



Kaytex Fabrics Ltd.

Specialists in : SUITINGS, SHIRTINGS

Sales Office :

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

Ref. No.

Dated

Date: February 14, 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 ended on December 31, 2025.

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 ended on December 31, 2025 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 December 31, 2025

Monitoring Agency Report

February 14, 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 December 31, 2025 - 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 December 31, 2025, 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 Jindal

(Director - Ratings)

vipin.jindal@infomerics.com

Report of the Monitoring Agency

Name of the Issuer: Kaytex Fabrics Limited

For quarter ended: December 31, 2025

Name of the Monitoring Agency: Infomerics Valuation and Rating Limited

(a) Deviation from the objects: None

(b) Range of Deviation: NA

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 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:

Name of the Authorized Person/Signing Authority: Vipin Jindal

Designation of Authorized person/Signing Authority: Director - Ratings

Seal of the Monitoring Agency:

Date: February 14, 2026

1) Issuer Details:

Name of the issuer: Kaytex Fabrics Limited

Names of the promoters of the issuer: Mr. Sanjeev Kandhari, Mr. Amit Kandhari and Ms. Shelly Kandhari and Ms. 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.

Total Issue size (a)	Rs. 69.81 Crore
Fresh Offer	Rs. 57.58 Crore
Offer for sale	Rs 12.23 Crore
Offer Related Expense	Rs. 8.23 Crore
Total amount available for utilisation	Rs. 49.35 Crore

Note 2

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

*Issue related expenses as per prospectus.

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 Monitoring Agency	Comments of Board of Directors
Whether all the utilization is as per disclosure in Prospectus?	Yes, the utilization is in accordance with the objects as per the prospectus	Sample Invoices, Ledgers, Bank Statements, CA Certificate*	<p>During Q3FY26, the Company utilized Rs. 20.66 crore, comprising:</p> <ul style="list-style-type: none"> Rs. 16.50 crore towards working capital utilization Rs. 0.15 crore towards construction of a sales office Rs. 1.50 crore towards purchase of a processing system Rs. 2.51 crore towards GCP. <p>There has been delay in implementation of object. (Refer Pg 14 Point IV, Delay in implementation of objects)</p>	None
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 comments	None

Any major deviation observed over the earlier monitoring agency reports?	None	None	None	None
Whether all Government / Statutory approvals related to the object(s) obtained?	Yes	Principal approval from BSE, Shareholder's Resolution at EGM	No Comments	None
Whether all arrangements pertaining to technical assistance/collaboration in operation?	Not Applicable	Not applicable	Not Applicable	None
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

**The above details are verified by SGUR & Co. Chartered Accountants (Membership Number: 005429N) Statutory Auditor vide its CA certificate dated February 10, 2026.*

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	Final Prospectus*	30.00	Not applicable	No change in cost of object	None	None	None
2	Funding of Capital Expenditure towards Construction of Sales Office	Final Prospectus*	3.73	Not applicable	No change in cost of object	None	None	None
3	Funding of Capital Expenditure towards Construction of	Final Prospectus*	2.56	Not applicable	No change in cost of object	None	None	None

	additional warehouse facility							
4	Funding of Capital Expenditure towards purchase of advanced processing system	Final Prospectus*	5.01	Not applicable	No change in cost of object	None	None	None
5	General Corporate Purpose	Final Prospectus*	8.05	Not applicable	No change in cost of object	None	None	None
	TOTAL		49.35	-				

**Sourced from final prospectus page number 31 dated August 01, 2025*

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 Dec 31, 2025 (Rs. crore)	Amount utilized			Unutilized amount in Rs. crore	Comments of Monitoring Agency	Comments of Board of Directors	
					As at Beginning of the Q3FY26	During Q3FY26	At the end of Q3FY26			Reason of idle funds	Proposed Course of Action
1	Funding of Working capital Requirement of the Company	CA Certificate*, Bank Statements, and Prospectus	30.00	30.00	13.37	16.50	29.87	0.13	The company has utilized Rs. 16.50 Crore during Q3 FY26.	None	None None
2	Funding of Capital Expenditure towards Construction	CA Certificate*, Bank Statements, and Prospectus	3.73	3.73	0.10	0.15	0.25	3.48	The company has utilized Rs.0.15 Crore during Q3 FY26.	None	None

	of Sales Office										
3	Funding of Capital Expenditure towards Construction of additional warehouse facility	CA Certificate*, Bank Statements, and Prospectus	2.56	2.56	-	-	-	2.56	The company has not utilized during Q3 FY26.	None	None
4	Funding of Capital Expenditure towards purchase of advanced processing system	CA Certificate*, Bank Statements, and Prospectus	5.01	5.01	-	1.50	1.50	3.51	The company has utilized Rs. 1.50 Crore during Q3 FY26.	None	None
5	General Corporate Purpose	CA Certificate*, Bank Statements, and Prospectus	8.05	8.05	2.30	2.51	4.81	3.24	The company has utilized Rs. 2.51 Crore during Q3 FY26.	None	None
TOTAL			49.35	49.35	15.77	20.66	36.43	12.92			
Issue Expense			8.23	8.23	8.22	-	8.22	0.01	-		

**Certificate issued by company’s statutory auditors, i.e. M/s SGUR & Co., Statutory Auditor dated February 10, 2026*

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

@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	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

	system for our existing printing, dyeing and processing unit in Amritsar.	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 a) meeting ongoing general corporate expenses, exigencies and contingencies; and b) costs / expenses towards meeting certain business requirements.

(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 Q3 FY 2026
1	Flex Fixed Deposit	12.08	-	-	6.15	12.08
2	Current Account	0.84	-	-	-	0.84

	Total	12.92	NA	NA	NA	12.92
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(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	December 2025	Ongoing	Delay of 44 days	The delay in implementation of the project is primarily attributable to changes in Layouts. the Company engaged in multiple rounds of discussions with vendors to evaluate suitable changes aligned with evolving industry standards and safety norms	Vendor and company in discussions to finalize the lay-outs, the completion of this object will be taken over in the subsequent financial year and completed in FY 2026-27.
Funding capital expenditure for construction of dedicated sales office in Amritsar;	January 2026	Ongoing	Delay of 14 days	The delay is triggered by delay in launch of construction and longer than estimated duration of construction due to some changes in lay-outs.	The construction is in full swing and civil work is expected to be completed by June 2026.

Kaytex Fabrics Limited**Date of Meeting: February 14, 2026**

Funding capital expenditure towards purchase of advanced fabric processing system for our existing printing, dyeing and processing unit in Amritsar.	January 2026	Ongoing	Delay of 14 days	Commissioning delay by about 2 months, expected to be operational by March 2026 vs Feb 2026 planned.	None
Funding our incremental working capital requirements; and	FY26	Ongoing	No Delay	-	-
General Corporate Expenses	FY26	Ongoing	No Delay	-	-

**We have visited the site and observes that timelines are not met. Reason as per management informed during site visit is as mentioned below:*

Object	Reason for delay
Construction of additional warehouse facility in Amritsar	Delay in launching due to change in vendor and layout design edits
Construction of dedicated sales office in Amritsar;	Delay due to change in vendor, and some design changes in layout
Purchase of advanced fabric processing system for our existing printing, dyeing and processing unit in Amritsar.	Delay at vendor level, PO issued and advance give in October

v) Details of utilization 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
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1	Tax Payment	0.76	Bank Statements, CA Certificate* and sample invoices	GCP utilized for payment of Income Tax	None
2	Electricity expense (combined)	0.82	Bank Statements, CA Certificate* and sample invoices	The funds are utilized for payment of electricity expenses	None
3	Rent	0.23	Bank Statements, CA Certificate* and sample invoices	The funds are utilized for payment of rent	None
4	Security Agency Services	0.08	Bank Statements, CA Certificate* and sample invoices	The funds are utilized for payment of security Agency	None
5	Others Miscellaneous Expenses	0.62	Bank Statements, CA Certificate* and sample invoices	The funds are utilized for payment of other miscellaneous expenses	None
	TOTAL	2.51			

* The above details are verified by M/s SGUR & Co. Chartered Accountants (FRN:005429N) Statutory Auditor vide its CA certificate dated February 10, 2026.

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