shareholders via Special Resolution dated March 30, 2026, have accorded the variation in the unutilized portion of the proceeds of the initial public offer (IPO) to the tune of ₹1.16 crore, comprising of ₹0.28 crore of "*Repayment/ prepayment of certain borrowings availed by our company*", and ₹0.88 crore of "Issue Related Expenses", which has been reallocated towards, "Working Capital Requirements of the Company" thereby revising the object cost from ₹7.29 crore to ₹8.45 crore. It states "This is because the objects for which the funds were originally allocated have been duly achieved and substantially fulfilled."*

(iii) Deployment of unutilized proceeds:

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
Issue proceeds have been fully utilized						

(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
Funding capital expenditure requirements of our company towards purchasing office, interior work and refurbishment	March 31, 2026	June 19, 2026	Delay (80 days)	The delay was due to the time taken for finalisation and execution of the sale/purchase agreement for the office premises, followed by the commencement and completion of interior renovation work. The purchase deed for Office No. 701, Simba Tower was executed on January 12, 2026, and interior work was completed on June 19, 2026.	All capital expenditure has been fully utilized as of Q1FY27. The delay has been regularized, and no further action is required.
To meet working capital requirements of the company	March 31, 2026	February 12, 2026	No delay	No comments received	No comments received
	March 31, 2027	June 04, 2026	No delay	No comments received	No comments received
Repayment/ prepayment of certain borrowings availed by our company	March 31, 2026	December 18, 2025	No delay[&]	No comments received	No comments received
General corporate purpose	March 31, 2026	December 20, 2025	No delay	No comments received	No comments received
Issue related expenses	Not applicable	Not applicable	Not applicable	No comments received	No comments received

Sourced from Page 100 of the prospectus.

[&]As per the scheduled implementation timeline mentioned in the Prospectus under the Object 'Repayment/ prepayment of certain borrowings availed by our company', the company proposed to deploy Rs.11.00 crore as on March 31, 2026. The company had deployed Rs.10.72 crore as on March 31, 2026. However, shareholders via special resolution dated March 30, 2026, have accorded the variation in the unutilized portion of the proceeds thereby cost toward the Object was revised compared to earlier allocated cost and accordingly there is no delay.

5) 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
Not Applicable as utilization under GCP is already completed in earlier period					

^ Section from the offer document related to GCP:

"Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy ₹ 559.02 Lakh towards the general corporate purposes to drive our business growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

a) funding growth opportunities;

b) servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;

c) capital expenditure, including towards expansion/development/refurbishment/renovation of our assets;

d) working capital;

e) meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or

f) strategic initiatives and

g) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "General Corporate Purposes" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above in any permissible manner. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Prospectus, shall not exceed 15% of the amount raised by our Company through this Issue or Rs. 10 crores whichever is less."

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 auditor 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 statutory auditor, 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.