

JAIN RESOURCE RECYCLING LIMITED
(Formerly Known as Jain Resource Recycling Private Limited)



February 14, 2026

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001

SYMBOL: JAINREC

SCRIP CODE: 544537

Dear Sir / Ma'am,

Subject: STATEMENT OF DEVIATION OR VARIATION IN UTILISATION OF FUNDS, IF ANY, UNDER REGULATION 32 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LISTING REGULATIONS").

Pursuant to Regulation 32 of Listing Regulations, we hereby confirm that during the quarter ended December 31, 2025, a statement of deviation or variation report for the quarter ended December 31, 2025, duly reviewed by the Audit Committee and Board of Directors of the Company at its meeting held on today i.e., Saturday, February 14, 2026 is enclosed herewith.

The above information will also be available on the website of the Company.

Kindly take the above information on record and acknowledge it.

Yours faithfully,

For JAIN RESOURCE RECYCLING LIMITED

BIBHU KALYAN RAUTA
COMPANY SECRETARY AND COMPLIANCE OFFICER
M.NO: A31315

ANNEXURE A
STATEMENT OF DEVIATION / VARIATION IN UTILISATION OF FUNDS RAISED THROUGH PUBLIC
ISSUE FOR THE QUARTER ENDED DECEMBER 31, 2025

Name of Listed Entity	Jain Resource Recycling Limited
Mode of Fund Raising	Public Issue
Date of Raising Funds	September 26, 2025
Amount Raised	Rs. 12,500 Million comprising of Fresh Issue- Rs. 5,000 Million and Offer for Sale Rs. 7,500 Million
Report filed for Quarter ended	December 31, 2025
Monitoring Agency	Applicable
Monitoring Agency Name, if applicable	CRISIL Ratings Limited
Is there a Deviation / Variation in use of funds raised	Yes
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	No
If Yes, Date of shareholder Approval	Not applicable
Explanation for the Deviation / Variation	Refer Management letter attached
Comments of the Audit Committee after review	Nil
Comments of the auditors, if any	Nil

STATEMENT OF UTILIZATION OF FUNDS AS ON DECEMBER 31, 2025

Original Object	Modified Object, if any	Original Allocation (Rs.)	Modified allocation, if any	Funds Utilised (in Rs)	Amount of Deviation / variation for the quarter according to applicable object	Remarks if any
Pre-payment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company	Not applicable	3,750 Million	Not applicable	3,750 Million	Not applicable	Not applicable
General corporate purposes	Not applicable	591.08 Million	986.43 Million	986.43 Million	540 Million	Refer Management letter attached

Deviation or variation could mean:

- Deviation in the objects or purposes for which the funds have been raised or
- Deviation in the amount of funds actually utilized as against what was originally disclosed or
- Change in terms of a contract referred to in the fund raising document i.e. prospectus, letter of offer, etc.

For Jain Resource Recycling Limited



Hemant Shantilal Jain
Director & CFO

Date: February 14, 2026

Place: Chennai

Registered Office: THE LATTICE, Old No. 7/1, New No. 20, 4th Floor, Bishop Ezra Sargunam Road, Kilpauk, Chennai 600 010, T.N, India

Unit I : D-12, SIPCOT Indl. Complex, Gummidipoondi, Thiruvallur, 601 201, T.N, India

Unit II : Plot No. R1 - R3, Pappankuppam Village, SIPCOT Indl. Complex, Gummidipoondi, Thiruvallur, 601 201, T.N, India

T: +91 44 4340 9494 E: info@jainmetalgroup.com W: www.jainmetalgroup.com CIN No. L27320TN2022PLC150206

Date: February 14, 2026

To
CRISIL Ratings Limited
Lightbridge IT Park, Saki Vihar Road,
Andheri East, Mumbai- 400 0072

Subject: Management Response to Monitoring Agency Report for the quarter ended December 31, 2025

Ref: Monitoring Agency Report issued by CRISIL Ratings Limited bearing reference no. CRL/MAR/JARRPL/2025-26/1624 dated February 14, 2026

Dear Sir/Ma'am,

We refer to the captioned Monitoring Agency Report issued by CRISIL Ratings Limited for the quarter ended December 31, 2025.

Observation by Monitoring Agency

The Monitoring Agency has observed that

"During the quarter ended December 31, 2025, the Company has utilized Rs ₹540.00 million out of ₹ 986.43 million that is allocated towards General Corporate Purposes (GCP) towards part repayment of unsecured loan availed by the Company from Mr. Kamlesh Jain, Managing Director and promoter of the Company".

However, "Other Confirmations" section of the objects of the offer chapter of the Prospectus dated September 26, 2025 specifies that -

"no part of the net proceeds shall be paid by the Company to its promoters, promoter group, directors, key managerial personnel or senior management or group companies."

Accordingly, the utilisation of issue proceeds towards the repayment of unsecured loan to director is contrary to aforementioned confirmation provided in the Prospectus and therefore considered as a deviation in utilisation of issue proceeds.

Management Comments on Deviation in Utilisation of IPO Proceeds

With reference to the observation of the Monitoring Agency regarding utilisation of ₹540.00 million out of ₹ 986.43 million allocated towards General Corporate Purposes ("GCP") for part repayment of unsecured loan availed from Mr. Kamlesh Jain, Managing Director and Promoter of the Company, the Management respectfully submits as under:



The Company acknowledges that the said utilisation is not aligned with the confirmation provided under the "Other Confirmations" section of the Objects of the Offer chapter of the Prospectus dated September 26, 2025 which specified that no part of the net proceeds shall be paid to promoters, promoter group, directors, key managerial personnel, senior management or group companies.

In this regard the Management clarifies that:

1. The payment of ₹ 540.00 million towards part repayment of unsecured loan from the Promoter occurred due to an **inadvertent error** in routing of funds from the designated IPO account under the GCP head.
2. The utilisation was not undertaken with any intent to deviate from the stated objects of the Issue or to confer any undue benefit on the Promoter.
3. Upon identification of the matter, the Company has initiated corrective action and amount paid to Mr. Kamlesh Jain has been returned by him to the Company again as loan, thereby restoring the amount to the Company for business use.

The unsecured loan from the Promoter continues to remain outstanding, not to the extent of such reinstated amount but at higher level and there is no permanent appropriation of IPO proceeds in favour of the Promoter. The outstanding balance due to the Promoter aggregated to INR 1,818 million as at the end of November 2025, INR 1,502 million as at December 2025, and INR 2,211 million as at January 2026. The Company further confirms that:

- The Matter has been placed before the Audit Committee and the Board of Directors for review.
- The disclosure shall be made in accordance with Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Company shall comply with the provisions of Regulations 41 & 59 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, read with Schedule XX relating to monitoring of utilisation of issue proceeds including obtaining of requisite approval from shareholders and exit opportunity for dissenting shareholders, as may be applicable.
- The Company shall comply with the provisions of Regulation 32 of the SEBI (LODR), 2015 and section 27 of the Companies Act, 2013 read with Rule 7 of the Companies (Prospectus and allotment of securities Rules), 2014.
- The Company remains committed to maintaining transparency, regulatory compliance and safeguarding the interests of shareholders.



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In view of this, the deviation was purely due to inadvertent error and temporary in nature, does not result in any change in the overall utilisation of the issue proceeds, has no material adverse impact on the financial position of the Company, and does not prejudice the interests of public shareholders.

The funds position of the Company is healthy and this inadvertent use of the funds has been fully redeemed and hence has no material or adverse impact.

The Management reiterates its commitment to the highest standards of corporate governance, regulatory compliance and transparent utilisation of public issue proceeds.

**For and on behalf of Board of Directors,
Jain Resource Recycling Limited**

A handwritten signature in blue ink, appearing to read "Hemant Shantilal Jain".

Hemant Shantilal Jain
Director & Chief Financial Officer