

Monitoring Agency Report

For Kiaasa Retail Limited

for the quarter ended March 31, 2026

Monitoring Agency Report

May 15, 2026

To,
Kiaasa Retail Limited
1/37, SSSGT Road, Industrial Area, Lal Kuan,
Ghaziabad, Uttar Pradesh-201001

Dear Sir,

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

We write in our capacity of Monitoring Agency for the Initial Public Offer (IPO) for the amount aggregating to Rs. 69.74 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 February 25, 2026.

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: Kiaasa Retail 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:

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: Kiaasa Retail Limited

Names of the promoters of the issuer: Mr/s Amit Chauhan, and Om Prakash.

Industry/sector to which it belongs: The company is engaged in the trading and marketing of women's ethnic apparel under its flagship brand KIAASA.

2) Issue Details:

- **Issue Period:** February 23, 2026 – February 25, 2026
- **Type of issue (public/rights):** Initial Public Offer (IPO)
- **Type of specified securities:** Equity Shares
- **Grading:** NA
- **Issue size (Rs in Crores):** Fresh Issue of Rs.69.74 crores (Note No. 1)

Note 1

Particulars	Amount as per the Prospectus (Rs. In Crores)
Total proceeds received from IPO	69.74
Less: Details of expenses incurred related to IPO issue	13.28
Net Proceeds available for utilisation	56.46

*Infomeric Ratings shall be monitoring the Gross proceeds.

The company had offered for fresh of 54,91,000 Equity Shares of face value of Rs.10/- each fully paid up of our Company for cash at a price of Rs. 127/- per Equity Share (including a premium of Rs. 117/- per Equity Share) aggregating Rs. 69.74 Crore.

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

S. No.	Particulars	Reply	Source of information /	Comments of	Comments of Board of
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			certifications considered by Monitoring Agency for preparation of report	Monitoring Agency	Directors
1.	Whether all the utilization is as per disclosure in Offer Document?	Yes	Chartered Accountant certificate [^] , Placement document, Bank Statements, Board Resolution and Management undertaking	Approved by board resolution dated May 15, 2026	The Board of Directors of the Company, through a resolution passed on May 15, 2026, approved the extension of the timeline for utilization of the unutilized IPO proceeds up to March 31, 2027. There is no change in the objects of the issue, and the Company confirms that the proceeds will continue to be utilized solely for the purposes stated in the Issue Document. The same has also been intimated to the BSE Limited vide notification dated May 15, 2026
2.	Whether Shareholder approval is obtained in case of material deviations from expenditures disclosed in Offer Document?	There are no deviations from the expenditures disclosed in the Offer Document. Hence no approval is required	Not applicable	Not applicable	No Comments
3.	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	No Comments
4.	Any major deviation observed over the earlier monitoring agency reports?	Not applicable	Nil	Since this is the first report after the issue of IPO, hence the same is not	No Comments

				applicable	
5.	Whether all Government / Statutory approvals related to the object(s) obtained?	Yes	Listing approval from BSE and Special resolution passed in EGM	No Comments	No Comments
6.	Whether all arrangements pertaining to technical assistance/collaboration in operation?	Not Applicable	Not applicable	Not Applicable	No Comments
7.	Any favourable events improving object(s) viability	There are no events affecting the viability of these objects.	Not applicable	Nil	No Comments
8.	Any unfavourable events affecting object(s) viability	There are no events affecting the viability of these objects.	Not applicable	Nil	No Comments
9.	Any other relevant information that may materially affect the decision making of the investors	There is no relevant information that may affect the decision making of the investor	Not applicable	Nil	No Comments

[^] The above details are verified by Dharam Taneja Associates (FRN: 003563N), Chartered Accountants, Statutory Auditor of the Company vide its CA certificate dated May 06, 2026.

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

[^] 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)-

S. 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.	Expenditure for opening new stores	Chartered Accountant certificate^, Final offer document	46.46	NA	NA	NA	NA	NA
2.	General Corporate Purposes*	CA Certificate^, Final offer document	10.00	NA	NA	NA	NA	NA
3.	IPO Issue Expenses	Chartered Accountant certificate^, Final offer document	13.28	NA	NA	NA	NA	NA
	TOTAL		69.74	-				

^ The above details are verified by Dharam Taneja Associates (FRN: 003563N), Chartered Accountants, Statutory Auditor of the Company vide its CA certificate dated May 06, 2026.

(ii) Progress in the object(s)-

(Give Item by Item Description for all the Objects Stated in Offer Document separately in the following format)

S. No	Item Head	Source of information / certifications considered by Monitoring Agency for	Amount as proposed in the	Amount raised till March 31, 2026	Amount utilized	Unutilised amount (Rs. crore)	Comments of Monitoring Agency	Comments of Board of Directors
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		preparation of report	Offer Document (Rs. Crore)	(Rs. crore)						Reason of idle funds	Proposed Course of Action
					As at Beginning of the Q4-FY26	During the Q4-FY26	At the end of the Q4-FY26				
1.	Expenditure for opening new stores	Chartered Accountant certificate ^, Prospectus, Bank Statements, Invoices on sample invoices and Management declaration	46.46	46.46	-	23.60	23.60	22.86	Verified the invoices on sample basis and crossed checked with bank statement	NA	NA
2.	General Corporate Purposes	Chartered Accountant certificate ^, Prospectus, Bank Statements, Invoices on sample invoices and Management declaration	10.00	10.00	-	5.81	5.81	4.19	Verified the invoices on sample basis and crossed checked with bank statement	NA	NA
3.	Issue expenses	Chartered Accountant certificate ^, Prospectus, Bank Statements, Invoices on sample invoices and Management declaration	13.28	13.28	-	12.26	12.26	1.02	Verified the invoices on sample basis and crossed checked with bank statement	NA	NA

	Total		69.74	69.74	-	41.67	41.67	28.07		
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^ The above details are verified by Dharam Taneja Associates (FRN: 003563N), Chartered Accountants, Statutory Auditor of the Company vide its CA certificate dated May 06, 2026.

Brief description of Object(s):

S. No	Name of the object(s)	Brief description of the object(s)						
1.	Expenditure for opening new stores	<p>The Company retails its products through its network of Exclusive Brand Outlets (“EBOs”). The first EBO was launched in June 2018 at Kamla Nagar, New Delhi. As on September 30, 2025, the Company operated 122 EBOs across 70 cities in India under three distinct business models, namely Company Owned Company Operated (COCO), Franchisee Invested Company Operated (FICO), and Franchisee Owned Franchisee Operated (FOFO). In order to strengthen its retail presence and expand its market reach across India, the Company proposes to establish 61 new EBOs over FY2026 and FY2027 across a mix of mall stores and high-street outlets. The proposed expansion is expected to enhance the Company’s brand visibility, customer accessibility, and long-term growth prospects. The Company intends to utilize an estimated amount of Rs. 46.46 crore from the net proceeds of the fresh issue towards the establishment of these new stores, with the entire expenditure proposed to be funded through the net proceeds. Proposed Utilization towards Establishment of New EBOs:</p> <table border="1"> <thead> <tr> <th>Costs</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>Fit-out Costs</td> <td>The fit-out costs primarily include interior and infrastructure-related works such as flooring, partitioning, electrical and painting works, installation of fire extinguishing systems, heating ventilation and air conditioning (HVAC) systems, CCTV cameras, lighting installations including track lights and spotlights, ACP works, façade signages, entrance glass installation, and internal branding work. Depending on the format and size of the proposed store, some or all of the above-mentioned expenses may be incurred.</td> </tr> <tr> <td>Security Deposit and Rental Costs</td> <td>The Company proposes to establish the new stores on leased premises and accordingly will be required to provide security deposits to landlords as part of lease arrangements for each store. While the security deposits are proposed to be funded from the net proceeds of the issue, the monthly rental expenses are expected to be funded through internal accruals. The estimated monthly rental cost per store</td> </tr> </tbody> </table>	Costs	Remark	Fit-out Costs	The fit-out costs primarily include interior and infrastructure-related works such as flooring, partitioning, electrical and painting works, installation of fire extinguishing systems, heating ventilation and air conditioning (HVAC) systems, CCTV cameras, lighting installations including track lights and spotlights, ACP works, façade signages, entrance glass installation, and internal branding work. Depending on the format and size of the proposed store, some or all of the above-mentioned expenses may be incurred.	Security Deposit and Rental Costs	The Company proposes to establish the new stores on leased premises and accordingly will be required to provide security deposits to landlords as part of lease arrangements for each store. While the security deposits are proposed to be funded from the net proceeds of the issue, the monthly rental expenses are expected to be funded through internal accruals. The estimated monthly rental cost per store
Costs	Remark							
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Security Deposit and Rental Costs	The Company proposes to establish the new stores on leased premises and accordingly will be required to provide security deposits to landlords as part of lease arrangements for each store. While the security deposits are proposed to be funded from the net proceeds of the issue, the monthly rental expenses are expected to be funded through internal accruals. The estimated monthly rental cost per store							

			is expected to range between Rs. 0.01 crore and Rs. 0.02 crore depending upon the size and location of the stores.
		Inventory Costs	Inventory-related costs include procurement of stock for sale at the proposed stores. The inventory mix is expected to comprise products such as SKD (Salwar-Kurta-Dupatta), dresses, tops, bottoms, nightwear, and other fashion accessories.
2.	General Corporate Purpose	In terms of Regulation 230(2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes must not exceed 15% of the Gross Proceeds or ₹1,000 lakhs whichever is lower. Our Company intends to deploy the balance Net Proceeds aggregating to ₹ 1,000 Lakhs for General Corporate Purposes as decided by our Board, we have flexibility in applying the remaining proceeds after meeting issue expenses for general corporate purpose including but not restricted to, meeting operating expenses, repayment of the borrowings, meeting working capital requirements including payment of interests, strengthening of our business development and marketing capabilities, meeting exigencies which the Company in the ordinary course of business may not foresee or any other purpose as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.	

(i) Deployment of unutilized IPO Proceeds:

Instrument	Amount invested (Rs. Crore)	Maturity Date	Earnings	Return on Investment (ROI %)	Market Value as on March 31, 2026
Escrow A/c no: 925020035683319	5.33	-	-	-	5.33
Monitoring A/c no: 925020035683380	1.55	-	-	-	1.55
Funds available in current PSB A/c no. 08651100708181	2.87	-	-	-	2.87
Funds available in current Indian bank A/c no 8115227550	1.32	-	-	-	1.32
Axis Bank FD A/c No. 926040066532085	5.10	15-06-2026		5.60%	5.10
Axis Bank FD A/c No.926040066537802	3.05	06-05-2026		4.50%	3.05
Axis Bank FD A/c No.926040066943883	3.05	06-05-2026		4.50%	3.05
Axis Bank FD A/c No.926040066944598	0.50	19-04-2026		3.25%	0.50
Axis Bank FD A/c No.926040066531804	1.30	19-04-2026		3.25%	1.30
Axis Bank FD A/c No.926040066535741	0.50	19-04-2026		3.25%	0.50
Axis Bank FD A/c No.926040066532878	0.90	18-04-2026		3.25%	0.90
Axis Bank FD A/c No.926040066536236	0.50	17-04-2026		3.25%	0.50

Axis Bank FD A/c No.926040066530717	1.10	17-04-2026		3.25%	1.10
Axis Bank FD A/c No.926040066533211	0.50	01-04-2026		3.00%	0.50
Axis Bank FD A/c No.926040066861189	0.50	01-04-2026		3.00%	0.50
Total	28.07				28.07

(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																								
Expenditure for opening new stores	<table border="1"> <thead> <tr> <th>Particulars</th> <th>FY 2026</th> <th>FY 2027</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Number of Stores</td> <td>41</td> <td>20</td> <td>61</td> </tr> <tr> <td>Estimated Fit-out Cost (Rs Cr)</td> <td>9.25</td> <td>4.8</td> <td>14.05</td> </tr> <tr> <td>Estimated Security Deposit (Rs Cr)</td> <td>1.85</td> <td>0.90</td> <td>2.75</td> </tr> <tr> <td>Estimated Inventory Cost (Rs Cr)</td> <td>19.67</td> <td>10.00</td> <td>29.67</td> </tr> <tr> <td>Total Estimated Cost</td> <td>30.76</td> <td>15.70</td> <td>46.46</td> </tr> </tbody> </table>				Particulars	FY 2026	FY 2027	Total	Number of Stores	41	20	61	Estimated Fit-out Cost (Rs Cr)	9.25	4.8	14.05	Estimated Security Deposit (Rs Cr)	1.85	0.90	2.75	Estimated Inventory Cost (Rs Cr)	19.67	10.00	29.67	Total Estimated Cost	30.76	15.70	46.46	<p>There has been a variation between the projected and actual utilization of IPO proceeds during FY 2026. Against the proposed expansion of 41 stores with an estimated utilization of Rs. 30.76 crore, the Company opened 4 stores and utilized Rs. 23.60 crore during the period under review. The utilization was primarily towards inventory procurement, while expenditure towards fit-out and security deposits remained lower than originally envisaged. In this regard, the Board of Directors of the Company has approved the revised timeline for utilization of the unutilized IPO proceeds.</p>	Nil	No delay	No Comment
	Particulars	FY 2026	FY 2027	Total																												
	Number of Stores	41	20	61																												
	Estimated Fit-out Cost (Rs Cr)	9.25	4.8	14.05																												
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		The Board of Directors of the Company, through a resolution passed on May 15, 2026, approved the extension of the timeline for utilization of the unutilized IPO proceeds up to March 31, 2027. The same has also been intimated to BSE Limited vide notification dated May 15, 2026.			
General Corporate Purposes	By March 31, 2027	Ongoing	Nil	No Delays	No Comment

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

S. No.	Item Head	Amount (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	Airora Brothers – For Goods Purchase	0.25	Chartered Accountant certificate ^, Bank Statements, Invoices on sample invoices and Management declaration	None	No Comment
2	Madhuri Enterprises – Advance for Goods Purchase	0.11			
3	Wooden Curve – Advance for Capital Expenditure	0.11			
4	Savika Consultancy – GST on Issue Expense	0.04			
5	Invest 19 Technologies – GST on Issue Expense	0.52			
6	Advance Tax – Tax Payment	3.50			
7	GST and TDS – Tax Payment	0.16			

8	Navodayans Star Global Foundation – CSR Expenditure	0.13			
9	Navodayans Star Global Foundation – CSR Expenditure	0.02			
10	Multiple Vendors – Rent-Commission Payment	0.41			
11	Bank Interest – Interest on Bank Loans & CC	0.56			
	Total	5.81			

**Details of expenses incurred refer Annexure 1. Same is as per Utilisation Certificate issued by Statutory Auditor (Dharam Taneja Associates) dated 06 May 2026.*

DISCLAIMERS:

- This Report is prepared by Infomerics Valuation and Rating Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "IVR"). 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.
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