



ANNUAL REPORT 2025-26



*“Heritage
you can
Trust*

*Quality
you can
Taste”*



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Vision

“Being a World-Class brand, creating moments of joy through irresistible snacks, rooted in Indian taste and inspired by current trends.”

“Delivering a ‘cooked-at-home’ experience to customers worldwide.”

Mission

PURPOSE & PRINCIPLES

Tradition & Authenticity

Rooted in the culinary heritage of Karaikal -age-old recipes, flavours, and preparation methods preserved as the same homemade taste across every product.



Quality & Purity

The finest raw materials, sourced through trusted suppliers. Hygienic manufacturing and strict quality checks, with zero compromise on freshness or safety.

Innovation with Purpose

Traditional recipes blended with modern food technology -new product lines created while keeping the original taste intact.



Customer Trust & Satisfaction

Long-term relationships built through consistent quality, transparent processes, and a customer-first approach.

Integrity & Ethical Business

Honest business practices and clear corporate governance, with full compliance and strong accountability.



BOARD OF DIRECTORS



Rakesh Kumar

DIN: 10687974

Chairman & Managing director

Muthaiya

DIN: 10687973

Whole Time Director



Thaiyalnayakei

DIN: 10695040

Whole Time Director & CFO

Dr. Tom Antony

DIN: 01413738

Non-Executive Independent Director



Purushothaman Diwakar

DIN: 09857561

Non-Executive Independent Director

FY 26 AT A GLANCE



64.51%

Revenue Growth



Rs. 42.27 Cr

Revenue from Operations



Rs. 5.20 Cr

Profit Before Tax



7+

Increase in Retail Outlets



18

Outlets



400+

SKUs



~Rs. 10 Cr

Value Driven Through B2B Partnerships

Strategic Identity and Business Model

Karaikal Iyangars Foods Limited is defined by a sophisticated, integrated business model that bridges the gap between traditional culinary craftsmanship and modern retail efficiency. By anchoring its operations in a centralized manufacturing facility that supplies an expanding network of retail outlets, the Company has established a formidable competitive moat in the organized food segment.

This structure allows us to lead the industry-wide shift from the fragmented, unorganized sector to a standardized, brand-led experience. By controlling the value chain, we ensure that the benefits of scale—such as cost efficiency and uncompromising quality—are directly reflected in the consumer experience across all points of sale.

Controlling the Value Chain is What Turns Scale into a Consumer Benefit rather than an Internal One

The product portfolio is curated to address a wide range of consumer preferences and price points, capturing the whole day of consumer occasions — from daily snacking and quick meals through to celebratory gifting and specialised events

By positioning itself as a one-stop destination for both traditional and contemporary food needs, Karaikal Iyangars Foods Limited fosters deep brand loyalty and mitigates seasonal fluctuations in demand. This robust strategic identity served as the launchpad for the aggressive growth and infrastructure scaling pursued during the 2025-26 fiscal year

Core Segment

- ✓ Traditional Indian Sweets
- ✓ Bakery Products
- ✓ Savouries
- ✓ Snacks

QSR & Value-Addition

- ✓ Quick Service Restaurant (QSR) offerings (Pizzas, Burgers, Sandwiches)
- ✓ Customized Cakes
- ✓ Gifting Solutions

Retail Expansion and Market Penetration

The 2025-26 fiscal year marked a pivotal acceleration in the Company's retail footprint, transitioning the brand from a localized player to a dominant regional leader. This expansion was executed through a disciplined growth trajectory that prioritizes operational density over erratic geographic spread. The 2025-26 fiscal year marked a pivotal acceleration in the Company's retail footprint, transitioning the brand from a localized player to a dominant regional leader. This expansion was executed through a disciplined growth trajectory that prioritizes operational density over erratic geographic spread.

During the period under review, the Company achieved the following:

- Total Outlets: Increased from 11 to 18 locations.
- Growth Rate: A substantial 64% increase in physical presence.
- New Strategic Locations:
 1. Poraiyar
 2. Athirampattinam
 3. Thirumarugal
 4. Thiruvarur
 5. Peravurani
 6. Kovilveni
 7. Neravy

The strategic rationale behind this "clustering" approach—deepening penetration within Karaikal and neighboring districts of Tamil Nadu—is to maximize brand visibility while significantly reducing logistical overhead.

By saturating existing territories, the Company ensures that its distribution is cost-effective and its supply chain remains lean. This physical footprint is now being further augmented by a sophisticated layer of digital capabilities.

Digital Transformation & Omnichannel Strategy

In the modern Quick Service Restaurant (QSR) landscape, a digital presence is a strategic necessity for long-term survival and margin protection. To meet the evolving needs of the urban consumer, Karaikal Iyangers Foods Limited has embraced an omnichannel approach that bridges the gap between the physical storefront and the digital marketplace.

The Company has successfully integrated with leading food aggregators, Swiggy and Zomato, allowing for immediate access to established online customer bases. While these partnerships drive immediate volume and improve visibility among younger, tech-savvy demographics, our long-term strategy focuses on developing a proprietary digital ordering ecosystem. This move is designed to ensure customer data ownership and long-term margin protection by reducing dependency on third-party aggregator commissions. As the front-end of the business becomes more digital, the back-end infrastructure is being overhauled to support this increased demand.



Manufacturing Infrastructure & Operational Scalability

Sustaining outlet growth of this order required a corresponding investment in back-end infrastructure. The Company has focused on developing its new manufacturing facility and procuring advanced automated machinery, transforming production from a constraint into a scalable engine of growth.

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Retail expansion without matching production capacity eventually shows up as strained margins or inconsistent quality.

Commissioning the facility and integrating its capacity into operations is the principal management priority for the year ahead.

Once commissioned, it allows store growth to convert directly into production growth, rather than store growth outpacing what the existing kitchens can supply.

Quality Assurance & Food Safety Framework

In the organized food industry, quality and safety are the ultimate differentiators. Karaikal Iyangers Foods Limited views these not as mere compliance hurdles, but as the core of its brand promise and a vital mechanism for risk mitigation. The Company enforces a "farm-to-fork" philosophy through rigorous quality management systems.

The Company enforces rigorous mitigation protocols, including:

- Supplier Quality Assessments: Strict vetting of all ingredient sources to ensure raw material integrity.
- Packaging Integrity Verification: Advanced protocols to ensure products remain fresh and uncontaminated during transit.
- In-Process Monitoring: Stringent audits and real-time quality checks at every production stage.

These measures safeguard the brand's reputation and ensure that customer satisfaction remains high as the Company scales toward its future objectives.



The Company has strengthened its manufacturing capabilities by obtaining ZED Gold Certification, recognizing excellence in quality, operational efficiency, and sustainable manufacturing practices, and ISO 22000:2018 Certification, affirming compliance with globally accepted food safety management standards. These certifications reinforce the Company's commitment to delivering safe, high-quality products while continuously improving its operational processes.



Industry Context & Strategic Outlook (FY 2026 - 2027)

The broader industry landscape remains highly favourable, with rising disposable incomes, urbanization, and a decisive shift toward hygienically packaged food products. Furthermore, the demand for traditional Indian sweets and snacks remains robust in both domestic and international markets, presenting a significant horizon for future expansion beyond regional clusters.

India's organised snacking and bakery sector is among the more resilient parts of the wider food services landscape, supported by a growing preference for hygienically prepared and traceable food and an expanding appetite for regional flavours delivered through modern retail formats.

The Company intends to grow at the pace its systems, people and brand can genuinely sustain — not faster.

Priorities for FY 2026 - 2027

Facility Commissioning: Timely operationalization of the new manufacturing facility and automated infrastructure.

Network Growth: Continued retail expansion across existing and adjoining markets to maintain regional dominance.

Digital Strengthening: Enhancing e-commerce channels to capture first-party data and improve margins.

Operational Excellence: Prioritizing distribution efficiency to support the growing outlet count and potential export demand.

Organisational capability: Continued investment in leadership development and the internal talent pipeline

Portfolio discipline: Rationalisation of the SKU architecture around products that demonstrate consistent demand and margin performance.



Building for What's Next



Dear Shareholders,

Financial Year 2025-26 was a year in which Karaikal Iyangers Foods Limited moved decisively from a regional enterprise finding its scale to an organisation building the systems, capacity, and brand equity necessary to sustain scale on its own terms. Against the backdrop of a bakery, sweets, savouries, and Quick Service Restaurant industry that continues to be reshaped by rising urbanisation, evolving consumer expectations around hygiene and convenience, and rapid growth in organised and digital retail, your Company has chosen to compete not merely by expanding, but by building the operational depth that expansion requires to be sustainable.

Industry Context and Strategic Positioning

India's organised snacking and bakery sector remains among the more resilient segments of the broader FMCG and food services landscape, supported by structural tailwinds — rising disposable incomes, a growing preference for hygienically prepared and traceable food, and an expanding appetite for regional and traditional flavours delivered through modern retail formats. Within this environment, Karaikal Iyangers has chosen a specific strategic position: a manufacturing-led, quality-first operator that scales through process rigour rather than through undisciplined store count alone. This distinction matters, and it will matter more as the Company moves toward its next phase of institutional readiness.

Capacity and Manufacturing Modernisation

The Company's new manufacturing facility, under construction through the year, reflects a deliberate long-term capital allocation decision rather than a reactive response to near-term demand. The facility has been designed around automated production and, for select categories, integrated packaging capability — a configuration intended to elevate consistency, shelf-life, and food-safety assurance while reducing dependence on manual, and therefore more variable, processes. This is the foundation on which the Company's next phase of growth will be built, and its successful commissioning will be a principal management priority in the year ahead.

Portfolio Discipline

As production capability matures, management is equally focused on portfolio discipline. Rather than pursuing an expanding product catalogue, the Company intends to rationalise its SKU architecture — consolidating around products that demonstrate consistent consumer demand and margin performance, and retiring those that do not. Experience across the organised food industry suggests that brand strength and operational efficiency are better served by a focused, well-understood portfolio than by breadth alone, and the Company's strategy going forward will reflect that discipline.

Sustainable growth requires an equal and parallel investment in organisational capability.

Talent and Organisational Capability

Recognising that operational and technological advancement is only as effective as the leadership capability behind it, the Company engaged Vanto during the year to deliver a structured, multi-year leadership development programme for its management personnel.

This investment reflects management's view that sustainable growth requires an equal and parallel investment in organisational capability, and it will continue to be a priority as the Company's operational complexity increases.

Brand and Market Presence

The Company's retail footprint grew from 11 to 18 outlets during the year, and, notably, this expansion extended into high-visibility formats, including a new outlet at Trichy International Airport — a channel that introduces the Karaikal Iyangers brand to a wider and more transient consumer base than traditional retail alone. Management views this as an early indicator of a broader strategic intent: to build Karaikal Iyangers into a recognised regional brand across Tamil Nadu, with visibility and brand equity leading market expansion rather than following it.

Technology and Forward Capability

The Company's implementation of an enterprise resource planning system during the year marks the beginning of a broader digital transformation agenda. Looking further ahead, management sees meaningful long-term potential in applying data-led and, in time, artificial-intelligence-enabled tools to demand forecasting, production planning, and inventory optimisation. This remains a directional aspiration rather than a committed near-term initiative, and the Company will approach it, as it does all capital and technology decisions, with appropriate diligence and a clear-eyed view of return on investment.

Outlook

The Company's priorities for the year ahead are to commission its new manufacturing facility and integrate its enhanced capacity into operations; to rationalise its product portfolio in line with the discipline described above; to extend its brand presence across Tamil Nadu through deliberate, visibility-led expansion; and to continue investing in leadership and organisational capability. These priorities are guided by a single underlying principle: that Karaikal Iyangers should grow at the pace its systems, people, and brand can genuinely sustain — not faster.

Acknowledgement

On behalf of the Board, I extend my sincere appreciation to our shareholders for their continued confidence, to our customers for their trust, to our employees for their contribution to the Company's performance this year, and to my fellow Directors for their guidance and stewardship. The Company stands today on a stronger operational foundation than it did a year ago, and I remain confident in its ability to build on that foundation in the years ahead.

With Commitment to the Future**Rakesh Kumar**

Chairman & Managing Director

From the first oven to Eighteen stores

When we started Karaikal Iyangers, we didn't have a strategy deck or a five-year plan. We had a recipe book passed down through our family, a small kitchen, and a belief that Karaikal deserved sweets and snacks the way they were always meant to be made — honestly, and without shortcuts. Everything since has grown from that one belief.

Where we began

I remember the early days clearly — mornings spent testing batches before sunrise, evenings spent figuring out how to get a single tray of sweets to a single shop on time. Every decision was personal because every product had our name on it, literally and otherwise. There was no department for quality control; quality control was whoever was standing closest to the stove.

How far we've come

It still surprises me, some days, to see where we are now. This year alone, our outlet count grew from 11 to 18 — nearly doubling in twelve months, reaching towns like Poraiyar, Thirumarugal and Peravurani that were once well outside anything we imagined for ourselves. Our revenue crossed Rs. 42 crore, more than we did in our first two years combined. We're building a new factory with machinery I couldn't have described a few years ago, and our sweets now reach customers through Swiggy and Zomato — a kind of doorstep delivery that didn't exist in the way we first pictured serving people.

What hasn't changed, and what I hope never does, is the reason behind all of it. Every new outlet still exists to bring the same quality to more people, not to bring less quality to more places.

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What still drives us

Watching the Company professionalise — proper financial systems, formal governance, a functioning Board, real compliance — has been its own kind of satisfaction. It means this isn't just my company anymore, or even just a family's company. It's becoming an institution that can outlast any one of us, which was always the quiet hope underneath the ambition.



Passing the baton, not the purpose

My role today looks different from the one I held in our earliest years, and that's simply what growth demands — not a step back, but a shift in where I put my energy. What was once a handful of us making every decision has become a proper team — a Board, a management structure, people across functions who each carry a piece of this Company forward. That shift has given us the discipline and scale I couldn't have built alone, and I'm glad to be one voice among many rather than the only one. My part in it hasn't shrunk, just changed shape: I still hold the ground closest to what we started with — the kitchens, the recipes, the outlets, the people. My stake in this Company's soul is exactly what it always was. I still taste-test. I still walk into our outlets when I can. I still believe the day we stop caring about the small things is the day we stop being who we are.

Looking Forward

As we look to the year ahead — new markets, a new factory coming to life, deeper digital reach — I find myself less anxious about the size of what's coming and more grateful for how we're getting there: without losing the recipe, the relationships, or the reason we began. To everyone who has worked alongside us — in our kitchens, our outlets, our offices, and on our Board — thank you for carrying this forward with the same care we started with. This was never meant to stay small. It was always meant to stay honest while it grew.

With Gratitude & Commitment

Muthiya
Whole-Time Director

A Letter from the CFO's Desk



Dear Stakeholders,

FY 2025-26 was the year our numbers began to reflect a business that has genuinely changed shape — not just grown larger, but grown up. As Chief Financial Officer, my responsibility isn't only to report what we earned this year; it's to show you that the foundation beneath those earnings is stronger than it was twelve months ago, and that the growth you see on paper was built rather than simply arrived at. I believe both are true, and I'd like to walk you through why.

Our revenue from operations grew to Rs. 4,226.69 lakhs, up 64.51% from Rs. 2,569.21 lakhs the year before. Growth of that pace is not, on its own, unusual for a young company still finding its footing — what matters far more to me is what happened beneath that top line. Seven new outlets, a manufacturing facility under construction, an enterprise resource planning implementation and a multi-year leadership development programme were all absorbed within the same twelve months. Profit before tax improved from Rs. 411.13 lakhs to Rs. 520.24 lakhs, an increase of 26.53%, with the pre-tax margin at 12.3% against 16.0% a year earlier. I would rather the Company carry that compression now, while the outlets and the capacity behind them are being put in place, than defer the investment and report a more flattering margin on a smaller base.

₹ 4,226.69

REVENUE FROM OPERATIONS

₹ 520.24

PROFIT BEFORE TAX

12.31%

PRE-TAX MARGIN

I want to be precise about what that means, because a profit figure read on its own tells a shareholder very little. The relevant question is not whether profit rose, but what the Company had to spend to earn it and whether that spending was of a kind that recurs. A material share of what we committed in FY26 was directed at capacity rather than at consumption — assets and systems that were charged against this year's earnings but will serve the business for several years to come. Profitability in a year of that character should be read as a function of where the Company stands in its investment cycle, not as a settled measure of how the business performs. The Board's view is that earnings quality matters more than earnings level at this stage, and we would rather the Company be judged on the durability of what it is building than on a single year's margin.

That is the quiet, unglamorous definition of operating leverage, and it is the single most important financial story of this year — more important, in my view, than the revenue growth headline itself.

Our numbers are now checked, questioned, and validated by people whose job is precisely to do that, before they ever reach you. Transforming a family business into a company that can credibly stand in front of public shareholders takes years, not months, and FY26 was the year that transformation stopped being a plan on paper and became something visible in how we actually operate, meeting by meeting, quarter by quarter.

That is the unglamorous part of building a business, and it is the most important financial story of this year

Becoming an Institution, Not just a Business

Karaikal Iyangers began as a family enterprise, and for a long time, its financial discipline lived in the judgment and instinct of the people who built it. This year marked a deliberate, and

I think overdue, shift away from that model. We built out a functioning Board with genuine independent oversight, formal committees for audit, risk, and remuneration, and internal financial controls that are documented, tested, and reviewed

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rather than simply assumed. Reporting that once lived in someone's memory or in a notebook now lives in systems that don't depend on any single person being present to explain them.

Discipline you can see in the Numbers

This shift wasn't abstract — it showed up in concrete financial behaviour this year. We became more deliberate about which costs scale with the business and which don't, more disciplined about timing capital investment against actual demand rather than anticipated demand, and more careful about distinguishing growth that builds long-term capacity from growth that simply adds short-term revenue. None of this is visible in a single line item, but all of it is visible in the relationship between our revenue growth and our cost growth this year — a relationship that, frankly, would not have looked the same two years ago.

What the capacity investment is building toward

The retail growth this year — our outlet count nearly doubling from 11 to 18 — was the visible part of our expansion, and it made for an easy headline. The less visible part, and in some ways the more consequential one, is the manufacturing capacity we've been building behind it. Our new factory, still under construction, exists precisely because our current kitchens cannot indefinitely support a retail network growing at this pace. Retail expansion without matching production capacity eventually shows up as strained margins, inconsistent quality, or missed demand — none of which we are willing to accept as the cost of growth.

Once commissioned, this facility will let us convert store growth directly into production growth, rather than store growth outpacing what our kitchens can supply, which has been the natural ceiling on our efficiency so far. I expect the coming year to be less about proving we can grow — FY26 as already answered that question — and more about proving we can grow without straining the infrastructure underneath us.

That is the shift I am most focused on as CFO: turning capacity into consistent, repeatable output, rather than capacity that merely keeps pace with demand after the fact.

Looking ahead to FY 2026-27

Next year, my priority is commissioning our new facility and ensuring the operating leverage we saw this year continues rather than reverses under the weight of new investment — because new capacity, in its first year, almost always costs more than it earns. Managing that transition carefully, without losing the margin discipline we built this year, will be the real test of FY27.

Alongside that, we intend to keep expanding deliberately rather than opportunistically, deepen the digital and aggregator channels we opened this year, and continue strengthening the financial and governance systems that will eventually need to support this Company in front of public markets. Each of these is a smaller step than the last few years' growth might suggest, and that is intentional — the businesses that scale successfully are usually the ones that resist the temptation to do everything at once.

FY26 showed us what disciplined growth can look like. FY27 is about proving it wasn't a one-year story, but the new normal for how this Company operates.

In gratitude

To our shareholders, our Board, and every employee who helped this Company grow up this year as much as it grew bigger — thank you. What these numbers really represent is a family business learning to think, plan, and account for itself the way an institution does, without losing the care and instinct that built it in the first place. I'm proud of how far that journey has come, and more importantly, of how much further it can now credibly go.

Warm Regards,
Thaiyalnayakei,
Whole-Time Director & CFO

Corporate Information

Board of Directors

Mr Rakesh Kumar	10687974
Mr. Muthaiya	10687973
Mrs. Thaiyalnayakei	10695040
Dr. Tom Antony	01413738
Mr. Purushothaman Diwakar	01479147
Mr. Madhavan Natarajan upto June 19,2026	01479148

Audit Committee

Mr. Purushothaman Diwakar	Chairperson
Dr. Tom Antony	Member
Mrs. Thaiyalnayakei	Member

Nomination & Remuneration Committee

Dr. Tom Antony	Chairperson
Mr. Purushothaman Diwakar	Member
Mr. Madhavan Natarajan upto June 19,2026	Member
Mr. Rakesh Kumar w.e.f June 27, 2026	Member

Stakeholders' Relationship Committee

Mr. Purushothaman Diwakar	Chairperson
Dr. Tom Antony	Member
Mr Rakesh Kumar	Member

Corporate Social Responsibility Committee

Dr. Tom Antony	Chairperson
Mr. Purushothaman Diwakar	Member
Mr. Madhavan Natarajan upto June 19,2026	Member
Mr. Rakesh Kumar w.e.f June 27, 2026	Member

Risk Management Committee

Dr. Tom Antony	Chairperson
Mr. Purushothaman Diwakar	Member
Mr Rakesh Kumar	Member

Key Management Personnel

Mrs. Thaiyalnayakei	Whole-Time Director & CFO
Mrs. Pallavi Tongia upto August 1, 2025	Company Secretary & Compliance Officer

Banking Partner

ICICI Bank Ltd,
Ward/Block 26, T.S No. 86,83,87,88, Kamarajar Salai, Karaikal -
609602 Pondicherry
Branch: Karaikal
IFSC Code: ICIC0000996

Registrar and Share Transfer Agent

M/s. Purva Sharegistry (India) Private Limited
Unit no. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,
Near Lodha Excelus, Lower Parel (E),
Mumbai – 400011
Phone: 022-23012517/2518
Email: support@purvashare.com
ISIN No. INE11QF01011

Registered Office Address

R.S.No.77/1 PT, T.S. NO.10, Subbaraya Mudaliyar Street,
Melakasakudi, Nedungadu Commune Panchayat, Karaikal-
609603, Pondicherry, India
Tel: +91 44 43570138
Email: connect@karaikalilyangars.com
Website: <https://karaikalilyangars.com/>

New Manufacturing Facility

Plot No. D- 15 A & B,
PIPDIC Industrial Growth Centre,
Polagam, T.R.Pattinam ,
Karaikal -609 606

Notice to Shareholders

Notice is hereby given that the 02nd Annual General Meeting of the Members of KARAİKAL IYANGARS FOODS LIMITED (the Company) will be held on Wednesday, 30th day of September, 2026 at 11:00 A.M. through Video Conference (VC) / Other Audio-Visual Means (OAVM) at the deemed venue being the Registered Office of the Company situated at R.S.No.77/1,PT.T.S. No.10, Subbaraya Mudaliyar St, Melakasakudi, Karaikal, Nedungadu Commune Panchayat, Pondicherry, India, 609603.

Ordinary Business:

Item No. 1: To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended 31st March, 2026 and the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as an **Ordinary Resolution**;

“**RESOLVED THAT** the audited financial statements of the Company for the financial year ended 31st March 2026 and the reports of the Board of Directors and Auditors thereon laid before this Meeting, be and are hereby received, considered and adopted.”

Item No. 2: To appoint a director in place of Ms. Thaiyalnayakei (DIN: 10695040), who retires by rotation and being eligible, offers herself for re-appointment as a Director and in this regard, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**;

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Thaiyalnayakei (DIN: 10695040), who retires by rotation, at this Meeting and being eligible, has offered herself for re-appointment be and is hereby reappointed as a Director of the Company liable to retire by rotation.”

Special Business:

Item No. 3: Confirmation of Variation in terms of appointment of Mrs. Thaiyalnayakei (DIN: 10695040), Whole-Time Director and Chief Financial Officer

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**;

“**RESOLVED THAT** in partial modification of the resolution passed by the shareholder at the Extra-ordinary General meeting held on November 19, 2025 and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any of the Companies Act, 2013, read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendments, statutory

modifications or re-enactments thereof), in accordance with the recommendation of Nomination and Remuneration Committee, and the Board of Directors of the Company and subject to such other approvals as may be necessary in this regard, consent and approval of the members of the Company be and is hereby accorded to the revision in the remuneration payable to Mrs. Thaiyalnayakei (DIN: 10695040), Whole-Time Director and Chief Financial Officer of the Company, with effect from October 1, 2026, as follows:

- **Revised Salary:** Cost to Company (CTC) of ₹49,59,936/- (Rupees Forty-Nine Lakhs Fifty-Nine Thousand Nine Hundred and Thirty-Six only) per annum, inclusive of variable pay.
- All other terms and conditions as applicable to employees of the Company as a part of the conditions of service extended by the Company to all its employees.

RESOLVED FURTHER THAT except for the aforesaid variation in remuneration, all other terms and conditions of appointment of Mrs. Thaiyalnayakei shall remain unchanged as approved earlier by the shareholders.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of her appointment, the revised remuneration shall be treated as the minimum remuneration payable to her in accordance with Section II of Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. Rakesh Kumar (DIN: 10687974), Chairman & Managing Director, or any Director of the Company be and is hereby authorised to file necessary forms with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

Item No. 4: Confirmation of Variation in terms of appointment of Mr. Rakesh Kumar (DIN: 10687974), Chairman and Managing Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**;

“**RESOLVED THAT** in partial modification of the resolution passed by the shareholder at the Extra-ordinary General meeting held on August 5, 2024 and pursuant to the provisions of Sections 197, 198, and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendments, statutory modifications or re-enactments thereof), in accordance with the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company

and subject to such other approvals as may be necessary in this regard, consent and approval of the members of the Company be and is hereby accorded to the revision in the remuneration payable to Mr. Rakesh Kumar (DIN: 10687974), Chairman and Managing Director of the Company, with effect from October 1, 2026, as follows:

- **Revised Salary:** Cost to Company (CTC) of ₹61,99,920/- (Rupees Sixty-One Lakh Ninety- Nine Thousand Nine Hundred and Twenty only) per annum, inclusive of variable pay.
- All other terms and conditions as applicable to employees of the Company as a part of the conditions of service extended by the Company to all its employees.

RESOLVED FURTHER THAT except for the aforesaid variation in remuneration, all other terms and conditions of appointment of Mr. Rakesh Kumar shall remain unchanged as approved earlier by the shareholders.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the revised remuneration shall be treated as the minimum remuneration payable to his in accordance with Section II of Part II of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT Mrs. Thaiyalnayakei (DIN: 10695040), Whole-Time Director & Chief Financial Officer, or any Director of the Company be and is hereby authorised to file necessary forms with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

Item No. 5: Issue of upto 4,00,000 (Four Lakhs only) Equity Shares on Preferential Allotment Basis through Private Placement:

To consider, and if thought fit, to pass, with or without modification(s), the following resolutions as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 23(2)(b), 42, 62(1)(c), 179 (3)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (the “Companies Act”) read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force) the Memorandum of Association of the Company, Articles of Association of the Company and other applicable rules, regulations, notification circulars and guidelines issued by the Ministry of Corporate Affairs or any other competent authorities from time to time (to the extent applicable) and subject to such approvals, consents, sanctions, permissions and on such terms, conditions, stipulations

and modifications as may be prescribed, imposed or suggested while granting such approvals, the consent of the members of the Company be and is hereby accorded to the board of directors of the Company (the “Board,”) to create, issue, offer and allot, from time to time in one or more tranches, aggregating up to 4,00,000 (Four Lakhs Only) fully paid-up equity shares having face value of Rs.10/- (Rupees Ten only) per equity share (“Equity Share”) for cash at an issue price of Rs.200/- (Rupees Two Hundred only) per equity share (including a premium of Rs.190/- (Rupees One Hundred and Ninety Only) per equity share which is not less than the fair market value of such share determined on the basis of valuation report dated 3rd Septmeber, 2026 issued by Mr.Ramji Mahadevan, a Registered Valuer holding Certificate No.IBBI/RV/05/2019/10894, for an aggregate amount of up to Rs.8,00,00,000/- (Rupees Eight Crore Only), to the following identified persons/investors (hereinafter referred as “Proposed Allottee”) on a preferential basis through the issue of private placement offer cum application letter PAS-4 (Offer Letter) and on the terms and conditions as set out in the Explanatory Statement annexed hereto (“Preferential Issue”)

S. No.	Name of the Proposed Allottees	Number of shares proposed to be issued upto	Amount in Rupees (up to)
1	Aparna Samir Thakker	2,00,000	₹ 4,00,00,000/-
2	Thaiyalnayakei	2,00,000	₹ 4,00,00,000/-

RESOLVED FURTHER THAT subject to the provisions of the Articles of Association of the company, the equity shares to be allotted pursuant to the issue shall rank pari pasu with the existing shares of the company in all respects;

RESOLVED FURTHER THAT subject to the provisions of the Companies Act and other applicable laws, the Board be and is hereby authorized to decide, approve, vary, modify or alter any of the relevant terms and conditions, including the size of the preferential issue as it may deem expedient.

RESOLVED FURTHER THAT the Board be and is hereby authorized to decide from time to time about tranches of allotment and to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary to giving effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt in regard to terms of issue and / or mode of allotment that may arise in regard to offer / issue, allotment and utilization of the proceeds

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and further to do all such acts, deeds, matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit without being required to seek any further consent or approval of the members of the company to the intent that the members shall be deemed to have given their approval thereto by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any director(s) or executive(s)/officer(s) of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary to give effect to the aforesaid resolution."

**By Order of the Board of Directors
For Karaikal Iyangars Foods Limited**

Sd/-

**Rakesh Kumar
Chairman & Managing Director
DIN: 10687974**

Place: Karaikal

Date: 23/09/2026

Notes:

1. The Ministry of Corporate Affairs ("MCA") inter-alia vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, followed by Circular No.09/2023 dated September 25, 2023, circular No. 09/2024 dated 19th September 2024 and subsequent circulars issued in this regard, the latest being circular No. 03/2025 dated 22/09/2025 (collectively "MCA Circulars") has permitted the holding of the general meeting through Video Conferencing ("VC") or through other audio-visual means ("OAVM"), without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 ("the Act"), and MCA Circulars, the Second Annual General Meeting of the Members ("Meeting" or "AGM") of the Company is being held through VC / OAVM on Wednesday, 30th day of September, 2026 at 11:00 A.M.(IST). The proceedings of the AGM deemed to be conducted at the Registered Office of the Company.

2. Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through

VC or OAVM, the requirement of physical attendance of members has been dispensed with accordingly, in terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.

3. The relevant Explanatory Statement pursuant to Section 102(1) of the Act, setting out the material facts concerning special business(s) as set out above in Item No.3 to 5 is annexed hereto. The relevant details required to be disclosed in respect to Directors retiring by rotation at this AGM pursuant to Secretarial Standards on General Meeting ("SS-2") issued by the Institute of Company Secretaries of India and other applicable provisions of the Act, have been provided in Annexure A to this Notice.

4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The attendance of the Members attending the ACM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, and the Register of Directors and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Companies Act, 2013 and all documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.

7. The Annual General Meeting is proposed to be convened at a shorter notice pursuant to the proviso to Section 101(1) of the Companies Act, 2013, subject to receipt of consent in writing or by electronic mode from not less than ninety-five percent of the Members entitled to vote at the Meeting.

8. In accordance with the proviso to MCA Notification No. G.S.R. 802(E) dated October 27, 2023 amending Companies (Prospectus and Allotment of Securities) Rules, 2014 transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares

in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

9. In compliance with MCA Notification No. G.S.R. 802(E) dated October 27, 2023, M/s. PURVA SHAREGISTRY INDIA PRIVATE LIMITED, Mumbai has been appointed as the Registrar and Share Transfer Agents and the Company has entered into tripartite agreement with NSDL and M/s. PURVA SHAREGISTRY INDIA PRIVATE LIMITED. The details of the Registrar and Share Transfer Agents are given below:

M/s. PURVA SHAREGISTRY INDIA PRIVATE LIMITED
Unit No. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,
Near Lodha Excelus, Lower Parel (e), Mumbai – 400011,
Maharashtra, India

Phone: 022-23012517/2518

Email: support@purvashare.com

10. The Company has received its ISIN No. INE11QF01011 as on date of this report and members can contact the Company or M/s. PURVA SHAREGISTRY INDIA PRIVATE LIMITED for assistance in this regard.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

11. Member will be provided with a facility to attend the AGM through VC/OAVM through Jiomeet Platform. Members may access the same through the link sent (separately) to their email.

12. Members are encouraged to join the Meeting through Laptops/Tabs for better experience.

13. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.

14. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

15. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at (connect@karaikaliyangars.com).

16. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id(connect@karaikaliyangars.com), mobile number at (connect@karaikaliyangars.com). The same will be replied by the company suitably.

17. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

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EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("the Act")

Item No. 3: Confirmation of Variation in terms of appointment of Mrs. Thaiyalnayakei (DIN: 10695040), Whole-Time Director and Chief Financial Officer

Meaning, scope and implications of the material facts of the item of business to enable Members to take an appropriate decision

The Members of the Company, at the Extra-Ordinary General Meeting held on 5th August 2024, approved the appointment of Mrs. Thaiyalnayakei (DIN: 10695040) as the Whole-Time Director and Chief Financial Officer of the Company on the terms and conditions approved by the Board of Directors.

Subsequently, the Board of Directors at its meeting held on 30th April 2025 approved the revision in remuneration payable to Mrs. Thaiyalnayakei to ₹2,00,000/- (Rupees Two Lakhs only) per month, with effect from 1st April 2025, which was subsequently approved/ratified by the Members of the Company at the Extra-Ordinary General Meeting held on 19th November 2025.

Since her appointment, Mrs. Thaiyalnayakei has played an active role in the financial management, strategic decision-making and operational matters of the Company and has contributed significantly towards strengthening the Company's financial systems, processes and controls.

During her tenure as Chief Financial Officer, she has been involved in financial planning and budgeting, working-capital and cash-flow management, funding arrangements, banking relationships, financial reporting, statutory audit coordination, internal financial controls and implementation and optimisation of the Enterprise Resource Planning ("ERP") system across the organisation.

With the continued expansion of the Company's retail and manufacturing operations, development of additional infrastructure and implementation of technology-driven initiatives, the scale and complexity of the Company's operations have increased considerably. Consequently, the scope of responsibilities of Mrs. Thaiyalnayakei as Whole-Time Director and Chief Financial Officer has also expanded.

Her responsibilities include overall supervision of the finance and accounts function, financial planning and monitoring, funding and banking arrangements, capital expenditure oversight, strengthening of financial controls and reporting systems, coordination with auditors and financial institutions, and supporting the Board and Management in strategic financial decisions and future fund-raising initiatives.

Considering the continued expansion of the Company, the enhanced responsibilities entrusted to Mrs. Thaiyalnayakei and her contribution towards strengthening the financial management and systems of the Company, the Board of Directors at its meeting held on 23rd September 2026, based on the recommendation of the Nomination and Remuneration Committee, considered it appropriate to revise her remuneration commensurate with her present and anticipated responsibilities.

Accordingly, the Board of Directors has approved, subject to the approval of the Members, the revision in remuneration payable to Mrs. Thaiyalnayakei (DIN: 10695040), Whole-Time Director and Chief Financial Officer of the Company, with effect from the 1st October 2026 subject to the approval by the Members of the Company.

The proposed revised remuneration is as follows:

- **Salary:** Cost to Company (CTC) of ₹49,59,936/- (Rupees Forty-Nine Lakhs Fifty-Nine Thousand Nine Hundred and Thirty-Six only) per annum, inclusive of variable pay.
- **Perquisites and other terms and conditions:** Unchanged and in accordance with the existing terms and conditions of appointment previously approved by the Members of the Company.

Except for the aforesaid revision in remuneration, all other terms and conditions of appointment of Mrs. Thaiyalnayakei as Whole-Time Director and Chief Financial Officer, as previously approved by the Board of Directors and Members of the Company, shall remain unchanged and continue to be in full force and effect.

Accordingly, the proposed revision in remuneration is being placed before the Members pursuant to Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and the Rules made thereunder.

The Board considers the proposed remuneration reasonable and commensurate with the responsibilities entrusted to Mrs. Thaiyalnayakei and recommends the Special Resolution set out at Item No. 3 of the Notice for approval of the Members.

PARTICULARS OF INFORMATION PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013

I. GENERAL INFORMATION

1. Nature of Industry

The Company is engaged in the food industry and carries on the business of manufacturing and sale of bakery products, sweets, savouries and other food products through its retail outlets and other distribution channels.

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2. Date or expected date of commencement of commercial operations

The Company was incorporated on 28th June 2024 pursuant to conversion of the erstwhile partnership firm, Iyengar’s Bakery, Sweets & Savouries – Karaikal, into Karaikal Iyangers Foods Limited. The business was already operational prior to such conversion and continued its commercial operations upon incorporation of the Company.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not Applicable.

4. Financial performance based on given indicators

The financial performance of the Company is as follows:

Particulars	FY 2024-25 (in Lakhs)	FY 2025-26 (in Lakhs)
Revenue from Operations	2569.21	4,226.69
EBITDA	411.13	520.24
Profit Before Tax	411.13	520.2
Profit After Tax	306.27	382.56
Net Worth	956.27	2,295.83

5. Foreign investments or collaborations, if any

Not Applicable

II. OTHER INFORMATION

1. Pecuniary Relationship directly or indirectly with the Company or relationship with Managerial Personnel, if any

Mrs. Thaiyalnayakei is a Promoter, Member, Whole-Time Director and Chief Financial Officer of the Company and is entitled to remuneration in accordance with the terms of her appointment.

She holds 65000 Equity Shares in the Company.

Mr. Muthaiya (DIN: 10687973) and Mr. M. Rakesh Kumar (DIN: 10687974), Directors of the Company, are relatives of Mrs. Thaiyalnayakei.

Except for her remuneration, shareholding and the relationships disclosed above, Mrs. Thaiyalnayakei does not have any other pecuniary relationship with the Company, except as may otherwise be disclosed in the financial statements or statutory records of the Company.

2. Reasons for inadequate profits

The Company is presently in a significant growth and expansion phase and has been making substantial investments towards expansion of its retail network, augmentation of manufacturing capacity, development of new factory infrastructure, automation of manufacturing and operational processes, implementation and optimisation of technology systems, strengthening of organisational capabilities and additional working-capital requirements arising from the increased scale of operations.

The aforesaid expansion initiatives involve increased operating expenditure, employee costs, depreciation, finance costs and other expenditure associated with establishing and scaling up the Company's operations. These factors have an impact on the profitability of the Company in the near term.

Consequently, the profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 are inadequate for the purpose of payment of managerial remuneration under Section 197 of the Act.

3. Steps taken or proposed to be taken for improvement

The Company has undertaken and proposes to continue various strategic and operational initiatives aimed at improving its financial and operational performance, including:

- expansion of the retail network at identified locations;
- augmentation of manufacturing capacity;
- development and operationalisation of new factory infrastructure;
- automation of manufacturing and operational processes;
- improvement in production efficiency and utilisation of manufacturing capacity;
- strengthening of product mix, sales and customer-engagement initiatives;
- initiatives aimed at improving customer conversion and average transaction value;
- development and expansion of franchise-based business opportunities;
- strengthening of financial planning, budgeting and working-capital management;
- optimisation of ERP and other technology systems;
- implementation of measures for improved cost management and operational controls; and
- evaluation and implementation of other strategic business and growth initiatives.

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The Management expects the benefits arising from these initiatives to progressively improve operating efficiency, revenue generation and profitability.

4. Expected increase in productivity and profits in measurable terms

Based on the business plans and financial projections prepared by the Management, the Company expects substantial growth in the scale of its business, revenue and profitability over the ensuing financial years as the benefits of the ongoing expansion and strategic initiatives are progressively realised.

The projected financial performance of the Company is as follows:
(in Crores)

Particulars	FY 2026 -27 (Projected)	FY 2027-28 (Projected)	FY 2028-29 (Projected)
Revenue from Operations	62.50	128.59	250.61
EBITDA	21.87	34.71	67.66
Profit Before Tax	17.70	30.54	63.48
Profit After Tax	11.31	20.69	44.74

The aforesaid projections are based on the Management's present business plans, estimates and assumptions and actual performance may vary depending upon market conditions, implementation of the expansion initiatives and other internal and external factors.

III. DISCLOSURES

The remuneration package payable to Mrs. Thaiyalnayakei has been disclosed in the resolution and Explanatory Statement forming part of this Notice.

Mrs. Thaiyalnayakei satisfies the applicable conditions prescribed under Part I of Schedule V and Section 196(3) of the Companies Act, 2013 for continuation of her appointment as Whole-Time Director. She is not disqualified from being a Director under Section 164 of the Companies Act, 2013.

Except for the proposed revision in remuneration, all other terms and conditions of her appointment as Whole-Time Director and Chief Financial Officer shall remain unchanged.

Having regard to her experience, expertise, responsibilities and contribution towards the financial management and development of

the Company, the Board is of the opinion that the proposed revision in remuneration is fair, reasonable and in the best interests of the Company.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 3 of the Notice for approval of the Members.

Inspection of Documents

The relevant documents referred to in the resolution and this Explanatory Statement shall be available for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the General Meeting and shall also be available for inspection at the General Meeting.

Nature of concern or interest of Directors, Key Managerial Personnel and relatives of Directors and Key Managerial Personnel

Mrs. Thaiyalnayakei (DIN: 10695040), being the Whole-Time Director and Chief Financial Officer whose remuneration is proposed to be revised, is financially concerned or interested in the resolution.

Mr. Muthaiya (DIN: 10687973) and Mr. M. Rakesh Kumar (DIN: 10687974), being relatives of Mrs. Thaiyalnayakei, are also deemed to be concerned or interested in the resolution.

None of the other Directors or Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding, if any, in the Company.

Item No. 4: Confirmation of Variation in terms of appointment of Mr. Rakesh Kumar (DIN: 10687974), Chairman and Managing Director

Meaning, scope and implications of the material facts of the item of business to enable Members to take an appropriate decision

Mr. M. Rakesh Kumar (DIN: 10687974) has been associated with the Company since its incorporation as a First Director. Thereafter, the Board of Directors at its meeting held on 8th July 2024 approved his appointment as the Managing Director of the Company, which was subsequently approved by the Members at the Extra-Ordinary General Meeting held on 5th August 2024.

Since assuming the overall management of the Company, Mr. M. Rakesh Kumar has played a significant role in providing strategic direction and leadership to the Company and has been actively involved in administration, operations, business development, retail expansion, manufacturing, franchise development, financial and

strategic matters of the Company.

Under his leadership, the Company has considerably expanded its retail network and currently operates more than 20 outlets. The Company has also undertaken automation and modernisation of its manufacturing operations, development of new factory infrastructure and expansion through franchise-based business models. The revenue of the Company has also grown substantially during this period.

With the continued expansion of the Company's retail and manufacturing operations, development of additional infrastructure and implementation of various strategic growth initiatives, the scale and complexity of the Company's operations have increased considerably. Consequently, the scope of responsibilities of Mr. M. Rakesh Kumar as Chairman and Managing Director has also expanded.

His responsibilities include overall leadership and strategic direction of the Company, formulation and implementation of business and expansion plans, supervision of retail and manufacturing operations, development of franchise and other business opportunities, oversight of capital expenditure and capacity expansion, monitoring of financial and operational performance, strengthening of organisational systems and processes, stakeholder management and evaluation of future fund-raising and capital-market/IPO initiatives.

Considering the continued expansion of the Company, the enhanced responsibilities entrusted to Mr. M. Rakesh Kumar and his contribution towards the growth, strategic development and overall management of the Company, the Board of Directors at its meeting held on 23rd September 2026, based on the recommendation of the Nomination and Remuneration Committee considered it appropriate to revise his remuneration commensurate with his present and anticipated responsibilities.

Accordingly, the Board of Directors has approved, subject to the approval of the Members, the revision in remuneration payable to Mr. M. Rakesh Kumar (DIN: 10687974), Chairman and Managing Director of the Company, with effect from 1st October 2026, subject to the approval of the Members of the Company.

The proposed revised remuneration is as follows:

- **Salary:** Cost to Company (CTC) of ₹61,99,920/- (Rupees Sixty-One Lakh Ninety- Nine Thousand Nine Hundred and Twenty only) per annum, inclusive of variable pay.
- **Perquisites and other terms and conditions:** Unchanged and in accordance with the existing terms and conditions of appointment previously approved by the Members of the Company.

Except for the aforesaid revision in remuneration, all other terms and conditions of appointment of Mr. M. Rakesh Kumar as Chairman and Managing Director, as previously approved by the Board of Directors and Members of the Company, shall remain unchanged and continue to be in full force and effect.

Accordingly, the proposed revision in remuneration is being placed before the Members pursuant to Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and the Rules made thereunder.

The Board considers the proposed remuneration reasonable and commensurate with the responsibilities entrusted to Mr. M. Rakesh Kumar and recommends the Special Resolution set out at Item No. 4 of the Notice for approval of the Members.

PARTICULARS OF INFORMATION PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013

I. GENERAL INFORMATION

1. Nature of Industry

The Company is engaged in the food industry and carries on the business of manufacturing and sale of bakery products, sweets, savouries and other food products through its retail outlets and other distribution channels.

2. Date or expected date of commencement of commercial operations

The Company was incorporated on 28th June 2024 pursuant to conversion of the erstwhile partnership firm, Iyengar's Bakery, Sweets & Savouries – Karaikal, into Karaikal Iyengars Foods Limited. The business was already operational prior to such conversion and continued its commercial operations upon incorporation of the Company.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not Applicable.

4. Financial performance based on given indicators

The financial performance of the Company is as follows:

FY 2025 - 26

Particulars	FY 2024-25 (in Lakhs)	FY 2025-26 (in Lakhs)
Revenue from Operations	2569.21	4,226.69
EBITDA	411.13	520.24
Profit Before Tax	411.13	520.24
Profit After Tax	306.27	382.56
Net Worth	956.27	2,295.83

5. Foreign investments or collaborations, if any

Not Applicable

II. OTHER INFORMATION

1. Pecuniary Relationship directly or indirectly with the Company or relationship with Managerial Personnel, if any

Mr. M. Rakesh Kumar is a Promoter, Member, Chairman and Managing Director of the Company and is entitled to remuneration in accordance with the terms of his appointment.

He holds 45,10,000 Equity Shares in the Company.

Mr. Muthaiya (DIN: 10687973) and Mrs. Thaiyalnayakei (DIN: 10695040), Directors of the Company, are relatives of Mr. M. Rakesh Kumar.

Except for his remuneration, shareholding and the relationships disclosed above, Mr. M. Rakesh Kumar does not have any other pecuniary relationship with the Company, except as may otherwise be disclosed in the financial statements or statutory records of the Company.

2. Reasons for inadequate profits

The Company is presently in a significant growth and expansion phase and has been making substantial investments towards expansion of its retail network, augmentation of manufacturing capacity, development of new factory infrastructure, automation of manufacturing and operational processes, implementation and optimisation of technology systems, strengthening of organisational capabilities and additional working-capital requirements arising from the increased scale of operations.

The aforesaid expansion initiatives involve increased operating expenditure, employee costs, depreciation, finance costs and other

expenditure associated with establishing and scaling up the Company's operations. These factors have an impact on the profitability of the Company in the near term.

Consequently, the profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 are inadequate for the purpose of payment of managerial remuneration under Section 197 of the Act.

3. Steps taken or proposed to be taken for improvement

The Company has undertaken and proposes to continue various strategic and operational initiatives aimed at improving its financial and operational performance, including:

- expansion of the retail network at identified locations;
- augmentation of manufacturing capacity;
- development and operationalisation of new factory infrastructure;
- automation of manufacturing and operational processes;
- improvement in production efficiency and utilisation of manufacturing capacity;
- strengthening of product mix, sales and customer-engagement initiatives;
- initiatives aimed at improving customer conversion and average transaction value;
- development and expansion of franchise-based business opportunities;
- strengthening of financial planning, budgeting and working-capital management;
- optimisation of ERP and other technology systems;
- implementation of measures for improved cost management and operational controls; and
- evaluation and implementation of other strategic business and growth initiatives.

The Management expects the benefits arising from these initiatives to progressively improve operating efficiency, revenue generation and profitability.

4. Expected increase in productivity and profits in measurable terms

Based on the business plans and financial projections prepared by the Management, the Company expects substantial growth in the scale of its business, revenue and profitability over the ensuing financial years as the benefits of the ongoing expansion and strategic initiatives are progressively realised.

The projected financial performance of the Company is as follows:

(in Crores)

Particulars	FY 2026 -27 (Projected)	FY 2027-28 (Projected)	FY 2028-29 (Projected)
Revenue from Operations	62.50	128.59	250.61
EBITDA	21.87	34.71	67.66
Profit Before Tax	17.70	30.54	63.48
Profit After Tax	11.31	20.69	44.74

The aforesaid projections are based on the Management's present business plans, estimates and assumptions and actual performance may vary depending upon market conditions, implementation of the expansion initiatives and other internal and external factors.

III. DISCLOSURES

The remuneration package payable to Mr. M. Rakesh Kumar has been disclosed in the resolution and Explanatory Statement forming part of this Notice.

Mr. M. Rakesh Kumar satisfies the applicable conditions prescribed under Part I of Schedule V and Section 196(3) of the Companies Act, 2013 for continuation of his appointment as Managing Director. He is not disqualified from being a Director in terms of Section 164 of the Companies Act, 2013.

Except for the proposed revision in remuneration, all other terms and conditions of his appointment as Chairman and Managing Director shall remain unchanged.

Having regard to his experience, leadership, responsibilities and contribution towards the growth, expansion and strategic development of the Company, the Board is of the opinion that the proposed revision in remuneration is fair, reasonable and in the best interests of the Company.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 4 of the Notice for approval of the Members.

Inspection of Documents

The relevant documents referred to in the resolution and this Explanatory Statement shall be available for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the General Meeting and shall also be available for inspection at the General Meeting.

Nature of concern or interest of Directors, Key Managerial Personnel and relatives of Directors and Key Managerial Personnel

Mr. M. Rakesh Kumar (DIN: 10687974), being the Chairman and Managing Director whose remuneration is proposed to be revised, is financially concerned or interested in the resolution.

Mr. Muthaiya (DIN: 10687973) and Mrs. Thaiyalnayakei (DIN: 10695040), being relatives of Mr. M. Rakesh Kumar, are also deemed to be concerned or interested in the resolution.

None of the other Directors or Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the resolution, except to the extent of their shareholding, if any, in the Company.

Item No. 5: Issue of upto 4,00,000 (Four Lakhs only) Equity Shares on Preferential Allotment Basis through Private Placement:

The Company in order to augment its long- terms resources for its various business needs which includes capital expenditure, working capital requirement, repayment of existing loans etc., proposes to raise long term fund through the issue of Equity Shares by way of preferential allotment on a private placement basis to a select group of persons stated supra in the resolution who have been identified by the Board (herein referred to as “identified person”).

Accordingly, pursuant to the recommendation of the board of directors of the Company (the “Board”) in its meeting held on September 23, 2026, the board approved issuance of 4,00,000 (Four Lakhs only) fully paid-up equity shares having face value of Rs.10/- (Rupees Ten only) per equity share (“Equity Share”) for cash at an issue price of Rs.200/- (Rupees Two Hundred Only) per equity share (including a premium of Rs.190/- (Rupees One Hundred and Ninety Only) per equity share which is not less than the fair market value of such share determined on the basis of valuation report dated 3rd September, 2026 issued by Mr.Ramji Mahadevan, a Registered Valuer holding Certificate No.IBBI/RV/05/2019/10894, for an aggregate amount of up to Rs.8,00,00,000/- (Rupees Eight Crores Only), are proposed to offer by the Company for subscription to the “**Proposed Allottee**” stated in Item No.5 of the Notice by way of preferential allotment on private placement basis on such terms and conditions as detailed in private placement offer cum application letter PAS-4.

As per the provisions of Sections 23(2)(b), 42 and 62(1)(c) of the Companies Act, 2013, and other applicable provisions, if any, of the

Companies Act, 2013 ('the Act') read with under Rule 13(2)(d) of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent notified and in effect and as amended from time to time, the Board of Directors can create, offer, issue and allot Equity Shares by way of preferential allotment on private placement basis, only if approved by the members by way of Special Resolution.

Further details of the proposed offer are disclosed below:

DISCLOSURE AS REQUIRED UNDER RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT) RULES, 2014 AND RULE 13 OF COMPANIES (SHARE CAPITAL AND DEBENTURES) RULES, 2014:

Particulars	Details
Particulars of the offer including date of passing of the board resolution	The Company proposes to invite/offer, issue and allot 4,00,000 (Four Lakhs only) fully paid-up equity shares having face value of Rs.10/-(Rupees Ten only) per equity share ("Equity Share") for cash at an issue price of Rs.200/- (Rupees Two Hundred Only) per equity share (including a premium of Rs.190/- (Rupees One Hundred and Ninety Only) per equity share which is not less than the fair market value of such share determined on the basis of valuation report dated 3rd September 2026 issued by Mr.Ramji Mahadevan, a Registered Valuer holding Certificate No.IBBI/RV/05/2019/10894, for an aggregate amount of up to Rs.8,00,00,000/- (Rupees Eight Crore Only). The resolution of the Board approving the offer was passed in the meeting of the Board held on 23/09/2026.
The objects of the issue	To mobilize funds for funding current and future business activities viz., long-term resource for its growth plan, capital expenditure, Working capital requirements and other general corporate purposes.
Kinds of securities offered and the price at which security is being offered	Equity Shares ranking pari passu with the existing Equity Shares of the Company, Equity Shares of face value Rs.10/-(Rupees Ten only) per equity share ("Equity Share") of the company are proposed to issued for cash, at an issue price of Rs.200/- (Rupees Two Hundred Only) per equity share (including a premium of Rs.190/- (Rupees One Hundred and Ninety Only) per equity share)

Total number of shares or other securities to be issued	Upto 4,00,000 (Four Lakhs only) fully paid-up equity shares having face value of Rs.10/-(Rupees Ten only) per equity share ("Equity Share")
Price at which the allotment is proposed to be made	Equity Shares of face value of Rs.10/- (Rupees Ten only) per equity share ("Equity Share") are proposed to be allotted for cash, at an issue price of Rs.200/- (Rupees Two Hundred Only) per equity share (including a premium of Rs.190/- (Rupees One Hundred and Ninety Only) per equity share.
Basis or justification for the price (including premium, if any) at which the offer or invitation is being made	The offer price of Equity Shares has been arrived at on the basis of the Valuation Report. A copy of the Valuation Report dated 3 rd September 2026 is shared separately.
Name and address of the valuer who performed the valuation	Name: Mr. Ramji Mahadevan, Registered Valuer, having Registered Valuer Certificate No. IBBI/RV/05/2019/10894 Address: #15-7, Maruthi, 35th Street, Nanganallur, Chennai, 600061, Tamilnadu, India
Relevant date with reference to which the price has been arrived at	30/06/2026
Amount which the company intends to raise by way of such securities	up to Rs.8,00,00,000/- (Rupees Eight Crores Only)
The class or classes of person to whom allotment is proposed to be made	Individual and Existing member forming part of Promoter/Promoter group
Intention of promoters, directors or key managerial personnel to subscribe to the offer	Mrs. Thaiyalnayakei, Whole-Time Director & CFO, is one of the Promoters of the Company to whom the 4,00,000 shares are being issued as Preferential Allotment basis through Private Placement.

Material terms of raising such securities	Preferential issue of 4,00,000 (Four Lakhs only) fully paid-up equity shares having face value of Rs.10/-(Rupees Ten only) per equity share (“Equity Share”) for cash at an issue price of Rs.200/- (Rupees Two Hundred Only) per equity share (including a premium of Rs.190/- (Rupees One Hundred and Ninety Only) per equity share). The equity shares arising out of the offer upon its allotment shall ranking pari passu with the existing Equity Shares of the Company in all respects.
The proposed time within which the allotment shall be completed	The Company intends to complete the process of allotment at the earliest and in any case within 60 (Sixty) days of the receipt of the share application money from the relevant Investor.
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of Objects	Mrs. Thaiyalnayakei, Whole-Time Director & CFO and one of the Promoters of the Company, proposing to subscribe 2,00,000 Equity Shares on a private placement basis. The contribution is being made by her towards the objects of the proposed issue.
Principal terms of assets charged as securities	Not applicable as the shares offered are Equity Shares
The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them	

Change in control, if any, in the company that would occur consequent to the preferential offer	There will be no change in control of the Company consequent to the proposed preferential allotment. Although the shareholding of the Promoter Group will decrease by approximately 1.42% aggregating to approximately 75.97% pursuant to the proposed issue, the control of the Company will continue to remain with the existing Promoter Group. There will also be no change in the composition of the Board of Directors pursuant to the proposed issue.
Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price	Not applicable
Justification for allotment proposed to be made for consideration other than cash together with valuation report of registered valuer	Not applicable, as the allotment will be made for cash consideration.

S. No.	Name of the Proposed Allottee	Category	Identificati on of Natural Persons who are the Ulitimate Beneficial Pwners	Percentage of Post preferentia l Offer Capital
1	Aparna Samir Thakker	Individual	NA	2.60%
2	Thaiyalnayakei	Promoter	NA	3.45%

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Pre and post issue Shareholding pattern of the company:

Sl. No.	Category	Pre issue (Equity Share)		Post Issue (Equity Shares)	
		No. of Shares held	Percentage of Share Holdings	No. of Shares held	Percentage of Share holdings
A	Promoter's Holding				
1	Indian				
1.1	Individual	56,33,550	77.39	58,33,550	75.97
1.2	Bodies Corporate	-	-	-	-
	Sub-Total	56,33,550	77.39	58,33,550	75.97
2	Foreign Promoters	-	-	-	-
	Sub- Total (A)	56,33,550	77.39	58,33,550	75.97
B	Non- Promoter's Holding				
1	Institutional Investors	3,20,000	4.40	3,20,000	4.17
2	Non-Institutional Investors:				
2.1	Private Corporate Bodies	-	-	-	-
2.2	Directors and Relatives	-	-	-	-
2.3	Indian Public	11,43,150	15.70	13,43,150	17.49
2.4	Others (LLP, Partnership Firm, HUF including NRI) – Foreign Body Corporate	1,82,200	2.50	1,82,000	2.37
	Sub- Total (B)	16,45,350	22.60	18,45,350	24.03
	Grand Total (A+B)	72,78,900	100	76,78,900	100

In accordance with the provision of Section 42 and 62(1)(c) read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, a company offering or making an invitation to subscribe to securities on a preferential allotment basis, is required to obtain prior approval of the members by way of special resolution, for each of the offers or invitation.

The approval of the members is accordingly being sought by way of special resolution under section 42 and 62(1)(c) of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 made there under.

The Board of Directors of the Company recommends the passing of the resolution in Item No.5 of the accompanying notice as a **Special Resolution**.

Inspection of Documents:

All documents referred to in the Notice will be available for inspection by the members at the registered office of the Company

and will also available for inspection by the members on all working days between 11.00 a.m. to 1.00 p.m. prior to the date of Annual General Meeting and at the meeting.

Nature of concern or interest of Directors, Key Managerial Personnel and relatives of Directors and Key Managerial Personnel:

Mrs. Thaiyalnayakei (DIN: 10695040), Whole-Time Director and Chief Financial Officer of the Company, being the proposed allottee under the preferential issue, Mr. Rakesh Kumar (DIN: 10687974), Managing Director and Mr. Muthaiya (DIN: 10687973), Whole-Time Director being the relative of Mrs. Thaiyalnayakei, is interested in the aforesaid agenda item to the extent of the Equity Shares proposed to be offered and allotted to her.

**By Order of the Board of Directors
For Karaikal Iyangers Foods Limited**

Sd/-

Rakesh Kumar
Chairman & Managing Director
DIN: 10687974

Place: Karaikal
Date: 23/09/2026

Annexure-A

Details of the Directors seeking re-appointment and/or fixation of remuneration at the Annual General Meeting, pursuant to Para 1.2.5 of Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI)

Item No. 2 and 3: For appointment of director in place of Ms. Thaiyalnayakei (DIN: 10695040), who retires by rotation and being eligible, offers herself for re-appointment as a Director and Confirmation of Variation in terms of appointment of Mrs. Thaiyalnayakei (DIN: 10695040), Whole-Time Director and Chief Financial Officer

Name of the Director	Thaiyalnayakei
DIN	10695040
Date of Birth	03/11/1986
Qualification	M.B.A
Date of appointment on the Board	08/07/2024
Experience (including expertise in specific functional area)/ Brief Resume	15 years of rich experience in accounting and she has effectively managed and overseen all financial operations within the company, leveraging her deep expertise to ensure accurate and strategic financial management.
Terms & Conditions of re-appointment	Retirement by rotation and Variation in terms of appointment with effect from October 1,2026 to till the end of the tenure
Remuneration last drawn (including sitting fees, if any)	Remuneration of Rs.2,00,000/- (Rupees Two Lakh) per month
Remuneration proposed to be paid	₹49,59,936/- (Rupees Forty-Nine Lakhs Fifty-Nine Thousand Nine Hundred and Thirty-Six only) per annum
Shareholding in the Company including shareholding as a beneficial owner as on March 31, 2026	65,000
Relationship with other Directors/ Key Managerial Personnel	Related to Mr.Rakesh Kumar, Mr.Muthaiya
Number of Meetings of the Board attended	8 out of 8 meeting attended
Directorships of other Boards as on March 31, 2026	Nil
Membership / Chairmanship of Committees of other Boards as on March 31, 2026	Not Applicable
Listed Entities from which the Director has resigned in past 3 years	Not Applicable

Item No. 4: Confirmation of Variation in terms of appointment of Mr. Rakesh Kumar (DIN: 10687974), Chairman and Managing Director

Name of the Director	Rakesh Kumar
DIN	10687974
Date of Birth	19/03/1984
Qualification	B.SC., & P.G.F.B.M.,
Date of appointment on the Board	28/06/2024
Experience (including expertise in specific functional area)/ Brief Resume	18 years of rich experience in technical and commercial activities including the Purchase of Machinery from Foreign Countries, Advancement of Technologies like Thermic Fluid Heating Systems, Modified Atmosphere Packaging, Ultrasonic Cutting Solutions and many others
Terms & Conditions of re-appointment	Variation in terms of appointment with effect from October 1,2026 to till the end of the tenure
Remuneration last drawn (including sitting fees, if any)	Remuneration of Rs.2,00,000/- (Rupees Two Lakh) per month
Remuneration proposed to be paid	₹61,99,920/- (Rupees Sixty-One Lakh Ninety- Nine Thousand Nine Hundred and Twenty only) per annum, inclusive of variable pay.
Shareholding in the Company including shareholding as a beneficial owner as on March 31, 2026	45,11,000
Relationship with other Directors/ Key Managerial Personnel	Related to Mr.Muthaiyaand Mrs.Thaiyalnayakei
Number of Meetings of the Board attended	8 out of 8 meeting attended
Directorships of other Boards as on March 31, 2026	Nil
Membership / Chairmanship of Committees of other Boards as on March 31, 2026	Not Applicable
Listed Entities from which the Director has resigned in past 3 years	Not Applicable

BOARDS' REPORT

To

The Members,

KARAIKAL IYANGARS FOODS LIMITED

Your Board of Directors ('Board') is pleased to present the 2nd (Second) Board's Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2026.

FINANCIAL RESULTS

Financial Year 2025-26 marked a significant phase in the Company's growth journey, characterised by strategic expansion and business scale-up initiatives. As the Company was incorporated during Financial Year 2024-25, the year under review witnessed substantial expansion of its retail network and operational footprint. The financial performance of the Company for the financial year ended March 31, 2026 is summarised below:

(Amount in Lakhs)

Particulars	For the Period 01 st April 2025 to 31 st March 2026	For the Period 28 th June 2024 to 31 st March 2025
Revenue from Operations	4226.69	2596.21
Other Income	5.40	3.22
Total Revenue	4232.08	2572.43
Total Expenditure	3711.84	2161.30
Profit/(Loss) before Prior Period Items & Tax	520.24	411.13
Less: Prior Period Items	-	-
Profit/(Loss) Before Tax	520.24	411.13
Less: Current Tax	118.21	99.38
Deferred Tax Charge/ (Credit)	19.47	5.48
Profit/ (Loss) After Tax	382.56	306.27
Dividend Proposed	-	-
Dividend Distribution Tax	-	-
Add: Balance b/f from Previous Year	-	-

Add: Transferred from Debenture Redemption Reserve	-	-
Less: Transfer to Debenture Redemption Reserve (if any)	-	-
Balance Profit/ (Loss) c/f to Next year	382.56	306.27
Earnings Per Share	5.64	4.71

COMPANY PERFORMANCE OVERVIEW

During the financial year 2025-26, the Company delivered a strong financial performance, reflecting the successful execution of its expansion strategy and continued growth in business operations. The Company recorded a Total Revenue of ₹4,232.08 lakhs, as compared to ₹2,572.43 lakhs in the previous financial year, registering a robust growth of 64.51%.

The Company's Profit Before Tax (PBT) increased significantly to ₹520.24 lakhs from ₹411.13 lakhs in the previous year, representing an increase of approximately 26.53%. This improvement in profitability was driven by higher revenues, improved operational efficiencies, and enhanced business scale resulting from the expansion of the Company's retail network.

The Company operates in a single business segment and does not have any holding, subsidiary, associate, or joint venture companies. Accordingly, segment-wise reporting and the preparation of consolidated financial statements are not applicable for the financial year under review. The accompanying financial statements, therefore, represent the overall financial performance and position of the Company as a standalone entity.

There has been no change in the legal status of the Company during the year under review. The Company continues to operate in the same class and category as on the date of incorporation.

The Board of the company has fixed the first financial year of the company from the date of incorporation of the company i.e., from June 28, 2024 to March 31, 2025 and the second and subsequent financial years of the company has been fixed as the period from 01st day of April to 31st day of March of each year.

No acquisition, merger, expansion, modernization, or diversification activities were undertaken during the year under review. The operations of the Company continued in the normal course of business without any structural or strategic changes.

CHANGE IN NATURE OF THE BUSINESS

During the financial year under review, there was no change in the nature of the business carried on by the Company.

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The Company continued to engage in its principal business activities of manufacturing and retailing bakery products, traditional Indian sweets, savouries, snacks, confectionery products, and Quick Service Restaurant (QSR) offerings through its expanding network of retail outlets.

The year was marked by the strategic expansion of the Company's retail footprint, with the addition of seven new outlets, increasing the total number of operational stores from eleven to eighteen as at March 31, 2026. This expansion has strengthened the Company's presence across Karaikal and neighbouring districts of Tamil Nadu and reinforces its long-term strategy of establishing a strong regional market presence.

The Company also continued to focus on strengthening its manufacturing infrastructure and expanding its market presence in line with its long-term business strategy. In line with its growth plans, the Company continued the development of its new manufacturing facility and invested in advanced automated machinery to enhance production capacity, improve process efficiency, and support the increasing demand arising from its expanding retail network. The commissioning of the new manufacturing facility is expected to provide a significant impetus to the Company's future growth and operational scalability.

The Company also strengthened its digital presence through strategic partnerships with leading online food delivery platforms, thereby expanding customer accessibility and enhancing brand visibility. These initiatives complement the Company's omnichannel growth strategy and position it to capitalise on the increasing demand for organised food retail and online ordering.

The Directors are pleased with the Company's overall performance during the year and remain confident that the Company's strong business fundamentals, expanding retail network, growing manufacturing capabilities, and customer-centric approach will continue to support sustainable growth and create long-term value for all stakeholders.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Annual Return of the Company for the financial year ended March 31, 2026 is available on the website of the Company and can be accessed at <https://karaikalinyangars.com/>.

MATERIAL CHANGES AND COMMITMENT, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY THAT OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There is no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relates and the date of this Report.

DIVIDEND

In view of the Company's ongoing expansion plans, capital expenditure requirements, and the need to strengthen its working capital position to support future business growth, the Board of Directors has considered it prudent to retain the profits generated during the financial year. Accordingly, the Board does not recommend any dividend on the Equity Shares of the Company for the financial year ended March 31, 2026.

TRANSFER TO RESERVES

With a view to conserving internal resources for supporting the Company's future expansion and operational requirements, the Board of Directors has decided to retain the entire profits earned during the financial year 2025-26. Accordingly, no amount has been transferred to the General Reserve during the year under review.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Since no dividend has been declared by the Company during the financial year under review, there was no unpaid or unclaimed dividend liable to be transferred to the Investor Education and Protection Fund (IEPF) pursuant to the provisions of Section 124(5) of the Companies Act, 2013. Accordingly, the provisions relating to transfer of amounts to the IEPF are not applicable to the Company.

CAPITAL STRUCTURE:

Authorised Share Capital: - As on March 31, 2026, the authorised share capital of the Company stood at ₹9,50,00,000/- (Rupees Nine Crores Fifty Lakhs only), divided into 95,00,000 (Ninety-Five Lakhs) Equity Shares of ₹10/- each.

During the financial year under review, the Members of the Company, at the Extra-Ordinary General Meeting held on November 19, 2025, approved the increase in the authorised

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share capital of the Company from ₹6,50,00,000/-, comprising 65,00,000 Equity Shares of ₹10/- each, to ₹9,50,00,000/-, comprising 95,00,000 Equity Shares of ₹10/- each. The enhancement of the authorised share capital was undertaken to facilitate the Company's capital augmentation plans and to support its medium- to long-term business growth strategy.

Issued, Subscribed and Paid-Up Share Capital: - As on March 31, 2025, the paid-up equity share capital of the Company stood at ₹6,50,00,000/- (Rupees Six Crores Fifty Lakhs only), comprising 65,00,000 Equity Shares of ₹10/- each, representing the equity shares subscribed by the subscribers to the Memorandum of Association at the time of incorporation.

During the year under review, the Members, at the Extra-Ordinary General Meeting held on November 19, 2025, approved the issue of 7,88,700 (Seven Lakhs Eighty-Eight Thousand Seven Hundred) Equity Shares of ₹10/- each at a premium of ₹115/- per share on a private placement basis.

Pursuant to the aforesaid approval, the Board of Directors allotted 6,90,200 (Six Lakhs Ninety Thousand Two Hundred) Equity Shares of Rs.10/- each at a Premium of Rs.115/- per share private placement basis dated 28/11/2025, resulting in an increase in the paid-up equity share capital to ₹7,19,02,000/- Subsequently, the Board allotted an additional 8,700 (Eight Thousand Seven Hundred) Equity Shares of Rs.10/- each at a Premium of Rs.115/- per share private placement basis dated 11/12/2025, pursuant to which the paid-up equity share capital increased to ₹7,19,89,000/-.

Further, at the Extra-Ordinary General Meeting held on December 17, 2025, the Members approved the cancellation of the unsubscribed portion comprising 89,800 Equity Shares and authorised the issue of 80,000 (Eighty Thousand) Equity Shares of ₹10/- each at a premium of ₹115/- per share on a private placement basis.

Pursuant to the approval granted by the Members, the Board of Directors, at its meeting held on December 22, 2025, allotted 80,000 (Eighty Thousand) Equity Shares, consequent to which the paid-up equity share capital of the Company increased to ₹7,27,89,000/- as on March 31, 2026.

a) BUY BACK OF SECURITIES:

The Company has not bought back any of its securities during the year under review.

b) SWEAT EQUITY:

The Company has not issued any Sweat Equity Shares during the year under review.

c) BONUS SHARES:

No Bonus Shares were issued during the year under review.

d) EMPLOYEES STOCK OPTION PLAN:

The Company has not provided any Stock Option Scheme to the employees.

e) RIGHTS ISSUE:

No Rights Issue was made during the year under review.

f) SHARES WITH DIFFERENTIAL VOTING RIGHTS / SWEAT EQUITY SHARES:

The Company has not issued any shares with differential voting rights or sweat equity shares during the year under review.

DEMATERIALISATION OF SHARES:

Pursuant to the Ministry of Corporate Affairs Notification No. G.S.R. 802(E) dated October 27, 2023, the Company had, during the financial year 2024-25, admitted its Equity Shares into the depository system to facilitate the dematerialisation of its securities.

In this regard, the Company had appointed M/s. Purva Shareregistry (India) Private Limited as its Registrar and Share Transfer Agent ("RTA") and executed the requisite tripartite agreements with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and M/s. Purva Shareregistry (India) Private Limited for providing dematerialisation facilities to its shareholders.

During the financial year under review, the aforesaid arrangements continued without any change, and M/s. Purva Shareregistry (India) Private Limited continued to act as the Registrar and Share Transfer Agent of the Company for facilitating share registry and depository-related services.

The details of the Registrar and Share Transfer Agents are given below:

M/s. PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED

Unit no. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg,
Near Lodha Excelus, Lower Parel (E), Mumbai – 400011

Phone: 022-23012517/2518

Email: support@purvashare.com

ISIN No. INE11QF01011

**DETAILS OF HOLDING, SUBSIDIARY, JOINT VENTURE,
OR ASSOCIATE COMPANIES**

As on March 31, 2026, the Company did not have any Holding Company, Subsidiary Company, Joint Venture, or Associate Company within the meaning of the Companies Act, 2013. Accordingly, the disclosure requirements relating to such entities are not applicable to the Company for the financial year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

As required by Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm:

- in the preparation of the annual financial statements, applicable accounting standards have been followed and there are no material departures from the said standards;
- such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2026 and of the profit of the company for the year ended on that date;
- proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities;
- the annual financial statements have been prepared on a going concern basis;
- proper internal financial controls are in place and are adequate and are operating effectively; and
- the systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

**POLICY ON DIRECTORS' APPOINTMENT AND
REMUNERATION AND OTHER DETAILS**

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, has adopted a policy governing the appointment, remuneration, and

evaluation of Directors, Key Managerial Personnel ("KMP"), and Senior Management Personnel. The Policy lays down the guiding principles for identifying and appointing individuals possessing the requisite qualifications, integrity, expertise, and experience, and also provides the framework for determining remuneration in a manner that is fair, competitive, performance-driven, and aligned with the long-term interests of the Company and its stakeholders.

The Policy on the appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel, including the criteria for determining qualifications, positive attributes, independence of Directors and other matters as required under the applicable provisions of the Companies Act, 2013, is available on the website of the Company.

**PROGRAMME FOR FAMILIARISATION OF INDEPENDENT
DIRECTORS**

The Company has in place a structured Familiarisation Programme for its Independent Directors with the objective of enabling them to gain a comprehensive understanding of the Company's business, industry dynamics, operations, regulatory framework, governance practices, strategic priorities, and risk management framework.

The Familiarisation Programme also provides periodic updates on changes in the regulatory environment, business developments, industry trends, and amendments to applicable laws to enable the Independent Directors to effectively discharge their roles and responsibilities.

**COMPOSITION OF THE BOARD OF DIRECTORS AND KEY
MANAGERIAL PERSONNEL****BOARD OF DIRECTORS**

As on March 31, 2026, the Board of Directors comprised an appropriate blend of Executive, Non-Executive and Independent Directors possessing diverse skills, industry knowledge, professional expertise and experience. The composition of the Board is in compliance with the applicable provisions of the Companies Act, 2013 and reflects the Company's commitment to sound corporate governance and effective stewardship.

The composition of the Board as on March 31, 2026 was as follows:

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Name of the Director	DIN	Designation
Mr. Rakesh Kumar	10687974	Chairman & Managing Director
Mr. Muthaiya	10687973	Whole-Time Director
Mrs. Thaiyalnayakei	10695040	Whole-Time Director & Chief Financial Officer
Dr. Tom Antony	01413738	Independent Director
Mr. Purushothaman Diwakar	09857561	Independent Director
Mr. Madhavan Natarajan	01479148	Non-Executive Director

The composition of the Board was in conformity with the provisions of Section 149 of the Companies Act, 2013.

KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Sections 2(51) and 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following were the Key Managerial Personnel of the Company as on March 31, 2026:

Name of the KMP	DIN	Designation
Mr. Rakesh Kumar	10687974	Chairman & Managing Director
Mr. Muthaiya	10687973	Whole-Time Director
Mrs. Thaiyalnayakei	10695040	Whole-Time Director & Chief Financial Officer

CHANGES IN DIRECTORS OR KEY MANAGERIAL PERSONNEL

During the financial year under review, there were no changes in the composition of the Board of Directors, except as stated below.

Dr. Tom Antony (DIN: 01413738) and Mr. Purushothaman Diwakar (DIN: 09857561), who were appointed as Additional Directors in the capacity of Independent Directors with effect from October 14, 2024, were regularised by the Members at the Extra-Ordinary General Meeting held on November 19, 2025.

Further, Mr. Madhavan Natarajan (DIN: 01479148), who was appointed as an Additional Director in the category of Non-Executive Director with effect from November 1, 2024, was also regularised by the Members at the said Extra-Ordinary General Meeting.

During the year under review, Ms. Pallavi Tongia, Company Secretary & Compliance Officer, resigned from the services of the Company with effect from August 1, 2025, due to personal reasons. The Board places on record its appreciation for the valuable contributions made by her during her tenure with the Company.

Subsequent to the close of the financial year, Mr. Madhavan Natarajan (DIN: 01479148) resigned from the office of Non-Executive Director with effect from June 19, 2026. The Board places on record its sincere appreciation for his guidance, valuable contributions, and dedicated services rendered during his association with the Company and wishes him success in his future endeavours.

RETIREMENT BY ROTATION:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Thaiyalnayakei (DIN: 10695040), Whole-Time Director & CFO, retires by rotation at the ensuing Annual General Meeting and, being eligible, has offered herself for re-appointment.

DISCLOSURE BY DIRECTORS:

All the Directors of the Company have furnished the requisite disclosures pursuant to the provisions of Section 184(1) of the Companies Act, 2013 relating to their interest in other entities. The Directors have also submitted declarations confirming that they are not disqualified from being appointed or continuing as Directors in terms of Section 164(2) of the Companies Act, 2013.

DECLARATION OF INDEPENDENT DIRECTORS

The Company has received the necessary declarations from all the Independent Directors confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and that they have complied with the provisions relating to their independence during the financial year under review.

In the opinion of the Board, the Independent Directors possess the requisite integrity, expertise, experience, and proficiency and fulfil all the conditions specified under the Companies Act, 2013 for continuing as Independent Directors of the Company.

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The terms and conditions governing the appointment of the Independent Directors are in accordance with the provisions of the Companies Act, 2013 and are available on the website of the Company for the information of the Members and other stakeholders.

NUMBER OF BOARD MEETINGS AND ATTENDANCE OF DIRECTORS

During the financial year ended March 31, 2026, the Board of Directors met Eight (8) times on 30th April 2025, 29th May 2025, 11th August 2025, 24th October 2025, 28th November 2025, 11th December 2025, 22nd December 2025, and 20th March 2026.

The intervening gap between any two Board Meetings was within the period prescribed under the Companies Act, 2013 and Secretarial Standard-1 on Meetings of the Board of Directors.

The attendance of the Directors at the Board Meetings held during the financial year is as follows:

Name of the Directors	Designation	No. of Board meeting (eligible to attend during tenure)	No. of Board Meeting attended
Mr. Rakesh Kumar	Chairman & Managing Director	8	8
Mr. Muthaiya	Whole-Time Director	8	8
Mrs. Thaiyalnayakei	Whole-Time Director & Chief Financial Officer	8	8
Mr. Purushothaman Diwakar	Independent Director	8	7
Dr. Tom Antony	Independent Director	8	7
Mr. Madhavan Natarajan	Non-Executive Director	8	2

The Company has not entered into any pecuniary relationship or transactions with its Independent Directors, other than the payment of sitting fees for attending the meetings of the Board and its Committees, as approved by the Board and the Members.

The Independent Directors are paid sitting fees of ₹20,000 per Board Meeting and ₹5,000 per Committee Meeting/Other Meeting for attending the meetings of the Board and its Committees.

The remuneration of the Executive Directors comprises salary, allowances and other benefits as approved by the Board and the Members, wherever applicable. The Nomination and Remuneration Committee periodically reviews their performance and recommends suitable remuneration to the Board, taking into account their roles, responsibilities, performance, industry benchmarks and the overall financial performance of the Company.

CORPORATE GOVERNANCE:

The Company is committed to maintaining the highest standards of Corporate Governance and believes that sound governance practices are fundamental to enhancing stakeholder value, fostering transparency, ensuring accountability, and promoting sustainable business growth.

Although certain provisions relating to Corporate Governance are not presently mandatory for the Company, the Board has voluntarily adopted several governance practices, keeping in view the Company's long-term growth objectives and proposed listing plans.

The Board continues to strengthen the governance framework by adopting appropriate policies, establishing statutory committees, implementing effective internal control systems, and ensuring compliance with all applicable statutory and regulatory requirements.

COMMITTEES OF THE BOARD OF DIRECTORS:

To facilitate effective governance and assist the Board in discharging its responsibilities, the Company has constituted the following Committees in accordance with the applicable provisions of the Companies Act, 2013 and, wherever considered appropriate, in line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- 1.Audit Committee
- 2.Nomination and Remuneration Committee
- 3.Stakeholders' Relationship Committee
- 4.Risk Management Committee
5. Corporate Social Responsibility Committee

The composition, terms of reference and functioning of the aforesaid Committees are reviewed by the Board from time to time to ensure their continued effectiveness and alignment with statutory and business requirements.

1. Audit Committee

The Audit Committee functions in accordance with the provisions of Section 177 of the Companies Act, 2013 and assists the Board in overseeing financial reporting, internal financial controls, risk management, audit processes and compliance with applicable laws and regulations.

During the financial year 2025-26, the Audit Committee met twice, on April 30, 2025 and October 24, 2025.

The composition of the Committee as on March 31, 2026 was as follows:

S. No.	Director	Post held	No. of Meeting Entitled	No. of Meeting Attended
1	Mr. Purushothaman Diwakar (DIN: 09857561)	Chairperson	2	2
2	Mr. Tom Antony (DIN: 01413738)	Member	2	2
3	Mrs. Thaiyalnayakei (DIN: 10695040)	Member	2	2

All recommendations of Audit Committee during the year under review were accepted by the Board of Directors.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted pursuant to Section 178 of the Companies Act, 2013 and the applicable Rules made thereunder. The Committee is responsible for identifying qualified individuals for appointment to the Board and Senior Management, recommending remuneration policies, evaluating the performance of Directors and Key Managerial Personnel, and ensuring an appropriate balance of skills and experience on the Board.

During the financial year 2025-26, the Committee met once, on April 30, 2025.

The composition of the Committee as on March 31, 2026 was as follows:

S. No.	Director	Post held	No. of Meeting Entitled	No. of Meeting Attended
1	Mr. Tom Antony (DIN: 01413738)	Chairperson	1	1
2	Mr. Purushothaman Diwakar (DIN: 09857561)	Member	1	1
3	Mr. Madhavan Natarajan (DIN: 01479148)	Member	1	1

Subsequent to the closure of financial year, Mr. Madhavan Natarajan, Non-Executive Director of the Company, resigned from the Board with effect from June 19, 2026. Consequent to the said resignation, he also ceased to be a member of the Nomination and Remuneration Committee.

As a result, the composition of the Nomination and Remuneration Committee fell below the prescribed requirement with effect from June 19, 2026. The Board in its meeting held on June 27, 2026, reconstituted the Committee by inducting Mr. Rakesh Kumar, Chairman of the Board as the member of the Nomination and Remuneration Committee in accordance with the Companies Act, 2013.

3. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee has been constituted pursuant to Section 178 of the Companies Act, 2013 to oversee and address matters relating to shareholders, investors and other security holders, including the redressal of investor grievances and related matters.

No meeting of the Stakeholders' Relationship Committee was held during the financial year under review, as no business requiring the Committee's consideration arose during the year.

4. Risk management Committee

The Risk Management Committee has been constituted by the Board to assist in identifying, evaluating, monitoring and mitigating strategic, operational, financial, regulatory and other business risks that may affect the Company's operations and long-term objectives. No meeting of the Risk Management Committee was held during the financial year under review.

5. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted by the Board to assist in identifying, evaluating, monitoring and mitigating strategic, operational, financial, regulatory and other business risks that may affect the Company's operations and long-term objectives.

No meeting of the Corporate Social Responsibility Committee was held during the financial year under review.

Subsequent to the closure of financial year, Mr. Madhavan Natarajan, Non-Executive Director of the Company, resigned from the Board with effect from June 19, 2026. Consequent to the said resignation, he also ceased to be a member of the Corporate Social Responsibility Committee.

As a result, the composition of the Corporate Social Responsibility Committee fell below the prescribed requirement with effect from June 19, 2026. The Board in its meeting held on June 27, 2026, reconstituted the Committee by inducting Mr. Rakesh Kumar, Chairman of the Board as the member of the Corporate Social Responsibility Committee in accordance with the Companies Act, 2013.

BOARD EVALUATION

Even though it is not mandatory for the company to have a formal and structured Board evaluation process, as part of its corporate governance policy, the Board periodically reviews its own performance, the performance of its committees and the performance of individual Directors to ensure effective functioning and good governance practices.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Independent Directors of the Company met separately on March 20, 2026 without the presence of Non-Independent Directors and members of Management. In accordance with the Section 149 (8) and Schedule-IV of the Act, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole;

- Performance of the Chairman of the Company taking into consideration the views of Executive and Non-Executive Directors;
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

As the Company is an unlisted public company with a paid-up capital below the threshold specified under Section 177(9) of the Companies Act, 2013, it is not mandatory for the Company to establish a Vigil Mechanism / Whistle Blower Policy. The Company, however, remains committed to promoting ethical business practices, accountability, and transparency in its operations, and encourages directors, employees, and other stakeholders to report any genuine concerns or instances of unethical behaviour or non-compliance with applicable laws and regulations.

STATUTORY AUDITORS

The Members of the Company, at the First Annual General Meeting held on December 31, 2025, appointed M/s. P P N and Company, Chartered Accountants (Firm Registration No. 013623S), as the Statutory Auditors of the Company to hold office from the conclusion of the First Annual General Meeting until the conclusion of the Sixth Annual General Meeting, in accordance with the provisions of Section 139 of the Companies Act, 2013.

The Statutory Auditors have confirmed that they continue to satisfy the eligibility criteria prescribed under Sections 139 and 141 of the Companies Act, 2013 and the Rules framed thereunder, and are not disqualified from continuing as the Statutory Auditors of the Company.

The Report of the Statutory Auditors on the Standalone Financial Statements for the financial year ended March 31, 2026 forms part of the Annual Report. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer of opinion.

The notes forming part of the Financial Statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments under Section 134(3)(f) of the Companies Act, 2013.

SECRETARIAL AUDITORS

The provisions related to secretarial audit pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 is not applicable to the company. Accordingly, the company is not required to undergo secretarial audit and annex secretarial auditor's report to the Board report.

INTERNAL AUDIT

As the company does not fulfil the criteria specified for appointment of Internal Auditor in terms of Section 135 of the companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, to carry out internal audit, the same is not applicable to the Company.

MAINTENANCE OF COST RECORDS

The provisions in respect of maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company, accordingly, the provisions of Section 148 of the Companies Act, 2013 relating to Cost Audit is also not applicable to the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

In accordance with the provisions of Section 118(10) of the Companies Act, 2013, every company shall observe secretarial standards with respect to general and Board meetings specified by the Institute of Company Secretaries of India constituted under section 3 of the Company Secretaries Act, 1980 (56 of 1980), and approved as such by the Central Government and your Board hereby submits that with respect to general and Board meetings the applicable secretarial standards had been followed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review the Company has not given any loan to any person or other body corporate, not given any guarantee or provided any security in connection with a loan to any other body corporate or person and not acquired by way of subscription, purchase or otherwise, the securities of any other body corporate. Hence the said provision is not applicable.

RELATED PARTY TRANSACTIONS

All Related Party Transactions entered into during the financial year were in the ordinary course of business and on an arm's length

basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the Company's Policy on Material Related Party Transactions.

There were no materially significant Related Party Transactions entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other related parties that could have had a potential conflict with the interests of the Company.

During the year under review, the Company engaged Aikyam Strategic Management Private Limited for management consultancy and advisory services, in which Mr. Madhavan Natarajan, Non-Executive Director, was interested. The transaction was undertaken in the ordinary course of business, on an arm's length basis, and in compliance with the applicable provisions of the Companies Act, 2013.

The particulars of Related Party Transactions in Form AOC-2, as prescribed under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, are annexed to this Report as **Annexure – I**.

FOREIGN DIRECT INVESTMENT (FDI)

During the financial year under review, the Company issued 1,60,000 Equity Shares of face value ₹10/- each at a premium of ₹115/- per Equity Share on a private placement basis to Non-Resident Individuals, resulting in the receipt of Foreign Direct Investment (FDI) in accordance with the applicable provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations framed thereunder.

The Company has duly complied with the applicable FEMA requirements by filing the requisite Form FC-GPR with the Reserve Bank of India within the prescribed timelines.

DOWNSTREAM INVESTMENT

During the financial year under review, the Company did not make any downstream investment as defined under the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019. Accordingly, no disclosure relating to downstream investment is required to be made for the financial year ended March 31, 2026.

RECEIPT OF REMUNERATION OR COMMISSION BY THE MANAGING / WHOLE TIME DIRECTOR FROM ITS HOLDING OR SUBSIDIARY COMPANY:

As the Company did not have any Holding Company or Subsidiary Company as on March 31, 2026, the disclosure requirements under Section 197(14) of the Companies Act, 2013 are not applicable.

POLICIES OF THE COMPANY

The Company is committed to maintaining the highest standards of corporate governance and has established a robust governance framework founded on the principles of transparency, accountability, integrity, fairness, and ethical business conduct. The Board of Directors has, from time to time, adopted and approved various policies and codes in accordance with the provisions of the Companies Act, 2013, the Rules made thereunder, and the applicable provisions, in line with the Company's proposed listing objectives.

These policies and codes are periodically reviewed by the Board to ensure their continued relevance and alignment with the evolving regulatory framework, governance standards, and business requirements. The policies adopted by the Company are available on the Company's website and may be accessed at <https://karakaliyangars.com/>

PUBLIC DEPOSITS

The Company has not accepted any deposits from public falling within the ambit of section 73 and Section 76 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014. Hence, no disclosure is required under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.

UNSECURED LOAN FROM DIRECTORS

During the financial year under review, the Company has not availed any unsecured loans from its Directors to meet its business and operational requirements.

BORROWINGS

As on March 31, 2026, the total outstanding borrowings of the Company, comprising both long-term and short-term borrowings, stood at ₹1301.53 lakhs.

The borrowings have primarily been utilized for meeting the Company's capital expenditure requirements, working capital needs, and other business operations in line with its expansion plans. The details of such borrowings are disclosed in the notes forming part of the Financial Statements.

RISK MANAGEMENT AND INTERNAL CONTROL

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The Company at regular intervals monitors the financial, operational, legal risk to the Company through procedures like audit, inspections etc. There is no risk, which in the opinion of the

Board may threaten the existence of the Company.

ADEQUACY OF INTERNAL FINANCIAL CONTROL

During the year under review, the Company implemented an enterprise resource planning (ERP) system, to strengthen and integrate its financial reporting, accounting, inventory management, and procurement processes across the organisation. This implementation has enhanced the visibility, accuracy, and timeliness of financial and operational data available to management, and further reinforces the adequacy and effectiveness of the Company's internal financial controls, commensurate with the size and nature of its business. The internal financial controls are adequate and are monitored at regular intervals.

PARTICULARS OF EMPLOYEES

The Company continues to maintain cordial and harmonious industrial relations across all levels of the organisation. The Board places on record its appreciation for the commitment, dedication and valuable contributions made by all employees towards the Company's continued growth and success.

The disclosures relating to remuneration of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable, as no employee of the Company was in receipt of remuneration in excess of the prescribed limits during the financial year under review.

As on March 31, 2026, the Company had 382 employees on its rolls. The gender-wise employee strength is as follows:

Male	Female	Transgender
239	143	0

HUMAN RESOURCE DEVELOPMENT

The Company considers its human resources to be one of its most valuable assets and believes that a motivated, skilled and engaged workforce is fundamental to achieving sustainable business growth. The Company's human resource philosophy focuses on attracting, developing and retaining talented professionals while fostering a culture of integrity, collaboration, innovation and continuous learning.

The Company continues to provide a conducive and inclusive work environment that encourages professional development,

employee engagement and performance excellence. During the year, the Company also engaged Landmark Worldwide Breakthrough Technologies Private Limited to conduct a structured leadership training programme for its management personnel, aimed at strengthening leadership capabilities, decision-making, and people management skills across the organisation.

This initiative reflects the Company's continued commitment to developing internal talent and building a future-ready leadership pipeline to support its ongoing growth .

The Board is pleased to report that industrial relations remained cordial and harmonious throughout the financial year.

CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 [14 OF 2013]

The Company is committed to providing a safe, secure and inclusive work environment that is free from discrimination, harassment and intimidation. In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Rules made thereunder, the Company has constituted an Internal Complaints Committee ("ICC") to prevent, prohibit and redress complaints relating to sexual harassment at the workplace.

The Internal Complaints Committee functions in accordance with the provisions of the POSH Act and is entrusted with the responsibility of ensuring a fair, transparent and confidential mechanism for addressing complaints, while promoting awareness and sensitisation among employees. The Company has also registered itself on the SHe-Box (Sexual Harassment electronic Box) portal of the Ministry of Women and Child Development, Government of India, enabling employees to file complaints of sexual harassment directly and ensuring greater transparency and accessibility in the redressal mechanism.

The details of complaints received and disposed of during the financial year under review are as follows:

(a)	number of complaints pending at the beginning of the year;	Nil
(b)	number of complaints of sexual harassment received in the year;	Nil
(c)	number of complaints disposed off during the year;	Nil
(d)	number of cases pending for more than ninety days	Nil

STATEMENT BY THE COMPANY WITH RESPECT TO THE COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT 1961.

Pursuant to Rule 8(5)(xiii) of the Companies (Accounts) Rules, 2014, as amended by the Companies (Accounts) Second Amendment Rules, 2025, the Board hereby confirms that the Company has complied with the applicable provisions of the Maternity Benefit Act, 1961.

The Company is committed to promoting an equitable and inclusive workplace and provides all eligible women employees with maternity benefits, including maternity leave, nursing breaks and other statutory benefits, in accordance with the provisions of the Maternity Benefit Act, 1961 and the rules framed thereunder.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under section 143(12) of the Act, including rules made there under.

CORPORATE SOCIAL RESPONSIBILITY

The Company was exempted from the provisions of section 135 of the Companies Act, 2013, till 31st March 2026, in respect of Corporate Social Responsibility. The Company has exceeded threshold limit of Net Profit of Rs. Five crores during the financial year 2025-26 and consequently comes under an obligation to comply with the provisions under Section 135 of the Companies Act, 2013 including spending towards CSR activities, for the financial year 2026-27. Based on the profit of FY2025-26, the provision of the CSR become applicable to the Company w.e.f. April 1, 2026

As the obligation to spend towards CSR under Section 135 of the Companies Act, 2013 was not applicable to the Company during the financial year 2025-26, separate disclosure in terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Rule 9 of the Companies (Accounts) Rules, 2014 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has not been provided in the annual report on Corporate Social Responsibility activities of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO CONSERVATION OF ENERGY

Details of the energy conservation, technology absorption and foreign exchange earnings and outgo are annexed to this report as “Annexure – II”.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company's operations in future.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year under review and till date of this Report, the Company has neither made any application against anyone nor were any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

During the Financial Year under review, there has been no incident of one time settlement for loan taken from the banks of financial institutions and hence not being commented upon.

WEBSITE

The Company has a website <https://karaikaliyangars.com/> which contains relevant information about the Company, including details required under the Companies Act, 2013 including a separate section "Investors Relations" for use of investors.

DESIGNATED PERSON OF THE COMPANY:

Mr. Rakesh Kumar (DIN: 10687974) is the Designated person of the company

ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the government and regulatory authorities, banks, business associates, customers, vendors, members, for their co-operation and support and looks forward to their continued support in future.

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company.

**For and on behalf of the Board of Directors of
KARAIKAL IYANGARS FOODS LIMITED**

Sd/-**Rakesh Kumar
DIN: 10687974****Chairman & Managing
Director****Sd/-****Thaiyalnayakei
DIN: 10695040****Whole Time Director &
Chief Financial Officer****Place: Karaikal
Date: 23/09/2026**

ANNEXURE TO BOARDS' REPORT
ANNEXURE- I

Form AOC - 2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of
the Companies (Account) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Karaikal Iyangers Foods Limited has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2025-26:

Sl. No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	Not Applicable
B	Nature of contracts/arrangements/transactions	
C	Duration of the contracts/arrangements/transactions	
D	Salient terms of the contracts or arrangements or transactions including the value, if any	
E	Justification for entering into such contracts or arrangements or transactions	
F	Date of approval by the Board	
G	Amount paid as advances, if any	
H	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arms’ length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient terms of the Contracts/ Arrangements/ Transactions	Total Value, if any during the year (INR)	Date(s) of approval by the Board, if any	Amount paid as advances, if any:
Mr. Muthaiya, Whole-Time Director	Rental Paid for the Premises used by the Company for its Business	2025-26	At Arms’ Length	₹46,80,000/-	30.04.2025	NA
Mr. Rakesh Kumar Chairman & Managing Director	Rental Paid for the Premises used by the Company for its Business	2025-26	At Arms’ Length	₹3,60,000/-	30.04.2025	NA
Aikyam Strategic Management Services Pvt. Ltd., Entity held by Non-Executive Director	Management Consultancy Services	2025-26	At Arms’ Length	₹11,60,000/-	30.04.2025	NA

For and on behalf of the Board of Directors of
KARAIKAL IYANGARS FOODS LIMITED

Sd/-
Rakesh Kumar
DIN: 10687974
Chairman & Managing Director

Sd/-
Thaiyalnayakei
DIN: 10695040
Whole Time Director &
Chief Financial Officer

Place: Karaikal
Date: 23/09/2026

ANNEXURE TO BOARDS' REPORT

ANNEXURE- II

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FORIEGN EXCHANGE EARNINGS & OUTGO:

A.CONSERVATION OF ENERGY

(i)	The steps taken or impact on conservation of energy;	During the year under review, the Company continued to use biomass briquettes as fuel for its Thermic Fluid Heater (TFH), thereby reducing its dependence on conventional fossil fuels. Further, as part of its efforts towards efficient and sustainable utilisation of energy resources, the Company purchased two electric vehicles during the year for business use, thereby reducing its reliance on conventional fuel-powered vehicles.
(ii)	The steps taken by the company for utilizing alternate sources of energy;	The Company continued to utilise biomass briquettes as an alternate source of fuel for its Thermic Fluid Heater (TFH). Briquettes, being a biomass-based fuel, provide a renewable alternative to conventional fuels and also contribute towards optimisation of fuel costs.
(iii)	The capital investment on energy conservation equipment;	No material capital investment was made on energy conservation equipment during the year under review.

B. TECHNOLOGY, ABSORPTION, ADOPTION & INNOVATION

(i)	The efforts made towards technology absorption;	No specific technology absorption initiatives were undertaken by the Company during the year under review.
(ii)	The benefits derived, such as product improvement, cost reduction, product development or import substitution;	Not Applicable
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	No technology was imported by the Company during the last three years reckoned from the beginning of the financial year. Accordingly, the disclosures relating to the year of import, extent of absorption and areas where absorption has not taken place are not applicable.
(iv)	The expenditure incurred on Research and Development.	No expenditure was incurred on Research and Development during the year under review.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year	-
The Foreign Exchange loss during the year in terms of actual outflows:	-

For and on behalf of the Board of Directors of
KARAIKAL IYANGARS FOODS LIMITED

Place: Karaikal
Date: 23/09/2026

Sd/-
Rakesh Kumar
DIN: 10687974
Chairman & Managing
Director

Sd/-
Thaiyalnayakei
DIN: 10695040
Whole Time Director &
Chief Financial Officer



INDEPENDENT AUDITOR'S REPORT

To the Members of
Karaikal Iyangars Foods Limited.,

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Karaikal Iyangars Foods Limited** ("the **Company**"), which comprise the Balance Sheet as at 31st March , 2026, the Statement of Profit and Loss, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2026, and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report as key audit matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and the Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, then we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements:

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and

presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management and the Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management and the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements:

1. As required by the **Companies (Auditor's Report) Order, 2020 ("the Order")**, issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in **"Annexure - A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

2. As required by Section 143(3) of the Act, we report that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Rule 7 of Companies (Accounts) Rules, 2014, as amended.
- On the basis of the written representation received from the directors as on March 31, 2026, taken on records by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a Director in terms of Section 164(2) of the Act.
- With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** to this report.
- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Point 2 of Note No. 27 (Other Notes to Accounts) to the financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
b. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
v) The Company has not declared or paid any dividend, hence reporting under Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2026.

vi) As per the reporting requirements under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For P P N And Company

Chartered Accountants

Firm's Registration No: 013623S

Peer Review Certificate No.020690

R. Rajaram

Partner

Date: 23-09-2026

M. No: 238452

Place: Chennai

UDIN: 26238452ZNWXYV3974

Annexure - A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that,

- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has also maintained proper records showing particulars of intangible assets

- According to the information and explanation given to us, all Property, Plant and Equipment have been physically verified by the management during the year, however, there is a regular planned programme of periodical physical verification of its Property, Plant and Equipment by which

all property, plant and equipment are verified during that period. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

- The title deeds of all the immovable properties of the Company are held in the name of the Company.
- The Company has not revalued any of its Property, Plant and Equipment during the year ended 31st March 2026.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Transactions (Prohibition) Act, 1988 and rules made there under.

ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no significant discrepancies were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties. Discrepancies of 10% or more in aggregate for each class of inventories were not noticed on such physical verification and in respect of such confirmations.

(b) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are materially in agreement with the books of account of the Company.

iii) In respect of investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to any company, firm, LLP, or other parties,

(a) The Company has not granted any loans or advances in the nature of loans, secured or unsecured to any company, firm, LLP, or other parties during the year.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the Company's interest

(c) In respect of the loans granted and advances in the nature of loans provided by the Company, the Company has not granted any loans and advances and hence reporting under clause (iii)(c) of the Order is not applicable.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances, therefore is no overdue amount remaining outstanding as at the balance sheet date and hence reporting under clause (iii)(d) of the Order is not applicable.

(e) There were no loans or advance in the nature of loan granted to companies, or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

(f) According to the information and explanations given to us, the Company has not granted loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v) According to the information and explanations given to us, the Company has not accepted deposits and does not have any unclaimed deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.

vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under section 148(1) of the Act in respect of its products and services. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.

vii) In respect of statutory dues:

(a) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities the undisputed statutory dues including income tax, goods and service tax, duty of customs, duty of excise, cess and other statutory dues applicable to it and there are no arrears of outstanding statutory dues as at 31st March, 2026 for a period of more than six months.

(b) According to the information and explanations given to us, there are no dues of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service-tax, Duty of customs, duty of excise, Value Added tax or Cess which have not been deposited on account of any dispute.

viii) According to the information and explanation given to us and on the basis of our examination of the records, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3 (viii) of the Order is not applicable.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayments of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short term basis which has been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary companies.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries Companies. Hence the requirement to report on clause 3(ix)(f) of the Order is not applicable.

x) (a) During the year, the Company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments). Accordingly, clause 3(x)(a) of the order is not applicable to the Company.

(b) During the year, the Company has made a private placement of 7,78,900 (Seven Lakhs Eighty-Eight Thousand Seven Hundred Only) fully paid-up equity shares having a face value of Rs. 10/- each at an issue price of Rs. 125/- per equity share (including a premium of Rs. 115/- per equity share), for an aggregate

consideration of Rs. 973.62 lakhs. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has complied with the requirements of section 42 and section 62 of the Companies Act, 2013 in respect of such private placement. The amounts raised have been utilized for the purposes for which the funds were raised.

xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii) The Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been properly disclosed in Point 24 of Note: 27 - Other Notes on Accounts to the financial statements, as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the company during the year and covering the period up to March 31, 2026 for the period under audit.

xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Hence, the provisions of section 192 of the Companies Act are not applicable to the Company.

xvi) (a) Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) (a) of the Order is not applicable.

(b) The Company has not conducted any Non-Banking Financial & Housing Finance Activities during the year. Accordingly, paragraph 3(xvi) (b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, paragraph 3(xvi) (c) of the Order is not applicable.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii) The Company has not incurred any cash loss during the financial period covered by our audit and immediately preceding financial period.

xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial

xx) liabilities, other information accompanying the Financial Statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xxi. According to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company. Accordingly, the provisions of sub-clause (a) and (b) of Clause 3(xx) of the Order are not applicable.

For P P N And Company

Chartered Accountants

Firm's Registration No: 013623S

Peer Review Certificate No.020690

Date: 23-09-2026

Place: Chennai

R. Rajaram

Partner

M. No: 238452

UDIN: 26238452ZNWXYV3974

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report)

Report on the Internal Financial Controls with reference to Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Financial Statements of **Karaikal Iyangars Foods Limited** (the "Company") as of **March 31, 2026** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the

Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with reference to Financial Reporting

A company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

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**Inherent Limitations of Internal Financial Controls with
reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P P N And Company
Chartered Accountants
Firm's Registration No: 013623S
Peer Review Certificate No.020690

Date: 23-09-2026
Place: Chennai

R. Rajaram
Partner
M. No: 238452
UDIN: 26238452ZNWXY3974

Standalone Balance Sheet as at 31st March, 2026

(Rs. In lakhs)

PARTICULARS	NOTE	As at 31st March, 2026	As at 31st March, 2025
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	727.89	650.00
(b) Reserves and Surplus	2	1,567.94	306.27
Sub-Total		2,295.83	956.27
(2) Non-Current Liabilities			
(a) Long Term Borrowings	3	1,052.38	12.21
(b) Deferred Tax Liabilities (net)	4	18.79	-
(b) Long Term Provisions	5	29.81	23.13
Sub-Total		1,100.98	35.34
(3) Current Liabilities			
(a) Short Term Borrowings	6	249.15	404.32
(b) Trade Payables	7	-	-
(i) Total Outstanding dues to Micro Enterprises and Small Enterprises		432.12	243.73
(ii) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		-	-
(c) Other Current Liabilities	8	67.80	43.5
(d) Short Term Provisions	9	1.60	31.66
Sub-Total		750.68	723.21
Total Equity and Liabilities		4147.49	1,714.82
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment's and Intangible Assets			
(i) Property, Plant and Equipment	10	1377.37	805.55
(ii) Intangible Assets		1.42	1.78
(iii) Capital Work-in-Progress		1216.16	41.65
(b) Deferred Tax Asset (net)	11	-	0.68
(c) Long Term Loans & Advances	12	235.36	175.76
Sub-Total		2830.32	1,025.42
(2) Current Assets			
(a) Inventories	13	507.13	412.63
(b) Trade Receivables	14	50.26	26.67
(c) Cash and Cash Equivalents	15	49.10	40.65
(d) Short Term Loans and Advances	16	59.30	84.47
(e) Other Current Assets	17	651.38	124.98
Sub-Total		1317.17	689.39
Total Assets		4147.49	1,714.82

See accompanying notes to the financial statements 26 & 27

The accompanying notes form an integral part of the financial statements

As per our report of even date

For P P N AND COMPANY

Chartered Accountants

Firm Reg No: 013623S

Peer Review Certificate No. 020690

Sd/-

R Rajaram

Partner

Firm's Registration No. 013623S

Peer Review Certificate No. 020690

For and on behalf of the Board of Directors of
KARAIKAL IYANGARS FOODS LIMITED
(Formerly Known as Iyengar's Bakery, Sweets & Savories)

Sd/-

A. Muthaiya

Whole Time Director

DIN: 10687973

Sd/-

M. Rakesh Kumar

Managing Director

DIN: 10687974

Sd/-

Thaiyalnayakei

CFO Cum Whole Time Director

DIN: 10695040

Place : Karaikal

Date : 23-09-2026

Standalone Statement of Profit and loss for the Period ended 31st March, 2026

(Rs. In lakhs)

PARTICULARS	NOTE	For the year ended 31st March, 2026	For the period 28th June, 2024 to 31st March, 2025
Revenue from Operations	18	4226.69	2,569.21
Other Income	19	5.40	3.22
Total Income		4,232.08	2,572.43
Expenses			
Cost of Material Consumed	20	2168.58	1,095.61
Change in Inventories of work in progress and finished goods	21	(94.51)	(183.74)
Direct Expenses	22	124.67	274.49
Employee Benefit Expenses	23	836.01	560.09
Finance Costs	24	65.15	33.15
Depreciation and Amortization Expenses	10	88.49	50.50
Other Expenses	25	523.44	331.20
Total Expenses		3,711.84	2,161.30
Profit/(Loss) before Exceptional and Extraordinary Item and Tax		520.24	411.13
Exceptional Item		-	-
Profit/(Loss) before Extraordinary Item and Tax		520.24	411.13
Extraordinary Item		-	-
Prior Period Items		-	-
Profit/(Loss) before Tax		520.24	411.13
Provisions for Tax			-
Current Tax		118.21	99.38
Deferred Tax		19.47	5.48
Profit/(Loss) After Tax		382.56	306.27
Earnings Per Equity Share			
1. Basic		5.64	4.71
2. Diluted		5.64	4.71

See accompanying notes to the financial statements 26 & 27

The accompanying notes form an integral part of the financial statements

As per our report of even date

For P P N AND COMPANY

Chartered Accountants

Firm Reg No: 013623S

Peer Review Certificate No. 020690

Sd/-

R Rajaram

Partner

M.No:238452

Place : Karaikal

Date : 23-09-2026

For and on behalf of the Board of Directors of
KARAIKAL IYANGARS FOODS LIMITED
(Formerly Known as Iyengar's Bakery, Sweets &
Savories)

Sd/-

A. Muthaiya

Whole Time

Director

DIN: 10687973

Sd/-

M. Rakesh Kumar

Managing Director

DIN: 10687974

Sd/-

C. Thaiyalnayakei

CFO Cum Whole Time Director

DIN: 10695040

Standalone Statement of Cash Flow for the Period ended 31st March, 2026

(Rs. In lakhs)

PARTICULARS	For the period 1 st April, 2025 to 31st March, 2026	For the period 28th June, 2024 to 31st March, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax as per Profit & Loss A/c	520.24	411.13
Adjusted for non-cash items and non-operating items		
a. Depreciation	88.49	50.50
b. Interest Expenses	53.82	30.39
c. Gratuity Expense/(reversal)	7.52	4.15
d. Chit (income)/loss	-	(1.43)
e. (Profit)/Loss on Sale of Asset	-	-
f. Interest Income	-	-
Operating Profit before Working Capital changes	670.06	494.75
Adjusted for:		
a. Decrease /(Increase) in Inventories	(94.51)	(183.74)
b. Decrease / (Increase) in Trade Receivable	(23.59)	(10.86)
c. (Increase) / Decrease in Short term Loans and Advances	25.17	27.17
d. Increase / (Decrease) in Trade Payables	188.39	67.60
e. Increase / (Decrease) in Other Current Liabilities	24.30	17.73
f. (Increase) / Decrease in Other Current Assets	(526.40)	53.86
Cash generated from Operations	263.43	466.51
Net Income Tax (Paid)/Refund	(149.10)	(226.06)
Net Cash Generated/(Used) From Operating Activities (A)	114.33	240.45
B. CASH FLOW FROM INVESTING ACTIVITIES		
a. Purchase of Property, Plant and Equipment	(1,834.47)	(285.06)
b. Sale including write off of fixed assets		
c. (Increase) / Decrease in Non-Current Investments		
d. Long-term loans and advances	(59.60)	(22.30)
e. Chit income/(loss)	-	1.43
f. Interest Income	-	-
Net Cash Generated/(Used) From Investing Activities (B)	(1,894.07)	(305.93)
C. CASH FLOW FROM FINANCING ACTIVITIES		
a. Interest Expenses	(53.82)	(30.39)
b. (Repayments) /Proceeds from long term borrowings	1,040.17	12.21
c. (Repayments) / Proceeds from Short Term Borrowings	(155.16)	91.33
d. Additional Capital / (Drawings)	956.99	-
Net Cash Generated/(Used) From Financing Activities (C)	1,788.18	73.15
Net Increase / (Decrease) in Cash and Cash Equivalents	8.45	7.67
Cash and Cash Equivalents at the Beginning of the Period	40.65	32.98
Cash and Cash Equivalents at the End of the Period	49.10	40.65

As per our report of even date
For P P N AND COMPANY
Chartered Accountants
Firm Reg No: 013623S
Peer Review Certificate No. 020690

For and on behalf of the Board of Directors of
KARAIKAL IYANGARS FOODS LIMITED
(Formerly Known as Iyengar's Bakery, Sweets & Savories)

Sd/-
R Rajaram
Partner
M.No:238452

Sd/-
A. Muthaiya
Whole Time Director
DIN: 10687973

Sd/-
M. Rakesh Kumar
Managing Director
DIN: 10687974

Place : Karaikal
Date : 23-09-2026

Sd/-
Thaiyalnayakei
CFO Cum Whole Time Director
DIN: 10695040

26. Notes forming part of the Financial Statements

1. BUSINESS INFORMATION

Karaikal Iyangers Foods Limited (the Company) was originally formed and registered as a partnership firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of M/s. Iyengar's Bakery, Sweets & Savories (the "Firm") pursuant to a deed of partnership dated 01st February, 2017 and thereafter converted from a partnership firm to a public limited company with the name of **Karaikal Iyangers Foods Limited** and received a fresh certificate of incorporation from the Registrar of Companies, Pondicherry on 28th June, 2024 with Corporate Identification Number U10710PY2024PLC009260.

We are involved in the business of manufacturing, processing, preparing, preserving, refining, buying, selling and otherwise dealing in any manner in all type of food and food related products. This includes extruded foods and cereals, frozen foods whether processed or non-processed, spices, masala, beverages, dairy products, milk products, convenience foods and processed foods of all kind.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

b. Use of estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Examples of such estimates include provisions for doubtful receivables, provision for income taxes, the useful lives of depreciable Property, Plant and Equipment and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

c. Property, Plant and Equipment

Property, Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property, Plant and Equipments purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

d. Depreciation / Amortisation

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Straight line (SLM) method. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal. Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. In respect of the assets sold during the year, amortisation is provided from the beginning of the year till the date of its disposal.

Category	Schedule II Part 'C'	Useful Life
Computer & Accessories	XII (ii)	3 years
Furniture & Fittings	V (i)	10 years
Buildings	I (c)	30 years
Plant & Machinery	IV (i) (a)	15 years
Vehicles	VI (3)	8 years

e. Impairment of Assets

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of

impairment loss is recognised as income in the statement of profit and loss.

f. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non-current investments. Non-Current investments are carried at acquisition cost and investments intended to be held for less than one year are classified as current investments and are carried at lower of cost and market value. Non-Current Investments which have attained the stage of permanent diminution in their value are revalued at their current value

g. Revenue recognition

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and other sales-related taxes. Revenue is recognised once the performance obligation has been met. This is deemed to be when the goods and services have been collected by, or delivered to, the customer in accordance with the agreed delivery terms. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured in accordance with AS-9, Revenue Recognition. Sales are recognized on accrual basis, and only after transfer of goods/services to the customer.

Interest income: is recognized on accrual basis as and when it is accrued. Dividend income on investments is accounted for when the right to receive the income is established. Export incentives are recognised on accrual basis to the extent the management is certain of the income.

Other Income: Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

Dividend Income: Dividend Income is recognised when the owners right to receive payment is established.

h. Taxes on Income:

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

- **A. Current Tax:**

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

- **B. Deferred Tax:**

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

i. Inventories

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis. Purchased goods-in-transit are carried at cost. Work-in-progress is carried at the lower of cost and net realisable value. Stores and spare parts are carried at lower of cost and net realisable value. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labour cost and a proportion of manufacturing overheads.

j. Provisions, Contingent liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

k. Employee Benefits:

Post-Employment Benefits:

Defined Benefit Plan:

Short-term employee Benefits: Benefits such as salaries, wages and performance incentives are charged to the statement of profit and loss at the actual amounts due in the period in which the employee renders the related service.

Defined Contribution Plans Payments made to defined contribution plans such as provident and pension fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

Defined Benefit Plans Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Other Long-term Employee Benefits Other long-term employee benefits include Gratuity. Gratuity is recognised as an expense in the statement of profit and loss as and when it accrues on actuarial basis.

I.Earnings Per Share:

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

m. Cash and Bank Balances

Cash and cash equivalents comprise Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are shortterm balance (with original maturity is more than three months but less than twelve months).

n. Cash Flow Statement:

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

o. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably, the Company does not recognize a contingent liability but discloses its existence in the financial statements

p. Segment Reporting

The business activities of the company predominantly fall within a single primary business. Thus there is no separate reportable Segment businesses.

Notes forming part of the Financial Statements as at 31st March, 2026

1.Statement of Share Capital

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Authorised Capital *		
95,00,000 Equity shares of ₹10/- each	950.00	650.00
Issued, Subscribed & Fully Paid-up		
72,78,900 Equity shares of ₹10/- each	727.89	650.00
Total	727.89	650.00

Notes:

The Company was originally formed and registered as a partnership firm and thereafter converted from a partnership firm to a public limited company with the name of Karaikal Iyangers Foods Limited and received a fresh certificate of incorporation from the Registrar of Companies, Pondicherry on 28th June, 2024.

Reconciliation of No. of Shares Outstanding at the end of the period	(No. of Equity Shares)	
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Shares outstanding at the beginning of the year	65,00,000	-
Shares issued during the period	7,78,900	65,00,000
Bonus Shares Issued during the period	-	
Share outstanding at the end of the period	72,78,900	65,00,000

During the year, the Company issued 7,78,900 fully paid-up equity shares of face value of ₹10 each at a premium of ₹115 per share, aggregating to an issue price of ₹125 per share, through private placement. Accordingly, the Company's equity share capital increased by ₹77,89,000 and securities premium increased by ₹8,95,73,500 during the year. The total consideration received towards the issue amounted to ₹9,73,62,500.

Details of Shareholding more than 5% of the aggregate shares in the company

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Rakesh Kumar No. of Shares % Holding	45,11,000 61.97%	45,11,000 69.40%
Arwa Umesh No. of Shares % Holding	8,64,500 11.88%	8,64,500 13.30%
Muthaiya No. of Shares % Holding	5,28,775 7.26%	5,28,775 8.14%
Nethra R No. of Shares % Holding	5,28,775 7.26%	5,28,775 8.14%

Details of Shareholding of Promoters

Promoter Name	No. of Shares at the end of the year	% of Holding at end of Year	% Change During the Year
Rakesh Kumar	45,11,000	61.97%	-10.70%
Muthaiya	5,28,775	7.26%	-10.70%

2. Reserves & Surplus

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Statement of Profit & loss		
Opening balance in profit and loss account	306.27	
Add: Profit for the period	382.56	
Less: Tranfer if any	(16.63)	-
		306.27
Securities Premium	895.74	-
Total	1,567.94	306.27

3. Long-term Borrowings

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Vehicle Loan	24.08	12.21
Term Loan	1,028.30	-
Total	1,052.38	12.21

4. Deferred Tax Liabailities (net)

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
On Account of Depreciation	26.69	-
On Account of Income tax disallowance	(7.91)	-
Total	18.79	-

5. Long-term Provisions

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provision For Gratuity	29.81	23.13
Total	29.81	23.13

6. Short-term Borrowings

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Bank Overdraft	115.69	364.68
Current Maturities	107.60	2.41
Loan from Directors	25.87	37.23
Total	249.15	404.32

8. Other current liabilities

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advance received from customers	-	0.55
Salary Payable	37.80	30.23
Audit Fee payable	7.88	6.30
ESI Payable	0.88	0.53
EPF Payable	6.27	3.34
TDS payables	14.98	2.56
Other expenses payable	-	-
GST Payable	-	-
Total	67.80	43.50

9. Short-term Provisions

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provision for Tax (Net of Advance Tax, TDS & TCS receivable)	-	30.89
Provision for Gratuity	1.60	0.77
Total	1.60	31.66

7. Trade Payables

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Total outstanding dues of Micro Enterprises and Small Enterprises		-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	432.12	243.73
Total	432.12	243.73

(a) Balances for the period ended March 31, 2026

(Rs. In lakhs)

Particulars	Outstanding for following periods from due date				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) Undisputed Dues	-	-	-	-	-
- MSME	-	-	-	-	-
- Other than MSME	432.12	-	-	-	-
(ii) Disputed dues	-	-	-	-	-
- MSME	-	-	-	-	-
- Other than MSME	-	-	-	-	-
Total	-	-	-	-	-

(a) Balances for the period ended March 31, 2025

(Rs. In lakhs)

Particulars	Outstanding for following periods from due date				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) Undisputed Dues	-	-	-	-	-
- MSME	-	-	-	-	-
- Other than MSME	243.73	-	-	-	243.73
(ii) Disputed dues	-	-	-	-	-
- MSME	-	-	-	-	-
- Other than MSME	-	-	-	-	-
Total	243.73	-	-	-	243.73

Disclosure required as per MSMED Act, 2006

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(a) Dues remaining unpaid to any supplier at the end of each accounting period/year	-	-
- Principal	-	-
- Interest on the above	-	-

(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Note: Based on the information available with the Company, the above are dues to Small and Micro enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.		

11. Deferred Tax Asset

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
On Account of Depreciation	-	-5.14
On Account of Income tax disallowance	-	5.82
Total	-	0.68

12. Long Term Loan and Advances

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Lease rent advances	79.01	71.81
Staff rental house advance	5.60	3.50
Shop Advance	150.75	100.46
Total	235.36	175.76

13. Inventories

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Closing Stock	507.13	412.63
Total	507.13	412.63

14 Trade Receivables

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Undisputed Trade receivables – considered good, Unsecured	50.26	26.67
Total	50.26	26.67

(a) Balances for the period ended March 31, 2026

₹ in 'Lakhs'

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables- Considered Good,Unsecured	50.26	-	-	-	-	50.26
(ii) Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
(iv) Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Total	50.26					50.26

(a) Balances for the period ended March 31, 2025

₹ in 'Lakhs'

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables- Considered Good,Unsecured	22.38	0.87	3.53	-	-	26.67
(ii) Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
(iv) Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Total	22.28	0.87	3.53	-	-	26.67

15 Cash and Bank Balances

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Cash on hand	22.86	35.11
Balances with Bank	26.24	5.54
Total	49.10	26.67

16 Short term Loans and Advances

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
To related parties	-	-
To other than related parties		
Advance to suppliers	33.73	58.90
Salary Advance	25.57	25.57
Total	59.30	84.47

17 Other Current Assets

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advance Tax, TDS & TCS Receivable (Net of Provision for tax)	21.97	226.06
Advance for Machinery Purchase	512.47	60.00
Deposits	5.67	4.16
GST Inputs	64.52	17.21
Prepaid Expenses	0.85	0.83
IPO Expenses	25.50	22.78
Other Current Assets	20.40	20.00
Total	651.38	124.98

18 Revenue from operations

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Sale of Products	5907.17	3381.81
Less: Inter brance	(1675.93)	(758.70)
Less: Discounts	(4.55)	(53.90)
Total	4,226.69	2,569.21

KARAIKAL IVANGARS FOODS LIMITED
(Formerly Known as Iyengar's Bakery, Sweets & Savories) CIN: U10710PY2024PLC009260
Address: R.S.No.77/1,P.T.T.S.No.10/1, Subbaraya Mudaliar Street, Karaikal, 25-Puducherry, 609603

Notes: forming part of the Financial Statements for the year ended 31st March, 2026
Note 10: Property, Plant and Equipment and Intangible Assets
A. Current year – FY 2025-26 (01-04-2025 to 31-03-2026)

Particulars	GROSS BLOCK					ACCUMULATED DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01-04-2025	Reclassification / transfer from CWIP #	Additions	Deletions / capitalised	As at 31-03-2026	As at 01-04-2025	For the year	On deletions	As at 31-03-2026	As at 31-03-2026	As at 31-03-2025
(i) Property, Plant and Equipment											
Building	190.10	0.00	162.88	-	352.97	3.71	7.45	-	11.17	341.81	186.38
Plant and Machinery	297.64	(35.60)	122.90	-	384.94	15.98	18.71	-	34.68	350.25	281.66
Furniture & Fittings	346.72	(9.49)	232.45	-	569.68	27.30	36.95	-	64.25	505.43	319.42
Computer	17.14	27.08	23.20	-	67.42	0.80	16.56	-	17.36	50.06	16.34
Electronics	-	10.08	48.70	-	58.78	-	2.07	-	2.07	56.71	-
Vehicles	4.24	35.01	43.25	0.50	81.99	2.49	6.39	-	8.89	73.11	1.74
Total Property, Plant and Equipment (a)	855.83	27.08	633.38	0.50	1,515.79	50.28	88.14	-	138.42	1,377.37	805.55
(ii) Intangible assets											
Trademark	2.00	0.00	-	-	2.00	0.22	0.36	-	0.58	1.42	1.78
Total Intangible assets (b)	2.00	0.00	-	-	2.00	0.22	0.36	-	0.58	1.42	1.78
Total (a) + (b)	857.83	27.08	633.38	0.50	1,517.79	50.50	88.49	-	139.00	1,378.79	807.33
(iii) Capital work-in-progress											
Building (Polagam factory)	2.60	0.00	1,149.76	2.60	1,149.76	-	-	-	-	1,149.76	2.60
Vehicles WIP	11.97	-	-	11.97	-	-	-	-	-	-	11.97
Software under development (ODOO) - Asset Reclassified	27.08	(27.08)	-	-	-	-	-	-	-	-	27.08
Gravel WIP	-	-	66.41	-	66.41	-	-	-	-	66.41	-
Total Capital work-in-progress (c)	41.65	(27.08)	1,216.16	14.57	1,216.16	-	-	-	-	1,216.16	41.65
Grand Total (a) + (b) + (c)	899.48	(0.00)	1,849.54	15.07	2,733.95	50.50	88.49	-	139.00	2,594.96	848.98

Notes:

*The Company was incorporated on 28-06-2024 as a public limited company on conversion of the firm M/s Iyengar's Bakery, Sweets & Savories. The assets of the firm vested in the Company at their written-down values as on 27-06-2024. As the original cost and accumulated depreciation of the firm are not available, the written-down values taken over have been treated as the gross block of the Company, and accumulated depreciation has been reckoned from nil as on 28-06-2024.

#Opening balances as at 01-04-2025 have been reclassified between asset classes to align with the fixed asset register. ODOO software of ₹27.08 lakhs, shown under capital work-in-progress as at 31-03-2025, was ready for its intended use and has accordingly been transferred to Computers.

Depreciation on property, plant and equipment is provided on the straight-line method, pro rata from the date the asset is put to use, over the useful lives prescribed in Schedule II to the Companies Act, 2013, with a residual value of 5%. Assets taken over on conversion of the firm are depreciated over their remaining useful lives. Intangible assets are amortised on the straight-line method over their estimated useful lives. No depreciation is charged on capital work-in-progress.

The title deeds of all immovable properties are held in the name of the Company.

19 Other Income

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Chit Income	-	1.43
Discount Received	0.05	1.11
Other Income	5.34	0.68
Total	5.40	3.22

20 Purchases of Raw Materials, Packaging
Materials & Finished Goods

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Purchase of Raw Material & Finished Goods	2,168.58	1095.61
Total	2,168.58	1095.61

21 Change in Inventories of work in progress
and finished goods

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening Inventories	412.63	228.88
Less: Closing Inventories	(507.13)	(412.62)
Total	(94.51)	(183.74)

22 Direct Expenses

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Transportation and Frieght Charges	38.63	24.77
Packaging Materials	2.92	189.45
Grinding Charges	11.38	5.93
Fuel & Gas	62.76	48.58
Loading & Unloading Charges	8.99	5.75
Total	124.67	274.49

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23 Employee Benefit Expenses

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Salaries, wages, bonus and incentives	667.02	445.17
Directors Remuneration	60.00	36.16
Contribution to provident and other funds	34.45	18.93
Staff welfare expenses	67.03	55.68
Gratuity expenses	7.52	4.15
Total	836.01	560.09

24 Finance costs

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Bank Charges & Processing fees	10.85	2.76
Interest Expenses	53.82	30.39
Statutory Interest Expenses	0.49	-
Total	65.15	33.15

25 Other expenses

(₹ in 'Lakhs')

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Administrative Expenses	11.98	4.12
Advertisement	35.07	28.77
Audit Fees	8.75	7.00
Bad Debts	-	0.76
Professional & Consultancy Fees	28.32	17.91
Insurance	4.78	1.30
Power & Fuel	159.38	80.44
Printing & Stationery	6.58	2.60
Housekeeping and Maintenance	27.34	15.19
Rent	130.96	76.28
Repairs & Maintenance	47.19	52.77
Rates and Taxes	13.95	17.11
Telephone expenses	2.50	0.74
Travelling & Conveyance Expenses	18.29	10.94
Other Expenses	24.97	11.43
Director Sitting Fees	3.40	1.20
Brokerage and Commission	-	2.68
Total	523.44	331.20

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*Note:		
Payments to Auditor		
Fees as Auditors	7.50	6.00
Tax Audit	1.25	1.00
Total	8.75	7.00

27. Other notes to Accounts**1. Employee Benefit (Incurred in India)****(a) Gratuity Expenses**

Gratuity - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Company does not have a funded plan for gratuity liability.

Interest cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

Current Service Cost: is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

(i) Reconciliation of Opening and Closing Balance of
Gratuity Obligations:

(₹ in 'Lakhs')

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Net Liability as at the beginning of the Period	23.90	19.75
Net Expenses in P/L A/c	7.52	4.15
Benefits Paid	-	-
Net Liability as at the end of the Period	31.41	23.90
Present Value of Gratuity Obligation (Closing)	31.41	23.90

(ii) Expenses recognised in Statement of Profit and
Loss during the year:

(₹ in 'Lakhs')

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Interest Cost	-	-
Current Service Cost	7.62	6.14
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain)/loss	(0.10)	(1.99)
Net Expenses to be recognized in P&L	7.52	4.15
Total	7.52	4.15

(iii) Changes in Benefit Obligation

(₹ in ‘Lakhs’)

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Opening Defined benefit Obligation	23.90	19.75
Current Service Cost	7.62	6.14
Interest Cost for the year	-	-
Actuarial losses (gains)	(0.10)	(1.99)
Benefits Paid	-	-
Closing Defined Benefit Obligation	31.41	23.90
Total	31.41	23.90

(iii) Actuarial assumption

(₹ in ‘Lakhs’)

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Rate of Discounting	7.68%	6.79%
Salary Escalation	9.00%	9.00%
Attrition Rate	5.00%	5.00%
Mortality rate during employment Indian	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

2.Contingent Liabilities and Commitments (to the extent not provided for):

A. Contingent Liabilities

(₹ in ‘Lakhs’)

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Claims against the Company not acknowledged as debt		
Income tax demand (1)	-	0.44
EPF (2)	-	0.05
TDS demand (3)	-	0.02
Total	-	0.51

B. Commitments

(₹ in 'Lakhs')

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
Uncalled liability on shares and other investments partly paid	Nil	Nil
Other commitments	Nil	Nil
Total	Nil	Nil

3. Proposed Dividend Details:

The Company has not declared dividend for the period ended March 31, 2026.

4. No issue of securities were made for any specific purpose by the Company during the reporting period

5. The Company has not made borrowings from banks and financial institutions for any specific purposes during the reporting period.

6. The assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have value on realization in the ordinary course of business equal to the amount at which they are stated.

7. Details of Benami Property held

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)

8. Wilful Defaulter

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

9. Relationship with Struck off Companies

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

10. Compliance with approved Scheme(s) of Arrangements

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

11. Payment to the Auditor:

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Statutory Audit Fees	7.50	6.00
Tax Audit Matters	1.25	1.00
Total	8.75	7.00

12. No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exit at the date as at which balance sheet was made up.

13.A. CIF value of Imports

(₹. in Lakhs)

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Raw materials, finished goods & packing materials	NIL	NIL
Capital Goods	NIL	NIL
Spares and Consumables	NIL	NIL
Total	NIL	NIL

B. Exchange in Foreign Exchange

(₹. in Lakhs)

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
FOB value of Exports	NIL	NIL
Export shipping charges	NIL	NIL
Total	NIL	NIL

C. Expenditure in Foreign Currency

(₹. in Lakhs)

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Travelling expenses	NIL	NIL
Business promotion	NIL	NIL
Trademark expense	NIL	NIL
Total	NIL	NIL

14. Undisclosed income

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the period.

15. Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial period.

16. Income Taxes:**I. Minimum Alternate Tax**

Company has opted the Special tax rate of the Income Tax Act, 1961. Hence, MAT asset is not recognised.

II. Current Tax**(₹. in Lakhs)**

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Current Tax	76.16	99.38
Add: Tax Adjustment for earlier years	-	-
Net Current Tax	76.16	99.38

17. Cash Flow Statement

- The amount of significant cash and cash equivalent balances held by the enterprise as at March 31, 2026 was Rs.49,07,703.11 that are available for use by Company.
- Company does not have undrawn borrowing facilities that may be available for future operating activities.
- The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.
- Company is investing adequately in the maintenance of its operating capacity.
- There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

Additional Disclosures:**(₹ in Lakhs)**

I. Components of Cash and bank Balances	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Cash on Hand	22.86	35.11
Balance with scheduled banks	26.24	5.54
Total Components of Cash and bank Balances	49.10	40.65

18. Changes in Accounting Estimates

There are no changes in Accounting Estimates made by the Company during the period.

19. Changes in Accounting Policies

There are no changes in Accounting Policies made by the Company during the period

20. Disclosures on PPE and Intangible Assets**I. Property, Plant and Equipment**

- There is no restriction on the title of Property, Plant and Equipment, subject to only those which are under hypothication/ charge.
- Company has no Impairment loss during the period for Property, Plant & Equipment.
- Assets are periodically checked for active usage and those which are retired are written off.
- There are no temporarily idle property, plant and equipment.
- There are no fully depreciated property, plant and equipment that is still in use.
- The carrying amount and remaining amortization period of any individual intangible asset are not material to the financial statements of the enterprise as a whole.

21. Segment Reporting

The Company does not have reportable segment.

22. Earnings Per Share**(₹ in Lakhs)**

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
1. Profit attributable to equity shareholders before extraordinary items (A)	382.56	306.27
2. Profit attributable to equity shareholders after extraordinary items (B)	382.56	306.27
3. Weighted average number of equity shares outstanding during the year (C)	67,81,684	65,00,000
4. Effect of potential equity shares on employee stock options outstanding	-	-
5. Effect of any other items of potential Equity Shares eg.Convertible Debentures, Convertible Preference Shares	-	-
6. Weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (D)	67,81,684	65,00,000
7. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/C)(in Rs.)	5.64	4.71
8. Basic earnings per share after extraordinary items of face value of ₹ 10 (B/C)(in Rs.)	5.64	4.71
9. Diluted earnings per share before extraordinary items of face value of ₹ 10 (A/D)(in Rs.)	5.64	4.71
10. Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/D)(in Rs.)	5.64	4.71

Note: The weighted average number of equity shares for FY 2025-26 is 67,81,684, computed under AS 20 para 15. 7,78,900 equity shares were allotted on 20 November 2025 and are weighted for 132 days out of 365. The closing share count of 72,78,900 is not used as the denominator.

23. Disclosure of Related Parties/Related Party Transactions pursuant to Accounting Standard (AS) - 18 “Related Party Disclosures”:

S. No.	Name of the Party	Nature of RP	Relationship
1.	Muthaiya	Individual	Whole-Time Director
2.	Rakesh Kumar	Individual	Chairman & Managing Director
3.	Sounthari	Individual	Director
3.	Thaiyalnayakei	Individual	Whole-Time Director & Chief Financial Officer
4	Aikyam Strategic Management Services Pvt. Ltd	Private Company	Entity held by Non Executive Director

Details of Related Party Transactions for the period 1st April, 2025 to 31st March 2026:

Particulars	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025
Remuneration Paid to		
Muthaiya	12.00	9.03
Rakesh Kumar	24.00	18.06
Sounthari	-	0.03
Thaiyalnayakei	24.00	9.04
Total	60.00	36.16
Consultancy Services		
Aikyam Strategic Management Services Pvt. Ltd	11.60	-
Total	11.60	-
Rent Paid		
Muthaiya	46.80	19.20
Rakesh Kumar	3.60	3.60
Sounthari*	-	13.50
Total	50.40	22.80
Outstanding as on 31st March		
Unsecured Loan from Directors		
Rakesh Kumar	23.42	32.18
Muthaiya	-	4.20
Thaiyalnayakei	2.40	0.85
Total	25.82	37.23

Notes*

Rent paid to a director Sounthari includes payments made after her demise on 5 September 2024; subsequent to her demise, the rental payments and the related TDS the rental obligations and related statutory compliances (TDS) were transitioned in the name of her spouse Muthaiya , in his capacity as legal heir who is also a Whole-Time Director.

24. Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.

25. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with current period's classification.

26. Ratios

S. No.	Ratios	For the period 1 st April 2025 to 31 st March 2026	For the period 28 th June 2024 to 31 st March 2025	% Variance	Reason for variance
a.	Current Ratio (in times) Current Assets / Current liabilities	1.75	0.95	84.07%	Improvement in liquidity: current assets increased (build-up of inventories and trade receivables from full-year operations) while current liabilities reduced. Prior period figures relate to a 9-month stub period (28-06-2024 to 31-03-2025).
b.	Debt-Equity Ratio (in times) Total Outside Liabilities / Total Shareholder's Equity	0.57	0.40	42.93%	Increase in long-term and short-term borrowings (including loans from directors) availed during the year to fund working capital and operations, growing faster than shareholders' equity.
c.	Debt Service Coverage Ratio EBITDA / (Interest + Principal)	4.10	14.90	(72.46%)	Decline due to higher debt service obligations - principal repayments of term loans commenced/increased during the full year along with higher finance cost, whereas prior 9-month stub period had minimal repayments.
d.	Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) / Net Worth	0.11	0.32	(64.97%)	Decline due to substantial increase in net worth (fresh capital / accumulated reserves) during the year, while PAT increased at a lower rate; also prior period profit was on a smaller equity base.
e.	Inventory Turnover Ratio Cost of Goods Sold (or) Sales / Average Inventory	9.19	2.88	219.67%	Increase due to full 12 months of sales in current year as against 9-month stub period in prior period, with average inventory not increasing proportionately - indicating faster inventory movement.
f.	Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables	109.88	96.33	14.06%	NA
g.	Trade Payable Turnover Ratio Credit Purchases / Average Trade Payables	6.42	4.50	42.76%	Increase due to full-year purchases in current year as against 9-month stub prior period, and faster settlement of trade payables resulting in lower average payables.

h.	Net Capital Turnover Ratio Cost of Goods Sold (or) Sales / Average working capital	15.87	(35.09)	(145.23%)	Ratio not comparable - average working capital was negative in the prior period (current liabilities exceeded current assets) and turned positive in the current year, changing the sign of the ratio. Full-year sales also higher than stub period.
i.	Net Profit (after tax) Ratio Net Profit (after tax)/ Total Sales *100	609.34%	1192.09%	(48.89%)	NA
j.	Return on Capital Employed (EBIT/ Capital Employed) * 100	1689.98%	4420.14%	(61.77%)	Decline due to significant increase in capital employed (increase in equity and long-term borrowings, assets deployed during the year) not yet yielding proportionate returns; prior period EBIT was on a much smaller capital base for a 9-month period.

For P P N AND COMPANY
Chartered Accountants
Firm Reg No: 013623S
Peer Review Certificate No. 020690

Sd/-
R Rajaram
Partner
M.No:238452

Place : Karaikal
Date : 23-09-2026

For and on behalf of the Board of Directors of
KARAIKAL IYANGARS FOODS LIMITED
(Formerly Known as Iyengar's Bakery, Sweets & Savories)

Sd/-
A. Muthaiya
Whole Time Director
DIN: 10687973

Sd/-
M. Rakesh Kumar
Managing Director
DIN: 10687974

Sd/-
C. Thaiyalnayakei
CFO Cum Whole Time Director
DIN: 10695040



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Labour's Day

"Celebrating the Hands Behind Every Achievement"



KARAIKAL IYANGARS FOODS LIMITED

📍 Registered Office

R.s. No. 77/1 Pt.T.S. No.19/1,
Subbaraya Mudaliar street,
Karaikal- 609602,
Puducherry, India

📍 New Manufacturing Facility

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PIPDIC Industrial Growth Centre,
Polagam, T.R.Pattinam ,
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