

**Monitoring Agency Report for
Cedaar Textile Limited
for the quarter ended
September 30, 2025**

No. BWR/2025-26/IPM/CTL/01

February 26, 2026

To

Mr. Virender Goyal

Chief Financial Officer

Cedaar Textile Limited

KSSIDC Plot no. B-34, Industrial Estate,

Yelahanka New Town, Bangalore,

Bengaluru, Karnataka, India -560064

Dear Sir,

First Monitoring Agency Report for the quarter ended September 30, 2025 - in relation to the Fresh issue of Equity Shares Issue of Cedaar Textile Limited (“the Company”)

Pursuant to Regulation 262 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) and Monitoring Agency Engagement Letter dated June 17, 2025, Brickwork Ratings (BWR) has prepared the First Monitoring Agency Report, as per Schedule XI of the SEBI ICDR Regulations towards utilisation of proceeds of funds raised, for the quarter ended September 30, 2025.

The funds raised by the Company were through Public Issue of Equity Shares aggregating to Rs. 60.90 Crore of the Company.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended September 30, 2025, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated June 17, 2025.

Request you to kindly take the same on records.

Thanking you,

Yours Faithfully,

Mr Niraj Kumar Rathi

Senior Director, Ratings - Brickwork Ratings

Report of the Monitoring Agency (MA) #**Name of the issuer:** Cedaar Textiles Limited**For quarter ended:** September 30, 2025 #**Name of the Monitoring Agency:** Brickwork Ratings India Private Limited

(a) Deviation from the objects: Yes

(b) Range of Deviation: 75-100%*

Note- There is an excess utilisation of funds towards Working Capital Purpose which is 92.29% more than the cost of objects stated in the Prospectus. Cost of objects allocated for working capital purpose is Rs.24.90 crore and amount spent for the same during the quarter ended September 30,2025 is Rs.47.88 crore.*

Delay in submission of the Monitoring Agency Report**Notes:**

1. Brickwork Ratings hereby disclaims any responsibility and liability arising from breach of regulatory timelines, including delayed submission of the Monitoring Agency Report to relevant regulatory authorities, that may be attributed to the delay on the part of the issuer Company in providing relevant data and/or information necessary for the issuance of the Monitoring Agency Report for the quarter ended 30th September 2025.
2. There was a delay in submission of the required documents and clarifications by the company related to utilisation of issue proceeds for the quarter ended 30th September 2025. We have received partial information and documents from the company on 14th November 2025, for the quarter ended 30th September 2025. We submitted our initial report on 24th November 2025, but management did not agree with the classification of utilisation of funds for the stated objects. Thereafter, the company provided additional documents and clarifications and based on the updated information we again submitted the Monitoring Agency Report on 8th December 2025. However, we did not receive management comments on the report as well as CA certificate and company statement at that time despite follow-ups. On 24th February 2026, the company requested the signed Monitoring Agency Report and on 25th February 2026, shared the CA certificate and company statement.

Declaration:

We declare that this report is based on the format prescribed by the SEBI (ICDR) Regulations, 2018, we further declare that this report provides a true and fair 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.

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 the issue proceeds by the issuer.

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 a 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.

Signature:**Name of the Authorized Signatory: Mr Niraj Kumar Rathi****Designation of Authorized Person/Signing Authority: Senior Director, Ratings, Brickwork Ratings**

1) Issuer Details:

Name of the issuer: Cedaar Textile Limited

Names of the promoter: Mr. Rajesh Mittal, Mr. Virender Goyal,
Mr. Bachangada Nachappa Monnappa and
Mrs. Bachangada Monnappa Saraswati

Industry / sector to which it belongs: Textiles

2) Issue Details:

Issue period:

Equity Shares- Fresh Issue	For anchor investor – 27 June 2025 to 02 July 2025
	For others – 30 June 2025 to 02 July 2025

Type of issue (public/ rights): Fresh Issue of Equity

Type of specified securities: Equity Shares

IPO Grading, if any: Not Applicable

Issue size (in ₹ Crore): 60.90

Particulars	Total Number of Securities	Price (₹)	Value as per Offer Document (₹ Crore)	Amount Received (₹ Crore)
Equity Shares	4350000	140	60.90	60.90
Total			60.90	60.90

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 utilization is as per the disclosures in the Offer Document?	No	Bank Statements, Company's letter, Invoices, CA Certificate.	Refer note on page 3.	Nil
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	No	Nil	Nil	Nil
Whether the means of finance for the disclosed objects of the issue has changed?	No	Nil	Nil	Nil
Is there any major deviation observed over the earlier monitoring agency reports?	Not Applicable	Nil	Monitoring is being done for the first time	Nil
Whether all Government/statutory approvals related to the object(s) have been obtained?	Yes	Company's letter	Nil	Nil
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Not Applicable	Nil	Nil	Nil
Are there any favorable events improving the viability of these object(s)?	No	Company's letter	Nil	Nil
Are there any unfavorable events affecting the viability of the object(s)?	No	Company's letter	Nil	Nil
Is there any other relevant information that may materially affect the decision making of the investors?	No	Not Applicable	Nil	Nil

Notes: CA Certificate from H. B Kalaria & Associates, Chartered Accountants dated 25 February 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 object(s) to be monitored:
i. Cost of object(s):

Sr. No.	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original Cost (as per the Offer Document) (₹ Crore)	Revised Cost (₹ Crore)	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason of cost revision	Proposed financing option	Particulars of firm arrangements made
1.	Installation of Grid-tied Solar PV Rooftop system for captive system	Bank Statements, Company letter, CA Certificate	8.00	No	Nil	Nil	Nil	Nil
2.	Modernization of machines	Bank Statements, Company letter, CA Certificate	17.00	No	Nil	Nil	Nil	Nil
3.	Working Capital Requirements	Bank Statements, Company letter, CA Certificate	24.90	No	Nil	Nil	Nil	Nil
4.	General Corporate Purpose	Bank Statements, Company letter, CA Certificate	4.91	No	Nil	Nil	Nil	Nil
5.	Issue related Expenses	Bank Statements, Company letter, Invoices, CA Certificate	6.09	No	Nil	Nil	Nil	Nil
6.	Any other purpose approved by board	NA	Nil	Nil	Nil	Nil	Nil	Nil

Note: Above details are taken from Prospectus dated 03 July 2025, page no 113, and verified by H. B Kalaria & Associates, Chartered Accountants, vide its CA Certificate dated 25 February 2026.

ii. Progress in the object(s):

Sr. No.	Item Head	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore (A)	Amount utilized in ₹ Crore (B)			Total Unutilised amount in ₹ Crore as on 30th September 2025 (C) A-B	Comments of the Monitoring Agency
				As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore		
1.	Installation of Grid-tied Solar PV Rooftop system for captive system	Bank Statements, Company letter, CA Certificate	8.00	0.00	0.00	0.00	8.00	Nil
2.	Modernization of machines	Bank Statements, Company letter, CA Certificate	17.00	0.00	0.00	0.00	17.00	Nil
3.	Working Capital Requirements	Bank Statements, Company letter, CA Certificate	24.90	0.00	47.88	47.88	-22.98	*
4.	General Corporate Purpose	Bank Statements, Company letter, CA Certificate	4.91	0.00	0.00	0.00	4.91	Nil
5.	Issue related Expenses	Bank Statements, Company letter, CA Certificate	6.09	0.00	6.57	6.57	-0.48	Nil
6.	Any other purpose approved by board	NA	Nil	Nil	Nil	Nil	Nil	Nil

* There is an excess utilisation of funds towards Working Capital Purpose which is 92.29% more than the cost of objects stated in the Prospectus. Cost of objects allocated for working capital purpose is Rs.24.90 crore and the amount spent for the same during the quarter ended September 30,2025 is Rs.47.88 crore.

The above details are verified by H. B Kalaria & Associates; Chartered Accountants vide its CA Certificate dated 25 February 2026 and company statement.

iii. Deployment of unutilised issue proceeds:

Sr. No.	Type of instrument and name of entity invested in	Amount Invested (₹ Crore)	Maturity Date	Earning (₹ Crore)	Return on Investment (%)	Market Value as at the end of the quarter
1	Axis Bank Current Account for Non-Commercial IPO - 925020029623383	6.33	-	-	-	-
2	Fixed Deposit HDFC Bank- 50301215220373	0.12	01-10-2025	-	2.75%	-

The above details are verified by H. B Kalaria & Associates; Chartered Accountants vide its CA Certificate dated 25 February 2026 and company statement.

iv. Delay in Implementation of Objects:

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
Installation of Grid-tied Solar PV Rooftop system for captive system	October 2025	Ongoing	None	-	-
Modernization of machines	January 2026	Ongoing	None	-	-
Working Capital Requirements	FY 2025-26	Completed	None	-	-
General Corporate Purpose	FY2025-26	Ongoing	None	-	-
Issue related Expenses	-	-	-	-	-
Any other purpose approved by board	-	-	-	-	-

The above details are verified by the company statement dated February 25th, 2026.

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

Item head	Amount in Rs. Crore (As on September 30, 2025)	Remarks
General Corporate Purpose	0.00	-

The above details are verified by H. B Kalaria & Associates; Chartered Accountants vide its CA Certificate dated 25 February 2026 and company statement.

Disclaimer

- a) This Report is prepared by **Brickwork Ratings India Private Limited** (hereinafter referred to as “**BWR**” or “**Monitoring Agency**” or “**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 with 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 auditors (or from peer reviewed CA firms) 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.
- e) 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 auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
- f) 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.
- g) **BWR** is an independent Monitoring Agency and may determine, apply and amend its approach, processes and procedures in its sole discretion from time to time provided the same are in line with the SEBI ICDR Regulations