HFCL GROUP

HFCL Limited
8, Commercial Complex, Masjid Moth, Greater Kailash - II,
New Delhi - 110048, India
Tel : (+91 11) 3520 9400, 3520 9500 Fax : (+91 11) 3520 9525
Web : www.hfcl.com
Email : secretarial@hfcl.com

HFCL/SEC/26-27
July 23, 2026

BSE Ltd. 1st Floor, New Trading Wing, Rotunda Building Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai – 400001 corp.relations@bseindia.com **Security Code No.: 500183**	**National Stock Exchange of India Ltd.** Exchange Plaza, 5th Floor, C – 1, Block G Bandra – Kurla Complex, Bandra (E) Mumbai – 400051 cmlist@nse.co.in **Security Code No.: HFCL**

RE: Regulation 32(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Subject: Monitoring Agency Reports on the utilisation of proceeds raised through Qualified Institutions Placements and Preferential Issue of Warrants for the Quarter ended June 30, 2026

Dear Sir(s)/ Madam,

We would like to inform that the Company had raised funds ~550 crore by way of allotment of 8,79,29,651 (Eight Crore Seventy Nine Lakh Twenty Nine Thousand Six Hundred and Fifty One) equity shares of face value of Re.1/- each, to QIBs, at a price of ₹62.55/- per Equity Share [reflecting a discount of ₹3.29 (i.e. 5%) on the floor price of ₹65.84 per Equity Share] (including premium of ₹61.55 per Equity Share), pursuant to the resolution passed by the Board of Directors dated July 25, 2025, special resolution passed by the Shareholders at their 38th AGM held on September 15, 2025, the preliminary placement document dated December 22, 2025, the placement document dated December 24, 2025 and resolution of the Fund Raising Committee of the Board of Directors dated December 24, 2025.

We would like to further inform that the Board of Directors and the Shareholders of the Company, at their respective meetings held on March 25, 2026 and April 24, 2026, approved the raising of funds by way of a preferential issue of 7,50,00,000 Warrants to persons belonging to the Promoter/Promoter Group category at an issue price of ₹74/- per Warrant, each convertible into equivalent number of equity shares of the Company, in accordance with the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") and the Companies Act, 2013. Pursuant thereto, the Allotment Committee (Warrants), at its meeting held on May 25, 2026, approved the allotment of the said Warrants and the Company received 25% of the issue price, i.e., ₹18.50 per Warrant, aggregating to ₹138.75 crore, from the allottees.

In terms of Regulations 32(6) of the SEBI Listing Regulations read with Regulation 162A(4) and 173A(4) of the SEBI ICDR Regulations, please find enclosed the Monitoring Agency Reports for the quarter ended June 30, 2026, issued by CARE Ratings Limited, Monitoring Agency, appointed to monitor the utilisation of proceeds raised through issuance of equity shares by way of Qualified Institutions Placements and Preferential Issue of Warrants.

You are requested to take the above information on records and disseminate the same on your respective websites.

Thanking you.

Yours faithfully,
For **HFCL Limited**

MANOJ BAID
Digitally signed by MANOJ BAID
Date: 2026.07.23 13:16:22 +05'30'

(Manoj Baid)
President & Company Secretary

Encl.: Monitoring Agency Reports

No. CARE/NRO/GEN/2026-27/1070

Monitoring Agency Report

The Board of Directors
HFCL Limited
8, Commercial Complex,
Masjid Moth,
Greater Kailash – II,
New Delhi – 110048,
India

July 22, 2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended June 30, 2026 - in relation to the Preferential Issue of HFCL Limited ("the Company")

We write in our capacity of Monitoring Agency for the Preferential Issue for the amount aggregating to Rs. 555.00 crore of the Company and refer to our duties cast under 162A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

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 April 06, 2026.

Request you to kindly take the same on records.

Thanking you,

Yours faithfully,

Sahil Goyal

Sahil Goyal

Associate Director

Sahil.Goyal@careedge.in

CareEdge RATINGS

Report of the Monitoring Agency
Name of the issuer: HFCL 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.

Sahil Goyal

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

1) Issuer Details:

Name of the issuer : HFCL Limited
Name of the promoter : Mr. Mahendra Nahata
Industry/sector to which it belongs : Telecommunications - Telecom Equipment & accessories

2) Issue Details

Issue Period : 18 months from the date of allotment
Type of issue (public/rights) : Preferential Issue of Warrants
Type of specified securities : Warrants convertible into equity shares
IPO Grading, if any : Not applicable
Issue size (in crore) : Rs. 555.00 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?	Yes	Chartered Accountant certificate*, Bank statement and Placement Document, Management Certificate	During Q1FY27 company received Rs. 138.75 crores out of which it has utilized Rs. 48.75 crores towards the object of the issue.	No Comments Received
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Not applicable	Not applicable	No Comments Received
Whether the means of finance for the disclosed objects of the issue have changed?	No	Management Certificate	Nil	No Comments Received
Is there any major deviation observed over the earlier monitoring agency reports?	Not Applicable	Monitoring agency reports	This is the first monitoring agency report	No Comments Received
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	Management Certificate	Nil	No Comments Received

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 arrangements pertaining to technical assistance/collaboration are in operation?	Not applicable	Management Certificate	Nil	No Comments Received
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Management Certificate, CA Certificate	Nil	No Comments Received
Is there any other relevant information that may materially affect the decision making of the investors?	No	Management certificate	Nil	No Comments Received

** Chartered Accountant certificate from Oswal Sunil & Company dated July 17, 2026*

#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	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	To Fund the Capital Expenditure towards Plant & Machinery and utilities for setting up of a preform manufacturing facility through our subsidiary namely HFCL Technologies Private Limited ("Preform Manufacturing Facility")	Chartered Accountant certificate*, Bank statement and Placement Document	175.00	NA	NA	No Comments Received	No Comments Received	No Comments Received

2	To Fund the capital expenditure for setting up of a defence manufacturing facility in the Company (Defence Manufacturing Facility)	Chartered Accountant certificate*, Bank statement and Placement Document	50.00	NA	NA	No Comments Received	No Comments Received	No Comments Received
3	To Invest into equity shares of HFCL Advance Systems Private Limited, a subsidiary of the Company	Chartered Accountant certificate*, Bank statement and Placement Document	90.00	NA	NA	No Comments Received	No Comments Received	No Comments Received
4	Funding the working capital requirements of the Company including inventory and receivables management.	Chartered Accountant certificate*, Bank statement and Placement Document	140.00	NA	NA	No Comments Received	No Comments Received	No Comments Received
5	General corporate purposes, including, inter alia, strategic initiatives, setting up of new offices/ business development, providing loans to subsidiaries, marketing and branding, and meeting operational expenses of the Company such as salaries, rent, administrative costs, insurance, repairs and maintenance, and payment of taxes and duties	Chartered Accountant certificate*, Bank statement and Placement Document	100.00	NA	NA	No Comments Received	No Comments Received	No Comments Received
Total			**555.00**					

** Chartered Accountant certificate from Oswal Sunil & Company dated July 17, 2026*

(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	Amount Received in Rs. Crore	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	To Fund the Capital Expenditure towards Plant & Machinery and utilities for setting up of a preform manufacturing facility through our subsidiary namely HFCL Technologies Private Limited ("Preform Manufacturing Facility")	Chartered Accountant certificate*, Bank statement and Placement Document	175.00		0.00	0.00	0.00		Nil utilization for the quarter ended June 30, 2026	No Comments Received	No Comments Received
2	To Fund the capital expenditure for setting up of a defence manufacturing facility in the Company (Defence Manufacturing Facility)	Chartered Accountant certificate*, Bank statement and Placement Document	50.00		0.00	0.00	0.00		Nil utilization for the quarter ended June 30, 2026	No Comments Received	No Comments Received
3	To Invest into equity shares of HFCL Advance Systems Private Limited, a subsidiary of the Company	Chartered Accountant certificate*, Bank statement and Placement Document	90.00		0.00	0.00	0.00		Nil utilization for the quarter ended June 30, 2026	No Comments Received	No Comments Received

CareEdge RATINGS

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	Amount Received in Rs. Crore	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
4	Funding the working capital requirements of the Company including inventory and receivables management.	Chartered Accountant certificate*, Bank statement and Placement Document	140.00	138.75	0.00	48.75	48.75	90.00	During Q1FY27 company has utilised the Rs. 48.75 crores to fund its working capital requirement.	No Comments Received	No Comments Received
5	General corporate purposes, including, inter alia, strategic initiatives, setting up of new offices/ business development, providing loans to subsidiaries, marketing and branding, and meeting operational expenses of the Company such as salaries, rent, administrative costs, insurance, repairs and maintenance, and payment of taxes and duties	Chartered Accountant certificate*, Bank statement and Placement Document	100.00		0.00	0.00	0.00		Nil utilization for the quarter ended June 30, 2026.	No Comments Received	No Comments Received
Total			**555.00**	**138.75@**	**0.00**	**48.75**	**48.75**	**90.00**			

Chartered Accountant certificate from Oswal Sunil & Company dated July 17, 2026

@Out of the total issue of Rs. 555.00 crores company has received Rs. 138.75 crores in Q1FY27 and is yet to receive Rs. 416.25 crores. Allottee has 18 months from the date of allotment of warrants (25.05.2026) for conversion into equity shares.

(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
1.	Fixed Deposit, State Bank of India (45218475204)	90.00	August 27, 2026	NA	5.10%	NA
Total		**90.00**				

(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
To Fund the Capital Expenditure towards Plant & Machinery and utilities for setting up of a preform manufacturing facility through our subsidiary namely HFCL Technologies Private Limited ("Preform Manufacturing Facility")	Entire amount by July 31, 2028	Ongoing	Not Applicable	No Comments Received	No Comments Received
To Fund the capital expenditure for setting up of a defence manufacturing facility in the Company (Defence Manufacturing Facility)	Rs. 15.00 crores by September 30, 2027 and balance of Rs. 35 crores in Fiscal 2028	Ongoing	Not Applicable	No Comments Received	No Comments Received
To Invest into equity shares of HFCL Advance Systems Private Limited, a subsidiary of the Company	Entire amount by September 30, 2026.	Ongoing	Not Applicable	No Comments Received	No Comments Received
Funding the working capital requirements of the Company including inventory and receivables management.	Entire amount by Fiscal 2028	Ongoing, out of Rs. 140 crore specified towards the object Rs. 48.75 crores incurred till Q1FY27	Not Applicable	No Comments Received	No Comments Received

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
General Corporate purposes, including inter-alia, strategic Initiatives, setting up of new offices/business development, Providing loans to subsidiaries, marketing branding, and Meeting operational expenses of our company such as salaries, Rent, Administrative costs, insurance, repairs and maintenance, And payment of taxes and duties.	Entire amount by Fiscal 2028	Ongoing	Not Applicable	No Comments Received	No Comments Received

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
1	-	-	Chartered Accountant certificate*, Bank statement and Placement Document	Nil for the quarter ended June 30th, 2026.	No Comments Received
	Total	**-**			

**Chartered Accountant certificate from Oswal Sunil & Company dated July 17, 2026*

^ Section from the offer document related to GCP:

General corporate purposes, including, inter alia, strategic initiatives, setting up of new offices/ business development, providing loans to subsidiaries, marketing and branding, and meeting operational expenses of our Company such as salaries, rent, administrative costs, insurance, repairs and maintenance, and payment of taxes and duties.

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/internal auditor which is peer reviewed audit firm/peer reviewed audit firm 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 auditors/internal auditor which is peer reviewed audit firm/peer reviewed audit firm (or from peer reviewed CA firms), 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.

No. CARE/NRO/GEN/2026-27/1071

Monitoring Agency Report

The Board of Directors
HFCL Limited
8, Commercial Complex,
Masjid Moth,
Greater Kailash – II,
New Delhi – 110048,
India

July 22, 2026

Dear Sir/Ma'am,

Monitoring Agency Report for the quarter ended June 30, 2026 - in relation to the Qualified Institutions Placement of HFCL Limited ("the Company")

We write in our capacity of Monitoring Agency for the Qualified Institutions Placement of Equity shares for the amount aggregating to Rs. 550.00 crore of the Company and refer to our duties cast under 173A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018.

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 December 22, 2025.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,

Sahil Goyal

Sahil Goyal
Associate Director
Sahil.Goyal@careedge.in

Report of the Monitoring Agency
Name of the issuer: HFCL 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.

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

CARE Ratings Limited
9th floor, C-001/A2, Berger Towers, Sector 16B, Noida,
Gautam Budh Nagar, Uttar Pradesh -201301
Phone: +91-120-4452000

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022
Phone: +91-22-6754 3456
Email: care@careedge.in • www.careedge.in

CIN-L67190MH1993PLC071691

1) Issuer Details:

Name of the issuer : HFCL Limited
Name of the promoter : Mr. Mahendra Nahata
Industry/sector to which it belongs : Telecommunications - Telecom Equipment & accessories

2) Issue Details

Issue Period : December 22, 2025 to December 24, 2025
Type of issue (public/rights) : Private Placement
Type of specified securities : Equity Shares
IPO Grading, if any : Not Applicable
Issue size (in crore) : Rs. 550.00 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?	Yes	Chartered Accountant certificate*, Bank statement and Placement Document, Management Certificate	Refer Note 1	No Comments Received
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	NA	Not applicable	Not applicable	No Comments Received
Whether the means of finance for the disclosed objects of the issue have changed?	No	Management Certificate	Nil	No Comments Received
Is there any major deviation observed over the earlier monitoring agency reports?	NA	Monitoring agency reports	No major deviation observed over earlier monitoring agency reports	No Comments Received
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	Management Certificate	Nil	No Comments Received

CareEdge RATINGS

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 arrangements pertaining to technical assistance/collaboration are in operation?	NA	Management Certificate	Nil	No Comments Received
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Management Certificate, CA Certificate	Refer Note 2	No Comments Received
Is there any other relevant information that may materially affect the decision making of the investors?	No	Management certificate	Nil	No Comments Received

**Chartered Accountant certificate from Oswal Sunil & Company dated July 17, 2026*

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.

Note 1: During the previous quarter, the company transferred the issue proceeds from the monitoring account into its CC account. Consequently, in Q1FY27, payment for R&D was made through the CC account of the company. Owing to various transactions particularly pertaining to research and development from the CC account, there has been comingling of funds (where issue proceeds were mixed with other cash flows), which restricted our ability to directly ascertain them. However, we have reviewed and verified the transactions through Management Certificate and CA certificate.

Note 2: Please refer to the table below

Objects	As per the offer document	Actual
Capital expenditure towards purchase of Plant and Machinery: Expansion of Optical Fibre Cable	Rs. 15.00 crores by Fiscal 2026 and balance of Rs. 20 crores in Fiscal 2027	Rs.6.02 crores were incurred till Fiscal 2026 and thereafter 28.01 crores have been incurred in Q1FY27. Therefore, the total of Rs. 34.03 crores have been utilized till Q1FY27.
Funding expenditure towards Research and Development initiatives including acquisition of technologies	Rs. 15.00 crores by Fiscal 2026 and balance of Rs. 35 crores in Fiscal 2027	Rs. 7.36 crores were incurred till Fiscal 2026 and thereafter Rs. 7.39 crores have been incurred in Q1FY27 therefore the total of Rs. 14.75 crores incurred till Q1FY27

4) Details of objects to be monitored:

(i) Cost of objects –

Sr.	Item					Comments of the Board of Directors

No	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 the Monitoring Agency	Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	Capital expenditure towards purchase of Plant and Machinery: Expansion of Optical Fibre Cable	Chartered Accountant certificate*, Bank statement and Placement Document	35.00	NA	NA	No Comments Received	No Comments Received	No Comments Received
2	Funding expenditure towards Research and Development initiatives including acquisition of technologies	Chartered Accountant certificate*, Bank statement and Placement Document	50.00	NA	NA	No Comments Received	No Comments Received	No Comments Received
3	Repayment/prepayment of our long term / short term borrowings availed from banks / others	Chartered Accountant certificate*, Bank statement and Placement Document	105.00	NA	NA	No Comments Received	No Comments Received	No Comments Received
4	Funding our long term working capital requirements	Chartered Accountant certificate*, Bank statement and Placement Document	260.00	NA	NA	No Comments Received	No Comments Received	No Comments Received
5	General Corporate Purposes	Chartered Accountant certificate*, Bank statement and Placement Document	93.00	NA	NA	No Comments Received	No Comments Received	No Comments Received
6	Issue Expenses	Chartered Accountant certificate*, Bank statement and Placement Document	7.00	NA	NA	No Comments Received	No Comments Received	No Comments Received
Total			**550.00**					

**Chartered Accountant certificate from Oswal Sunil & Company dated July 17, 2026*

(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	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	Capital expenditure towards purchase of Plant and Machinery: Expansion of Optical Fibre Cable	Chartered Accountant certificate*, Bank statement and Placement Document	35.00	6.02	28.01	34.03	0.97	During Q1 FY27, company has expensed Rs. 28.01 crore towards payment for purchase of machinery, building infrastructure and technological devices which is as per the stated objects of the issue from Monitoring Account	No Comments Received	No Comments Received
2	Funding expenditure towards Research and Development initiatives including acquisition of technologies	Chartered Accountant certificate*, Bank statement and Placement Document	50.00	7.36	7.39	14.75	35.25	During Q1FY27, company has expensed Rs. 7.39 crore towards manpower costs for employees engaged in R&D activities, in line with the stated objects of the issue The payment was made from the CC account of the company	No Comments Received	No Comments Received
3	Repayment/prepayment of our long term / short term borrowings availed from banks / others	Chartered Accountant certificate*, Bank statement and	105.00	105.00	-	105.00	-		No Comments Received	No Comments Received

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	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
		Placement Document								
4	Funding our long term working capital requirements	Chartered Accountant certificate*, Bank statement and Placement Document	260.00	260.00	-	260.00			No Comments Received	No Comments Received
5	General Corporate Purposes	Chartered Accountant certificate*, Bank statement and Placement Document	93.00	93.00	-	93.00	-		No Comments Received	No Comments Received
6	Issue Expenses	Chartered Accountant certificate*, Bank statement and Placement Document	7.00	6.94	-	6.94	0.06		No Comments Received	No Comments Received
Total			**550.00**	**478.32**	**35.40**	**513.72**	**36.28**			

**Chartered Accountant certificate from Oswal Sunil & Company dated July 17, 2026*

(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 at the end of quarter
1	Monitoring Account, State Bank of India	0.36	NA	NA	NA	NA
2	Fixed Deposit, State Bank of India (4506147844)	10.00	March 30, 2027	NA	6.50%	NA
3	Fixed Deposit, State Bank of India (44777660909)	10.00	December 29, 2026	NA	5.60%	NA
4	Fixed Deposit, State Bank of India (44819407747)	10.00	July 09, 2026	NA	5.00%	NA
5	Fixed Deposit, State Bank of India (44779809337)	0.92	December 30, 2026	NA	6.25%	NA
6	Fixed Deposit, State Bank of India (44819406732)	5.00	July 09, 2026	NA	5.00%	NA
Total		36.28				

(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
Capital expenditure towards purchase of Plant and Machinery: Expansion of Optical Fibre Cable	Rs. 15.00 crores by Fiscal 2026 and balance of Rs. 20 crores in Fiscal 2027	Ongoing, Rs.6.02 crores were incurred till Fiscal 2026 and thereafter Rs. 28.01 crores have been incurred in Q1FY27. Therefore, the total of Rs. 34.03 crores have been utilized till Q1FY27.	Refer Note 1	No Comments Received	No Comments Received
Funding expenditure towards Research and Development initiatives including acquisition of technologies	Rs. 15.00 crores by Fiscal 2026 and balance of Rs. 35 crores in Fiscal 2027	Ongoing, Rs. 7.36 crores were incurred till Fiscal 2026 and thereafter Rs. 7.39 crores have been incurred in Q1FY27	Refer Note 2	No Comments Received	No Comments Received

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
		therefore the total of Rs. 14.75 crores incurred till Q1FY27			
Repayment/prepayment of our long term / short term borrowings availed from banks / others	Entire amount by Fiscal 2026	Completed in Q4FY26	No Delays	No Comments Received	No Comments Received
Funding our long-term working capital requirements	Entire amount by Fiscal 2026	Completed in Q4FY26	No Delays	No Comments Received	No Comments Received
General Corporate Purposes	Entire amount by Fiscal 2026	Completed in Q4FY26	No Delays	No Comments Received	No Comments Received
Issue Expenses	NA	Ongoing, Rs. 6.94 crores incurred till Q1FY27	Not Applicable	No Comments Received	No Comments Received

Note 1: Total capex specified in the placement document was Rs 35.00 crore which has to be completed by FY27, At the end of Q1FY27 company has utilised Rs. 34.03 crore towards capex.

Note 2: Total R&D specified in the placement document was Rs 50.00 crore which has to be completed by FY27, At the end of Q1FY27 company has utilised Rs. 14.75 crore towards R&D.

Further, as per the placement document, If the Net Proceeds are not utilized (in full or in part) for the Objects for the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of the Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods in such manner as may be determined by the Company, in accordance with applicable laws

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document: Nil

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
	-	-	-	No utilization during Q1FY27	No Comments Received
	Total				

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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/internal auditor which is peer reviewed audit firm/peer reviewed audit firm appointed by the Issuer believed by it to be accurate and reliable.

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