PAVNA INDUSTRIES LIMITED

CIN-L34109UP1994PLC016359
Registered Office: Vimlanchal, Hari Nagar, Aligarh, Uttar Pradesh – 202001
Corporate Address: Sushayat Khurd Aligarh-Agra Road, Near Mangalayatan Mandir,
Sasni, Hathras, Aligarh, Uttar Pradesh, India, 204216
Email: cs@pavnagroup.com; Website: www.pavna.in Tel No.: +91-8006409332

August 13, 2026

To,	To,
The BSE Limited Dept of Corporate Services Phirozee Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001 (Maharashtra) **Scrip Code :543915**	**The National Stock Exchange of India Limited** The Listing Department Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai- 400051(Maharashtra) **Symbol :PAVNAIND**

ISIN-INE07S101038

Sub: Statement of deviation or variation in utilization of issue proceeds for the quarter ended 30th June, 2026.

Dear Sir/Mam,

Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that there is no deviation or variation in the use of proceeds of preferential issue of Equity Shares & Fully Convertible Warrants. A statement of deviation or variation, in the prescribed format, duly reviewed by Audit Committee is attached herewith.

You are requested to take the above information on record.

Yours faithfully

For Pavna Industries Limited

SWAPNIL JAIN
Digitally signed by SWAPNIL JAIN
Date: 2026.08.13 17:25:57 +05'30'

Swapnil Jain
Managing Director
DIN:01542555

Encl: As above

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Statement of deviation or variation in utilization of issue proceeds:

Name of listed entity	PAVNA INDUSTRIES LIMITED
Mode of Fund Raising	Preferential Issue
Date of Raising Funds	29th January, 2025
Amount Raised (Rs. In Crores)	210.70 (Refer Note 1)
Report filed for Quarter ended	June 30, 2026
Monitoring Agency	Yes
Monitoring Agency Name, if applicable	CARE Ratings Limited
Is there a Deviation / Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects,	Not Applicable
which was approved by the shareholders	
If Yes, Date of shareholder Approval	Not Applicable
Explanation for the Deviation / Variation	Not Applicable
Comments of the Audit Committee after review	None
Comments of the auditors, if any	None

Note 1-PIL has issued 17,72,200 preferential equity shares at Rs.505 per share (including premium of Rs.495 per share) and 24,00,000 fully convertible warrants at issue price of Rs.505 per warrant aggregating Rs.210.70 crore. Entire proceeds pertaining to preferential equity shares amounting to Rs.89.50 crore and 25% proceeds pertaining to fully convertible warrants amounting Rs. 30.30 crores aggregating to Rs.119.80 crore have been received. The balance 75% was payable at the time of exercise of warrants within a period of 18 months from the date of allotment, i.e., on or before July 28, 2026. Since, the Company has not received the balance 75% consideration from the warrant holders within the stipulated timeline, accordingly, the outstanding warrants have lapsed upon expiry of the exercise period, i.e., on July 28, 2026.Consequently, with effect from July 29, 2026, the upfront subscription amount received at the time of allotment, being 25% of the issue price, amounting to ₹30,30,00,000/- (₹30.30 Crore) stands forfeited, in line with Regulation 169(3) of Chapter V of the SEBI ICDR Regulations.

Objects for which funds have been raised and where there has been a deviation, in the following table:

(Rs. In Cr)

Original Object	Modified Object, if any	Original Allocation	Modified Allocation if any (Note 3)	Funds Utilised (Note 5)	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
Issue related expenses	Not Applicable	0.28	0.28	Nil	Not Applicable	(Note 2)
Working capital requirements	Not Applicable	81.50	81.50	Nil	Not Applicable	-
General Corporate Purposes	Not Applicable	80.25	50.00	Nil	Not Applicable	-
Strategic acquisitions	Not Applicable	160.00	78.92	Nil	Not Applicable	-
		322.03	210.70	-		(Note 4)

Note 2: Issue expense had already been incurred. However the same is yet to reimburse from Monitoring Account.

Note 3: Modification in allocated amount is due to undersubscription of preferential issue of Equity Shares & Fully Convertible Warrants.

Note 4: The Company has not received funds during the quarter ended June 30, 2026.

Note 5: There has been no utilisation of funds during the quarter ended June 30, 2026.

Note 6: Comments of the Monitoring Agency: As of August 4, 2026, the Company's share price of ₹18.41 per share was significantly lower than the warrant conversion price of ₹50.50 per share. Upon the expiry of the prescribed period for payment of the balance 75% warrant consideration, the warrants lapsed and the upfront subscription amount of ₹30.30 crore was forfeited on July 28, 2026. As a result, after considering the preferential equity issue of ₹89.50 crore, the effective fund raise stands reduced to ₹119.80 crore. The reduction in the overall issue size has consequently increased the proportion of issue proceeds allocated towards General Corporate Purpose, causing it to exceed the 25% limit stipulated under applicable SEBI regulations, thereby resulting in a regulatory breach.

Note 7: Comments of the Board of Directors: The Preferential Issue size was ₹210.70 crore, of which ₹50.00 crore was allocated towards General Corporate Purposes (GCP), well within the permissible limit of 25% under applicable SEBI regulations. Against this allocation, the Company has utilised only ₹38.30 crore.The observation appears to arise from comparing the GCP utilisation of ₹38.30 crore with the ₹119.80 crore received as of the relevant date. However, at the time of utilisation, the Company was entitled to receive the balance warrant consideration within the stipulated 18-month period, and therefore the approved issue size, and not the amount received as on a particular date, should be the basis for assessing permissible GCP utilisation. Any subsequent forfeiture of warrants, resulting in a lower amount ultimately received, does not retrospectively alter the approved allocation or the utilisation of funds already made in accordance with the objects of the issue. Accordingly, since the GCP utilisation of ₹38.30 crore is within the approved allocation of ₹50.00 crore, the Board is of the view that the utilisation is fully compliant with applicable regulatory requirements and does not constitute any breach or non-compliance.

For Pavna Industries Limited

SWAPNIL JAIN
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Date: 2026.08.13 17:26:11 +05'30'

Swapnil Jain
Managing Director
DIN:01542555