

INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT ON THE UNAUDITED STANDALONE FINANCIAL RESULTS OF THE KARNIKA INDUSTRIES LIMITED FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2026**TO THE BOARD OF DIRECTORS OF
KARNIKA INDUSTRIES LIMITED**6 & 6/1, Gurgola Ghat Road,
P.O. Salkia, Howrah 711106
West Bengal

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results ("the Statement") of **Karnika Industries Limited** ("the Company") for the quarter and half year ended 30th September 2026, being submitted by the Company pursuant to the requirement of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulations 33 of the Listing Regulations. Our responsibility is to issue our report based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For M/s A A A J & Associates
Chartered Accountants
Registration No 322455E****CA Deepak Agarwal
Partner****Mem No. 061132****UDIN: 26061132MTDASN8266****Date: October 10, 2026****Place: Kolkata**

KARNIKA INDUSTRIES LIMITED
CIN : L17299WB2022PLC253035
6 & 6/1, Gurgola Ghat Road, P.O. Salkia,
Howrah - 711106 (West Bengal)

STANDALONE STATEMENT OF ASSETS & LIABILITIES AS AT 30TH SEPTEMBER, 2026

(₹ in Lakhs)

Particulars	As at September 30, 2026 (Unaudited)	As at March 31, 2026 (Audited)
ASSETS		
(1) Non-Current Assets		
(a) Property, Plant and Equipment	313.66	601.49
(b) Intangible Assets	8.60	11.12
(c) Financial Assets		
(i) Investments	2,552.91	2,359.43
(ii) Other Financial Assets	135.92	133.89
(d) Deferred Tax Asset	62.90	85.16
Total Non Current Assets	3,073.99	3,191.09
(2) Current Assets		
(a) Inventories	5,807.08	5,064.76
(b) Financial Assets		
(i) Trade Receivables	10,991.47	6,740.70
(ii) Cash and Cash Equivalents	31.77	9.13
(iii) Loans	3,141.23	1,547.76
(iv) Other Financial Assets	1,869.47	2,178.66
(c) Other current assets	24.87	169.75
Total Current Assets	21,865.89	15,710.76
Total Assets	24,939.88	18,901.85
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	6,199.75	6,199.75
(b) Other Equity	5,151.34	3,313.81
(c) Share Warrant money received	1,199.98	-
Total Equity	12,551.07	9,513.56
Liabilities		
(1) Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,124.55	77.89
(b) Provisions	21.47	19.62
Total Non-current liabilities	1,146.02	97.51
(2) Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	6,768.00	6,970.88
(ii) Trade Payables		
Total Outstanding dues to Micro and Small Enterprises	347.55	232.14
Total Outstanding dues of Creditors other than Micro and Small Enterprises	2,723.35	1,406.05
(b) Other current liabilities	1,196.86	677.56
(c) Provisions	207.03	4.15
Total Current Liabilities	11,242.79	9,290.78
Total Liabilities	12,388.81	9,388.29
Total Equity and Liabilities	24,939.88	18,901.85

For and on behalf of the Board of Directors of Karnika Industries Ltd.

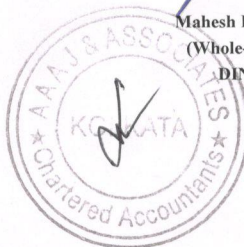
Niranjan Mundhra

Niranjan Mundhra
(Managing Director)
DIN: 05254448



Mahesh Kumar Mundhra

Mahesh Kumar Mundhra
(Whole-Time Director)
DIN: 08577538



Statement of Standalone Unaudited Financial Results for the Half year ended and Quarter ended 30th September, 2026

(₹ in Lakhs)

Sr. No.	PARTICULARS	Quarter Ended			Six Month Ended			Year Ended
		30.09.2026	30.06.2026	30.09.2025	30.09.2026	30.09.2025	31.03.2026	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
I	Revenue from Operations	8182.82	5977.78	6972.71	14160.60	10301.30	22428.14	
II	Other Income	110.04	162.49	11.06	272.53	103.25	868.12	
III	Total Income (I+II)	8292.86	6140.27	6983.77	14433.13	10404.55	23296.26	
IV	Expenses							
	Cost of Materials Consumed	4210.92	4331.45	2217.93	8542.37	3824.49	12149.58	
	Purchase of Stock in Trade	580.42	252.17	1206.24	832.59	1762.29	2715.64	
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	229.64	(846.26)	861.55	(616.62)	388.87	(594.23)	
	Employee Benefits Expense	274.81	242.29	197.85	517.10	374.18	737.05	
	Finance Costs	140.09	132.40	138.55	272.49	274.20	538.16	
	Depreciation and Amortization Expense	17.47	23.54	41.29	41.01	81.87	163.49	
	Other Expenses	1370.91	965.26	1044.52	2336.17	2008.24	3927.42	
	Total Expenses (IV)	6824.26	5100.85	5707.93	11925.11	8714.14	19637.11	
V	Profit/ (Loss) before tax (III-IV)	1468.60	1039.42	1275.84	2508.02	1690.41	3659.15	
VI	Tax Expense:							
	(1) Current Tax	387.00	288.00	340.00	675.00	450.00	1000.00	
	(2) Deferred Tax charge/(Credit)	(0.08)	16.23	(3.04)	16.15	(6.03)	(14.92)	
	(3) Earlier Year Tax	0.00	0.00	0.00	0.00	0.00	6.34	
VII	Profit/(Loss) for the period(V-VI)	1081.68	735.19	938.88	1816.87	1246.44	2667.73	
VIII	Other Comprehensive Income/(loss)							
	(i) a. Item that will not be reclassified to profit or loss	180.01	93.16	(98.47)	273.17	121.86	(251.03)	
	b. Tax on item that will not be reclassified to profit or loss	(41.19)	(21.32)	22.53	(62.50)	(27.88)	57.43	
	(ii) a. Item that will be reclassified to profit or loss	(158.61)	(87.79)	0.00	(246.40)	0.00	0.00	
	b. Tax on item that will be reclassified to profit or loss	36.29	20.09	0.00	56.38	0.00	0.00	
IX	Other Comprehensive Income/(loss) For the Period, net of tax	16.50	4.14	(75.94)	20.64	93.98	(193.60)	
X	Total Comprehensive Income for the Period comprising profit/(Loss) and other comprehensive income for the period	1098.18	739.33	862.94	1837.51	1340.42	2474.13	
XI	Paid-up equity share capital (Face Value of Rs. 10 per share)	6,199.75	6,199.75	6,199.75	6,199.75	6,199.75	6,199.75	
XII	Other Equity							
	Earnings Per share (EPS) of Rs 10 each (not annualised)							
	(1) Basic (Rs.)	1.74	1.19	3.29	2.93	6.07	6.41	
	(2) Diluted (Rs.)	1.67	1.18	3.29	2.85	6.07	6.41	

For and on behalf of the Board of Directors of Karnika Industries Ltd.

Niranjan Mundhra

Niranjan Mundhra
(Managing Director)
DIN: 05254448

Mahesh Kumar Mundhra

Mahesh Kumar Mundhra
(Whole-Time Director)
DIN: 08577538



KARNIKA INDUSTRIES LIMITED
CIN : L17299WB2022PLC253035
6 & 6/1, Gurgola Ghat Road, P.O. Salkia,
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STANDALONE CASH FLOW STATEMENT FOR HALF YEAR ENDED 30TH SEPTEMBER, 2026

	Audited 30.09.2026 (₹ in Lakhs)	Audited 30.09.2025 (₹ in Lakhs)
<u>A. CASH FLOW FROM OPERATING ACTIVITIES :</u>		
Profit before Tax from Continuing Operations	2,508.02	1,690.42
<u>Adjustment for :</u>		
Depreciation and amortisation expense	41.01	81.87
Finance Cost	271.94	274.20
Transaction Charges in Relation to Investment	1.08	6.18
(Profit)/Loss on Sale of Share / Mutual Funds	(52.10)	18.61
(Profit)/Loss on Sale of Fixed Assets	(59.48)	-
Provision for Gratuity	1.85	1.60
Adjustment for unrealised foreign exchange	(0.75)	(9.94)
Expenses in relation to increase in Share Capital	-	33.75
Dividend Income	-	(0.05)
Interest Received	(139.05)	(57.37)
Operating Profit before Working Capital changes	2,572.52	2,039.27
<u>Changes in Working Capital:</u>		
<u>Adjustment for :</u>		
(Increase)/Decrease in Inventories	(742.32)	(63.77)
(Increase)/Decrease in Trade Receivables	(4,250.02)	736.39
(Increase)/Decrease in Financial Assets (Current)	309.19	(1,466.11)
(Increase)/Decrease in Other Current Assets	144.87	81.58
(Increase)/Decrease in Other Financial Assets (Non-Current)	(2.03)	(2.34)
Increase/(Decrease) in Trade Payables	1,432.71	897.36
Increase/(Decrease) in Short Term Provisions	202.88	84.65
Increase/(Decrease) in Other Current Liabilities	519.30	(10.85)
Net Changes in Working Capital	(2,385.42)	256.91
Cash Flow from operating activities before Tax .	187.10	2,296.18
<u>Less: Tax Expenses:</u>		
Income Tax Paid (Net)	675.00	450.00
Net Cash Generated from/(used in) Operating Activities.	A (487.90)	1,846.18
<u>B. CASH FLOW FROM INVESTING ACTIVITIES :</u>		
Purchase of Shares / Mutual Funds held as Investments	(1,201.95)	(2,020.98)
Sales of Shares / Mutual Funds held as Investments	1,087.35	1,345.62
Loan & Advances to Corporate and Other (Net)	(1,593.47)	141.43
Sales/(Purchase) of Property, Plant & Equipments	308.83	(32.00)
Transaction Charges in Relation to Investments	(1.08)	(6.18)
Dividend Received	-	0.05
Interest Received	139.05	57.37
Net Cash Generated from/(used in) Investing Activities.	B (1,261.27)	(514.69)
<u>C. CASH FLOW FROM FINANCING ACTIVITIES :</u>		
Expenses in relation to increase in Share Capital	-	(33.75)
Proceeding from Issue of Shares Warrant	1,199.98	-
Proceed/(Repayment) in Short Term Borrowings (Net)	(202.88)	586.79
Repayment of Long Term Loans and Advances (Net)	-	-
Proceed/(Repayment) in Long Term Borrowings (Net)	1,046.65	(27.18)
Dividend Paid	-	-
Finance Cost	(271.94)	(274.20)
Net Cash Generated from/(used in) Financing Activities	C 1,771.81	251.66
<u>D. Effect of Exchange rate Changes on Cash and Cash Equivalents</u>	D -	-
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C+D)	22.64	1,583.14
Cash and Cash Equivalents at the beginning of the year	9.13	25.36
Cash and Cash Equivalents at the end of the year	31.77	1,608.50

For and on behalf of the Board of Directors of Karnika Industries Ltd.

Niranjan Mundhra
(Managing Director)
DIN: 05254448

Mahesh Kumar Mundhra
(Whole-Time Director)
DIN: 08577538



Note to Unaudited Consolidated Financial Results

1. The Unaudited Consolidated Financial Results of Karnika Industries Limited (the "Company") and its Subsidiary, Kidcity Solutions Private Limited (together referred to as 'the Group') for the quarter and half year ended 30th September 2026 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 10, 2026. The results are being published in accordance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. The Consolidated financial results of the Holding Company and its Subsidiary have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, as amended.
3. As the Group operates only in one business segment i.e. textile which includes fabrics, ready-made garments and its accessories, it is reporting its results in a single segment. Therefore, no further disclosures are required to be furnished as per Ind-AS 108 "operating segments".

A Software is under development by the Subsidiary Company for which no Revenue or Expenses has been earned or incurred.

4. During the quarter ended 30th June, 2026, the Board of Directors of the Holding Company, pursuant to the approval of the shareholders obtained in the Extra Ordinary Meeting held on 11th May, 2026 and in accordance with the applicable provisions of the Companies Act, 2013 and the applicable SEBI Regulations (where applicable), approved the preferential issue of 39,66,860 equity share warrants to its promoter/non-promoter investors

Each warrant is convertible into one equity share of a face value of Rs. 10/- at an exercise price of Rs. 121/- per share within a period of 18 months from the date of allotment. At the time of issue, the warrant holders paid 25% of the issue price amounting to ₹ 11,99,97,521/-

Summary of Utilisation of Proceeds of Preferential issue as on 30.06.2026

Particulars	Rs. In Lacs
Amount received through Preferential Issue	1199.98
Less: Amount Utilised	1199.97
Balance amount Unutilised	0.01

5. There are no Investor Complaints received during the year under review.
6. Karnika Industries Limited acquired 75% equity interest in Kidcity Solutions Private Limited on 4th October, 2025, a company primarily engaged in the retail of kids-wear. As a result of this acquisition, the financial results of Kidcity Solutions Private Limited have been consolidated into the Group's financial statements from the acquisition date. The acquisition has been accounted for under the full consolidation method, with Kidcity Solutions Private Limited's revenue and expenses included in the Group's consolidated financials for the First time during the F.Y. 2025-2026. The impact of the subsidiary's operations on the Group's result includes contributions to revenue, operating profit, and net profit. Any non-controlling interest related to Kidcity Solutions Private Limited is reflected in the consolidated equity. There have been no significant changes in the Group's accounting policies as a result of this acquisition.



Comparative consolidated financial information for the quarter ended 30th September 2025 and half year ended 30th September, 2025 has not been presented, as consolidation was not applicable during those periods and such information is not comparable.

11. The Holding Company has agreed to subscribe to 52000 Equity Shares (26%) of RDB Elementa Sports Academy Private Limited for a total consideration of ₹5,20,000/-. As at 30th September 2026, the shares have not been allotted to the Holding Company and no amount has been paid. Accordingly, no investment has been recognised and RDB Elementa Sports Academy Private Limited has not been considered as an associate for the half year ended 30th September 2026. The amount of ₹ 5,20,000/- is disclosed as a capital commitment.
12. During the half year ended 30th September 2026, the Holding Company subscribed to and was allotted 20,00,000 equity shares of Elementa Lifespaces Private Limited for a consideration of ₹ 2,00,00,000/-, representing 40% of its equity share capital. Consequently, Elementa Lifespaces Private Limited has become an associate of the Holding Company with effect from 24.07.2026. In the consolidated financial results, the investment is accounted for under the equity method as per Ind AS 28, and the Group's share of loss of the associate for the period from 24.07.2026 to 30.09.2026 is ₹ 1553137.20.
13. The results for the quarter and half year ended 30th September, 2026, are available on the National Stock Exchange of India Limited website (URL: www.nseindia.com/corporates) and on the Company's website.



**INDEPENDENT AUDITOR'S LIMITED REVIEW REPORT ON THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS
OF THE KARNIKA INDUSTRIES LIMITED FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2026****TO THE BOARD OF DIRECTORS OF
KARNIKA INDUSTRIES LIMITED**

6 & 6/1, Gurgola Ghat Road,
P.O. Salkia, Howrah 711106
West Bengal

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results ("the Statement") of **Karnika Industries Limited** ("the Holding Company") and its subsidiary M/s Kidcity Solutions Private Limited for the quarter and half year ended 30th September 2026, being submitted by the Holding Company pursuant to the requirement of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulations 33 of the Listing Regulations. Our responsibility is to issue our report based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of Holding Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M/s A A A J & Associates
Chartered Accountants
Registration No 322455E


CA Deepak Agarwal
Partner
Mem No. 061132
UDIN: 26061132TTJUAY4319
Date: October 10, 2026



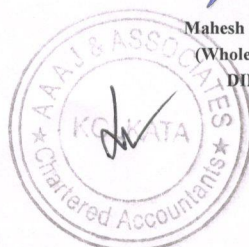
KARNIKA INDUSTRIES LIMITED
CIN : L17299WB2022PLC253035
6 & 6/1, Gurgola Ghat Road, P.O. Salkia,
Howrah - 711106 (West Bengal)

CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES AS AT 30TH SEPTEMBER 2026

Particulars	As at September 30, 2026 (Unaudited)	As at March 31, 2026 (Audited)
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	327.42	613.52
(b) Intangible Assets	9.48	12.13
(c) Capital Work-in-progress	91.00	91.00
(d) Goodwill	14.03	14.03
(e) Financial Assets		
(i) Investments	2,169.96	2,243.04
(ii) Other Financial Assets	137.92	135.88
(f) Deferred Tax Asset	63.75	28.42
Total Non Current Assets	2,813.56	3,138.02
Current Assets		
(a) Inventories	6,202.80	5,803.04
(b) Financial Assets		
(i) Trade Receivables	14,531.61	8,767.80
(ii) Cash and Cash Equivalents	35.88	29.06
(iii) Loans	3,141.23	1,547.76
(iv) Other Financial Assets	1,873.93	2,211.03
(c) Other current assets	24.87	190.72
Total Current Assets	25,810.32	18,549.41
Total Assets	28,623.88	21,687.43
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	6,199.75	6,199.75
(b) Other Equity	5,661.82	3,635.61
(c) Share Warrant money received	1,199.98	-
(d) Non Controlling Interest	293.13	160.53
Total Equity	13,354.68	9,995.89
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,221.25	77.89
(b) Provisions	21.47	19.62
Total Non-current liabilities	1,242.72	97.51
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	7,131.96	7,474.64
(ii) Trade Payables		
Total Outstanding dues to Micro and Small Enterprises	347.55	232.14
Total Outstanding dues of Creditors other than Micro and Small	5,074.77	3,155.54
(b) Other current liabilities	1,256.77	727.56
(c) Provisions	215.43	4.15
Total Current Liabilities	14,026.48	11,594.03
Total Liabilities	15,269.20	11,691.54
Total Equity and Liabilities	28,623.88	21,687.43

For and on behalf of the Board of Directors of Karnika Industries Ltd.

Niranjan Mundhra
(Managing Director)
DIN: 05254448



Mahesh Kumar Mundhra
(Whole-Time Director)
DIN: 08577538



KARNIKA INDUSTRIES LIMITED
CIN : L17299WB2022PLC253035
6 & 6/1, Gurgola Ghat Road, P.O. Salkia,
Howrah - 711106 (West Bengal)

Statement of Consolidated Unaudited Financial Results for the Half year ended and Quarter ended 30th September, 2026

Sr. No.	PARTICULARS	Quarter Ended		Six Month Ended	Year Ended
		30.09.2026	30.06.2026	30.09.2026	31.03.2026
		Unaudited	Unaudited	Unaudited	Audited
I	Revenue from Operations	10619.84	7377.20	17997.04	24847.90
II	Other Income	110.17	171.27	281.44	868.95
III	Total Income (I+II)	10730.01	7548.47	18278.48	25716.85
IV	Expenses				
	Cost of Materials Consumed	4210.91	4331.46	8542.37	12149.58
	Purchase of Stock in Trade	1917.77	1582.92	3500.69	5440.27
	Changes in Inventories of Finished Goods, Stock -in- Trade and Work-in-Progress	792.78	(1066.84)	(274.06)	(1094.29)
	Employee Benefits Expense	299.28	266.73	566.01	773.68
	Finance Costs	148.62	139.87	288.49	540.51
	Depreciation and Amortization Expense	18.76	24.63	43.39	166.10
	Other Expenses	1403.51	991.80	2395.31	3853.31
	Total Expenses (IV)	8791.63	6270.57	15062.20	21829.16
V	Profit/ (Loss) before tax (III-IV)	1938.38	1277.90	3216.28	3887.69
VI	Tax Expense:				
	(1) Current Tax	505.00	348.00	853.00	1058.00
	(2) Deferred Tax charge/(Credit)	(0.16)	16.15	15.99	(15.31)
	(3) Earlier Year Tax	0.00	0.00	0.00	6.34
VII	Profit/(Loss) for the period(V-VI)	1433.54	913.75	2347.29	2838.66
VIII	Share of Profit/(Loss) from Associates	(15.53)	0.00	(15.53)	0.00
IX	Profit After Tax and Share of Profit/(Loss) from Associates	1418.01	913.75	2331.76	2838.66
X	Other Comprehensive Income/(loss)				
	(i) a. Item that will not be reclassified to profit or loss	180.01	93.16	273.17	(251.03)
	b. Tax on Item that will not be reclassified to profit or loss	(41.19)	(21.32)	(62.50)	57.43
	(ii) a. Item that will be reclassified to profit or loss	(158.61)	(87.79)	(246.40)	0.00
	b. Tax on Item that will be reclassified to profit or loss	36.29	20.09	56.38	0.00
	Other Comprehensive Income/(loss) For the Period, net of tax	16.50	4.14	20.64	(193.59)
XI	Total Comprehensive Income for the Period comprising profit/(Loss) and other comprehensive income for the period (IX+X)	1434.51	917.89	2352.40	2645.07
XII	Paid -up equity share capital (Face Value of Rs. 10 per share)	6,199.75	6,199.75	6,199.75	6,199.75
XIII	Profit for the period attributable to				
	(a) Equity holders of Parent	1300.39	898.77	2199.16	2795.93
	(b) Non-controlling interest	117.62	14.98	132.60	42.73
XIV	Other Comprehensive Income/(loss) for the period attributable to				
	(a) Equity holders of Parent	16.50	4.14	20.64	(193.59)
	(b) Non-controlling interest	-	-	-	-
XV	Total Comprehensive Income/(loss) for the period attributable to				
	(a) Equity holders of Parent	1316.89	902.91	2219.80	2602.34
	(b) Non-controlling interest	117.62	14.98	132.60	42.73
XVI	Paid -up equity share capital (Face Value of Rs. 10 per share)	6,199.75	6,199.75	6,199.75	6,199.75
XVII	Other Equity				3442.02
XVIII	Earnings Per share (EPS) of Rs 10 each (not annualised)				
	(1) Basic (Rs.)	2.10	1.45	3.55	6.72
	(2) Diluted (Rs.)	2.01	1.44	3.45	6.72

For and on behalf of the Board of Directors of Karnika Industries Ltd.

Niranjan Mundhra
Niranjan Mundhra
(Managing Director)
DIN: 05254448



Mahesh Kumar Mundhra
Mahesh Kumar Mundhra
(Whole-Time Director)
DIN: 08577538




KARNIKA INDUSTRIES LIMITED
CIN : L17299WB2022PLC253035
6 & 6/1, Gurgola Ghat Road, P.O. Salkia,
Howrah - 711106 (West Bengal)

CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER,
2026

	Audited 30.09.2026 (₹ in Lakhs)
<u>A. CASH FLOW FROM OPERATING ACTIVITIES :</u>	
Profit before Tax from Continuing Operations	3,216.28
<u>Adjustment for :</u>	
Depreciation and amortisation expense	43.39
Finance Cost	287.94
Transaction Charges in Relation to Investment	1.08
Expenses in relation to increase in Share Capital	-
(Profit)/Loss on Sale of Share / Mutual Funds	(52.10)
(Profit)/Loss on Sale of Fixed Assets	(59.48)
Provision for Gratuity	1.85
Adjustment for unrealised foreign exchange	(0.75)
Dividend Income	-
Interest Received	(139.05)
Operating Profit before Working Capital changes	3,299.16
<u>Changes in Working Capital:</u>	
<u>Adjustment for :</u>	
(Increase)/Decrease in Inventories	(399.76)
(Increase)/Decrease in Trade Receivables	(5,735.44)
(Increase)/Decrease in Financial Assets (Current)	308.90
(Increase)/Decrease in Other Current Assets	194.04
(Increase)/Decrease in Other Financial Assets (Non-Current)	(2.03)
Increase/(Decrease) in Trade Payables	2,007.01
Increase/(Decrease) in Short Term Provisions	211.28
Increase/(Decrease) in Other Current Liabilities	529.21
Net Changes in Working Capital	(2,886.79)
Cash Flow from operating activities before Tax .	412.37
<u>Less: Tax Expenses:</u>	
Income Tax Paid (Net)	853.00
Net Cash Generated from/(used in) Operating Activities.	A (440.63)
<u>B. CASH FLOW FROM INVESTING ACTIVITIES :</u>	
Purchase of Shares / Mutual Funds held as Investments	(1,201.95)
Sales of Shares / Mutual Funds held as Investments	1,087.35
Loan & Advances to Corporate and Other (Net)	(1,593.47)
Sales/(Purchase) of Property, Plant & Equipments	304.84
Transaction Charges in Relation to Investments	(1.08)
Dividend Received	-
Interest Received	139.05
Net Cash Generated from/(used in) Investing Activities.	B (1,265.26)
<u>C. CASH FLOW FROM FINANCING ACTIVITIES :</u>	
Expenses in relation to increase in Share Capital	-
Proceeding from Issue of Shares Warrant	1,199.98
Proceed/(Repayment) in Short Term Borrowings (Net)	(342.68)
Repayment of Long Term Loans and Advances (Net)	-
Proceed/(Repayment) in Long Term Borrowings (Net)	1,143.35
Dividend Paid	-
Finance Cost	(287.94)
Net Cash Generated from/(used in) Financing Activities	C 1,712.71
<u>D. Effect of Exchange rate Changes on Cash and Cash Equivalents</u>	D -
Net Increase/(Decrease) in Cash and Cash Equivalents	(A+B+C+D) 6.82
Cash and Cash Equivalents at the beginning of the year	29.06
Cash and Cash Equivalents at the end of the year	35.88

For and on behalf of the Board of Directors of Karnika Industries Ltd.

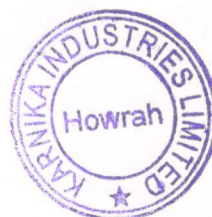
Niranjan Mundhra

Niranjan Mundhra
(Managing Director)
DIN: 05254448



Mahesh Kumar Mundhra

Mahesh Kumar Mundhra
(Whole-Time Director)
DIN: 08577538



Note to Unaudited Consolidated Financial Results

1. The Unaudited Consolidated Financial Results of Karnika Industries Limited (the "Company") and its Subsidiary, Kidcity Solutions Private Limited (together referred to as 'the Group') for the quarter and half year ended 30th September 2026 were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 10, 2026. The results are being published in accordance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
2. The Consolidated financial results of the Holding Company and its Subsidiary have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, as amended.
3. As the Group operates only in one business segment i.e. textile which includes fabrics, ready-made garments and its accessories, it is reporting its results in a single segment. Therefore, no further disclosures are required to be furnished as per Ind-AS 108 "operating segments".

A Software is under development by the Subsidiary Company for which no Revenue or Expenses has been earned or incurred.

4. During the quarter ended 30th June, 2026, the Board of Directors of the Holding Company, pursuant to the approval of the shareholders obtained in the Extra Ordinary Meeting held on 11th May, 2026 and in accordance with the applicable provisions of the Companies Act, 2013 and the applicable SEBI Regulations (where applicable), approved the preferential issue of 39,66,860 equity share warrants to its promoter/non-promoter investors

Each warrant is convertible into one equity share of a face value of Rs. 10/- at an exercise price of Rs. 121/- per share within a period of 18 months from the date of allotment. At the time of issue, the warrant holders paid 25% of the issue price amounting to ₹ 11,99,97,521/-

Summary of Utilisation of Proceeds of Preferential issue as on 30.06.2026

Particulars	Rs. In Lacs
Amount received through Preferential Issue	1199.98
Less: Amount Utilised	1199.97
Balance amount Unutilised	0.01

5. There are no Investor Complaints received during the year under review.
6. Karnika Industries Limited acquired 75% equity interest in Kidcity Solutions Private Limited on 4th October, 2025, a company primarily engaged in the retail of kids-wear. As a result of this acquisition, the financial results of Kidcity Solutions Private Limited have been consolidated into the Group's financial statements from the acquisition date. The acquisition has been accounted for under the full consolidation method, with Kidcity Solutions Private Limited's revenue and expenses included in the Group's consolidated financials for the First time during the F.Y. 2025-2026. The impact of the subsidiary's operations on the Group's result includes contributions to revenue, operating profit, and net profit. Any non-controlling interest related to Kidcity Solutions Private Limited is reflected in the consolidated equity. There have been no significant changes in the Group's accounting policies as a result of this acquisition.



Comparative consolidated financial information for the quarter ended 30th September 2025 and half year ended 30th September, 2025 has not been presented, as consolidation was not applicable during those periods and such information is not comparable.

11. The Holding Company has agreed to subscribe to 52000 Equity Shares (26%) of RDB Elementa Sports Academy Private Limited for a total consideration of ₹5,20,000/-. As at 30th September 2026, the shares have not been allotted to the Holding Company and no amount has been paid. Accordingly, no investment has been recognised and RDB Elementa Sports Academy Private Limited has not been considered as an associate for the half year ended 30th September 2026. The amount of ₹ 5,20,000/- is disclosed as a capital commitment.
12. During the half year ended 30th September 2026, the Holding Company subscribed to and was allotted 20,00,000 equity shares of Elementa Lifespaces Private Limited for a consideration of ₹ 2,00,00,000/-, representing 40% of its equity share capital. Consequently, Elementa Lifespaces Private Limited has become an associate of the Holding Company with effect from 24.07.2026. In the consolidated financial results, the investment is accounted for under the equity method as per Ind AS 28, and the Group's share of loss of the associate for the period from 24.07.2026 to 30.09.2026 is ₹ 1553137.20.
13. The results for the quarter and half year ended 30th September, 2026, are available on the National Stock Exchange of India Limited website (URL: www.nseindia.com/corporates) and on the Company's website.

