GARNET
INTERNATIONAL

August 14, 2026

To,
BSE Ltd.,
Corporate Relation
Listing Department
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 21

Dear Sir/Mam,

Sub: Statement of deviation for the quarter ended on June 30, 2026.

Pursuant to Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI Circular No. CIR/CFD/CMD1/162/2019 dated December 24, 2019, please find enclosed herewith the Statement of Deviation(s) or Variation(s) in respect of utilization of funds raised through Preferential issue of convertible Equity Warrants for the quarter ended 30.06.2026.

Please note that the enclosed statement also incorporates the disclosure regarding the forfeiture of 27,00,000 unexercised warrants and transfer of ₹8.84 Crores to the Capital Reserve Account, as approved by the Board of Directors at its meeting held today, August 14, 2026, upon expiry of the 18-month conversion tenure on August 10, 2026.

With this forfeiture and closure of the issue, there is no deviation or variation in the utilization of the funds received.

You are requested to take the same on your record.

Thanking You

For Garnet International Limited

RAMAKANT GAGGAR Adobe Acrobat version: 2025.001.20623

Ramakant Gaggar
Managing Director
DIN: 01019838

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Statement of Deviation / Variation in utilisation of funds raised

Name of listed entity	Garnet International Limited
Mode of Fund Raising	Preferential Issue
Date of Raising Funds	February 10, 2025 (Date of Allotment of Warrants)
Amount Raised	**INR 8.84 Crores** (25% upfront subscription money received on allotment). Total original issue size was INR 35.37 Crores. However, as the 18-month conversion window expired on August 10, 2026, without exercise by warrant holders, the balance 75% was not received and the issue stands closed.
Report filed for Quarter ended	30.06.2026 (Information Updated till 14.08.2026)
Monitoring Agency	Not Applicable
Monitoring Agency Name, if applicable	Not Applicable
Is there a Deviation / Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not Applicable
If Yes, Date of shareholder Approval	Not Applicable
Explanation for the Deviation / Variation	Not Applicable
Comments of the Audit Committee after review	This statement was reviewed and approved by the Audit Committee at its meeting held on August 14, 2026.
Comments of the auditors, if any	No Comments

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Objects for which funds have been raised and where there has been a deviation, in the following table						
Original Object	**Modified Object, if any**	**Original Allocation (Rs. In Cr.)**	**Modified allocation, if any (Rs. In Cr.)**	**Funds Utilized (Rs. In Cr.)**	**Amt. of Deviation / Variation for the Qtr. according to applicable object**	**Remarks if any**
Strategic Investments including Acquition Opportunities and exploring new initiatives	The Board in its meeting held on August 14, 2026 took note of the lapse of warrants and approved the forfeiture of 27,00,000 warrants and transfer of upfront amount of ₹8.84 Crores to Capital Reserve Account. This leads to revision in allocation of issue proceeds and the balance amounts are no longer available for utilization.	16.87	7.89	7.89	Nil	Revision in cost of object from ₹16.87 Crores to ₹7.89 Crores due to non-receipt of balance 75% warrant money within prescribed time.
Investment in Subsidiary	The Board in its meeting held on August 14, 2026 took note of the lapse of warrants and approved the forfeiture of 27,00,000 warrants and transfer of upfront amount of ₹8.84 Crores to Capital Reserve Account. This leads to revision in allocation of issue proceeds and the balance amounts are no longer available for utilization.	10.00	0.65	0.65	Nil	Revision in cost of object from ₹10.00 Crores to ₹0.65 Crores due to non-receipt of balance 75% warrant money within prescribed time.
General Corporate Purpose	The Board in its meeting held on August 14, 2026 took note of the lapse of warrants and approved the forfeiture of 27,00,000 warrants and transfer of upfront amount of ₹8.84 Crores to Capital Reserve Account. This leads to revision in allocation of issue proceeds and the balance amounts are no longer available for utilization.	8.50	0.30	0.30	Nil	Revision in cost of object from ₹8.50 Crores to ₹0.30 Crores due to non-receipt of balance 75% warrant money within prescribed time.
	TOTAL	**35.37**	**8.84**	**8.84**		

Deviation or variation could mean:

- Deviation in the objects or purposes for which the funds have been raised or
- Deviation in the amount of funds actually utilized as against what was originally disclosed or
- Change in terms of a contract referred to in the fund-raising document i.e. prospectus, letter of offer, etc.

Note:

1. **Total Issue Size & Utilization:** The Company had originally issued 27,00,000 convertible warrants on a preferential basis at an issue price of ₹131/- per warrant (including a premium of ₹121/- per warrant), aggregating to a total issue size of ₹35.37 Crores. Out of ₹35.37 Crores, the Company received 25% upfront application money amounting to ₹8.84 Crores (₹32.75 per warrant) upon allotment on February 10, 2025.

2. No amount has been raised and/or received by the company during the quarter ended 30-06-2026 and entire utilization of INR 8.84 Crore had already been completed in previous quarters. Hence, there is no utilisation during the quarter.

3. **Event Subsequent to Quarter Ended June 30, 2026 and Forfeiture of Warrants:** Pursuant to Regulation 169 of SEBI (ICDR) Regulations, 2018, the 18-month tenure for converting warrants into equity shares expired on August 10, 2026. As warrant holders failed to pay the balance 75% consideration, the Board of Directors at its meeting on August 14, 2026, approved the forfeiture of 27,00,000 unexercised warrants and transferred the upfront amount of ₹8,84,25,000/- to the Capital Reserve Account.

4. Consequently, allocations stand revised, no further funds are receivable, and the preferential issue stands fully concluded and closed.

For Garnet International Limited

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Managing Director
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