



## **Kaytex Fabrics Ltd.**

**Specialists in : SUITINGS, SHIRTINGS**

**Sales Office :**

After Suncity Turn, Main Batala Road,  
Amritsar-143 001

Ref. No. ....

Dated .....

**Date: May 15, 2026**

To,  
**National Stock Exchange of India Limited**  
"Exchange Plaza"  
Bandra-Kurla Complex, Bandra (East)  
Mumbai - 400051

**Symbol: KAYTEX**

**Sub.: Monitoring Agency Report for the quarter and year ended on March 31, 2026.**

Dear Sir / Ma'am,

Pursuant to Regulation 32(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Regulation 41(4) of SEBI (Issue of capital and Disclosure Requirements) Regulation, 2018, please find enclosed herewith Monitoring Agency Report issued by Infomerics Valuation and Rating Limited, Monitoring Agency for the quarter and year ended on March 31, 2026 in respect of utilization of proceeds of Initial Public offer of the company.

You are requested to take the above information on your records.

**FOR KAYTEX FABRICS LIMITED**

**AMIT KANDHARI**  
**WHOLE-TIME DIRECTOR & CFO**  
**DIN: 01412828**

**Monitoring Agency Report  
For Kaytex Fabrics Limited  
for the quarter ended March 31, 2026**

Monitoring Agency Report

May 15, 2026

To,  
Kaytex Fabrics Limited  
Batala Road, Post Office Khanna Nagar,  
Amritsar – 143 001, Punjab, India

Dear Sir,

**Monitoring Agency Report for the quarter ended March 31, 2026 - in relation to the Initial Public Offer (“IPO”) of Kaytex Fabrics Limited (“The Company”)**

We write in our capacity of Monitoring Agency for the Initial Public Offer (IPO) for the amount aggregating to Rs. 69.81 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 March 31, 2026, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated July 12, 2025.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of Infomerics Valuation and Rating Limited

**VIPIN** Digitally signed  
by VIPIN JINDAL  
Date: 2026.05.15  
17:35:13 +05'30'

Vipin Jindal

**JINDAL**  
(Director - Ratings)

[vipin.jindal@infomerics.com](mailto:vipin.jindal@infomerics.com)

## **Report of the Monitoring Agency**

**Name of the Issuer:** Kaytex Fabrics Limited

**For quarter ended:** March 31, 2026

**Name of the Monitoring Agency:** Infomerics Valuation and Rating Limited

(a) Deviation from the objects: No

(b) Range of Deviation: Nil

Indicate range of percentage deviation from the amount of issue proceeds earmarked for objects. For example, up to 10%, 10 – 25%, 25-50%, 50-75%, 75-100%, not ascertainable etc.

\* Range of Deviation may be computed by taking weighted average of financial deviation of each object in the ratio of issue proceeds allocated for it. Non-financial deviation may be indicated separately by way of notes.

### **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 Monitoring Agency (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 declare that we do not have any direct / indirect interest in or relationship with the issuer/promoters/directors/management and also confirm that we do not perceive any conflict of interest in such relationship / interest while monitoring and reporting the utilization of issue proceeds by the issuer.

We further declare that this report provides true and fair view of the utilization of issue proceeds.

Signature: **VIPIN**

**JINDAL**

Digitally signed  
by VIPIN JINDAL

Date: 2026.05.15

17:35:29 +05'30'

Name of the Authorized Person/Signing Authority: Vipin Jindal

Designation of Authorized person/Signing Authority: Director - Ratings

Seal of the Monitoring Agency:

Date: May 15, 2026



**1) Issuer Details:**

Name of the issuer: Kaytex Fabrics Limited

Names of the promoters of the issuer: Mr/s. Sanjeev Kandhari, Amit Kandhari, Shelly Kandhari and Priti Kandhari

Industry/sector to which it belongs: Kaytex Fabrics Limited is involved in the manufacturing of fabrics.

**2) Issue Details:**

Issue Period: July 29, 2025 to July 31, 2025.

Type of issue (public/rights): Fresh Issue

Type of specified securities: Equity shares

Grading: Not Applicable

Issue size (Rs in Crores): Rs. 69.81 crores (Note No. 1 & Note No. 2)

**Note 1**

Initial Public issue 38,78,400 Equity shares for cash at a price of Rs.180/- per Equity share (including a premium of Rs.170/- per Equity Share) aggregating to Rs.69.81 Crore.

Particulars	Remarks	Amount (in Rs. crore)
<b>Approved by Board</b>		
<b>Total shares to be issued</b>		69.81
<b>Offer for sale</b>		12.23
<b>Fresh shares to be issued</b>		57.58
<b>Details of expenses to be incurred</b>	-	8.23
<b>Net Proceeds to be received</b>		<b>49.35</b>
<b>Current Status</b>		
<b>Total fresh shares issued (Gross Proceeds)</b>		57.58
<b>Issue related expenses incurred</b>		8.23
<b>Net Issue proceeds</b>		<b>49.35</b>



**Note 2**

<b>Particulars</b>	<b>Amount (Rs. Crore)</b>
<b>Gross Proceeds from the Issue</b>	57.58
Less: Estimated issue related expenses	8.23
<b>Net proceeds from the issue</b>	<b>49.35</b>

\*Issue related expenses as per prospectus.

**3) Details of the arrangement made to ensure the monitoring of issue proceeds:**

<b>Particulars</b>	<b>Reply</b>	<b>Source of information / certifications considered by Monitoring Agency for preparation of report</b>	<b>Comments of Monitoring Agency</b>	<b>Comments of Board of Directors</b>
Whether all the utilization is as per disclosure in Prospectus?	Yes, the utilization is in accordance with the objects as per the prospectus Shareholder's Resolution passed at EGM	Invoices, Ledgers, Bank Statements, CA Certificate*, Management declaration**	Refer Note 1	No Comments
Whether Shareholder approval is obtained in case of material deviations from expenditures disclosed in Offer Document?	None	None	None	None
Whether means of finance for disclosed objects of the Issue has changed?	There is no change in the means of finance for disclosed objects	Not applicable	No	Not applicable
Any major deviation observed over the earlier monitoring agency reports?	No	Not applicable	No	Not applicable
Whether all Government / Statutory approvals related to the object(s) obtained?	Yes	Principal approval from BSE	No Comments	Not applicable
Whether all arrangements pertaining to technical assistance/collaboration in operation?	Not Applicable	Not applicable	Not Applicable	Not applicable
Any favourable events improving object(s) viability	There are no events affecting the viability of these objects.	Not applicable	Nil	None
Any unfavourable events affecting object(s) viability	There are no events affecting the viability of these objects.	Not applicable	Nil	None



Any other relevant information that may materially affect the decision making of the investors	There is no other relevant information that may affect the decision making of the investor	Not applicable	Nil	None
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*\*The above details are verified by SGUR & Co. Chartered Accountants (Membership Number: 005429N) Statutory Auditor vide its CA certificate dated May 09, 2026.*

Auditor's remark No deviations from expenditure disclosed in the Offer document.

\*\* The above details are verified by Mr. Amit Kandhari – WTD & CFO of the company, vide its management declaration dated May 12,2026.

Note 1: Due to limitation of time and large number of invoices, the invoices are checked on sample basis. Out of Rs. 5.45 crore utilisation during Q4FY26, Rs. 4.50 crore is verified by IVRL.

^ Material Deviation would mean

- a) Deviation in the objects or purposes for which the funds have been raised
- b) Deviation in the amount of funds actually utilised by more than 10% of the amount projected in the offer document.

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

(i) Cost of object(s)-

Sl. 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 Monitoring Agency	Comments of Board of Directors		
						Reason of cost revision	Proposed financing option	Particulars of firm arrangements made
1	Funding of Working capital Requirement of the Company	Prospectus*	30.00	30.00	There is no change in cost of objects due to issue being fully subscribed by the investors.	NA	NA	NA
2	Funding of Capital Expenditure towards Construction of Sales Office	Prospectus*	3.73	3.73		NA	NA	NA
3	Funding of Capital Expenditure towards Construction of additional warehouse facility	Prospectus*	2.56	2.56		NA	NA	NA
4	Funding of Capital Expenditure towards purchase of	Prospectus*	5.01	5.01		NA	NA	NA



	advanced processing system							
5	General Corporate Purpose	Prospectus*	8.05	8.05		NA	NA	NA
	<b>Total</b>		<b>49.35</b>	<b>49.35</b>				
	Issue related exp	Prospectus*	8.23	8.23		NA	NA	NA
	<b>TOTAL</b>		<b>57.58</b>	<b>57.58</b>				

\* Sourced from the Prospectus dated August 01, 2025.

(ii) Progress in the object(s)-

Sl. 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 March 31, 2025 (Rs. crore)	Amount utilized			Unutilised amount in Rs. crore	Comments of Monitoring Agency	Comments of Board of Directors	
					As at beginning of the quarter	During the quarter	At the end of the quarter			Reason of idle funds	Proposed Course of Action
1	Funding of Working capital Requirement of the Company	CA Certificate*, Bank Statements, Prospectus, Shareholder's Resolution at EGM, Management declaration**	30.00	30.00	29.88	0.12	30.00	0.00	No Comments	No comments being it fully utilized	No comments being it fully utilized

2	Funding of Capital Expenditure towards Construction of Sales Office	CA Certificate*, Bank Statements, Prospectus, Shareholder's Resolution at EGM, Management declaration**	3.73	3.73	0.25	0.75	1.00	2.73	No Comments	Construction activities are under progress, and certain payments are linked with completion milestones.	The partial utilisation of fund is made, however, the balance amount is proposed to be fully utilised in FY27.
3	Funding of Capital Expenditure towards Construction of additional warehouse facility	CA Certificate*, Bank Statements, Prospectus, Shareholder's Resolution at EGM, Management declaration**	2.56	2.56	0.00	0.00	0.00	2.56	No Comments	Delay in commencement of execution activities due to vendor issues	The proceed is proposed to be fully utilised in FY27.
4	Funding of Capital Expenditure towards purchase of advanced	CA Certificate*, Bank Statements, Prospectus, Shareholder's Resolution at EGM,	5.01	5.01	1.50	3.51 <sup>^</sup>	5.01	-	No Comments	No comments being it fully utilized	No comments being it fully utilized

	processing system	Management declaration**									
5	General Corporate Purpose	CA Certificate*, Bank Statements, Prospectus, Shareholder's Resolution at EGM, Management declaration**	8.05	8.05	4.81	1.07	5.88	2.17	No comments	The management has kept the said unutilized amount in Fixed Deposit.	Management is maintain cash reserves for future operational needs for expansion or other operational need.
<b>TOTAL</b>			<b>49.35</b>	<b>49.35</b>	<b>36.44</b>	<b>5.45</b>	<b>41.89</b>	<b>7.46</b>	-	-	-
<b>Issue Expense</b>			<b>8.23</b>	<b>8.23</b>	<b>8.22</b>	-	-	<b>0.01</b>	-	-	-

^ Certificate issued by company's statutory auditors, i.e. M/s SGUR & Co., Statutory Auditor dated May 09, 2026

\*\*Sourced from prospectus issued by the company dated August 01, 2025

^The total expense made during the quarter stood at Rs. 4.41 crore out of which Rs. 0.90 crore has been made from internal accruals, this is allowed as per final prospectus)

@Brief description of Object(s):

S. No	Name of the object(s)	Brief description of the object(s)
1	Funding capital expenditure for construction of additional warehouse facility in Amritsar	The Company currently operates two godowns near Gouri Shanker Mandir, Amritsar, for storage of yarns, chemicals, dyes, inks, and greige fabrics, along with a multi-functional facility at Batala Road for fabric storage, corduroy production, and hand embroidery. As of March 31, 2025, it has a manufacturing capacity of 1.59 crore MPA and has further expanded its digital printing capabilities. To support growing operations, the Company proposes to invest Rs. 2.56 crore in Fiscal 2026 for construction of an additional warehouse facility of approximately 19,000 sq. ft. at Village Balkalan, Majitha, Amritsar. The estimated project cost of Rs. 2.56 crore (excluding GST) is based on a quotation from Nav Bharat Construction (India). Upon commissioning of new digital printing machinery, the Company's digital printing capacity is expected to increase to 140.00 lakhs MPA. The proposed warehouse will enhance storage capacity, improve logistics efficiency, and support higher production and inventory levels.
2	Funding capital expenditure for construction of dedicated sales office in Amritsar;	As of the date of the Prospectus, the Company established a dedicated sales and design office in June 2024 at Lower Parel, Mumbai, to strengthen its presence in West and South India. The office serves as a central hub for engaging with apparel brands, wholesalers, exporters, and institutional buyers, while also supporting expansion into the menswear and export segments. Further, the Company proposes to invest Rs. 3.73 crore in Fiscal 2026 for construction of a dedicated sales office of approximately 20,400 sq. ft. at Batala Road, Khanna Nagar, Amritsar. The project has been approved by the Board on January 15, 2025. The estimated cost of Rs. 3.73 crore (excluding GST) is based on a quotation received from Nav Bharat Construction (India) and has been certified as economically and technically feasible. The proposed Amritsar office will enhance market reach in Northern India, improve client engagement, streamline sales operations, and enable closer coordination with production and warehouse facilities to support long-term growth.
3	Funding capital expenditure towards purchase of advanced fabric processing system for our existing printing, dyeing and processing unit in Amritsar.	The Company proposes to utilise Rs. 5.01 crore from the Net Proceeds in Fiscal 2026 for the purchase of a "MENZEL" Open-Width Continuous Scouring and Bleaching Range with Microprocessor Attachments and Automatic Chemical Dosing System for its processing unit at Village Balkalan, Majitha, Amritsar. The proposal was approved by the Board on January 15, 2025. The machinery will be procured from Menzel Engg India Private Limited at a quoted cost of Rs. 5.01 crore (excluding GST). The advanced system enables open-width continuous processing, precise parameter control through microprocessors, and automated

		chemical dosing to enhance quality and reduce wastage. The installation is expected to improve production efficiency, ensure uniform fabric processing, and promote sustainable manufacturing practices. The machine is scheduled for order placement in June 2025 and is expected to become fully operational by January 2026.
4	Funding our incremental working capital requirements; and	Company proposes to utilize Rs. 30.00 Crore of the Net Proceeds in Fiscal 2026, towards the Company's incremental working capital requirements due to the increase in production capacity. The balance portion of the incremental working capital requirement shall be met through internal accruals. On the basis of the existing working capital requirements, management estimates and the projected working capital requirements, the Board of Directors, pursuant to their resolution dated July 05, 2025, has approved the projected working capital requirements for Fiscal 2026 and Fiscal 2027.
5	General Corporate Expenses	The Company proposes to deploy the balance Net Proceeds aggregating to Rs. 8.06 Crore towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds from the Offer, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which the Company proposes to utilize Net Proceeds include, but are not restricted to, the following <ul style="list-style-type: none"> <li>a) meeting ongoing general corporate expenses, exigencies and contingencies; and</li> <li>b) costs / expenses towards meeting certain business requirements.</li> </ul>

(iii) Deployment of unutilized IPO Proceeds:

Sl. no.	Type of instrument where amount invested	Amount invested (in Crores)	Maturity date	Earnings (in Crores)	Return on Investment (ROI %)	Market Value as at the end of Q4FY2026
1	Flex Fixed Deposit (sweep FDR)	7.34	-	-	6.15% p.a.	7.34
2	Current Account	0.13	-	-	-	0.13
	<b>Total</b>	<b>7.47</b>			<b>NA</b>	<b>7.47</b>

(iv) Delay in implementation of the object(s)-

Object(s) Name	Completion Date		Delay (No. of days/ months)	Comments of Board of Directors	
	As per Offer Document	Actual *		Reason of delay	Proposed Course of Action
Funding capital expenditure for construction of additional warehouse facility in Amritsar	FY26	Ongoing	Refer note 1	Delay in commencement of execution activities due to vendor issues	The proceed is proposed to be fully utilised in FY27.
Funding capital expenditure for construction of dedicated sales office in Amritsar;	FY26	Ongoing	Refer note 1	Construction activities are under progress, and certain payments are linked	The partial utilisation of fund is made , however, the balance amount is proposed to

				with completion milestones.	be fully utilised in FY27.
Funding capital expenditure towards purchase of advanced fabric processing system for our existing printing, dyeing and processing unit in Amritsar.	FY26	Ongoing	Refer note 1	No comments being it fully utilized	No comments being it fully utilized
Funding our incremental working capital requirements; and	FY26	Ongoing	Refer note 1	No comments being it fully utilized	No comments being it fully utilized
General Corporate Expenses	FY26	Ongoing	Refer note 1	The management has kept the said unutilized amount in Fixed Deposit.	Management is maintain cash reserves for future operational needs for expansion or other operational need.

**Note 1:** The project was to be completed in FY26 as per implementation schedule in prospectus, however there is a delay in implementation and the company has submitted the board resolution for the same.

**v) Details of utilisation of Proceeds stated as General Corporate Purpose (GCP) amount in the offer document:**

S.No	Item Head	Amount in Rs. Crore	Source of Information/Certifications Considered by the Monitoring agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	Electricity expense (combined)	1.04	Bank Statements, CA Certificate*, Invoices, Management declaration**	The funds are utilised for payment of electricity expenses	None
2	Others Miscellaneous Expenses	0.03	Bank Statements, CA Certificate*, Invoices, Management declaration**	The funds are utilised for payment of other	None



				miscellaneous expenses	
	<b>TOTAL</b>	<b>1.07</b>			

\* The above details are verified by M/s SGUR & Co. Chartered Accountants (FRN:005429N) Statutory Auditor vide its CA certificate dated May 09, 2026.

\*\* The above details are verified by Mr. Amit Kandhari – WTD & CFO of the company, vide its management declaration dated May 12,2026.

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