100 YEARS

1917 - 2017

KICL

Kothari Industrial Corporation Limited

56th Annual Report

2025-2026

Kothari Industrial Corporation Limited

BOARD OF DIRECTORS

Mr. J. Rafiq Ahmed	DIN (02861341)	**Executive Chairman & Managing Director**
Mrs.T.A. Rajalaxmi	DIN (08148628)	Non-Executive Non-Independent Director
Mr. Ravi Kumar Perumal	DIN (09683689)	Non-Executive Independent Director
Mrs. Priya Rao	DIN (00717336)	Non-Executive - Women Independent Director
Mr. G. Venkatraghavan	DIN (03482581)	Non-Executive - Independent Director
Ms. R. Sulaiha Banu	DIN (11609138)	Non-Executive Non-Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Anil Kumar Padhiali

CHIEF FINANCIAL OFFICER

Mr. V. Anand appointed w.e.f. 28.10.2025
Mr. Hari Kishore resigned w.e.f. 16.08.2025

STATUTORY AUDITORS

M/s. RAY & RAY
Chartered Accountants

INTERNAL AUDITOR

Mr. Venkateswara Rao
Chartered Accountant
(Resigned during the Financial Year)
&
M/s. KAMG & ASSOCIATES
Chartered Accountant Firm

SECRETARIAL AUDITOR

M/s. Santosh Kumar Senapati & Co
Practicing Company Secretaries

REGISTERED OFFICE:

"Kothari Buildings"
114/117, Nungambakkam High Road,
Mahathma Gandhi Salai, Nungambakkam,
Chennai – 600 034.
Tel.No.+91 044-28334565
CIN No. L81100TN1970PLC005865
Email: enquiries@kotharis.in
Website: www.kotharis.in

REGISTRARS:

M/s. Integrated Registry Management Services Private Limited
2nd Floor, "Kences Towers",
1, Ramakrishna Street, off North Usman Road,
T. Nagar, Chennai 600 017.

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KOTHARI INDUSTRIAL CORPORATION LIMITED

CIN No. L81100TN1970PLC005865
Regd. Office : "Kothari Buildings", 114, Nungambakkam High Road, Mahathma Gandhi Salai,
Nungambakkam, Chennai 600 034
Email: enquiries@kotharis.in | Website: www.kotharis.in | Tel.No.+91 044-28334565

NOTICE TO MEMBERS

NOTICE is hereby given that the **56th** Annual General Meeting of the Company will be held at **11.00 a.m.** on **Wednesday**, **30th September, 2026** through video conferencing / Other Audio-Visual Means ("VC/OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the Report of the Auditors thereon.
3. To appoint a director in the place of Ms. R. Sulaiha Banu (DIN: 11609138), who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS

4. **To appoint Mr. R. Manoranjan (DIN: 11882006) as the Independent director.**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 as well as other Rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, **Mr. R. Manoranjan (DIN: 11882006),** who was appointed as an Additional Director of the Company, under the category of Independent Director with effect from 17th August 2026, and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act read with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, read with the Rules made thereunder and the applicable provisions of Listing Regulations be and is hereby appointed as an Independent Director (under Non-Executive category) of the Company, to hold office for a term of five consecutive years i.e., from 17th August 2026 till 16th August 2031 and not liable to retire by rotation;

   "**RESOLVED FURTHER THAT** any Director or CFO or the Company Secretary be and are hereby authorized to do all such acts, deeds, matters and things and execute all documents or writings as may be necessary, desirable or expedient to give effect to the above resolutions, including completing necessary filings with the relevant regulatory authorities regarding such appointment."

By Order of the Board of Directors
For KOTHARI INDUSTRIAL CORPORATION LIMITED

J RAFIQ AHMED
Executive Chairman &
Managing Director
DIN : 02861341

Place : Chennai
Date : 14.08.2026

Important Notes:-

1. In accordance with the MCA Circulars and the SEBI Listing Regulations, Company is permitted to hold AGM through VC/OAVM without the physical presence of the Members. Accordingly, in compliance with the provisions of the Companies Act, 2013 ('Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), MCA Circulars and SEBI Circulars, permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue and provided relaxation on sending hard copy of annual report to shareholders. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.

2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business under Item No. 4 set out above, together with the relevant details of the appointment of **Mr. R. Manoranjan** as an Independent Director at this AGM, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("Secretarial Standard"), is annexed hereto.
3. Central Depository Services (India) Limited (CDSL) will be providing facility for voting through remote e-Voting, for participation in the AGM through VC / OAVM Facility and e-Voting during the AGM.
4. Members may join the 56th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 10.45 a.m. IST i.e., 15 minutes before the time scheduled to start the 56th AGM and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the 56th AGM.Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
5. Members may note that the VC /OAVM Facility, provided by CDSL, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee and Auditors can attend the AGM without any restriction on account of the first-come first-served principle.
6. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the notice of the AGM along with the Annual Report 2025-2026 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2025-2026 will also be available on the Company's website www.kotharis.in, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, and on the website of CDSL at www.evotingindia.com. The member holding shares in physical form and who have not registered their email id may register their email id by sending a signed request letter mentioning name, folio number, complete address, self-attested copy of PAN, self-attested copy of Driving Licence/ Passport/Bank Statement/Aadhar, supporting the registered address of the member, copy of the share certificate (front & back) and the email id to be registered to yuvraj@integratedindia,in. For the Members holding shares in demat form, please update your email address through your respective Depository participant/s.
7. In terms of the MCA and SEBI Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, Members will not be entitled to appoint Proxy(ies) to attend and vote. However, in pursuance of section 112 and section 113 of the Companies Act, 2013, representatives of the members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC.
8. The Register of the Members and Share Transfer Books of the Company shall remain closed from 24.09.2026 to 30.09.2026 (Both days inclusive) for the purpose of Annual General Meeting.
9. Attendance of members through VC shall be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
10. The relevant documents referred to in the Notice are available for inspection by the members at the Registered Office of the Company during business hours on any working day (i.e. except Sundays & Public Holidays) between 10.00 A.M. IST to 5.00 P.M IST up to the date of the Annual General Meeting.
11. The register of directors and key managerial personnel (KMP) and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the Registered Office of the Company.

12. Under Section 125(1) of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. Since the Company has not declared any dividend from the year 1995 onwards, the necessity of transferring the unpaid or unclaimed dividend to IEPF does not arise.
13. Pursuant to Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 25th January 2022, any request for effecting transfer, transmission or transposition of shares will be processed only in demat form. Therefore, the Company advises shareholders holding physical shares to take steps for dematerializing your shareholding in the Company.
14. Members holding shares in physical form are requested to register their email id for receiving an electronic copy of the Annual Report and also notify immediately any change in their address/E-mail address to the Company/its Share Transfer Agents.
15. Members holding shares in electronic form are requested to advise change of address/E-mail address to their Depository Participants. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, are used by the Company for the payment of dividends in future if any. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
16. Corporate members intending to make their authorized representatives to attend the Meeting through VC 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 held through VC.
17. The Notice of the Annual General Meeting and the Annual Report will be available on the Company's website www.kotharis.in. The members who wish to inspect any of the relevant documents referred to in the accompanying notice may send the request to the email id of the Company i.e. companysecretary@kotharis.in. till **5.00 pm, 29th September, 2026** and Company will provide such documents through email.
18. Pursuant to Section 72 of the Companies Act, 2013 and the Rules made there under the Members holding shares in single name may, at any time, nominate in form SH-13, any person as his/her nominee to whom the securities shall vest in the event of his/ her death. Nomination would help the nominees to get the shares transmitted in their favor without any hassles. Members desirous of making any cancellation/ variation in the said nomination can do so in form SH-14. The nomination forms can be downloaded from the Company's website www.kotharis.in.
19. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Company's Share Transfer Agents by sending a duly signed letter along with a self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member printed on it. In alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
20. **The instructions to shareholders for remote e-voting and e-voting during AGM and joining meeting through VC/OAVM are as under:**
    (i) The voting period begins on **27th September 2026 at 09.00 a.m. and ends on 29th September 2026 at 05.00 p.m.** During this period shareholders 'of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **23rd September 2026** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL**	the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https:/eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	**Helpdesk details**
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) **Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.**

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on Shareholders.

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at https://www.cdslindia.com from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/ EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first-time user follow the steps given below:

(vii)

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/ RTA/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name of the CAPITAL letters. Example, if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. (Sl. No. mentioned in your address label can be used as Sequence No. for this purpose)
Dividend Bank Details **OR** Date of Birth (DOB)	• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant Company Name **"KOTHARI INDUSTRIAL CORPORATION LIMITED"** on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; shadamarshaniyer@gmail.com & enquiries@kotharis.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

21. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **03 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at companysecretary@kotharis.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **03 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at companysecretary@kotharis.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

22. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. **For Physical shareholders** - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to company/rta email id viz: companysecretary@kotharis.in/yuvraj@integratedindia.in
2. **For demat shareholders** - Please update your email id & mobile no. with your respective depository Participant (dP).
3. **For individual demat shareholders -** Please update your email id & mobile no. with your respective depository Participant (dP) which is mandatory while e-Voting & joining virtual meetings through depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

General:

a) After dispatch of the notice, any person who acquires shares of the Company and becomes member of the Company as on the cut-off date i.e., Wednesday, **23rd September 2026** may obtain the login ID and password by sending an email to yuvraj@integratedindia.in or companysecretray@kotharis.in or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with CDSL for remote e-voting, then you can use your existing user ID and password for casting your vote.

b) The voting rights of a member shall be in proportion to his shares in the paid-up equity share capital of the Company as on the cut-off date of i.e., **Wednesday, 23rd September 2026.**

c) Mr. S. Ganesan, Practicing Company Secretary (COP Number : 8336) has been appointed as the Scrutinizer to scrutinize e-voting in a fair and transparent manner and he has communicated his willingness to be appointed.

d) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 2 working days from the conclusion of the AGM to the Chairman of the Annual General Meeting. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kotharis.in and website of CDSL http://www.evotingindia.com and also forward the same to Bombay Stock Exchange Limited, Mumbai simultaneously, where the Company's shares are listed.

e) Subject to receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the meeting, i.e. **Wednesday, September 30th, 2026.**

f) The profile of Director seeking reappointment forms an integral part of the Notice. The Director have furnished the requisite consent and declarations.

g) Since the AGM shall be conducted through VC / OAVM, the route map, Proxy Form and Attendance Slip are not annexed to this Notice.

By Order of the Board of Directors
For KOTHARI INDUSTRIAL CORPORATION LIMITED

J RAFIQ AHMED
Executive Chairman &
Managing Director
DIN : 02861341

Place : Chennai
Date : 14.08.2026

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, Secretarial Standard - 2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Item No. 4

To appoint Mr. R. Manoranjan (DIN: 11882006) as the Independent director.

Mr. R. Manoranjan, holding Director Identification No. **11882006**, was appointed as an Additional Director of the Company, under the category of Independent Director with effect from 17th August 2026, pursuant to the provisions of Sections 149, 150, 152, 161, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 as well as other Rules made thereunder and pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended (including any statutory modification(s) or re enactment(s) thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company.

Further, Mr. R. Manoranjan, has confirmed that he is not disqualified to act as a Director in terms of Section 164 of the Act and he is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority and he is in compliance with Rule 6 of the Companies (Appointment and Qualification of

Directors) Rules, 2014. Given his expertise, knowledge and experience, the Board is of the opinion that it would be in the interest of the Company to avail his services as an Independent Director of the Company and he has given his consent to act as a Director of the Company.

A brief profile of Mr. R. Manoranjan is mentioned hereunder:

Mr. R. Manoranjan, aged about 44 years, is a Fellow Member of the Institute of Company Secretaries of India and holds a Master's Degree in Commerce and a Bachelor's Degree in Law.

He has over 15 years of extensive professional experience in corporate law, secretarial and legal matters, including Rights Issues, Private Equity, Public Offerings, Listing Compliances, FEMA, corporate governance, legal due diligence and advising on valuations. During his professional career, he has led and handled various legal and due diligence assignments relating to private equity transactions, rights issues and listing compliances. He has considerable exposure to listed companies and possesses extensive knowledge and experience in ensuring compliance with securities laws, corporate governance requirements and regulatory frameworks.

Prior to undertaking professional and freelance assignments, Mr. R. Manoranjan was associated with and served in various capacities, including as Company Secretary and Legal Professional, with reputed corporate groups such as the Panasonic Group, Tata Group and Cauvery Group.

The Board is of the view that Mr. R. Manoranjan is a young, energetic, competent and experienced professional possessing the requisite knowledge, skills and expertise to effectively discharge the duties and responsibilities of an Independent Director of the Company.

The Board considers that his extensive experience in corporate governance, legal and secretarial matters, regulatory compliances, would be of immense value and benefit to the Company.

Mr. R. Manoranjan is interested in resolution set out at Item No. 4 of the Notice with regard to his appointment. Mr. R. Manoranjan is not related to any Director of the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The brief profile of Mr. R. Manoranjan in terms of Regulation 36(3) of the SEBI Listing Regulations and other details as prescribed under the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, have been provided in the Annexure to this Notice.

The Board, therefore, recommends the Special Resolution, as set forth at Item No. 4 of this Notice to AGM, for the approval of the Members.

By Order of the Board of Directors
For KOTHARI INDUSTRIAL CORPORATION LIMITED

J RAFIQ AHMED
Executive Chairman &
Managing Director
DIN : 02861341

Place : Chennai
Date : 14.08.2026

ANNEXURE TO THE NOTICE

ADDITIONAL INFORMATION OF DIRECTORS AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015 AND APPLICABLE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Name of Director, Designation and DIN Number	Mr. R. Manoranjan, Independent Director (DIN: **11882006**)
Date of Birth	24.05.1982
Age	44
Date of Appointment	17.08.2026
Qualification	Fellow Member of the Institute of Company Secretaries of India and holds a Master's Degree in Commerce and a Bachelor's Degree in Law.
Expertise	Corporate Law, Securities Laws, Corporate Governance, Capital Markets, Listing Compliances, FEMA and Legal Due Diligence.
Directorships in other companies	NIL
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	**Skills & Capabilities:** Corporate Law, Securities Laws, Corporate Governance, Listing Compliances, Capital Markets, FEMA and Legal Due Diligence. **Manner of Meeting Requirements:** Mr. R. Manoranjan has over 15 years of experience in corporate, legal and secretarial matters, with extensive exposure to listed companies, securities laws, corporate governance and regulatory compliances. His professional qualifications and experience make him well-suited to discharge the responsibilities of an Independent Director.
Listed entities from which the person has resigned in the past three years	Nil
Chairmanships of Committees across companies other than Kothari industrial Corporation Limited	NIL
Committee Membership other than Kothari industrial Corporation Limited	**NIL**
Shareholding in Kothari Industrial Corporation Limited	**NIL**
Remuneration last drawn	NA
Terms and Conditions of appointment / re-appointment	As per Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Appointment Letter of the Company.
Relationship with Other Directors, Manager and others Key Managerial Personnel of the Company.	**NIL**
Number of Meetings of the Board attended during FY 2026-27 (From the date of appointment as additional Director till the date ofAGM Notice)	NA

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING IN ACCORDANCE WITH REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS 2

The brief resume, age, qualifications, functional expertise and the membership on various Boards and Committee to be re-appointed at the 56th annual general meeting of the company are furnished below.

I.

Name of Director	Ms. R. SULAIHA BANU
DIN	11609138
Date of Birth	07-09-2005
Age	21 years
Qualifications	B.Com
Expertise and experience in functional areas	General business administration and management support functions. Possesses knowledge in organisational coordination and corporate governance matters.
No. of Board Meetings attended during the financial year 2025- 2026	Please refer to the Corporate Governance Section of the Annual report.
Terms and condition	Liable to retire by rotation
Remuneration last drawn(FY 2025-2026)	NIL
Remuneration Proposed to be paid	Nil
Date of appointment on the Board (Initial Appointment)	20-03-2026
Shareholding as on March 31, 2026	NIL
Relationship with other Directors / KMP	Daughter of the Managing Director Mr. Rafiq Ahmed.
Name of listed entities in which the person holds Directorship	NIL
Listed entities in which the person has resigned in the past three years	NIL
Chairman / Member of the Committee of the other Listed / Public companies in which he / she is a Director	Nil
Skills and capabilities required for the role and the manner in which the Independent Director meets the requirement.	NA
Chairman / Member of Committee of the Board of Directors of the Company.	NIL
List of other Listed / Public Companies in which Directorship held	NIL

BOARD'S REPORT

Dear Members,

Your Directors hereby present their 56th Annual Report on the business and operations together with the Audited Accounts of the Company for the year ended March 31, 2026.

SUMMARY OF FINANCIAL RESULTS: **(Rs. in Lakhs)**

Particulars	2025-26	2024-25
Total Revenue	18,173.98	8760.23
Total Expenses	21,293.05	10,502.45
(Profit/Loss) before Depreciation, Interest, Exceptional Item and Tax	(1,603.99)	(1,439.47)
Depreciation	1,154.71	112.76
Interest	360.36	189.99
Profit/(Loss) before Exceptional Item and Tax	(3,119.07)	(1,742.22)
Exceptional Items (net)	-	-
Profit/(Loss) before Tax	(3,119.07)	(1,742.22)
Tax Expenses	-	(125.40)
Profit/(Loss)for the year	(3,119.07)	(1,612.82)
Other Comprehensive Income	(2.37)	4.07
Total Comprehensive Income	(3,121.44)	(1,612.75)
Earnings per share	(3.02)	(1.74)

Consolidated **(Rs. in Lakhs)**

Particulars	2025-26	2024-25
Total Revenue	18,173.98	8,760.23
Total Expenses	21,293.05	10,502.45
(Profit/Loss) before Depreciation, Interest, Exceptional Item and Tax	(1,603.99)	(1,439.47)
Depreciation	1,154.71	112.76
Interest	360.36	189.99
Profit/(Loss) before Exceptional Item and Tax	(3,119.07)	(1,742.22)
Exceptional Items (net)	-	-
Profit/(Loss) before Tax	(3,119.07)	(1,742.22)
Tax Expenses	-	(125.40)
Share in Profit/(Loss) of Associate	(4,099.46)	-
Profit/(Loss) for the Year	(7,218.53)	(1,616.82)
Other Comprehensive Income	(2.37)	4.07
Total Comprehensive Income	(7,220.90)	(1,612.75)
Earnings per Share (₹)	(7.00)	(1.74)

During the financial year under review, the Company recorded a **Total Income of Rs. 18,173.98 lakhs** as against **Rs. 8,760.23 lakhs** in the previous financial year. The Company incurred a **Loss of Rs. 3,119.07 lakhs** for the year ended **31st March 2026**, compared to a **Loss of Rs. 1,616.82 lakhs** in the previous year. Despite the increase in losses, the Board and Management are continuously taking necessary steps to improve operational efficiency, optimize costs, strengthen business operations, and enhance the overall financial performance of the Company.

The management continues to closely monitor the business environment and implement appropriate strategies to mitigate risks and improve profitability.

DIVIDEND

The Board of Directors of the Company has not recommended any dividend for the financial year ended 31st March, 2026. The Company has adopted a Dividend Distribution Policy in accordance with the provisions of the Companies Act, 2013 and applicable SEBI Regulations. The Policy is available on the Company's website i.e www.kotharis.in.

PERFORMANCE

During the financial year under review, the management has undertaken various initiatives to improve the operational and financial performance of the Company and focuses on prudent financial management and strategic initiatives aimed at improving its overall performance and creating long-term value for its stakeholders.

The Board remains confident that the steps being implemented by the management will contribute towards improving the Company's financial performance in the coming years.

CHANGE IN NATURE OF BUSINESS IF ANY:

During the financial year under review, the Company acquired the business undertaking of **Parveen Roadways**, a sole proprietorship established in 1994, through a **Slump Sale** on a going concern basis. Parveen Roadways is engaged in the **Facility Management** and **Logistics & Transportation** business, with a strong presence in the railway sector, providing services including material handling, scrap clearance, housekeeping, vehicle rental, ground handling, and other allied support services.

Consequent to the aforesaid acquisition, the Company has expanded its business operations by entering the **Facility Management** and **Logistics & Transportation** sectors. The acquisition is expected to diversify the Company's business portfolio, strengthen its service capabilities, enhance its customer base, and contribute positively to the Company's turnover, profitability, and long-term sustainable growth.

Other than the aforesaid expansion, there was no change in the nature of the business of the Company.

PROSPECTS

The Company remains focused on strengthening its business operations and enhancing long-term stakeholder value through strategic initiatives and operational excellence.

The management continues to explore opportunities for sustainable growth by expanding its market presence, improving operational efficiencies, and strengthening its core businesses.

SHARE CAPITAL:

Share Capital	31.03.2026	31.03.2025
	(Amount in INR)	
a) Authorized Share Capital 15,00,00,000 Equity Shares of Rs.5/- each	75,00,00,000	25,00,00,000
b) Issued, Subscribed and fully Paid-up Share Capital 10,80,21,773 Equity shares of Rs.5 each	54,01,08,865	46,35,90,525

During the financial year, the Company made preferential allotments of equity shares to Promoters and Non-Promoters. The particulars of such allotments are given below.

Date of Allotment	No. of shares issued
08-04-2025	10,15,000
23-07-2025	1,27,37,600
02-08-2025	4,20,000
29-11-2025	11,31,068
Total	**1,53,03,668**

TRANSFER TO RESERVES

Your company has not transferred any amount to the reserves for the year ended 31st March, 2026 in the absence of profit.

MANAGEMENT DISCUSSION AND ANALYSIS & CORPORATE GOVERNANCE:

In terms of provisions of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, (hereinafter referred to as Listing Regulations) the Management Discussion and Analysis Report is appended as **Annexure I** to this report.

PARTICULARS OF EMPLOYEES:

The details of remuneration of Directors and Employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure II** to this report.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said statement is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary at companysecretary@kotharis.in.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A) Change in Board Constitution and KMP

i) Mr. Hari Kishore CFO, resigned from his office on 16.08.2025 and Mr. V Anand was appointed as the CFO w.e.f 28.10.2025.

ii) Mr. V Anburaj resigned from his office of Independnet directorship w.e.f 15.05.2025.

iii) Mr. Gunasekaran, Independent Director completed his 2nd tenure of directorship w.e.f 29.10.2025.

iv) Mr. Gnanasambandham Venkatraghavn, was appointed as the additional director cum Independent Director w.e.f 05.05.2025 and subsequently appointed as Independent director in the extra ordinary general meeting held on 13.06.2025.

v) Mr. Ravikumar Perumal, was appointed as the additional director cum Independent Director w.e.f 29.10.2025 and subsequently appointed as Independent director in the extra ordinary general meeting held on 27.01.2026.

vi) Mrs. Priya Rao, was appointed as the additional director cum Women Independent Director w.e.f 16.02.2026 and subsequently appointed as Independent director through Postal ballot held on **Friday, April 24, 2026.**

vii) Ms. Sulaiha Banu, was appointed as the additional director cum Director w.e.f 20.03.2026 and subsequently appointed as Independent director through Postal ballot held on **Friday, April 24, 2026.**

B) Details with regards to meeting of Board of Directors and KMP during the Financial Year of the Company

(i) Composition of the Board of Directors as on 31-03-2026 is mentioned below:

Name of the Director	Designation	Category
Mr. J Rafiq Ahmed	Executive Chairman & Managing Director	Executive Director
Mrs.Thoopjlamudu Arulpathy Rajalaxmi	Director	Non-executive - Non Independent Director
Mr. Gnanasambandam Venkatraghavan	Director	Non-executive - Independent Director
Mrs. Priya Rao	Additional Director	Non-Executive - Women Independent Director
Ms. Rafiq Ahmed Sulaiha Banu	Additional Director	Non-Executive - Non Independent Director
Mr. RaviKumar Perumal	Director	Non-Executive - Independent Director
Mr. Anil Kumar Padhiali	Company Secretary and Compliance officer	NA
Mr. V Anand	CFO	NA

(ii) Board meeting:

During the year **15** Board Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between two meetings was within the period as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(iii) Declaration by Independent Directors:

The Company has received necessary declaration from each Independent Director of the Company under Section149(7) of the Companies Act, 2013 and Regulation 16 of the SEBI (LODR) Regulations, 2015 that the Independent Directors of the Company continues to meet the criteria of their Independence laid down in Section 149(6) and continue to be included in the Data Bank maintained by the Indian Institute of Corporate Affairs and the Online proficiency self-assessment test requirement pursuant to Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014.

A policy on familiarization program for Independent Directors has also been adopted by the Company and is put up on the website of the company www.kotharis.in. All new Independent Directors (IDs) included in the Board are presented with an overview of the Company's business operations, products, organization structures and about the Board Constitutions and its procedures..

During the year under review, the Independent Directors met on 19/03/2026.

(iv) Policy on Directors' Appointment and Remuneration:

The Policy of the Company on Director's Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of director and other matters provided under Section 178(3) of the Companies Act, 2013, adopted by the Board, is posted on the website of the Company www.kotharis.in. We affirm that the Remuneration paid to the director is as per the terms laid out in the said policy.

(v) Details of Key Managerial Personnel:

The following are Key Managerial Personnel:

Mr. J Rafiq Ahmed, Executive Chairman and Managing Director

Mr. Anil Kumar Padhiali, Company Secretary and Compliance officer

Mr. Anand V, Chief financial officer

COMPOSITION OF BOARD'S COMMITTEES:

Currently, the Board has four Committees: The Audit Committee, the Nomination and Remuneration Committee, the Stakeholder's Relationship Committee and the Risk Management Committee. All Committees are appropriately constituted. Details of the all committee are provided in the Corporate Governance Report.

BOARD EVALUATION:

Annual evaluation of the performance of the Board, its Committees and of individual directors has been made, pursuant to the section 134(3) of the Companies Act, 2013.

The Nomination and Remuneration Committee ("NRC") reviewed the annual performance of the individual Directors.

In a separate meeting of Independent Directors, performance of non-Independent Directors, performance of the Board as a whole was evaluated.

DETAILS IN RESPECT OF FRAUDS:

During the year under review, the Statutory Auditors did not report any instance of fraud committed against the Company by its officers or employees under Section 143(12) of the Companies Act, 2013. Accordingly, no disclosure in this regard is required in the Board's Report.

VIGIL MECHANISM:

The Company has established a robust Vigil Mechanism to provide Directors and employees with a secure and confidential channel to report genuine concerns relating to unethical behaviour, actual or suspected fraud, malpractice, or any other misconduct that may be prejudicial to the interests of the Company.

The Whistle Blower Policy provides adequate safeguards against victimisation of persons who avail of the mechanism and ensures direct access to the Chairperson of the Audit Committee in appropriate cases.

The Company affirms that no Director or employee has been denied access to the Audit Committee. The Whistle Blower Policy is available on the Company's website at www.kotharis.in.

PREVENTION OF INSIDER TRADING

The Company has adopted a **Code for Prevention of Insider Trading** in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, to regulate dealings in the Company's securities by its Promoters, Directors, and Designated Persons. The Code, inter alia, mandates pre-clearance for trading in the Company's securities and prohibits trading while in possession of unpublished price sensitive information (UPSI) or during the closure of the trading window, thereby ensuring compliance with the applicable regulatory framework and promoting the highest standards of corporate governance.

CORPORATE SOCIAL RESPONSIBILITY:

As per the provision of Section 135 of the Companies Act, 2013, all companies having a net worth of Rs.500 crore or more, or a turnover of Rs.1,000 crore or more or a net profit of Rs.5 crore or more during any financial year are required to constitute a CSR committee and hence our Company does not meet the criteria as mentioned above, Hence the Company has not constituted any Corporate Social Responsibility Committee and the provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013 AND COMPLIANCE WITH MATERNITY BENEFIT ACT 1961:

The Company has in place a Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013. All the employees (permanent, Contractual, temporary, Trainees) are covered under this policy.

During the year under review, no complaints were received falling under the category of Sexual Harassment of Women.

* Number of sexual harassment complaints received- 0
* Number of complaints disposed of-0
* Number of cases pending for more than 90 days-0

COMPLIANCE WITH MATERNITY BENEFIT ACT 1961:

The company has complied with the provisions of Maternity Benefit Act 1961, including all applicable amendments and rules framed thereunder. All eligible women employees are provided with maternity benefits as provided under Maternity Benefit Act 1961.

DISCLOSURE UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year.

SECRETARIAL AUDITOR:

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **M/s. Santosh Senapati & Co., Practising Company Secretaries, Chennai,** as the Secretarial Auditor to conduct the Secretarial Audit for a period of five consecutive years from **FY 2025-26 to FY 2029-30**. The Secretarial Audit Report in **Form MR-3** is annexed to this Report as **Annexure-III**.

Comments of the Board on the qualification /reservation / adverse remarks/disclosure made:

Observations by Secretarial Auditor	Management Reply
1) The total promoter and Promoter group shareholding is not fully Dematerialized as per Regulations 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)	There are 1 promoter group holdings which are yet to be dematerialised, aggregating to 60 shares: Saloman Investment Limited holding 3,60,000 shares. This entity was an Overseas Corporate Body (OCB) which has since been wound up, and hence it is not possible to dematerialise these shares. Mr. N. Ravichandran also residing in the USA. He has assured that he will initiate the dematerialisation process when he visits India.

STATUTORY AUDITORS AND AUDITORS REPORT:

The Board of Directors of the Company, in their meeting held on 31st August, 2023, recommended the appointment of **M/s. RAY & RAY., Chartered Accountants,** Chennai (FRN:301072E) as statutory auditors of the Company to hold office from the conclusion of the 53rd AGM till the conclusion of the Annual General Meeting to be held in the year 2028. At the 53rd Annual General Meeting of the company held on 30th September 2023, M/s. RAY & RAY., Chartered Accountants were appointed as Statutory Auditors of the company to hold office till the conclusion of the Annual General Meeting to be held in the year 2028.

The Independent Auditors' Report on the accounts for the financial year ended 31st March 2026 contain qualification remarks.

Comments of the Board on the qualification/reservation/adverse remarks/disclosure made:

Observations by Auditor	Management Reply
Attention is drawn to Note No 7, wherein a subsidy of Rs. 80 lakhs is carried in the books as receivable from the Government for which no documentary evidence was produced to us for verification. Also, the Company has not made a provision against such balance which is outstanding for more than 8 years. Hence, we are unable to comment on its realiability or otherwise and its accounting treatment in consonance with Ind AS 20. This was also reported in our audit report for the previous year.	The Company had recognized a Government subsidy receivable amounting to Rs. 80.77 lakhs, which had remained outstanding for more than eight years as at 31 March 2026. During the quarter ended 30th June 2026, the Company pursued follow-up with the authorities but subsequently concluded that recovery of the subsidy was not feasible. Accordingly, the Company has written off the said receivable in Q1 of FY 2026-27.
Year-end direct balance confirmation in respect of promoters Rs. 1.80 crores, trade receivables Rs. 33.49 crores trade payables Rs. 23.24 crores, vendor advances Rs. 15.06 crores, advances from customers Rs. 3.99 crores, other loans payable Rs. 52.88 crores have not been provided for our verification. Further, out of the total related party balances of Rs. 15.26 crores balance confirmations was not provided for Rs. 1.44 crores. In the absence of such confirmations, we are unable to ascertain any consequential effect of the above in the financial results for the year.	The Company maintains that these balances are correctly recorded based on its books and records. Management is in the process of obtaining confirmations from counter parties and related parties, and any differences, if identified, will be appropriately reconciled and adjusted in the subsequent period.
The Company's books of accounts reflect a balance of Rs. 10.41 crores in GST input credit, Rs. 10.55 crores in GST output liability, and a debit balance of Rs. 1.41 crores in the GST payable account. However, the Company has not reconciled the input credit as per the GST portal and GSTR-2B with the balances recorded in the books. In the absence of such reconciliation, we are unable to verify the accuracy of the GST input credit and output liability, or to comment on the actual liability and credit available to the Company for future adjustments.	Management is in the process of carrying out this reconciliation and expects to finalize the same in the subsequent quarter. Based on the Company's assessment, the balances recorded are considered appropriate, and any differences identified during reconciliation will be adjusted in the ensuing period.

Out of the total recorded inventory of Rs. 17.02 crores, detailed stock valuation reports for Rs. 10.98 crores was not made available to us. Further, the Company's current system does not separately track non-moving and slow-moving inventories. Accordingly, the financial statements reflect the inventory balance as reported and we are unable to comment on the potential impact of such items in the financial statements.	Management believes that the inventory balances as reported are appropriate based on the records maintained. The Company is in the process of strengthening its reporting and valuation practices, including enhanced tracking of non moving and slow moving items, and any adjustments identified will be duly considered in the subsequent period.
The proceedings initiated by the Collector of Nilgiris for repossession of certain plotsof land in Coonoor earmarked for public use has been challenged by the Company on a write petition filed before the Madras High Court and the matter is pending adjudication. However, in the absence of sufficient audit evidence, we are unable to comment on or as certain the liability that could arise and the consequential loss to the Company in case the order is not in favour of the Company.	Management believes that the Company has a valid claim and is actively pursuing the case. Pending the outcome of the litigation, no provision has been considered necessary in the financial statements. Any liability or loss, if any, arising from the final order will be recognized and dealt with appropriately in the period in which the matter is resolved.
As per information available from the TRACES portal, there is a default of Rs. 7.12 lakhs relating to tax deducted at source under the Income tax Act, 1961. This indicates non compliance with statutory requirements and may attract further interest and penalties.	The Management has noted the default of Rs. 7.12 lakhs reflected on the TRACES portal in respect of Tax Deducted at Source (TDS). The said amount is presently under reconciliation with the Company's books of account, TDS returns and challan records. The Management believes that the default is primarily attributable to reconciliation/matching issues in the TDS records. Necessary steps are being taken to reconcile the records and rectify the matter with the Income Tax Department, as applicable.
The Company has recorded closing liability of statutory deductions (employer andemployee contributions) under Provident Fund (PF) Rs. 40.68 lakhs, Employees' State Insurance (ESI) Rs. 9.38 lakhs and Professional Tax (PT) Rs. 30.03 lakhs as part of its payroll process. Final reconciliation workings to match the salary payable Rs. 2.56 crores as per the books with the payroll records, and to align the sedeductions with the corresponding payments to employees and statutory authorities, were not made available for our review. Accordingly, our procedures were limited to the information provided by management Hence, we are unable to comment whether any differences exists in respect of such deductions and remittances.	During the year, the Company experienced significant turn over in the HR manager position, which affected the timely retrieval of certain records required for payroll reconciliation. As a result, reconciliation of statutory deductions with the corresponding payments to employees and statutory authorities could not be completed as of 31st March 2026. The Company has since appointed an experienced HR manager with effect from 1st April 2026 and has initiated reconciliation of payroll records.

COST RECORDS AND AUDIT:

Pursuant to notification of Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment rules, 2014 the Company does not fall under the purview of maintain of Cost records and Cost Audit.

INTERNAL AUDITOR:

After resignation of Mr. Venkateswara Rao, Board of Directors appointed M/s. KAMG & Associates, Chartered Accountants, as the Internal Auditors of the Company for the FY 25-26. The Internal Auditors carried out internal audits of the Company's operations and accounts to ensure adequacy and effectiveness of internal controls and processes.

PARTICULARS ON CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	Details
a) Conservation of Energy	
i) The steps taken or impact on conservation of energy	The Company continues to promote energy conservation through optimum utilization of electrical equipment, energy-efficient practices, preventive maintenance, and digital workflows across its operations.
ii) The steps taken by the Company for utilizing alternate sources of energy	The Company continues to evaluate the feasibility of adopting alternate and renewable sources of energy.
iii) The capital investment on energy conservation equipment	No material capital investment was made towards energy conservation equipment during the year.
b) Technology Absorption	
i) The efforts made towards technology absorption	The Company continued to strengthen its capabilities by adopting advanced drone, GIS, LiDAR, DGPS and remote sensing technologies through its Drones & Geospatial Division, enhancing its surveying, mapping, agriculture and infrastructure solutions. The Company continued to focus on the adoption of appropriate technologies, digital systems and process improvements across its business operations to enhance operational efficiency, quality of services, and productivity. Efforts were also made towards automation, process standardisation and the effective utilisation of technology in business operations, wherever feasible.
ii) The benefits derived like product improvement, cost reduction, product development or import substitution	Technology adoption has enhanced service quality, improved operational efficiency, reduced project execution time and supported the expansion of the Company's agro-products and geospatial service offerings, while strengthening indigenous technical capabilities. The technology initiatives undertaken by the Company have contributed to improved operational efficiency, enhanced service quality, better process control, optimum utilisation of resources and cost optimisation. These initiatives are also expected to support the Company's long-term business growth and competitiveness.

iii) Imported technology (during the last three years)	a) Details of technology imported – Nil b) Year of import – Not Applicable c) Whether technology has been fully absorbed – Not Applicable
iv) Expenditure incurred on Research and Development	The Company has not incurred any material expenditure on Research and Development during the financial year under review.
Foreign Exchange Earnings and Outgo	**FY 25-26** Foreign Exchange Earnings : Rs. 1983410299 Foreign Exchange Outgo : Rs. 1622310027 **FY 24-25** Foreign Exchange Earnings : Rs. 228578357.73 Foreign Exchange Outgo : Rs. 6619958.58

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm that: -

a) In the preparation of the Accounts for the Financial Year ended 31st March 2026 the applicable accounting standards and schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed along with the proper explanation relating to material departure;

b) They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and loss of the Company for that period.

c) To the best of their knowledge and information, they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) They have prepared the annual accounts on a going concern basis. The auditors have expressed an emphasis of matter on Going Concern in their Audit.

e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls though adequate are being strengthened on an ongoing basis quite effective to operate effectively; and

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

During the year under review, the Company acquired and continues to hold **30% of the equity shares** in **Phoenix Kothari Footwear Private Limited**. Accordingly, the said entity qualifies as an associate of the Company, and the provisions relating to the preparation of Consolidated Financial Statements are applicable in accordance with the provisions of the Companies Act, 2013.

The policy for determining the material subsidiaries is available in our website at www.kotharis.in.

CONSOLIDATION FINANCIAL STATEMENTS:

As on 31st March, 2026, the Company does not have any subsidiaries. However, the Company holds 30% equity shares in Phoenix Kothari Footwear Private Limited, which is classified as an associate company. Accordingly, the preparation of Consolidated Financial Statements is applicable.

Pursuant to first proviso to subsection (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rule, 2014 a statement containing salient features of financial statements of subsidiary is annexed as **Annexure IV**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year under review, the Company has not provided any loans, or given any guarantees or securities covered under the provisions of Section 186 of the Companies Act, 2013.The details of investment made by the company are given in the notes to the financial statements.

RISK MANAGEMENT:

The Company has in place a robust Risk Management Policy to identify, evaluate, monitor, and mitigate key risks that may impact the achievement of its business objectives. The Board of Directors oversees the risk management framework and ensures that appropriate measures are implemented to manage identified risks effectively.

EXTRACT OF ANNUAL RETURN:

In accordance with Section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return of the Company shall be placed on the Website of the Company at www.kotharis.in.

RELATED PARTY TRANSACTIONS:

All Related Party Transactions entered into by the Company during the year under review were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Such transactions were undertaken with the prior approval of the Audit Committee and the Board of Directors, wherever applicable, and were subsequently reviewed on a quarterly basis. The transactions were duly approved and, wherever applicable, ratified in compliance with the applicable provisions of the Act and Regulations.

All Material Related Party Transactions were in the ordinary course of business and on an arm's length basis. The particulars of transactions in **Form AOC-2** are annexed as **Annexure-V** to this Report.

CORPORATE GOVERNANCE:

Your Company has taken adequate steps to adhere to all the stipulations laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report is annexed as **Annexure-VI**.

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:

TThe Company has not made any one-time settlement during the year under review with banks or financial institutions and therefore, this clause is not applicable.

EMPLOYEE SAFETY:

The safety and well-being of our employees are paramount. We are dedicated to fostering a safe, healthy, and supportive work environment.

COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT:

During the year under review, no significant or material orders were passed by any regulator, court, or tribunal that would impact the going concern status of the Company or its future operations.

INTERNAL FINANCIAL CONTROLS:

The Company has a well-placed, proper and adequate internal control system, which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. This has been endorsed by statutory auditors in their separate report which is annexed.

RECOMMENDATIONS OF AUDIT COMMITTEE:

During the year under review, there were no instances where the recommendations of the Audit Committee were not accepted by the Board.

CODE OF CONDUCT:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a comprehensive Code of Conduct applicable to its Directors, Senior Management Personnel, and other employees, as applicable. The Code sets out the principles of ethical business conduct, integrity, transparency, accountability, and compliance with applicable laws and regulations, and serves as a guiding framework for maintaining the highest standards of corporate governance. The Code is available on the Company's website. All Directors and Senior Management Personnel have affirmed their compliance with the Code for the financial year under review. A declaration to this effect, signed by the Executive Chairman and Managing Director, forms part of this Annual Report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Subsequent to the close of the financial year ended **31st March, 2026** and up to the date of this Report, the following material changes and commitments have occurred:

Voluntary Delisting from Calcutta Stock Exchange Limited

The Company's Equity Shares have been voluntarily delisted from The Calcutta Stock Exchange Limited (CSE) with effect from 2nd June 2026, pursuant to the approval granted by CSE in accordance with the SEBI (Delisting of Equity Shares) Regulations, 2021. The Equity Shares of the Company continue to remain listed on BSE Limited.

Investment in Associates company:

The Company has made a further strategic investment in the equity shares of its associate company, **Phoenix Kothari Footwear Private Limited**, with the objective of strengthening its presence in the footwear business and creating long-term value for the Company. Except as stated above, there have been no other material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

Setting up a footwear factory:

The Company has paid Rs. 32.13 crores to SIPCOT for allotment of land at Melur, Tamil Nadu, for the purpose of setting up a footwear factory.

Subsidiary Company:

The subsidiary company, namely KOTHARI INDUSTRIAL IUAD DESIGN PRIVATE LIMITED (CIN: U85499TN2026PTC195911), has been incorporated on July 27, 2026, under the Companies Act, 2013. The Company holds 51% of the paid-up equity share capital of the subsidiary.

LISTING:

The Company's equity shares are listed on BSE Limited and are permitted for trading on the National Stock Exchange of India Limited (NSE) and Metropolitan Stock Exchange of India Limited (MSE). The Company confirms that it has paid the applicable listing fees to BSE Limited for the financial year 2025-2026. The equity shares of the Company have been voluntary delisted from The Calcutta Stock Exchange Limited (CSE) with effect from June 2, 2026.

DEPOSITS:

The Company has not accepted any public deposit during the year.

EMPLOYEE STOCK OPTION SCHEME

The Company has implemented the KICL Employee Stock Option Scheme 2025 ("KICL ESOP 2025") with the objective of attracting, retaining and motivating eligible employees by enabling them to participate in the growth and value creation of the Company. The Scheme was approved by the stock exchange i.e BSE Limited and Members through a Special Resolution passed at the Extra-Ordinary General Meeting held on 13th June, 2025.

The Scheme provides for grant of Employee Stock Options to eligible employees in accordance with the provisions of the Companies Act, 2013 and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Scheme provides for issuance of up to 46,86,000 equity shares of the Company, subject to applicable terms and conditions.

As on 31st March, 2026, the Scheme was in place and no options were granted or shares allotted under the Scheme during the financial year.

The Disclosure Requirement under Section 62(1)(B) of the Companies Act, 2013 Read with Rule 12(9) Of the Companies (Share Capital& Debentures) Rules, 2014 are as follows:

Particulars	Disclosure
Options granted	NIL
Options vested	NIL
Options exercised	NIL
Options lapsed	NIL
Exercise price	Not Applicable
Variation of terms of options	Not Applicable
Money realised by exercise of options	NIL
Total number of options in force	NIL
Options granted to Key Managerial Personnel	NIL
Employee receiving 5% or more of options granted during the year	Not Applicable
Employees granted options equal to or exceeding 1% of issued capital	Not Applicable

The Disclosure Requirement Specified Under Regulation 14 Of Sebi (Share Based Employee Benefits) Regulations, 2014, with respect to the ESOP Schemes, are available on the Company's website at https://kotharis.in/investor-annual-reports.php.

A certificate from the Secretarial Auditor with respect to implementation of Company's ESOP Schemes, will be available for inspection by the members, at the ensuing AGM

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

The Company has been included amongst the top 1,000 listed entities based on market capitalisation and accordingly, the requirement to submit the Business Responsibility and Sustainability Report (BRSR) under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable from the financial year 2026-27.

The Company is taking necessary steps to align its processes and reporting framework with the BRSR requirements and ensure timely compliance with the applicable provisions.

DIRECTORS AND OFFICERS LIABILITY INSURANCE

Pursuant to Regulation 25(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable to the top 1,000 listed entities based on market capitalisation, the Company has obtained Directors and Officers Liability Insurance Policy for its Directors and Officers, as applicable, to safeguard them against liabilities arising in the course of discharge of their duties.

CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those either expressed or implied in the statement depending on the circumstances.

ACKNOWLEDGEMENT:

Your directors place on records their appreciation of the valuable support of management, Financial Institutions, Government authorities, Banks, and Employees and shareholders. The cooperation and the forbearance of the members are gratefully acknowledged.

By Order of the Board of Directors
For KOTHARI INDUSTRIAL CORPORATION LIMITED

J RAFIQ AHMED
Executive Chairman &
Managing Director
DIN : 02861341

Place : Chennai
Date : 14.08.2026

Annexure I

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis Report for the year ended 31st March, 2026.

1. INDUSTRY STRUCTURE, DEVELOPMENTS : Kothari Industrial Corporation Limited operates across diversified business segments including fertilizers, footwear, drones & geospatial services, food services, FMCG & vending, Facility Management services and other emerging business areas.

The Indian fertilizer industry continues to play a critical role in supporting agricultural productivity and food security. The sector remains influenced by government policies, subsidy mechanisms, raw material prices, monsoon conditions and evolving agricultural practices. Increasing awareness towards balanced nutrition, specialty fertilizers, bio-organic inputs and sustainable farming practices presents significant growth opportunities.

The Indian footwear industry continues to witness strong growth supported by rising disposable incomes, urbanisation, increasing brand awareness and expansion of organised retail. India remains one of the largest footwear producers globally, with significant potential in domestic consumption, exports, premium footwear and underserved segments including women and children footwear. The Company's initiatives in footwear manufacturing, retail expansion and brand development are aligned with the growing opportunities in this sector.

The Indian drone and geospatial industry is witnessing rapid adoption across agriculture, infrastructure, mining, forestry, urban planning, defence and environmental monitoring. Government initiatives promoting drone technology, digital mapping and indigenous capabilities are accelerating industry growth. The increasing application of LiDAR, GIS, DGPS, remote sensing and drone-based solutions is creating opportunities for technology-driven service providers.

The FMCG and food service industries continue to benefit from changing consumer preferences, increasing urbanisation, digital commerce and demand for convenience-oriented products and services. The organised segment is expected to grow steadily, supported by evolving consumption patterns and expansion of modern retail channels.

2. OPPORTUNITIES & THREATS : The Company continues to pursue sustainable growth by leveraging opportunities across its diversified business portfolio comprising fertilizers, footwear, drone and geospatial services, FMCG products, food services and publishing. Supported by favourable industry trends, technological advancements and evolving consumer preferences, the Company remains well-positioned to strengthen its market presence while creating long-term value for its stakeholders.

Fertilizer Business

The fertilizer business continues to benefit from various Government initiatives aimed at enhancing agricultural productivity, improving soil health and promoting balanced nutrient application. Increasing awareness among farmers regarding specialty fertilizers, bio-organic products, micronutrients and crop-specific nutrient solutions is expected to drive demand in the coming years. The Company's established distribution network, strong dealer relationships and focus on quality products position it well to capitalize on emerging opportunities in the agricultural sector. Continued emphasis on sustainable farming practices, efficient nutrient management and expansion into value-added products is expected to support long-term growth.

Footwear Business

The footwear business offers significant opportunities driven by rising disposable incomes, increasing consumer spending, changing fashion trends and growing demand for quality footwear across both urban and rural markets. Strengthening of retail presence, enhanced penetration through digital and e-commerce platforms and continued investment in brand development are expected to support business growth. The Company also intends to focus on product innovation, operational efficiencies and customer-centric offerings to strengthen its competitive position and expand its market reach.

Drone and Geospatial Business

The drone and geospatial business represents a high-growth segment with expanding applications across agriculture, infrastructure development, mining, utilities, forestry, environmental monitoring, disaster management and smart city initiatives. Increasing adoption of drone-based surveying, precision agriculture, digital mapping and remote sensing solutions is expected to create substantial business opportunities. Government initiatives promoting indigenous drone manufacturing and wider acceptance of geospatial technologies are expected to further accelerate market growth. The Company's continued investment in advanced technologies such as LiDAR, GIS, Artificial Intelligence (AI), data analytics and automation, together with its focus on innovation and skilled manpower, is expected to strengthen its capabilities and enable it to capitalize on emerging opportunities in this rapidly evolving sector.

FMCG and Food Service Business

The FMCG and food service businesses continue to offer growth opportunities supported by changing consumer lifestyles, increasing urbanization, rising disposable incomes and growing demand for quality, hygienic and convenient food products. Expansion of organised retail, modern trade, institutional sales and digital distribution channels provides additional avenues for market expansion. The Company remains focused on strengthening its product portfolio, improving customer experience, expanding distribution reach and enhancing operational efficiencies to capitalize on these opportunities while responding effectively to evolving consumer preferences.

Facility Management Service

The Company is exploring opportunities in facility management, housekeeping, manpower support, integrated operations and maintenance, logistics and allied services, including institutional and government contracts such as those relating to Indian Railways and other public sector and large institutional organisations. The growing outsourcing of non-core operational activities by government institutions, public sector undertakings, railways and corporates presents significant opportunities for the Company to expand its service portfolio and establish recurring revenue streams. Supported by favourable industry trends, technological advancements, evolving consumer preferences and increasing demand for outsourced facility and support services, the Company remains well-positioned to strengthen its market presence and create long-term value for its stakeholders.

Overall Outlook

The Company remains optimistic about the long-term growth prospects of its diversified businesses. At the same time, it remains conscious of challenges arising from changes in Government policies and regulatory frameworks, fluctuations in raw material prices, inflationary pressures, foreign exchange volatility, supply chain disruptions, technological advancements, cybersecurity risks, labour availability and increasing competitive intensity across business segments. Evolving consumer preferences and changing market dynamics also require continuous adaptation and innovation.

The Company will continue to focus on prudent financial management, operational excellence, digital transformation, product innovation, technology adoption, effective risk management and strengthening of internal controls to enhance business resilience. By leveraging its diversified business portfolio, expanding market opportunities and maintaining a customer-centric approach, the Company is confident of delivering sustainable growth and creating long-term value for its shareholders and other stakeholders.

3. SEGMENT-WISE PERFORMANCE : Segment-wise performance of the Company is disclosed in the Financial Statements forming part of this Annual Report.

4. OUTLOOK : The Company remains focused on building a diversified and sustainable business model by strengthening its existing operations and exploring new growth opportunities across multiple sectors.

The agriculture and fertilizer segment is expected to benefit from increasing demand for improved agricultural productivity, balanced crop nutrition, specialty fertilizers and bio-organic solutions. The Company aims to expand its product offerings and strengthen its market presence through innovation and customer-focused solutions.

The footwear segment continues to present significant growth opportunities driven by rising consumer spending, expansion of organised retail, increasing preference for branded footwear and India's growing position as a global footwear manufacturing hub. The Company's initiatives in footwear manufacturing, brand development and retail expansion are expected to support future growth.

The Drones & Geospatial Division is well positioned to benefit from the increasing adoption of drone technology and geospatial solutions across agriculture, infrastructure, mining, forestry, urban planning and other sectors. The Company's expertise in drone operations, GIS, LiDAR, DGPS and mapping solutions provides opportunities for expanding its technology-driven service offerings.

The hotel and food service business is expected to benefit from growing demand for organised dining, changing consumer preferences and increasing urbanisation. The Company aims to enhance its presence in this segment through improved operations, customer experience and strategic expansion.

The Company has initiated new business diversification initiatives, including the FMCG & Vending segment, which are expected to commence operations in FY 2026-27 and create additional growth avenues.

The Company intends to leverage emerging opportunities in institutional and government sectors, including facility management, housekeeping, manpower support, operations and maintenance, logistics and allied services, and participate in suitable tenders and contracts floated by Indian Railways, Integral Coach Factory (ICF), public sector undertakings and other government and institutional organisations.

5. RISK & CONCERNS : The The Company operates across diverse business segments comprising fertilizers, footwear, drone and geospatial services, FMCG products, food services, facility Management services and publishing. Given the varied nature of its operations, the Company is exposed to a range of strategic, operational, financial, regulatory and market-related risks. An effective risk management framework enables the Company to identify, assess, monitor and mitigate risks that may adversely affect its business objectives, financial performance and long-term sustainability.

The Company has established appropriate internal control systems and risk management practices to identify potential risks at an early stage and implement suitable mitigation measures. Risks are periodically reviewed by the management, and wherever applicable, appropriate policies, procedures and controls are strengthened to ensure business continuity and operational resilience.

Fertilizer Business

The fertilizer business operates in a highly regulated environment and is significantly influenced by Government policies relating to nutrient pricing, subsidy mechanisms, import regulations and distribution systems. Timely receipt of subsidies, availability and pricing of key raw materials, fluctuations in global commodity prices, foreign exchange movements and logistics costs have a direct bearing on the profitability of the business. The business is also dependent on monsoon patterns, agricultural output, cropping patterns and overall rural demand. Any adverse changes in these factors may impact production, sales volumes and financial performance. The Company continuously monitors regulatory developments, maintains efficient procurement practices and optimizes inventory management to mitigate these risks.

Footwear Business

The footwear industry is highly competitive and influenced by rapidly evolving consumer preferences, changing fashion trends and pricing pressures. The business is exposed to risks arising from fluctuations in the prices of raw materials such as leather, synthetic materials and rubber, labour availability and wage costs, supply chain disruptions and changing customer demand. In addition, increasing competition from domestic as well as international brands, changing retail dynamics and e-commerce penetration require continuous product innovation and operational efficiency. The Company seeks to mitigate these risks by strengthening product development, improving manufacturing efficiencies, maintaining quality standards, expanding market reach and optimizing its distribution network.

Drone and Geospatial Business

The drone and geospatial business operates in a rapidly evolving technological and regulatory environment. The sector is subject to frequent changes in Government regulations governing drone operations, licensing requirements, airspace management and data privacy norms. Technological obsolescence, cybersecurity threats, increasing competition, dependence on skilled professionals and rapid advancements in digital mapping and geospatial technologies also present significant challenges. The Company continues to invest in research and development, technology upgradation, cybersecurity measures, employee training and compliance with applicable regulatory requirements to maintain its competitive position and support sustainable growth.

FMCG and Food Service Business

The FMCG and food service businesses are influenced by changing consumer behaviour, purchasing power, inflationary trends, competitive pricing and evolving market dynamics. Rising input costs, fluctuations in commodity prices, supply chain disruptions, food safety and quality requirements, changing consumer preferences towards healthier products and compliance with statutory and regulatory standards may affect operational performance. The Company focuses on product quality, cost optimization, efficient procurement, effective inventory management, brand strengthening and customer satisfaction to address these risks while maintaining operational excellence.

Facility management Services

In the facility management and institutional business, including opportunities relating to Indian Railways, Integral Coach Factory (ICF), public sector undertakings and other government organisations, the Company may be exposed to risks associated with competitive bidding, stringent eligibility and technical requirements, performance obligations, contract renewal, manpower availability, statutory compliance and extended payment cycles. Such contracts may also involve significant working capital requirements and penalties for non-compliance with specified service levels.

Overall Risk Management

The Company recognizes that effective risk management is an integral part of good corporate governance and sustainable business growth. It continuously evaluates emerging risks arising from economic conditions, technological developments, regulatory changes, environmental factors and market uncertainties. Through a combination of robust internal controls, periodic risk assessments, business continuity planning, prudent financial management and strategic decision-making, the Company endeavors to minimize the impact of risks on its operations and safeguard the interests of all stakeholders.

6. INTERNAL CONTROL SYSTEMS & THEIR ADEQUEACY : The Company has established adequate internal control systems commensurate with the size and complexity of its operations. These systems ensure effective operational control, reliable financial reporting, compliance with applicable laws and safeguarding of assets.

The Audit Committee periodically reviews internal audit observations and monitors implementation of corrective actions. Continuous improvements are undertaken to strengthen processes, risk management and governance practices.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE : During FY 2025-26, the Company continued to focus on strengthening its diversified business operations and implementing strategic initiatives across its business segments.

The Company made significant progress in expanding its footwear, drone & geospatial, agriculture, facility management services and consumer-focused business activities. Strategic initiatives undertaken during the year are expected to create long-term growth opportunities and enhance operational capabilities.

The detailed financial performance and segment-wise operational performance of the Company are provided in the Financial Statements forming part of this Annual Report.

8. HUMAN RESOURCE DEVELOPMENT : The Company recognises its employees as a key driver of sustainable growth. During the year, the Company continued to focus on employee development, skill enhancement, operational training and strengthening organisational capabilities across its business divisions.

The Company maintains a conducive work environment and encourages continuous learning, innovation and professional growth. Industrial relations across the Company's operations remained cordial during the year.

Total number of employees as on 31st March, 2026 was 853.

9. KEY FINANCIAL RATIOS:

Description	U/M	2025-26	2024-25	Remarks
Debtors Turnover	Days	8.97	23.83	The ratio decreased due to a significant increase in average trade receivables compared to sales during the year.
Inventory Turnover	Days	15.05	18.46	Inventory turnover decreased due to a higher average inventory level compared to the increase in cost of goods sold during the year.
Interest coverage ratio	Times	-7.66	-8.17	Due to loss in CY, ratio becomes negative.
Current ratio	Times	5.38	7.89	Current ratio decreased mainly due to Decreased in Other Financial Asset.
Debt Equity ratio	-	0.29	0.11	Debt-Equity ratio increased due to an increase in total outside liabilities.
Operating Profit Margin	%	-17.40	-25.88	The Operating Profit Margin improved during the year primarily due to a significant increase in revenue from operations. While operating expenses increased during the year, the growth in revenue was comparatively higher, resulting in a reduction in the operating loss as a percentage of revenue.
Net Profit Margin %	%	-0.17	-0.19	The Net Profit Ratio improved from -0.19 to -0.17 during the year, primarily due to a significant increase in Net Sales during FY 2025-26. Although the Company continued to incur a net loss, the growth in revenue was higher than the corresponding increase in net loss, resulting in an improvement in the negative net profit margin.
Return on Net worth	%	-0.11	-0.09	The ratio remained negative due to net loss incurred during the year, resulting in a negative return on shareholders' equity

By Order of the Board of Directors
For KOTHARI INDUSTRIAL CORPORATION LIMITED
J RAFIQ AHMED
Executive Chairman &
Managing Director
DIN : 02861341

Place : Chennai
Date : 14.08.2026

Annexure II

Details under Section 197(12) Of the Companies Act, 2013 Read with Rule 5(1) Of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(i) The ratio of the remuneration of each Director to the median employee's remuneration for the financial year and such other details: No remuneration was received by any directors except Managing Director in the company during the financial year 2025-26.

Mr. Anburaj, Mr. Gnansambandham Venkatraghavan, Mr. Ravikumar Perumal & Mrs. Priya Rao received only sitting fees. Non-Executive Independent directors of the Company were paid sitting fee for attending the Board / Committee meetings which was not considered as remuneration. Therefore, the ratio of the remuneration of Managing Director to the median remuneration of the employees during the financial year 2025-26 is **154.72:1**.

(ii) There is percentage increase in remuneration of Mr. Rafiq Ahmed, Managing Director is 228.75%and Company Secretary during the financial year 2025-26 is 27.53%.

- No remuneration received by the director except Mr. Rafiq Ahmed and there is increase in remuneration of Mr. Rafiq Ahmed is 228.75% and Mr. Anburaj, Mr. Gnansambandham Venkatraghavan, Mr. Ravikumar Perumal & Mrs. Priya Rao received only sitting fees.
- There is no Chief Executive Officer in the financial year, so the question of percentage increase in remuneration of Chief Executive Officer doesn't arise.
- No percentage increase in remuneration of CFO.

(iii) There is a **21.36% decrease** in the median remuneration of employees during FY 2025-26

(iv) There were 853, permanent employees on the rolls of the Company as on 31.03.2026.

(v) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentile increase in the salaries/ remuneration of employees other than managerial personnel during the financial year under review was a decrease of approximately 26.87% as compared to the previous financial year. The decrease in average remuneration is primarily attributable to the significant increase in the employee strength of the Company. while the remuneration of Mr. Rafiq Ahmed, Managerial Personnel, increased by 228.75%.The increase in managerial remuneration was based on the increased responsibilities, performance, experience, contribution and overall role played by the managerial personnel in the management and operations of the Company.

Justification for increases in managerial remuneration:

The increase in managerial remuneration was commensurate with the increased responsibilities, performance, experience and contribution of the managerial personnel towards the Company's operations, business expansion and strategic initiatives. In particular, the revision in the remuneration of Mr. Rafiq Ahmed was considered having regard to his overall responsibilities and contribution to the Company. The Company considers the increase to be justified based on the role and responsibilities undertaken and the overall requirements of the business.

Exceptional circumstances:

There are **no exceptional circumstances** that would justify an unusual or disproportionate rise in managerial remuneration. The increments to managerial personnel are proportionate to their roles, responsibilities and market benchmarks, and are lower than the average increase given to the non-managerial workforce.

(vi) It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

By Order of the Board of Directors
For KOTHARI INDUSTRIAL CORPORATION LIMITED

J RAFIQ AHMED
Executive Chairman &
Managing Director
DIN : 02861341

Place : Chennai
Date : 14.08.2026

Annexure III

Form No.MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 2025-26

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members,
Kothari Industrial Corporation Limited
(CIN - L81100TN1970PLC005865)
Registered Office: Kothari Buildings,
114, Nungambakkam High Road,
Mahatma Gandhi Salai, Nungambakkam,
Chennai 600034.

We have conducted the Secretarial Audit of the compliance with applicable statutory provisions and adherence to good corporate practices by Kothari Industrial Corporation Limited (CIN: L81100TN1970PLC005865) (hereinafter referred to as the “Company”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents, and authorized representatives during the conduct of secretarial audit, we hereby report:

That in our opinion, the Company has, during the financial year 2025-26, complied with the applicable statutory provisions listed herein and the Company has proper Board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year 2025-26 with respect to the provisions of-

i. The Companies Act, 2013 (the Act) and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations, Bye-laws and Rules framed thereunder;

iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI ACT) to the extent applicable to the company:

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018;

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, SEBI Regulations including LODR Regulations as under:

Subsequent to the closure of the financial year under review the Equity Shares of the Company were voluntarily delisted from The Calcutta Stock Exchange Limited (CSE) with effect from 2nd June 2026, pursuant to the approval granted by CSE in accordance with the provisions of the SEBI (Delisting of Equity Shares) Regulations, 2021.

We have also examined the compliance with the applicable clauses of the following:

i. The Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI);

ii. The Listing Agreement entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations:

Nature of Non-Compliances	Applicable Act, Rules, Regulations, Provisions, etc.
The total promoter and promoter group shareholding is not fully Dematerialized.	Regulation 31(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

We further report that:

i. The Board of Directors of the company is duly constituted with proper balance of Executive, Non-Executive, and Independent Directors.

ii. Adequate notice is given to all Directors to schedule the meetings, agenda and detailed notes on agenda were sent to directors at shorter notice and at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For SANTOSH SENAPATI & CO.,
Company Secretaries

CS. SANTOSH KUMAR SENAPATI
Company Secretary
(M.No. 11548)
(C.P. No. 16782)

Place : Chennai **Peer Review Certificate No. 2789/2022**
Date : 11/08/2026 **UDIN: F011548H001080484**

Note: This Report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this Report.

Annexure-A

(Our report of even date is to be read along with this Annexure-A)

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc;
5. The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SANTOSH SENAPATI & CO.,
Company Secretaries

CS. SANTOSH KUMAR SENAPATI
Company Secretary
(M.No. 11548)
(C.P. No. 16782)
Peer Review Certificate No. 2789/2022
UDIN : F011548H001080484

Place : Chennai
Date : 11/08/2026

Annexure IV

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part "A" Subsidiary

There is no subsidiary as on 31.03.2026. The disclosure is not applicable.

Part "B" : ASSOCIATES AND JOINT VENTURES

Particulars	Phoneix Kothari Footwear Private Limited
1. Latest audited Balance Sheet Date	31.03.2026
2. Date on which the Associate or Joint Venture was associated or acquired	29.09.2026
3. Shares of Associate or Joint Ventures held by the Company on the year end	
No of shares	1,17,90,290
Amount of Investment in Associates or Joint Venture	Rs. 1,38,96,36,830
Extent of Holding (in percentage)	30%
4. Description of how there is significant influence	"Significant influence exists by virtue of the Company holding 30% of the voting power in the Associate Company."
5. Reason why the Associate/Joint Venture is not consolidated	Not applicable
6. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 4,972.197 in lakhs
7. Profit or Loss for the year	Rs. (13,664.85) in lakhs
i. Considered in Consolidation	Rs. (4,099.46) in lakhs
ii. Not Considered in Consolidation	Rs. (9,565.39)in lakhs
8. Names of associates or joint ventures which are yet to commence operations	Nil
9. Names of associates or joint ventures which have been liquidated or sold during the year	Nil

By Order of the Board of Directors

For KOTHARI INDUSTRIAL CORPORATION LIMITED

T.A. RAJALAXMI	J RAFIQ AHMED	ANIL KUMAR PADHIALI	V ANAND
Director	Executive Chairman & Managing Director	Company Secretary	Chief Financial Officer
DIN : 08148628	DIN : 02861341	Membership No. : A53635	

Place : Chennai
Date : 14.08.2026

Annexure V

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) 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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: NIL
2. Details of material contracts or arrangements or transactions at Arm's length basis.

Name of the Related party and nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board, If any	Amount paid as advances, if any
JR One Kothari Footwear Private Limited - The Managing Director of the company is a Director and shareholder in the Related Party Company.	supplying food services	FY 2025-26, 2026-27, 2027-28.	Not exceeding Rupees 100,00,00,000/- (Rupees one hundred crore only) for each of the FY 2025-26, 2026-27, 2027-28.	17.05.2025	Nil
JR Trading & Services W.L.L.- Mr. J. Rafiq Ahmed, Chairman and Managing Director of Kothari Industrial Corporation Limited is a partner and having shareholding interest in JR Trading & Services W.L.L.	supplying footwear products	FY 2025-26, 2026-27, 2027-28.	Not exceeding Rupees 100,00,00,000/- (Rupees one hundred crore only) for each of the FY 2025-26, 2026-27, 2027-28.	17.05.2025	Nil
Evervan Kothari Footwear Private Limited - The Managing Director of the company is a Director and shareholder in the Related Party Company	supplying food and transportation services	FY 2025-26, 2026-27, 2027-28.	Not exceeding Rupees 100,00,00,000/- (Rupees one hundred crore only) for each of the FY 2025-26, 2026-27, 2027-28.	17.05.2025	Nil

By Order of the Board of Directors
For KOTHARI INDUSTRIAL CORPORATION LIMITED

J RAFIQ AHMED
Executive Chairman &
Managing Director
DIN : 02861341

Place : Chennai
Date : 14.08.2026

Annexure VI

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense and systems and practices are a commitment to values, ethical business conduct, accountability, transparency and compliance of laws and acceptance by management of the inalienable rights of shareholders as the true owners of the Company.

The objective is to meet;

- ➢ Stakeholders' aspirations and societal expectations.
- ➢ Good governance practices stem from the dynamic culture and positive mindset of the organization.
- ➢ Infusion of the best expertise in the Board;
- ➢ Consistent monitoring and improvement of the human and physical resources;
- ➢ Board/ Committee meetings at regular intervals to keep the Board informed of the recent happenings.

Your Company believes that good corporate governance contemplates that corporate actions balance the interests of all stakeholders and satisfy the tests of accountability and transparency. The Company adopts a model to adhere to all the rules and regulations of the statutory authorities. Duties and statutory obligations are discharged in a fair and transparent manner with the object of maximizing the value of the shareholders and stakeholders.

2. BOARD OF DIRECTORS:

a. COMPOSITION AND CATEGORY OF BOARD OF DIRECTORS:

The Company as on 31.03.2026 has in all 6 Directors with considerable professional experience in diverse areas connected with corporate functioning. The Board of Directors of the Company comprises of Executive, Non-Executive, Independent Directors and Woman Independent director. The composition of the Board consists of 1 Executive Director, 2 Non-executive Independent Director, 2 Non-executive Non-Independent Directors and 1 Non-Executive Woman Independent Director.

The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in Marketing, finance, other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervision and control of the Board. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he/she is a Director.

Composition of the Board of Directors as on 31.03.2026 of this Report is mentioned below and the number of equity shares of the Company held by them:

Name of the Director	Designation	Category	No. of Shares held
Mr. J. Rafiq Ahmed	Executive Chairman & Managing Director	Executive Director	4,85,05,946
Mrs. Thoopjlamudu Arulpathy Rajalaxmi	Director	Non-Executive - Non-Independent Director	Nil
Mr. Gnanasambandam Venkatraghavan	Director	Non-Executive - Independent Director	Nil
Mrs. Priya Rao	Additional Director	Non-Executive - Women Independent Director	Nil
Ms. Rafiq Ahmed Sulaiha Banu	Additional Director	Non-Executive - Non Independent Director	Nil
Mr. RaviKumar Perumal	Director	Non-Executive - Independent Director	Nil

- Mr. Hari Kishore CFO, resigned from his office on 16.08.2025 and Mr. V Anand was appointed as the CFO w.e.f 28.10.2025.
- Mr. V Anburaj resigned from his office of Independent directorship w.e.f 15.05.2025.The Company received a confirmation from Mr. V. Anburaj that there are no material reasons for his resignation other than those stated in his resignation letter, in compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Mr. Gunasekaran, Independent Director completed his tenure of directorship w.e.f 29.10.2025.
- Mr. Gnanasambandham Venkatraghavan, was appointed as the additional director cum Independent Director w.e.f 05.05.2025 and subsequently appointed as Independent director in the extra ordinary general meeting held on 13.06.2025.
- Mr. Ravikumar Perumal, was appointed as the additional director cum Independent Director w.e.f 29.10.2025 and subsequently appointed as Independent director in the extra ordinary general meeting held on 27.01.2026.
- Mrs. Priya Rao, was appointed as the additional director cum Woman Independent Director w.e.f 16.02.2026.
- Ms. Sulaiha Banu, was appointed as the additional director cum Director w.e.f 20.03.2026.

B. DIRECTORS' ATTENDANCE AT BOARD MEETINGS AND LAST AGM :

Name	Category	No. of Board Meetings attended during period ended 31/03/2026	Attendance Last AGM on 30/09/2025
Mr. J Rafiq Ahmed	Executive Chairman & Managing Director	15	Yes
Mr. D Gunasekaran	Non Executive Independent Directors	10	Yes
Mrs.Thoopjlamudu Arulpathy Rajalaxmi	Non Executive Non- Independent Directors	15	Yes
Mr. Velayutham Anburaj	Non Executive Independent Directors	2	NA
Mr. Gnanasambandam Venkatraghavan	Non-Executive - Independent Director	13	Yes
Mr. Ravi Kumar Perumal	Non-Executive - Independent Director	5	NA
Mrs. Priya Rao	Non-Executive - Women Independent Director	1	NA
Ms. Rafiq Ahmed Sulaiha Banu	Non-Executive - Non Independent Director	0	NA

C. NUMBER OF OTHER BOARDS AND BOARD'S COMMITTEES THEY ARE INVOLVED IN AS ON MARCH 31, 2026

Name	Category	Number of Directorship in other Companies	No. of Committee Membership in other Companies	
			Chairman	Member
Mr. J Rafiq Ahmed	Executive Chairman & Managing Director	18	Nil	Nil
Mrs.Thoopjlamudu Arulpathy Rajalaxmi	Non Executive Non-Independent Directors	1	0	0
Mr. Gnanasambandam Venkatraghavan	Non-Executive - Independent Director	4	2	5
Mr. RaviKumar Perumal	Non-Executive - Independent Director	2	2	4
Mrs. Priya Rao	Non-Executive - Women Independent Director	3	5	8
Ms. Rafiq Ahmed Sulaiha Banu	Non-Executive - Non Independent Director	0	Nil	Nil

Notes:

- Other directorships also include Private Limited Companies.
- Only membership in Audit Committee, Stakeholders' Relationship Committee have been reckoned for Committee Memberships in Public companies (Both listed and Unlisted)
- The time gap between the Board Meetings was within the prescribed time limits.
- None of the other directors are related inter se in any manner.

D. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS HELD AND DATES ON WHICH HELD:

During the FY 2025-2026, **15 meetings** of the Board of Directors of the Company were held i.e., on **08/04/2025, 03/05/2025, 17/05/2025, 30/05/2025, 04/06/2025, 23/07/2025, 02/08/2025, 14/08/2025, 26/08/2025, 28/10/2025, 14/11/2025, 29/11/2025, 05/01/2026, 14/02/2026 & 19/03/2026.** The gap between two meetings did not exceed 120 days.

None of the Directors on the Board is a member of more than 10 committees or act as Chairperson of more than 5 committees across all Listed Companies and Unlisted Public Limited Companies in which he / she is a Director.

E. NAMES OF OTHER LISTED COMPANIES IN WHICH THE DIRECTORS OF THE COMPANY IS A DIRECTOR AND THEIR CATEGORY:

Sl. No.	Name of the Directors	Name of Other Listed Company	Category
1	Mr. J Rafiq Ahmed	NIL	NA
2	Mrs.Thoopjlamudu Arulpathy Rajalaxmi	NIL	NA
3	Mr. Gnanasambandam Venkatraghavan	Freshara Agro Exports Limited	Independent Director
4	Mrs. Priya Rao	AVP Infracon Limited	Independent Director
5	Ms. Rafiq Ahmed Sulaiha Banu	NIL	NA
6	Mr. Ravi Kumar Perumal	1. Freshara Agro Exports Limited 2. Supreme Power Equipment Limited	Independent Director Independent Director

F. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Every new Independent Director at the time of appointment is issued a detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, Code of Conduct and obligations on disclosures.

Further every new Independent Director is provided with copy of latest Annual Report, the Code of Conduct, the Code of Conduct for Internal Procedures and to Regulate, Monitor and Report Trading by Insiders (“Code of Conduct - PIT”) and the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the “Fair Practice Code”), and the tentative schedule of upcoming Board and Committee Meetings.

The Company through its Executive Directors / Key Managerial Personnel conduct programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.

Thus such programs / presentations provides an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company’s strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.

Details of familiarization programme conducted for the Independent directors are available on the Company’s website www.kotharis.in.

G. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The criteria for evaluation of the Independent Directors include attendance, participation in deliberations, understanding the Company’s business and that of the industry and ability of guiding the Company in decisions affecting the business and additionally based on the roles and responsibilities as specified in Schedule IV of the Companies Act, 2013. A formal evaluation mechanism has been adopted for evaluating the performance of the Board, Committees thereof, individual Directors and the chairman of the Board.

H. A CHART OR A MATRIX SETTING OUT THE SKILLS/ EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS SPECIFYING THE FOLLOWING:

The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company which is currently available with the Board:

Skills	Description
Leadership and strategy and planning	Experience of playing leadership roles in large businesses, with competencies around strategy development & implementation, sales & marketing, business administration / operations and organizations and people management.
Financial performance	Practical knowledge and experience in corporate Finance, accounting and reporting and internal financial control, including strong ability to assess the financial impact of decision making and ensure profitable and sustainable growth.
Sales and Marketing	Knowledge in relationship building, time management, product knowledge, collaboration, social selling and business communication.
Governance	Experience in directing the management in the best interests of the Company and its stakeholders and in upholding high standards of governance.

The skills/ expertise/competence matrix of the Board of Directors as follows:

Director	Leadership and Strategy and Planning	Financial Performance	Sales and Marketing	Governance
Mr. J Rafiq Ahmed	✓	✓	✓	✓
Mrs. Thoopjlamudu Arulpathy Rajalaxmi	✓	✓	✓	✓
Mr. Gnanasambandam Venkatraghavan	✓	✓	✓	✓
Mrs. Priya Rao	✓	✓	✓	✓
Ms. Rafiq Ahmed Sulaiha Banu	✓	✓	✓	✓
Mr. Ravi Kumar Perumal	✓	✓	✓	✓

Considering the skills, expertise and competencies required for effective functioning and discharge of Board's duties, your Board is satisfied with the present composition of the Board of Directors. In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Mr. D. Gunasekaran, Independent Director completed his tenure of directorship from the closing hours of 29.10.2025 with the completion of his 2nd tenure.

Mr. V Anburaj resigned from his office of Independnet directorship w.e.f 15.05.2025.

Pursuant to the Company's inclusion among the **Top 1,000 listed entities** as on **31 December 2025**, the Board shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Accordingly, during the financial year, the following appointments were made to the Board:

- Mrs. Priya Rao, was appointed as an additional director cum Woman Independent Director w.e.f 16.02.2026.
- Ms. Sulaiha Banu, was appointed as an additional director cum Director w.e.f 20.03.2026.

COMMITTEES OF THE BOARD:

To ensure focused oversight, effective governance and enhanced accountability, the Board has constituted four Committees, namely the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Risk Management Committee. The terms of reference of these Committees are in line with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and are reviewed by the Board from time to time.

The meetings of these Committees are convened by their respective Chairpersons. The Risk Management Committee was constituted on 14th Feb, 2026 pursuant to the Company's inclusion among the top 1,000 listed entities and the consequent applicability of the SEBI (LODR) Regulations. As the Committee was constituted towards the end of the financial year and the applicable compliance became effective from FY 2026–27, so no meeting of the Risk Management Committee was held during the financial year 2025–26.

The minutes of all Committee meetings are placed before the Board at its subsequent meeting for noting.

3. AUDIT COMMITTEE

(i) Terms of reference :

The Audit Committee acts as a link between the Board of Directors and the Statutory and Internal Auditors. The role and terms of reference of the Audit Committee are governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the members of Audit Committee are financially literate and have relevant finance / accounting exposure. The Managing Director, and Chief Financial Officer are permanent invitees to the meetings of the committee. The Statutory Auditor were present at Audit Committee meetings. The Company Secretary acts as the Secretary to the Committee. The composition of the Audit Committee is as per Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Composition, name of members and chairperson :

The Audit Committee Comprises 3 members, which includes one Non-executive Director and two Non-Executive Independent Directors. The members of the Committee as on 31st March 2026 are as follows:

Mr. Gnanasambandam Venkatraghavan*	Chairman	Non Executive Director cum Independent Director
Mrs. T A Rajalaxmi	Member	Non Executive Director cum Non Independent Director
Mr. Ravikumar Perumal**	Member	Non Executive Director cum Independent Director

During the year, there were several changes in the composition of the Audit Committee.

Mr. Velayutham Anburaj resigned from the position of Non-Executive cum Independent Director of the Company with effect from the close of business hours on 15th May 2025 and consequently ceased to be a Member of the Audit Committee with effect from 15th May 2025.

*Further, Mr. Gnanasambandam Venkatraghavan, who was appointed as a Non-Executive Independent Director of the Company with effect from 05th May 2025, was inducted as a Member of the Audit Committee and was subsequently appointed as Chairman of the Committee with effect from 30th October 2025, pursuant to the resignation of Mr. Dakshinamoorthy Gunasekaran upon completion of his tenure with effect from 29th October 2025.

**Further, Mr. Ravikumar Perumal, who was appointed as a Non-Executive Independent Director of the Company with effect from 29th October 2025 and was inducted as a Member of the Audit Committee.

(iii) Meetings and attendance during the year :

During the financial year under review, Audit Committee Meetings were held **8 times** in a year viz., on **17.05.2025, 30.05.2025, 14.08.2025, 26.08.2025, 28.10.2025, 14.11.2025, 29.11.2025 & 14.02.2026** and the attendance of the members at the Audit Committee meetings was as follows:

Members	Attendance particulars	
	Meeting Held During the year	Meeting Attended During the year
Mr.D Gunasekaran	8	5
Mrs. T.A. Rajalaxmi	8	8
Mr. G. Venkatraghavan	8	8
Mr. Ravikumar Perumal	8	3

The Chairman of the Audit Committee was present at the Annual General Meeting of the company held on 26th September, 2025.

4. NOMINATION AND REMUNERATION COMMITTEE

(i) Terms of reference :

The Nomination and Remuneration Committee ("NRC") has formulated a Nomination and Remuneration Policy in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy, inter alia, lays down the criteria for selection, appointment, evaluation and remuneration of Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel.

(ii) Composition, name of members and chairperson :

The Committee Comprises 3 members, which includes two Independent Directors and one Non-Executive Director. The members of the Committee as on 31st March 2026 are as follows:

Mr. G. Venkatraghavan*	Chairman	Non Executive Independent director
Mrs.T.A.Rajalaxmi	Member	Non Executive Director cum Non Independent Director
Mr. Ravikumar Perumal**	Member	Non Executive Independent director

*During the year, there were several changes in the composition of the Nomination and Remuneration Committee.

*Mr. Velayutham Anburaj resigned from the position of Non-Executive cum Independent Director of the Company with effect from the close of business hours on 15th May 2025 and consequently ceased to be a Member of the Nomination and Remuneration Committee with effect from 15th May 2025.

Further, Mr. Gnanasambandam Venkatraghavan, who was appointed as a Non-Executive Independent Director of the Company with effect from 05th May 2025, was inducted as a Member of the Nomination and Remuneration Committee with effect from 17th May 2025 and was subsequently appointed as Chairman of the Committee with effect from 30th October 2025, pursuant to the retirement of Mr. Dakshinamoorthy Gunasekaran upon completion of his 2nd tenure with effect from 29th October 2025.

**Further, Mr. Ravikumar Perumal, who was appointed as a Non-Executive Independent Director of the Company with effect from 29th October 2025, was inducted as a Member of the Nomination and Remuneration Committee pursuant to its reconstitution of committee.

(iii) Meetings and attendance during the year:

During the financial year under review, Audit Committee Meetings were held **8 times** in a year viz., on **17.05.2025, 30.05.2025, 14.08.2025, 26.08.2025, 28.10.2025, 14.11.2025, 29.11.2025 & 14.02.2026** and the attendance of the members at the Audit Committee meetings was as follows:

Name of the Director	Attendance particulars	
	Meeting Held During the year	Meeting Attended During the year
Mr. D Gunasekaran	8	5
Mrs.ThoopjlamuduArulpathyRajalaxmi	8	8
Mr. Velayutham Anburaj	8	1
Mr. Ravi Kumar Permal	8	3
Mr. G.Venkataraghavan	8	7

The Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the company held on 26th September, 2025. The Company Secretary is the Secretary to the Committee.

(iv) Performance evaluation criteria for independent directors:

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. Their criteria provide for certain parameters below:

i) act objectively and constructively while exercising their duties.

ii) exercise their responsibilities in a bona fide manner in the interest of the Company.

iii) devote sufficient time and attention to their professional obligations for informed and balanced decision making;

iv) do not abuse their position to the detriment of the Company or itsshareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

v) refrain from any action that would lead to loss of their independence

vi) inform the Board immediately when they lose their independence,

vii) assist the Company in implementing the best corporate governance practices

viii) strive to attend all meetings of the Board of Directors and the Committees;

ix) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

x) strive to attend the general meetings of the Company;

A separate exercise was carried out to evaluate the performance of individual directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its various stakeholders etc. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board of Directors, on an annual basis, which includes an assessment of the following in addition to the above criteria:

Performance of the Directors; and Fulfilment of the independence criteria and their independence from the Management.

In such evaluation, the director who is subject to evaluation does not participate. All the Directors expressed their satisfaction with the evaluation process.

A Policy on remuneration of Directors, Key Managerial Personnel and Senior Management and other staff was put in place by Nomination and Remuneration Committee and approved by the Board of Directors. The remuneration policy is posted in the website www.kotharis.in.

Remuneration was paid to Managing Director. The Non-Executive Directors didn't draw any remuneration in the capacity of Director from the Company except sitting fees for attending the meetings of the Board and committees. The Remuneration Policy approved by the Board of Directors is posted on the website of the Company viz. www.kotharis.in.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

(i) Terms of reference :

The Stakeholders Relationship Committee carries out the functions of transmissions, duplicate share certificates, dematerialisation of shares and all other issues pertaining to shares and also to redress investor grievances like non-receipt of dividend warrants, non-receipt of share certificates, non-receipt of annual reports etc. In order to expedite the process, the Board of Directors has also delegated the authority severally to the Stakeholders Relationship Committee and the Company Secretary to approve the share transfers / transmissions and accordingly, the Stakeholders Relationship Committee or the Company Secretary shall approve the transmission of shares generally on a fortnight basis. The Committee also reviews the performance of the Registrar and Share Transfer Agents.

(ii) Composition, name of members and chairperson :

The Committee Comprises 3 members, which includes two Independent Directors and one Non-Executive director. The members of the Committee as on 31st March 2026 are as follows:

Name of Member	Designation in Committee	Category
Mr. Ravikumar Perumal*	Chairman	Non Executive Independent director
Mrs.T.A. Rajalaxmi	Member	Non Executive Director cum Non Independent Director
Mr. G. Venkatraghavan **	Member	Non Executive Independent Director

During the year, there were several changes in the composition of the Stakeholders Relationship Committee.

*Mr. Ravikumar Perumal, who was appointed as a Non-Executive Independent Director of the Company with effect from 29th October 2025, was inducted as a Member of the Stakeholders Relationship Committee and was subsequently appointed as Chairman of the Committee with effect from 30th October 2025, pursuant to the completion of tenure of Mr. Dakshinamoorthy Gunasekaran with effect from 29th October 2025.

** Mr. Gnanasambandam Venkatraghavan, who was appointed as a Non-Executive Independent Director of the Company with effect from 05th May 2025, was inducted as a Member of the Stakeholders Relationship Committee w.e.f 17th May, 2025.

Further, Mr. Velayutham Anburaj resigned from the position of Non-Executive cum Independent Director of the Company with effect from the close of business hours on 15th May 2025 and consequently ceased to be a Member of the Stakeholders Relationship Committee with effect from 15th May 2025.

(iii) Meetings and attendance during the year :

During the financial year under review, Stakeholder Relationship Committee Meetings were held 3 times in a year and was held on 12-09-2025, 14-11-2025 and 19-03-2026 and the attendance of the members at the Stakeholder Relationship Committee meeting was as follows:

Name of the Member	Attendance particulars	
	Meeting Held during the year	Meeting Attended during the year
Mr. Gunasekaran	3	1
Mr. G Venkatraghavan	3	3
Mr. Ravikumar Perumal	3	2
Ms.Thoopjlamudu Arulpathy Rajalaxmi	3	3

The Chairperson of the Stakeholders' Relationship Committee was present at the previous Annual General Meeting of the company held on 26th September, 2025. Mr. Anil Kumar Padhiali the Company secretary and compliance officer of the Company is the secretary of the committee.

(iv) Investor Grievance Redressal :

During the period from 01st April 2025 to 31st March 2026, the Company received two complaints, one each during the quarter ended 30th September 2025 and the quarter ended 31st December 2025. Both the complaints were resolved and disposed of during their respective quarters.

Pursuant to SEBI LODR Regulations, 2015 the Company is processing investor complaints in a web-based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year. Mr. Anil Kumar Padhiali, Company Secretary, is the Compliance Officer of the company. For any clarification / complaint the shareholders may contact the Secretarial Department at the registered office of the company.

Also, an investor can initiate online dispute resolution through the ODR portal after the option to resolve complaint / dispute with the listed entity through the aforesaid available routes i.e. Raising the grievance with the listed entity / its RTA and SEBI SCORES are exhausted. The Online Dispute Resolution Portal named SMART ODR Portal- 'Securities Market Approach for Resolution through ODR' offers a user-friendly platform to file disputes for resolution through Online conciliation and online Arbitration. It enables investors to access Online Dispute Resolution Institutions for the resolution of their complaints. The weblink of the SMART ODR portal is https://smartodr.in/

5A. RISK MANAGEMENT COMMITTEE :

(i) Terms of reference :

Pursuant to the Company being classified among the Top 1000 listed entities based on market capitalization, the Board of Directors considered and approved the constitution of the Risk Management Committee in accordance with Regulation 21 of the SEBI (LODR) Regulations, 2015.

ii) Composition, name of members and chairperson :

The Risk Management Committee comprises of majority of Directors, including an Independent Director, and is chaired by a member of the Board. The members of the Committee as on 31st March 2026 are as follows:

Name of Member	Category	Designation in Committee
Mr. Rafiq Ahmed	Executive Chairman & Managing Director	Chairman
Mrs.T.A. Rajalaxmi	Non-Executive Director	Member
Mr. Perumal Ravikumar	Independent Director	Member
Mr. V Anand	Senior Management Personnel (CFO)	Member

(iii) Meetings and attendance during the year :

Pursuant to the Company being classified among the Top 1000 listed entities based on market capitalization as on 31st December 2025, the requirement for the conducting of meeting is mandatory for the FY 2026-27.

5B. SENIOR MANAGEMENT PERSONNEL :

The Senior Management comprises of the following Personnel of the Company and there was no change in the Senior Management during the financial year 2025 – 26 except for appointment of Mr. V. Anand as the Chief Financial Officer and appointment of Mr. Dr. N. Mohan, Mr. S. Shriram, Mr. Manish Ahlawat and Mr. Devtosh Kumar Jha.

S.No.	Name of the person	Designation
1	Mr. Anil Kumar Padhiali	Company Secretary & Compliance officer
2	Mr. V. Anand	Chief Financial Officer
3	Mr. Dr. N. Mohan	CEO of footwear division
4	Mr. Sahabudeen	Vice President
5	Mr. Manish Ahlawat	Vice President - Kickers division
6	Mr. S. Shriram	Vice President - Sourcing Vertical - footwear division
7	Mr. Devtosh Kumar Jha	Chief Business Officer - Kickers Branded Business

6. REMUNERATION OF DIRECTORS

All pecuniary relationship or transactions of the non-executive director's vis-a-vis the listed entity

There were no other pecuniary relationships or transactions of the non-executive directors vis - à - vis the Company during the Financial Year ended March 31, 2026 except payment of sitting fees as disclosed below.

Criteria of making payments to Non-Executive Directors

The Non-Executive Directors are entitled to the following payment from the Company.

Sitting Fee: The Sitting Fee payable to each Non-Executive Director for attending the Meetings of the Board and Committees is approved by the Board of Directors of the Company which are within the limits specified in the Companies Act, 2013.

Disclosures with respect to remuneration and sitting fees :

Name of the Director	Category	Remuneration (Basic)	Sitting fees	Total
Mr. Rafiq Ahmed	Executive chairman and Managing Director	Rs. 1,97,25,000	NIL	Rs. 1,97,25,000
Mr. D Gunasekaran	Non Executive Independent director	NIL	Rs. 1,80,000	Rs. 1,80,000
Ms.T. A. Rajalaxmi	Non-Executive Non Independent director	NIL	NIL	NIL
Mr. V. Anburaj	Non Executive Independent director	NIL	Rs. 50,000	Rs. 50,000
Mr. G. Venkatragavan	Non- Executive Independent director	NIL	Rs. 3,00,000	Rs. 3,00,000
Mr. Ravi Kumar Perumal	Non Executive Independent director	NIL	Rs. 1,90,000	Rs. 1,90,000
Mrs. Priya Rao	Non Executive woman Independent director	NIL	Rs. 20,000	Rs. 20,000
Ms. Sulaiha Banu	Non-Executive Non Independent director	NIL	NIL	NIL

Service contracts, notice period, severance Fees

The Company does not enter into service contracts with the Directors as they are appointed/re-appointed with the approval of the shareholders for the period permissible under the applicable provisions of the Act and/or the SEBI Listing Regulations. The Company does not pay any severance fees or any other payment in lieu of severance to the Directors.

Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable

None of the Directors have been issued Stock Options of the Company.

7. GENERAL BODY MEETING :

The details of the Annual General Meetings held in the last three years are as follows :

AGM for the Year	Date & Time	Venue
2024-2025	26.09.2025, Friday, 11:00 a.m,	The Annual General meeting was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").
2023-2024	30.09.2024, Monday, 11.00 a.m	
2022-2023	30.09.2023, Saturday, 11.00a.m	

The details of Special Resolutions passed in AGM / EGM in the last 3 years are as follows :

Date of AGM/EGM	Whether any Special Resolution was passed	Particulars of Special Resolution passed
EGM 27-01-2026	Yes	a) Appointment of Mr. Ravikumar Perumal (Din: 09683689), as an Independent Director of the Company. b) Approval to grant of employee stock options under the KICL Employee Stock Option Scheme 2025 ("KICL ESOP 2025") to the eligible employees of the Company's, Subsidiary Companies or Associate Companies.
AGM 26-09-2025	Yes	a) Consider and approve re-appointment of Mr. Rafiq Ahmed (DIN:02861341) as executive chairman and Managing Director of the company for a term of 3 years. b) Approval for Alteration of object clause of the Memorandum of Association (MOA) of the company. c) To approve the issuance of 17,11,068 equity shares to Non promoters on a preferential basis.
EGM 13-06-2025	Yes	A) Approval of KICL Employee Stock Option Scheme 2025 ("KICL ESOP 2025"). B) To Grant Employee Stock Options equal to or more than 1 % of the issued capital of the Company to the identified employee, if any, under KICL Employee Stock Option Scheme 2025. C) To approve the issuance of 1,36,37,600 equity shares to Promoter and Non-promoters on a preferential basis. D) Consents and permission required for change in utilization of proceeds raised from the preferential issue. E) Appointment of Mr. Gnanasambandam Venkatraghavan (DIN:03482581), as an Independent Director of the Company.

14.03.2025 (EGM)	Yes	a) To approve the issuance of 1,60,49,220 equity shares to \ Promoter and Non-promoters on a preferential basis.
15.02.2025 (EGM)	Yes	a) Alteration of Memorandum of Association (MOA) of the company b) Alteration of Articles of Association (AOA) of the company c) Appointment of Mr. Velayutham Anburaj(DIN:10836969) as an Independent Director of the company
21.08.2024 (EGM)	Yes	a) Approval for issuance of Equity Shares for cash consideration on Preferential Basis
28.03.2023 (EGM)	Yes	a) To Sell / Transfer / dispose of the Land, Plant and Machinery and Building situated at Kathivakkam Village, Ennore, Chennai - 600 057 to any Prospective Buyer(s) under section 180(1) (a) of the Companies Act 2013.
30.09.2023 (AGM)	Yes	a) To authorize the sale of Equity Shares held by the Company in M/s. Kothari Marine International Limited. b) To authorize the sale of Equity Shares held by the Company in M/s. Kartiken Logistics Limited.
27.09.2022 (AGM)	Yes	a) To consider the continuation of Directorship of Mr. Pradip D Kothari (DIN: 01315682), Non-Executive Director who will attain the age of Seventy-five (75) in this Financial Year. b) Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013. c) Change in Object Clause of the Company to be incorporated in the Memorandum of Association of the company. d) Adoption of Articles of Association as per the provisions of the Companies Act, 2013. e) Power to Borrow funds under section 180(1)(c) of the Companies Act 2013 and Creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the Company. f) To make Investments, give loans, Guarantees and Provide Securities under section 186 of the Companies Act, 2013.

The details of Special Resolutions passed through Postal Ballot:-

During the year no resolution passed through postal ballots.

8. MEANS OF COMMUNICATION :

Quarterly / half yearly results are disclosed to Stock Exchanges and also published in daily newspapers viz., Financial express (in English) and Makkal Kural (Vernacular). The Quarterly / half yearly results are displayed on the Company's website at www.kotharis.in. The Company provides information to the stock exchanges as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company ensures periodical updating of its website.The official news releasesif made, are disseminated to the Stock Exchange at www.bseindia.com and the same is also uploaded on the website of the Company www.kotharis.in. No presentations were made to institutional investors / analysts.

9. GENERAL SHAREHOLDER INFORMATION :

a) Annual General Meeting :

Day, Date and Time	Wednesday, 30th September 2026 @ 11:00 AM
Venue	The Annual General meeting will be held through Video Conferencing ("VC") / Other Audio - Visual Means ("OAVM"). The Registered office i.e. No.114/117, Kothari Buildings, Mahatma Gandhi Salai, Nungambakkam, Chennai - 600 034 shall be deemed to be venue of the meeting.

b) Financial Calendar of the Company :

The upcoming Financial year covers the period from 1st April 2026 to 31st March 2027.

Results for Quarter ending 30th June, 2026	First fortnight of August, 2026
Results for Quarter ending 30th September, 2026	First fortnight of November, 2026
Results for Quarter ending 31st December, 2026	First fortnight of February, 2027
Results for Quarter ending 31st March, 2027	Last Week of May, 2027

Book Closure - The period of Book Closure is fixed from 24th September 2026 to 30th September 2026 (both days inclusive)

c) Dividend payment date: NA. Company has not declared dividend during the financial year.

d) Listing of Shares:

(i) The equity shares (ISIN: INE972A01020) of the Company are listed on:

Bombay Stock Exchange Ltd.,
(BSE) Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001.
Bombay Stock Exchange stock code - 509732

The Company's equity shares are listed on BSE Limited.The Company confirms that it has paid the applicable listing fees to BSE Limited for the financial year 2026-2027.

The Company's equity shares were earlier listed on The Calcutta Stock Exchange Limited (CSE). The equity shares of the Company have been delisted from The Calcutta Stock Exchange Limited (CSE) with effect from June 2, 2026.

e) Registrars and Transfer Agents:

M/s. Integrated Registry Management Services Pvt. Ltd.,
IInd Floor, "Kences Towers",
1, Ramakrishna Street,, off North Usman Road,
T.Nagar, Chennai 600 017.

f) Share Transfer System:

The applications for transfers, transmission and transposition are received by the Company at its Registered Office address at Chennai or at M/s. Integrated Registry Management Services Pvt. Ltd, Registrar and Share Transfer Agents (RTA) of the Company. As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved by NSDL/CDSL in the electronic form through its Depository Participants.

g) **Distribution of Shareholding as on 31st March, 2026:**

Shareholding pattern as on 31st March, 2026:

NO. OF SHARES	NO. OF HOLDERS	HOLDERS %	SHARES	SHARES %
Upto 5000	52980	99.49	4883660	4.52
5001 - 10000	43	0.08	309721	0.29
10001 - 20000	50	0.09	727618	0.67
20001 - 30000	21	0.04	528912	0.49
30001 - 40000	18	0.03	618130	0.57
40001 - 50000	23	0.04	1105377	1.02
50001 - 100000	34	0.06	2752743	2.55
Above 100001	84	0.16	97095612	89.89
TOTAL	**53253**	**100.00**	**108021773**	**100.00**

h) **Dematerialization of Shares and Liquidity :**

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

Procedures for dematerialization/ re-materialization of Equity Shares:-

Shareholders seeking demat/ remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder. In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched 15 days from the date of issue of shares.

95.85% of the Company's Equity Share Capital of the Company is held in dematerialized form as on 31st March, 2026.

i) **Outstanding GDR/ADR/Warrants/any other convertible instruments :**

The Company at present has not issued any GDRS, ADRS/ Warrants or any Convertible Instruments.

j) **Commodity price risk or foreign exchange risk and hedging activities :**

The Company, being engaged in import and export of products, is exposed to fluctuations in commodity prices and foreign exchange rates. These risks are monitored on an ongoing basis and, wherever considered necessary, the Company will undertake appropriate hedging measures in accordance with its risk management policy.

k) **Plant locations :**

Not Applicable.

l) Address for correspondence :

Investors may contact the Registrar and Share Transfer Agents (R&T) for matters related to shares and related issues at the following address :

Integrated Registry Management Services Private Limited
CIN No. U74900TN2015PTC101466
2nd Floor, "Kences Towers"
No. 1, Ramakrishna Street, North Usman Road
T Nagar, Chennai - 600 017
Phone: 044-28140801 to 28140803
Fax : 044-28142479
Email: yuvraj@integratedindia.in

Investors may also contact the company for matters related to shares and related issues at the following address:

Registered office address:
Kothari Buildings, 114, Nungambakkam High Road,
Mahatma Gandhi Salai, Nungambakkam,
Chennai-600034
Phone: 044-28334565
Email Id: enquiries@kotharis.in,
companysecretary@kotharis.in
Website: www.kotharis.in

m) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad::

Not applicable.

10. OTHER DISCLOSURES :

a) Related Party Transactions :

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis. In terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted a Policy on Related party transactions and the same have been approved by the Board of Directors and the same is available on our website www.kotharis.in.

b) Compliances :

There was no penalty by stock exchanges during the financial year.

c) Vigil Mechanism / Whistle Blower Policy :

The Company has established a vigil mechanism pursuant to the requirements of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No person has been denied access to the Chairman of the Audit Committee. The Policy on vigil mechanism is available on our website www.kotharis.in.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015 to the extent applicable and will ensure to comply with non-mandatory requirements in coming years.

e) Policy for Determining Material Subsidiaries:

The Policy on Identification of Material Subsidiaries is available on our website www.kotharis.in

f) Policy on Dealing with Related Party Transactions:

The company has entered in to any contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013, during the financial year under review. The Policy on Related Party Transaction is available on our website www.kotharis.in.

g) Disclosure of commodity price risks and commodity hedging activities:

Not Applicable

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Rs. in Lakhs

Type of Allotment	Date of issue	Amount Raised	Object of issue	Original Amount Allocated	Amount Utilized
Preferential allotment	11.12.2024	8,800.00	Meeting working capital requirements including funding ongoing and future projects and to settle part of the liabilities.	4,800.00	4,696.00
			Invest or acquire into various business opportunities for the growth of the company.	2,300.00	2,404.00
			General corporate purposes	1,700.00	1,700.00
*Preferential allotment	19.02.2025	6,178.95	To invest in footwear company	4,000.00	4,000.00
			*To Invest in the construction and setup of the fertilizer factory of the company	2,178.95	2,178.95
**Preferential allotment	17-05-2025	9,552.42	Investment in purchase of equity shares of Phoenix Kothari Footwear Private Limited	3,727.42	3,727.42
			Setting up a drone factory	1,000	600.00
			Investment in existing footwear business	1,000	1,000.00
			Working capital requirements for the launch of 65 new fertilizer products	1,000	1,000.00
			Meeting Working capital requirements including funding ongoing and future projects and settle part of the liabilities	2,000	2,051.52
			General Corporate purposes	1,173.48	1,173.47
***Preferential allotment	26-08-2025	2,341.31	The entire amount will be utilized to invest in shares of Phoenix Kothari Footwear Private Limited. (PKFPL). PKFPL is into manufacturing footwear business	3,541.91	2,341.31

The above statement of utilization of funds is prepared as on 31st March, 2026.

*Since the amount raised for the object of investment in construction & setup of fertilizer factory was not fulfilled because the Company is ongoing process of identifying and acquiring a suitable land parcel for the fertilizer factory and necessary licenses therefore the amount was utilized in purchase of equity shares of Kothari Footwear Private Limited.The amount raised for the modified object as approved by the shareholders on 13-06-2025 has been fully utilized.

The Company confirms that, as on 31st March 2026, the above utilization has been disclosed as a variation in the use of proceeds of the Preferential Allotment from the objects stated in the explanatory statement to the notice of the shareholders' meeting and as disclosed to the Stock Exchange.

** The amount approved for raising in the EGM held on 13.06.2025 was Rs. 99,00,89,760. However, the actual allotment made on 23.07.2025 & 02.08.2025 were Rs. 95,52,41,760 due to under subscription.The allotted funds has been utilized for the specified objects accordingly.

*** The shareholders, at the AGM held on 26.09.2025, approved raising funds amounting to Rs. 35,41,91,076/- through preferential allotment of equity shares.However, the Company actually received Rs. 23,41,31,076 through the allotments made on 29.11.2025, resulting in a shortfall due to under-subscription of the preferential issue.

i) **Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority :**

Mr. S Ganesan, Company Secretary in Practice,has issued a certificate as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed which forms part of this report.

j) **Unclaimed Share Certificates :**

In terms of the provisions of Regulation 39(4) read with Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shares issued pursuant to the public issues or any other issue which remain unclaimed shall be credited to a demat suspense account with one of the depository participants opened by the Company for this purpose. Till date there is no such shares lying with company.

k) **Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof :**

No such instance occurred.

l) **Statutory Auditor fee particulars :**

The particulars of total fee paid for the year 2025-2026 by the Company to the Statutory Auditor is given below:

Sl.No.	Description of the Service	Fees (Amount in Rs.)
1	Statutory Audit Fee	400000/-
2	Limited review fees	150000/-

m) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :**

a. number of complaints filed during the financial year: Nil
b. number of complaints disposed of during the financial year: Not Applicable
c. number of complaints pending as on end of the financial year: Not Applicable

n) **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount:**

During the year 2025-2026, the company has not granted any loans and advances in the nature of loans to any firms/companies in which directors are interested.

o) **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

The company does not have any material subsidiaries, and therefore the aforementioned is not applicable.

11. INSTANCES OF NONCOMPLIANCE, IF ANYOF SUB PARAS (2) TO (10) ABOVE :

NIL

12. EXTENT OF ADOPTION OF DISCRETIONARY REQUIREMENTS UNDER PART E OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 :

The Company has reviewed the discretionary requirements specified under Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The extent of adoption of such discretionary requirements by the Company during the financial year ended 31st March 2026 is as follows:

Particulars	Status
(i) Maintenance of a separate office for the Chairperson (ii) one-woman independent director	Not Adopted because chairman is Executive Director Adopted
Shareholder Rights – Half-yearly declaration of financial performance to each household of shareholders	Not Adopted (The financial results are published in newspapers and are available on the websites of the Stock Exchanges and the Company.)
Modified Opinion(s) in Audit Report	Not Adopted*
Separate posts of Chairperson and Managing Director/ Chief Executive Officer	Not Adopted (The position of Chairperson and Managing Director is held by the same individual.)
Reporting of Internal Auditor	Adopted (The Internal Auditor reports functionally to the Audit Committee.)
Separate meetings of Independent Directors	The Company held **one separate meeting of the Independent Directors** during the financial year ended 31st March 2026 in compliance with Section 149(8) read with Schedule IV of the Companies Act, 2013. The requirement under Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Independent Directors of the top 2,000 listed entities to endeavour to hold at least two meetings in a financial year became applicable to the Company from **FY 2026-27**. Accordingly, the said requirement was **not applicable** during FY 2025-26.
Risk Management Committee	The Company was ranked among the **Top 1,000 listed entities** based on market capitalisation as on **31st December 2025**. Accordingly, the constitution of a Risk Management Committee became mandatory under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company constituted the Risk Management Committee on **14th February 2026** in compliance with the said Regulation.

* The Statutory Auditors have issued a modified opinion on the financial statements for the year ended 31st March 2026. Accordingly, this discretionary requirement has not been adopted.

13. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 SHALL BE MADE IN THE SECTION ON CORPORATE GOVERNANCE OF THE ANNUAL REPORT :

The Company has complied with all the mandatory requirements of the Corporate Governance as specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations. A certificate from S.Ganesan, Practicing Company Secretaries, affirming compliance of Corporate Governance requirements during FY 2025-2026 is annexed to the Board's Report.

14. CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND THE SENIOR MANAGEMENT :

The standards for business conduct provide that the Directors and the Senior Management will uphold ethical values and legal standards as the company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on the website www.kotharis.in As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management personnel have affirmed compliance with the code of conduct for the FY 2025-2026.

15. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT :

Not Applicable

16. Disclosure of certain types of agreements binding listed entities: During the year under review, the Company has neither entered into nor been a party to any agreements specified in clause 5A of para A of part A of schedule III to the SEBI Listing Regulations, nor has it received any intimation regarding such agreements.

By Order of the Board of Directors
For KOTHARI INDUSTRIAL CORPORATION LIMITED

J RAFIQ AHMED
Executive Chairman &
Managing Director
DIN : 02861341

Place : Chennai
Date : 14.08.2026

DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31st, 2026.

By Order of the Board of Directors
For KOTHARI INDUSTRIAL CORPORATION LIMITED

J RAFIQ AHMED
Executive Chairman &
Managing Director
DIN : 02861341

Place : Chennai
Date : 03.06.2026

CERTIFICATE UNDER REGULATION 17(8) & PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Rafiq Ahmed, Executive Chairman & Managing Director and Anand V, Chief Financial Officer of the Company hereby confirm and certify that:

(a) We have reviewed Financial Statements and Cash Flow Statements for the year ended 31st March 2026 and that to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) During the financial year ended March 31st, 2026, there have not been any significant changes in internal control over financial reporting, there have not been any significant changes in accounting policies and there have been no instances of significant fraud of which we are aware that involve management or other employee, who have a significant role in the Company's internal control system over financial reporting.

By Order of the Board of Directors
For KOTHARI INDUSTRIAL CORPORATION LIMITED

J RAFIQ AHMED

Place : Chennai | **ANAND V** | **Executive Chairman & Managing Director**
Date : 03.06.2026 | **Chief Financial Officer** | **DIN : 02861341**

CORPORATE GOVERNANCE CERTIFICATE

To
The shareholders of KOTHARI INDUSTRIAL CORPORATION LIMITED
Chennai

I have examined the compliance of conditions of Corporate Governance by Kothari Industrial Corporation Limited, Chennai 600034 (the Company) for the year ended 31st March 2026 as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations).

The Compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI (LODR), Regulations.

I further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

S. GANESAN
Practicing Company Secretary
FCS: 4779 C.P. No. 8336
PR No. 2685/2022
UDIN : F004779H001072551

Place : Chennai
Date : 11/08/2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
Kothari Industrial Corporation Limited
Kothari Buildings, 114/117, Nungambakkam High Road,
Chennai-600034

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kothari Industrial Corporation Limited having **CIN-L81100TN1970PLC005865** and having registered office at Kothari Buildings, Nungambakkam High Road, Chennai-600034 (herein after referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Subclause10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other Statutory Authority.

SL. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Jinnah Moideen Ahmed Rafiq	02861341	21/04/2017
2	Ms. Thoopjlamudu Arulpathy Rajalaxmi	08148628	11/06/2018
3	Mr. Gnanasambandam Venkatraghavan	03482581	05/05/2025
4	Mrs. Priya Rao	00717336	16/02/2026
5	Ms. Rafiq Ahmed Sulaiha Banu	11609138	20/03/2026
6	Mr. Ravi Kumar Perumal	09683689	29/10/2025

Ensuring the eligibility of and for the appointment /continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

S. GANESAN
Practicing Company Secretary
FCS: 4779 C.P.No. 8336
PR No. 2685/2022
UDIN : F004779H001072373

Place : Chennai
Date : 12/08/2026

Independent Auditor's Report

To the Members of

KOTHARI INDUSTRIAL CORPORATION LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of **KOTHARI INDUSTRIAL CORPORATION LIMITED (*"the Company"*)**, which comprise the standalone Balance Sheet as at March 31, 2026, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the Loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date except for the matters as discussed in the basis of qualified opinion para.

Basis for Qualified Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

1. Attention is drawn to Note No 7, wherein a subsidy of Rs. 80 lakhs is carried in the books as receivable from the Government for which no documentary evidence was produced to us for verification. Also, the Company has not made a provision against such balance which is outstanding for more than 8 years. Hence, we are unable to comment on its realizability or otherwise and its accounting treatment in consonance with Ind AS 20. This was also reported in our audit report for the previous year.

2. Year-end direct balance confirmation in respect of promoters Rs. 1.80 crores, trade receivables Rs. 33.49 crores trade payables Rs. 23.24 crores, vendor advances Rs. 15.06 crores, advances from customers Rs. 3.99 crores, other loans payable Rs. 52.88 crores have not been provided for our verification. Further, out of the total related party balances of Rs. 15.26 crores balance confirmations was not provided for Rs. 1.44 crores. In the absence of such confirmations, we are unable to as certain any consequential effect of the above in the financial results for the year.

Continued...

3. The Company's books of accounts reflect a balance of Rs. 10.41 crores in GST input credit, Rs. 10.55 crores in GST output liability, and a debit balance of Rs. 1.41 crores in the GST payable account. However, the Company has not reconciled the input credit as per the GST portal and GSTR-2B with the balances recorded in the books. In the absence of such reconciliation, we are unable to verify the accuracy of the GST input credit and output liability, or to comment on the actual liability and credit available to the Company for future adjustments.

4. Out of the total recorded inventory of Rs. 17.02 crores, detailed stock valuation reports for Rs. 10.98 crores was not made available to us. Further, the Company's current system does not separately track non-moving and slow-moving inventories. Accordingly, the financial statements reflect the inventory balance as reported and we are unable to comment on the potential impact of such items in the financial statements.

5. As per information available from the TRACES portal, there is a default of Rs. 7.12 lakhs relating to tax deducted at source under the Income tax Act, 1961. This indicates non compliance with statutory requirements and may attract further interest and penalties.

6. The proceedings initiated by the Collector of Nilgiris for repossession of certain plots of land in Coonoor earmarked for public use has been challenged by the company on a Writ Petition filed before Madras High Court and the matter is pending adjudication. Decision, if any, by the Madras High Court which does not go in favour of the Company, could give rise to a liability and consequential loss, which could not be ascertained at the balance sheet date.

7. The Company has recorded closing liability of statutory deductions (employer and employee contributions) under Provident Fund (PF) Rs. 40.68 lakhs, Employees' State Insurance (ESI) Rs. 9.38 lakhs and Professional Tax (PT) Rs. 30.03 lakhs as part of its payroll process. Final reconciliation workings to match the salary payable of Rs. 2.56 crores as per the books with the payroll records, and to align these deductions with the corresponding payments to employees and statutory authorities, were not made available for our review. Accordingly, our procedures were limited to the information provided by management Hence, we are unable to comment whether any differences exists in respect of such deductions and remittances.

Emphasis of matter

We draw attention to Note No 44(5)(n) of the financial statements, wherein the Company has not made provision for the royalty to be paid to Royer Group for the period from July 2025 to June 2026 since negotiations were ongoing and the Management is optimistic of obtaining a waiver.

Our opinion is not modified in respect of this matter.

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 determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Principal Audit Procedures
The Evaluation of the Company as a going concern and the consequent classification of the assets as “held for sale”	The Company has been making losses in the previous years which has eroded the networth and the current liabilities exceeds the current assets.The Company is in the process of expansion of business and has entered into business contracts with various customers in India and abroad. The Company has provided for our verification the contracts in support of the assumption of going concern on the basis of which the accompanying financial statements have been drawn.
Acquisition of M/s Parveen Roadways, proprietorship of Mr. Rafiq Ahmed.	The Company had acquired Parveen Roadways, a sole proprietorship firm engaged in logistics and railway-related services, for a consideration of Rs. 2,404 lakhs through a business transfer agreement dated 8th April 2025. The business includes over 100 vehicles (such as tippers, trailers, buses, and forklifts) and a workforce of approximately 500 employees. Major clients include Integral Coach Factory, Southern Railways, Port Trusts, and Aavin Milk Factory. We have considered the valuation report obtained from an independent valuer. All assets and liabilities of Parveen Roadways has been accounted in the Books of the Company as on 1st April 2025 alongwith resultant goodwill recognized of Rs. 1,192.89 lakhs.
During the year, the Company obtained unsecured short-term loans aggregating to Rs. 5,183 lakhs from various parties at an interest rate of 24%. At the same time, the Company’s fixed deposits with banks earned interest at significantly lower rates. In our view, this financing arrangement results in interest expense substantially exceeding the interest income, which may be prejudicial to the interests of the Company.	We obtained details of the borrowings and examined the terms and conditions of the loan agreements, including the interest rates and repayment schedules. We compared these rates with prevailing market benchmarks to assess reasonableness. We also reviewed the Company’s treasury management practices, including placement of fixed deposits and related interest income. Management explained that the Company had approached banks for funding; however, applications were rejected due to the Company’s losses. Given the urgent need for short-term funds and the unsecured nature of the borrowings, the Company had limited options and therefore accepted loans at higher interest rates. We evaluated the impact of such borrowings on the Company’s financial position and discussed the rationale with management. Based on our procedures, we noted that the cost of borrowings is significantly higher than the returns on deposits, which may adversely affect the Company’s financial performance.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 our audit or otherwise appears to be materially misstated.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 the 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 thefinancial 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 Board of Directors are 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 thefinancial 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 financial controls 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 system 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'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 thefinancial 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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, based on our audit we report that:
   a. 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.
   b. 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.
   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
   d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
   e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record 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.
   f. In our opinion and to the extent of information made available to us, managerial remuneration for the year ended 31st March 2026 that has been paid/provided by the Company is in accordance with the provisions of Section 197 read with Schedule V to the Act.
   g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses a **modified opinion** on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

h. 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 Note 40* of the standalone financial statements.
   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

i. In our opinion and to the best of our knowledge and belief and as represented to us by the Company, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person(s) or entity(ies) including foreign entities ("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 as per Clause (e)(i) of Rule 11 of Companies Audit and Auditors Rules, 2014. Refer Note No. 38 to the accompanying financial statements.

j. In our opinion and to the best of our knowledge and belief and as represented to us by the Company, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding parties"), with the understanding, whether recorded in writing or otherwise, 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 as per Clause (e)(ii) of Rule 11 of Companies Audit and Auditors Rules, 2014. Refer Note No. 39 to the accompanying financial statements.

Based on such audit procedures as considered reasonable by us, we have not come across anything to believe that the representations made by the Company for Clause (i) & (j) as above contain any material misstatement

k. No dividend has been declared or paid by the Company during the year.

l. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the year ended 31st March, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with, and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **M/s. Ray & Ray**
Chartered Accountants
Firm Reg.No.301072E

(Swetha Srinivasan)
Partner
Membership No. 240553
UDIN : 26240553WJAGOM2019

Place : Chennai
Dated : 03.06.2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

i In respect of the Company's fixed assets :

(a) The Company has generally maintained proper records showing full particulars, except for details like supplier name, quantitative details,the location of the plant, property and equipment and particulars regarding sale, discarding, demolition, destruction and assets that have been retired from active use. Refer to footnote to Note No. 3 of the financial statements which describes differences noted between the gross block and accumulated depreciation figures in the Fixed Assets Register vis-à-vis prior year balances. The net written down value (WDV) of fixed assets remains consistent. Management has informed us that reconciliation of these differences is in progress.

(b) The Company has not maintained proper records showing full particulars of intangible assets.

(c) The Management has a regular programme for verification of property, plant and equipment at reasonable intervals on rotational basis of two years considering the large number of assets at various locations. According to the information and explanation given to us, no material discrepancies were noticed on such verification. However, the company has not carried out physical verification of its immovable properties (viz land) for more than 3 years. Accordingly, we are unable to comment on the existence, condition, or possible encroachment of such properties.

(d) The title deeds of immovable properties are held in the name of the company However, in the absence of the physical verification report, we are unable to independently verify the current status of the immovable properties (viz land).

(e) The Company has not revalued its Property, Plant and Equipment including (Right of use) assets or intangible assets during the year.

(f) According to the information and explanation given to us, no proceeding have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii. (a) According to the information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the Management and no discrepancies were reported by the Management. Based on the reports presented, we are of the opinion that the coverage and the procedure adopted for such verification is appropriate.

(b) According to the information and explanation given to us, the Company has not been sanctioned working capital limits at any point of time during the year. Hence, we have nothing to report under this clause.

iii. According to in the information and explanations given to us, the Company, during the year, has not made investments in, provided any guarantee or security or granted any loans or advances, in the nature of loan, secured or unsecured, to companies, firms, limited liability partnership or any other parties. Hence, we have nothing to report under sub-clause (a) to (f) of this clause.

iv. According to the information and explanations given to us, the Company has not advanced any loans or advances directly or indirectly to the directors of the Company covered u/s 185 of the Companies Act 2013. The Company has not made investment and given guarantee during the year. Hence, we have nothing to report under this clause.

v. According to the information and explanations given to us, the Company has not accepted deposits or amounts which are deemed to be deposits during the year and therefore, the provisions of this clause is not applicable to the Company.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence, we have nothing to report under this clause.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax (TDS), Goods and Service Tax, Professional tax and other material statutory dues applicable to it with the appropriate authorities (Refer Pt No. 7 of the main report for qualification).

(b) There were undisputed amounts payable in respect of the following statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

Name of the statue	Nature of dues	Amount (Rs.)	Period to which the amount relates	Due date	Date of payment	Remarks
Tamil Nadu Tax on Professions, Trades Callings, and Employment's Act, 1992	Professional tax	20,35,003	2008-09 to 2023-24	Half yearly	Not paid	Not paid till the date of this report
Provident Fund Act	PF penal damages	30,38,008	FY 2023-24 and previous years	15^{th} of subsequent month	Not paid	Not paid till the date of this report

(c) As per the information and explanations provided to us, there were no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise duty and Value Added Tax which have not been deposited as on March 31, 2026 on account of disputes except as mentioned below:

Name of the statue	Nature of dues	Amount in Rs.	Period to which it relates AY	Forum where dispute is pending
Income Tax 1961-Section 156	Income tax	95,33,960	2022-23 (FY 2021-22)	CIT(A)
Income Tax 1961-Section 148A(1)	Income tax	1,16,26,892	2022-23 (FY 2021-22)	AO
Central Goods & Services Tax Act, 2017	CGST/SGST/IGST	66,27,248	FY 22-23 & FY 23-24	CTO

viii. According to the information and explanation given to us, there were no transactions that were not recorded in books & was surrendered or disclosed as income during the year in the tax assessments under Income Tax Act 1961.

ix. (a) According to the information and explanations provided to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender. However, in respect of loans amounting to Rs. 180.95 lakhs from promoters and Rs. 5,388.73 lakhs from others, the schedule for repayment of principal and interest has not been stipulated. Consequently, we are unable to comment on the regularity of repayment of such loans during the year. In addition, a loan of Rs. 100 lakhs, which was repayable in full during the year, remains outstanding as at 31^{st} March 2026.

(b) According to the information and explanation given to us, the Company has not been declared as a wilful defaulter by any bank or financial institutions or any other lender.

(c) According to the information and explanation given to us, no term loan was obtained by the Company during the year. However, the Company obtained a car loan from the Bank in the previous year which was utilized for the purpose for which the loan was obtained. Hence, we have nothing to report on the utilization of such loans under this clause.

(d) According to the information and explanations given to us and based on our examination of records, the Company has raised short term loans during the year. As represented by management, these loans have been utilized for working capital requirements. We did not come across any material evidence indicating that such short term loans were applied for long term purposes. Accordingly, we have nothing further to report under this clause.

(e) According to the information and explanation given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, we have nothing to report under this clause.

(f) According to the information and explanation given to us, the Company has not raised any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, we have nothing to report under this clause.

x. (a) According to the information and explanation given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, we have nothing to report under this clause.

(b) According to the information and explanation given to us, the Company has utilized funds raised by way of preferential allotment of shares for the purpose for which they were raised. In one instance where the object clause for preferential allotment was changed, the Company has carried out necessary compliances alongwith shareholders approvals.

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

(b) According to the information and explanation given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with Central Government.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Hence, we have nothing to report under this clause.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) & (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Hence, we have nothing to report under this clause.

(c) & (d) In our opinion, according to the information, representation and explanations given to us, the Company is not a Core Investment Company as per the definition contained in the Core Investment Company (Reserve Bank) Directions 2016. Hence, we have nothing to report under this clause.

xvii. The Company has incurred cash losses of Rs. 1,928.25 lakhs in the current financial year and Rs. 1,728.54 lakhs incurred in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Hence, we have nothing to report under this clause.

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 payments of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not 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 upto 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.

xx. According to the information and explanation given to us and based on our examination of the books of accounts, the Company does not have any unspent amount specified in Schedule VII to the Act within the time limits. However, the Company has during the year donated Rs. 25 lakhs to an educational institution.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For **M/s. Ray & Ray**
Chartered Accountants
Firm Reg.No.301072E

(Swetha Srinivasan)
Partner
Membership No. 240553
UDIN : 26240553WJAGOM2019

Place : Chennai
Dated : 03.06.2026

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over 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 over financial reporting of **KOTHARI INDUSTRIAL CORPORATION 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. 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.

Aditor'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") and the Standards on Auditing, issued by ICAI and deemed to be 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 Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 and during the course of our audit of the financial statements for the year ended 31st March 2026, we evaluated the design and operating effectiveness of internal financial controls over financial reporting. Our audit of the internal financial controls over financial reporting was carried out in accordance with the Guidance note issued by the Institute of Chartered Accountants of India. The procedures performed included obtaining an understanding of the internal control framework, assessing the risk of material weakness and testing controls on a sample basis.

Based on these procedures undertaken, we identified certain deficiencies in the internal financial control framework, which, in our professional judgement, constitute significant deficiencies. While our sample testing did not reveal any material misstatement in the financial statements, the presence of such deficiencies indicates an increased risk that misstatements, if they occur, may not be prevented or detected on a timely basis.

It should be noted that our audit provides reasonable assurance only, regarding the adequacy and operational effectiveness of the Company's internal financial controls. Because of the inherent limitation of internal controls, including the possibility of management override, misstatements due to error or fraud may occur and not be detected. We have communicated these matters to the management and the Audit committee, alongwith our recommendations for appropriate and immediate remediation.

For **M/s. Ray & Ray**
Chartered Accountants
Firm Reg.No.301072E

(Swetha Srinivasan)
Partner
Membership No. 240553
UDIN : 26240553WJAGOM2019

Place : Chennai
Dated : 03.06.2026

KOTHARI INDUSTRIAL CORPORATION LIMITED
STANDALONE BALANCE SHEET AS AT 31ST MARCH 2026

Rupees in Lakhs

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
I) ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3	5,498.56	3,630.82
(b) Goodwill	4	1,192.89	-
(c) Other Intangible assets	3	271.64	292.42
(d) Financial Assets			
(i) Investments	5	13,896.56	0.19
(ii) loans	6	1,424.82	1,063.01
(iii) Others	7	884.06	80.78
(e) Deferred tax asset	8	45.39	45.39
(f) Other Non current assets		-	-
NON-CURRENT ASSETS		**23,213.92**	**5,112.61**
CURRENT ASSETS			
(a) Inventories	9	1,702.39	770.47
(i) Trade receivables (Net)	10	3,423.58	552.54
(ii) Cash and cash equivalents	11	961.72	2,077.05
(iii) Bank balances other than (ii) above	12	2,292.79	131.10
(iv) Others	13	202.20	10,442.98
(c) Current tax assets (net)	14	164.64	153.76
(d) Other current assets	15	3,249.97	759.04
Current Assets		**11,997.29**	**14,886.94**
TOTAL ASSETS		**35,211.21**	**19,999.55**
II) EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	5,401.09	4,635.91
(b) Other Equity	17	21,832.86	13,418.98
Equity		**27,233.95**	**18,054.89**
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	18	316.51	28.85
(b) Provisions	20	65.70	30.00
NON-CURRENT LIABILITIES		**382.21**	**58.85**
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	5,965.99	476.12
(ii) Trade payables - Others (Net)	21		
Micro & small enterprises		4.39	3.38
Other than micro & small enterprises		997.94	772.95
(iii) Other Financial liabilities	22	609.82	462.83
(b) Other Current liabilities	23	-	163.37
(c) Provisions	20	16.90	7.16
CURRENT LIABILITIES		**7,595.04**	**1,885.81**
TOTAL EQUITY AND LIABILITIES		**35,211.21**	**19,999.55**
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes 1- 44 are an integral part of the standalone Ind AS financial statements

As per our Report of even date attached

For and on behalf of the Board of Directors

For Ray & Ray
Chartered Accountants
Regn.No.301072E
Swetha Srinivasan
Partner
Membership No. 240553
Place : Chennai
Date : 03.06.2026
UDIN : 26240553WJAGOM2019

T.A. Rajalaxmi
Director
DIN : 08148628

J. Rafiq Ahmed
Executive Chairman & Managing Director
DIN : 02861341

Anil Kumar Padhiali
Company Secretary
Membership No. A53635

V Anand
Chief Financial Officer

STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

Rupees in Lakhs

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
Revenue from operations	24	17,830.36	8,663.59
Other Income	25	343.62	96.64
Total Income		**18,173.98**	**8,760.23**
Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		12,811.07	7,434.36
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	(931.92)	(593.60)
Employee benefits	27	3,609.39	1,020.05
Financial costs	28	360.36	189.99
Depreciation and amortization expense	3	1,154.71	112.76
Other expenses	29	4,289.44	2,338.89
Total Expenses		**21,293.05**	**10,502.45**
Profit/(Loss) before exceptional items/tax		(3,119.07)	(1,742.22)
Exceptional Items		-	-
- Profit/(Loss) on sale of asset		-	-
- Provision for Expenses		-	-
Profit/(Loss) before tax		**(3,119.07)**	**(1,742.22)**
Tax expense:			
(1) Current tax		-	(125.40)
(2) DEFERRED TAX		-	-
Profit/(loss) for the period of continuing operation		**(3,119.07)**	**(1,616.82)**
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discounting operations		-	-
Profit/(loss) from discontinued operations (after tax)		-	-
Profit/(Loss) for the period		**(3,119.07)**	**(1,616.82)**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		(2.37)	4.07
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period and Other Comprehensive Income for the period)		**(3,121.44)**	**(1,612.75)**
Earning per equity share(for continuing operation):			
(1) Basic EPS	30	(3.02)	(1.74)
(2) Diluted EPS		(3.02)	(1.74)
(3) Revised EPS		(3.02)	(1.74)
Earning per equity share(for discontinuing operation):	30		
(1) Basic EPS		-	-
(2) Diluted EPS		-	-
(3) Revised EPS		-	-
Earning per equity share(for discontinued and continuing operations):			
(1) Basic EPS		(3.02)	(1.74)
(2) Diluted EPS		(3.02)	(1.74)
(3) Revised EPS		(3.02)	(1.74)
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes 1- 44 are an integral part of the standalone Ind AS financial statements

As per our Report of even date attached

For Ray & Ray
Chartered Accountants
Regn.No.301072E
Swetha Srinivasan
Partner
Membership No. 240553
Place : Chennai
Date : 03.06.2026
UDIN : 26240553WJAGOM2019

For and on behalf of the Board of Directors

T.A. Rajalaxmi
Director
DIN : 08148628

J. Rafiq Ahmed
Executive Chairman & Managing Director
DIN : 02861341

Anil Kumar Padhiali
Company Secretary
Membership No. A53635

V Anand
Chief Financial Officer

A) EQUITY SHARE CAPITAL

Rs. in Lakhs

(i) Year ended 31st March, 2026

Balance as at April 1, 2025	Changes in Equity Share Capital due to Prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share capital during the current year	Balance as at March 31, 2025
4,635.90	-	-	765.19	5,401.09

(ii) Year ended 31st March, 2024

Balance as at April 1, 2024	Changes in Equity Share Capital due to Prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share capital during the previous year	Balance as at March 31, 2024
624.19	-	-	4,011.71	4,635.90

Equity Shares of Rs. 5 each issued, subscribed and fully paid (Refer Note No. 11a)

	31st March 2026		31st March 2025	
	No.of Shares	Amount	No. of Shares	Amount
Equity Shares				
Balance as at the beginning of the year	9,27,18,105	46,35,90,525	1,24,83,885	6,24,19,425
Add: Shares issued during the year	1,53,03,668	7,65,18,340	8,02,34,220	40,11,71,100
Less: Reduction in Share Capital	-	-	-	-
Balance as at the end of the year	**10,80,21,773**	**54,01,08,865**	**9,27,18,105**	**46,35,90,525**

B) OTHER EQUITY

Current Year 2025 - 26

Particulars		Reserves and Surplus					
	Capital Reserves	Securities Premium	Capital Redemption Reserves	Fixed Asset Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as at April 1, 2025	2,631.90	14,875.46	349.35	24.10	2,164.72	(6,626.55)	13,418.98
Profit /(Loss) for the year	-		-		-	-	-
Other Comprehensive Income	-		-		-	-	-
Transfer from / to retained earning	-		-		-	-	-
Transfer from / to Profit and Loss A/c	-		-		-	(3,121.44)	(3,121.44)
Transfer from Equity Share Capital	-		-		-	-	-
Other Adjustment	-	11,519.32	-	-	-	16.00	11,535.32
Dividend distribution tax paid	-		-		-	-	-
Balance as at March 31, 2026	2,631.90	26,394.78	349.35	24.10	2,164.72	(9,731.99)	21,832.86

Previous Year 2024 - 25 **Rs. in Lakhs**

Particulars	Reserves and Surplus						
	Capital Reserves	Securities Premium	Capital Redemption Reserves	Fixed Asset Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as at April 1, 2024	2,631.90	-	349.35	24.10	2,164.72	(5,013.80)	156.27
Profit /(Loss) for the year	-	-	-		-	-	-
Other Comprehensive Income	-	-	-		-	-	-
Transfer from / to retained earning	-	-	-		-	-	-
Transfer from / to Profit and Loss A/c	-	-	-		-	(1,612.75)	(1,612.75)
Transition Adjustments made during previous year	-	-	-		-	-	-
Other Adjustment		14,875.46				-	14,875.46
Dividend declared and paid during the year	-	-	-		-	-	-
Dividend distribution tax paid	-	-	-		-	-	-
Balance as at March 31, 2025	2,631.90	14,875.46	349.35	24.10	2,164.72	(6,626.55)	13,418.98

To enhance clarity, Retained Earnings and the Profit & Loss Account have been combined into a single line item. This consolidated presentation reflects cumulative profits retained in the business, including the current year's results, and aligns with standard accounting practices.

Securities Premium

Premium received on equity shares issued are recognised in the securities premium.

Retained earnings

Retained earnings are profits that the Company has earned till date, less dividends or other distributions paid to the shreholders. It also includes remeasurement gain/loss of defined benefit plans.

Capital Reserves

This Reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

Capital Redemption Reserves

Capital Redemption Reserve is created due to reduction in capital by NCLT court Order in financial year 2023-24.

Revaluation Reserve

Revaluation Reserve is created on account of revaluation of Land and Buildings.

As per our Report of even date attached

For Ray & Ray
Chartered Accountants
Regn.No.301072E

Swetha Srinivasan
Partner
Membership No. 240553

Place : Chennai
Date : 03.06.2026
UDIN : 26240553WJAGOM2019

For and on behalf of the Board of Directors

T.A. Rajalaxmi
Director
DIN : 08148628

J. Rafiq Ahmed
Vice Chairman &
Managing Director
DIN : 02861341

Anil Kumar Padhiali
Company Secretary
Membership No. A53635

V Anand
Chief Financial Officer

STANDALONE CASH FLOW STATEMENT

Rs. in Lakhs

	31st March 2026		31st March 2025	
A) CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT/(LOSS) BEFORE TAX		(3,119.07)		(1,742.22)
Add:				
Net Depreciation		1,154.71		112.76
		(1,964.36)		**(1,629.46)**
Add / Less:				
Finance cost	360.36		189.99	
Provision Long Term			-	
Duty draw back & Creditors written back			24.46	
Interest received	(16.50)		(7.91)	
Bank Interest	(1.68)		(4.36)	
Discount Received			-	
Profit On Sale Of Asset	-		-	
Provision No Longer Required	-		-	
Provisions	59.08		15.44	
Other Income	-	401.25	-	217.61
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**(1,563.11)**		**(1,411.85)**
Movement In Working Capital:				
(Increase)/Decrease In Inventories	(931.92)		(631.71)	
(Increase)/Decrease In Trade Receivables	(2,871.04)		(377.97)	
(Increase)/Decrease In Financial Assets	7,738.97		(10,128.34)	
(Increase)/Decrease In Margin money with banks	-			
Increase/(Decrease) In Provisions	-		-	
Increase/(Decrease) In Borrowings	5,333.43		(2,833.28)	
Increase/(Decrease) In Trade Payables	226.00		391.91	
Increase/(Decrease) In Other current liabilities	(163.37)		7.89	
Increase/(Decrease) In Other Financial Liabilities	146.99	9,635.51	(523.18)	(14,094.68)
Cash Generated from Operating Activities		8,072.40		(15,506.53)
Direct Taxes Paid		-		125.40
Net Cash Flow From Operating Activities(A)		**8,072.40**		**(15,381.12)**
B) Cash Flow From Investing Activities				
Sale / (Purchase) of PPR and Intangibles	(3,001.67)		(1,063.83)	
(Increase)/Decrease In Goodwill	(15,089.26)			
Duty draw back & Creditors written back	-		(24.46)	

(Increase)/Decrease In Financial Assets	(1,165.10)		(164.71)	
(Increase)/Decrease In FD or Margin money with banks	(2,161.70)		(92.83)	
Interest received	16.50		7.91	
Bank Interest	1.68		4.36	
Discount Received	-		-	
Profit On Sale Of Asset	-		-	
Provision No Longer Required	-		-	
Sale / (Purchase) of Investments	-		9.99	
Other Income	-	(21,399.54)	-	(1,323.57)
Net Cash Flow From Investing Activities (B)		**(21,399.54)**		**(1,323.57)**
B) Cash Flow From Financing Activities				
Increase in Equity share capital	765.18		**4,011.71**	
Security premium received	11,519.32		**14,875.46**	
Borrowings/(Repayment) Of Non Current Liabilities	-		-	
Borrowings/(Repayment) Of Long Term Borrowings	287.66		7.30	
Advances	-		-	
Other borrowings	-		-	
Interest Paid	(360.36)	12,211.80	(189.99)	18,704.48
Net Cash Flow From Financing Activities (C)		**12,211.80**		**18,704.48**
Net Increase In Cash And Cash Equivalents(A+B+C)		**(1,115.34)**		**1,999.79**
Cash And Cash Equivalent Opening Balance		2,077.05		77.26
Effect of Exchange Differences on Restatement of Foreign Currency Cash and Cash Equivalents		-		-
Cash And Cash Equivalent Closing Balance		**961.71**		**2,077.05**
Components Of Cash And Cash Equivalents				
Cash On Hand		8.12		6.16
Balances On Current Accounts		953.60		2,070.89
Total Cash And Cash Equivalents		**961.72**		**2,077.05**

Note:- The above cash flow statement has been prepared under "Indirect method " Set out in the Ind AS 7 - Cash flow statement.

The accompanying notes 1-44 are an integral part of the standalone Ind AS financial statements.

As per our Report of even date attached
For Ray & Ray
Chartered Accountants
Regn.No. 301072E
Swetha Srinivasan
Partner
Membership No. 240553
Place : Chennai
Date : 03.06.2026
UDIN : 26240553WJAGOM2019

For and on behalf of the Board of Directors

T.A. Rajalaxmi
Director
DIN : 08148628

J. Rafiq Ahmed
Executive Chairman & Managing Director
DIN : 02861341

Anil Kumar Padhiali
Company Secretary
Membership No. A53635

V Anand
Chief Financial Officer

NOTES TO ACCOUNTS

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Kothari Industrial Corporation Limited (“KICL” or “the Company”) is a listed company incorporated under the provisions of the Indian Companies Act 1956, on July 1, 1970. The Company is engaged in manufacturing and mixing of fertilizers, providing drone services, engaged in hotel activities, engaged in footwear and leather activities and has a network of distributors in the southern states and has developed a brand value recognized in the market place. The company has planned to develop a Container Terminal at Ennore.

The Company’s shares are listed on 2 Recognised Stock Exchanges in India. The registered office of the Company is located at 114, Kothari Building, Mahatma Gandhi salai, Chennai - 600 034.

The functional and presentation currency of the Company is Indian Rupee (“₹”) which is the currency of the primary economic environment in which the Company operates and all the values are rounded off to the nearest two decimal places, unless otherwise indicated.

2. SIGNIFICANT ACCOUNTING POLICIES :

(a) Statement of Compliance

These financial statements have been prepared in accordance with and have complied in all material respects with the Indian Accounting Standards(“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the Act), the Companies (Indian Accounting Standards) Rules, 2015 and Companies Indian Accounting Standards) Amendment Rules, 2016 as applicable and also complied with other relevant provisions of the Act and Interpretations issued by the Ind AS Transition Facilitation Group (ITFG) applicable to Companies reporting under Ind AS and additional disclosures required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) Basis of measurement

The financial statements have been prepared on the accrual basis of accounting and under the going concern assumption, following the historical cost convention, except for certain assets and liabilities that are required to be measured at fair value in accordance with Ind AS.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are categorised within a three-level hierarchy based on the observability and significance of inputs used in the valuation:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability, reflecting the Company’s own assumptions about market participant inputs.

Transfers between levels of the fair value hierarchy are recognised only when there is a change in circumstances that warrants such transfer.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle which is based on the nature of businesses and the time elapsed between deployment of resources and the realisation of cash and cash equivalents. The Company has considered an operating cycle of 12 months.

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

i. Expected to be realized or intended to be sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realized within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(c) Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under Ind AS and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Amounts in the financial statements are presented in Indian Rupee in lakhs rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee up to two decimals places.

(d) Use of estimates and critical accounting judgements

In the preparation of the financial statements, the Company makes judgements in the application of accounting policies; and estimates and assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

(e) Material Accounting Policies

Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset. Freehold land is carried at cost. All other items of property, plant and equipment including intangibles are carried at cost less accumulated depreciation/amortization losses, if any.

The cost includes the cost of replacing part of the property, plant and equipment meeting the recognition criteria and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment up to the date of commissioning of the assets. In accordance with Ind AS 16 - Property, Plant and Equipment commissioning expenses directly attributable to project is recognized under Capital Work in Progress (CWIP). Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Property, plant and equipment are evaluated for recoverability wherever there is any indication that their carrying value may not be recoverable. If any such indication exists, the recoverable amount being the higher of fair value less costs to sell and value in use is determined on an individual asset basis. In cases where the asset does not generate cash flows that are largely independent from other assets, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. In assessing value in use, the estimated future cash flows are discounted to their present value using a tax free discount rate that reflects current market assessment of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable value of an asset (CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable value. An impairment loss is recognised in the statement of profitand loss.

Depreciation in tangible assets is provided on Written Down Value method and calculated on cost of items of property, plant and equipment less their estimated residual value over their estimated useful life and recognised in the statement of profit and loss.

The estimated useful lives for the main categories of property, plant and equipment are :

Assets	Useful Life
Building	30 years
Computer	3 years
Plant & Machinery	8 years
Furniture & Fittings - General	10 years
Furniture & Fittings - Used in hotels, restaurants	8 years
Vehicles	10 years
Office Equipment's	5 years
Software and Other Intangibles	6 years

The Company reviews the useful life of property, plantand equipment, right-of-use assets and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

Intangible Assets

Intangible assets are recognized when it is probable that future economic benefits will flow to the Company and the cost can be reliably measured.

They are initially measured at cost and subsequently at cost less amortisation and impairment, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in the profit or loss as incurred. Amortisation is on a straight-line basis over the estimated useful life. Research costs are expensed as incurred; development costs are capitalized if criteria under Ind AS 38 are met. Assets with indefinite life or not yet in use are tested annually for impairment.

Intangible assets are evaluated for recoverability wherever there is any indication that their carrying value may not be recoverable. If any such indication exists, the recoverable amount being the higher of fair value less costs to sell and value in use is determined on an individual asset basis. In cases, where the asset does not generate cash flows that are largely independent from other assets, the recoverable amount is determined for the cash generating unit (CGU)to which the asset belongs. If the recoverable value of an asset (CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable value. An impairment loss is recognised in the statement of profit and loss.

Inventories

Inventories are valued at cost or net realisable value whichever is less. The cost of inventories includes expenditure incurred in acquiring the inventories, production or other conversion cost incurred in bringing them to their present location and condition. In the case of raw material and stock-in-trade cost comprises of cost of purchase, in the case of finished goods and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. In the case of trading inventories, cost comprises the cost of purchase and other incidental costs incurred in bringing them to their present location and condition. The company values its inventories using the First-In, First-Out (FIFO) method & its land using the Fair Market Value(Guideline Value).

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The net realisable value of work in progress is determined with reference to the selling price of related finished goods.

Investment Property

Property that is held for long-term rental yield or for capital appreciation or both is classified as investment property. Investment property is carried at cost including related transaction costs less accumulated depreciation and impairment losses, if any. Subsequent expenditure is included in the asset's book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are expensed when incurred. when a part of an investment property is replaced, the carrying amounts of the replaced part is derecognized.

Borrowing Costs

Borrowing costs include finance costs calculated using the effective interest method, finance charges in respect of assets acquired on lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to finance costs.

In cases where hedging instruments are acquired for protection against exchange rate risk related to borrowings and are accounted as hedging a time-period related hedge item, the borrowing costs also include the amortisation of premium element of the forward contract and foreign currency basis spread as applicable, over the period of the hedging instrument.

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/ inventorised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Cash and bank balances

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short-term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

Share-based payment arrangements

The stock options granted to employees in terms of the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

The fair value of the stock options granted to employees of the Company by the Company's subsidiaries is accounted as employee compensation cost over the vesting period and where such fair value is not recovered by the subsidiaries, the same is treated as dividend declared by them. The share- based payment equivalent to the fair value as on the date of grant of employee stock options granted to key managerial personnel is disclosed as a related party transaction in the year of grant.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Securities premium

(i) Securities premium includes:

   A. The difference between the face value of the equity shares and the consideration received in respect of shares issued.

   B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium.

Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets: Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement- Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in three categories:

- Debt instruments at amortized cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI); and
- Debt instruments at fair value through profit or loss (FVTPL).

Debt Instruments at Amortized Cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cashflows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Debt Instrument at FVTOCI

A debt instrument is classified as at FVTOCI if both the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned while holding FVTOCI debt instruments is reported as interest income using the EIR method.

Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as at FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Instruments

- Equity instruments measured at fair value through profit or loss (FVTPL); and
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

(a) The rights to receive cash flows from the asset have expired, or

(b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

  (i) the Group has transferred substantially all the risks and rewards of the asset, or

  (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Group assesses on a forward- looking basis the expected credit losses associated with its assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. Assessment of such credit risk is being made on case to case basis based on available information.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The allowance for doubtful debts/ advances or impairment of assets is made on case to case basis by considering relevant available information.

(b) Financial Liabilities- Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, as loans and borrowings, as payables, or as derivatives. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including redeemable preference shares and derivative financial instruments.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'.Gains or losses on liabilities held for trading are recognized in the profit or loss.

Impairment of assets

As at the end of each financial year, the carrying amounts of PPE, investment property, intangible assets and investments in subsidiary, associate and joint venture companies are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, PPE, investment property, intangible assets and investments in subsidiary, associate and joint venture companies are tested for impairment so as to determine the impairment loss, if any. Goodwill is tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value-in-use; and

(ii) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs of disposal and the value-in-use.(The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the Company and from its disposal at the end of its useful life. For this purpose, the discount rate (post-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount When an impairment loss recognised earlier is subject to full or partial reversal, the carrying amount of the asset (or cash generating unit), except impairment loss allocated to goodwill, is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

Employee benefits / Obligations

(i) Short term obligations

Liabilities for wages and salaries including non monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render their related services are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(ii) Post employment obligations

The Company has the following post employment obligations / plans:

a) Defined benefit plans such as gratuity for its eligible employees

The cost of the defined benefit gratuity plan, post-employment medical benefits and other defined benefit plans and the present value of the obligation of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss not include an expected return on plan assets. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset.

Re-measurement gains or losses arising from experience adjustments and changes in actuarial assumption are recognized in the period in which they occur, directly in other comprehensive income (net of tax).

b) Defined contribution plans

The Company's contribution to state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.

(iii) Other long-term employee benefits:

The obligation recognised in respect of other long-term benefits is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii)(B) above.

Long-term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefits expenses. Interest cost implicit in long-term employee benefit cost is recognised in the Statement of Profit and Loss under finance costs.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit can no longer be withdrawn or when the Company recognises the related restructuring costs whichever is earlier.

Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits full flow to the Company and the revenue can be reliably measured, regardless of when payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it had pricing latitude and is also exposed to inventory and credit risks.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

(a) the customer simultaneously consumes the benefit of the Company's performance or

(b) the customer controls the asset as it is being created/ enhanced by the Company's performance or

(c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents. In all other cases, performance obligation is considered as satisfied at a point in time.

(i) Revenue from operations

A. Revenue from sale of goods

Revenue, including subsidy, in respect of sale of goods and services is recognized at a point in time when control of the goods has transferred or services obligation has been performed, being when the goods are delivered to the buyer, the buyer has full discretion over the goods or services and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods. Revenue (other than subsidy) from the sales is recognized based on price specified in the contract, net of estimated volume discount. Amounts disclosed as revenue are net of returns and allowances, trade discounts, rebates, and goods & services tax (GST). The Company collects GST on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

The Company includes variable consideration (including estimates amounts of claims) as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when its recovery is highly probable and that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract and costs incurred to fulfil a contract which are expected to be recovered are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Contract Assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company fulfils its performance obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade Receivables: A receivable represents the company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract Liabilities in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognized as revenue when the Company performs under the contract.

Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred. Other operational revenue represents income earned from the activities incidental to the business and is recognised when the performance obligation is satisfied and right to receive the income is established as per the terms of the contract.

Interest income on investments, deposits and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty of realisation.

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Claims receivable on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

Government grants, which are revenue in nature and are towards compensation for the qualifying costs incurred by the Company, are recognised as other income/reduced from underlying expenses in profit or loss in the period in which such costs are incurred. Government grants related to an asset are reduced from the cost of an asset until the asset is ready to use and the grant post that is presented as deferred income. Subsequently the grant is recognised as income in profit or loss on a systematic basis over the expected useful life of the related asset. Government grant receivable in the form of duty credit scrips is recognised as other income in the Statement of Profit and Loss in the period in which the export is done or the application is made to the government authorities and to the extent there is no uncertainty towards its receipt.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

An item of income or expense which by its size, nature and incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

<u>Company as Lessee</u>

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognizes lease liabilities to make lease payments and right-of use assets representing the right to use the underlying assets.

<u>Right of use assets</u>

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets. The Right to use assets are also subject to impairment as described in the polices with respect to the impairment of non-financial assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the statement of Profit and loss.

Company as Lessor

The leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating Lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. During the year ended 31 March 2020, the Company applied, for the first time, Ind AS 116 Leases retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application.

Nature of the effect of adoption of Ind AS 116

The Company has lease contracts for Factory and Hotel Business. Before the adoption of Ind AS 116, the Company classified its leases (as lessor) at the inception date as an operating lease. In an operating lease, the leased property was not capitalized and the lease receipts/payments were recognized as rent income in the statement of profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognized under Prepayments and Trade and other payables, respectively.

Upon adoption of Ind AS 116, the company applied a single recognition and measurement approach for all leases that it is the lessee, except for short term, leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the company.

Business combinations

Common control business combination is accounted using the pooling of interest method where the Company is transferee. Assets and liabilities of the combining entities are reflected at their carrying amounts and no new asset or liability is recognised. Identity of reserves of the transferor company is preserved by reflecting them in the same form in the Company's financial statements in which they appeared in the financial statements of the transferor company. The excess between the amount of consideration paid over the share capital of the transferor company is recognised as a negative amount and the same is disclosed as capital reserve on business combination.

The financial information in the financial statements in respect of prior periods is restated from the beginning of the preceding period inthe financial statements if the business combination date is prior to that date. However, if business combination date is after that date,the financial information in the financial statements is restated from the date of business combination.

Statement of cash flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- changes during the period in inventories and operating receivables and payables;
- non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

Earnings per share

Basic earnings per share is computed using the net profit or loss after tax and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss after tax and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

Taxes on Income

Taxes on Income comprise current tax and deferred tax

The current tax expense for the period is the tax payable on the current period's taxable income computed at the applicable income tax rate and is recognized in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Current and deferred tax is recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for. Where the Company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised only when it is virtually certain that reimbursement will be received if the entity settles the obligation.

Contingencies

Contingent liability is disclosed in case of:

(i) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation arising from past events where:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are disclosed where an inflow of economic benefits is probable

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision for onerous contract/foreseeable losses.

Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on shares and other investments partly paid;
- funding related commitment to subsidiary, associate and joint venture companies; and
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

Discontinued operations and non-current assets held for sale

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a majorline of business.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

Investments in Subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Dividend to Shareholders

Final dividend distributed to equity shareholders is recognized in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognized when approved by the Board of Directors at the Board meeting. Dividend distributed (including interim dividend) is recognized in the Statement of changes in Equity.

Accounting and reporting of information for Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

i) Segment revenue includes sales and other operational revenue directly identifiable with/allocable to the segment including inter segment revenue.

ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result.

iii) Most of the common costs are allocated to segments mainly on the basis of the respective segment revenue estimated at the beginning of the reporting period.

iv) Income and expense not allocable to segments is included in "Unallocable corporate income net of expenditure".

v) Segment result represents profit before interest and tax and includes margins on inter-segment capital jobs, which are reduced in arriving at the profit before tax of the Company.

vi) Segment result includes the finance costs incurred on interest bearing advances with corresponding credit included in "Unallocable corporate income net of expenditure".

vii) Segment results are not adjusted for any exceptional item.

viii) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole.

ix) Segment non-cash expenses forming part of segment expenses also includes the fair value of the employee stock options which is accounted as employee compensation cost [Note 1(ii)(r) above] and is allocated to the segment.

x) Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price which are either determined to yield a desired margin or agreed on a negotiated basis.

Accounting Policy, Change in Accounting Estimates and Error

If the Material error occurred before the earliest prior period presented then entity shall correct the same retrospectively in the first set of financial statement approved for issue after the discovery after restating the opening balance of assets, Liabilities and equity for the earliest prior period presented.

Key sources of estimation

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions made by management are explained under respective policies. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value / recoverable amount measurement, tax provisions etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

Foreign Currency translation

Initial Recognition: Foreign currency transactions are recorded in functional currency using the exchange rate prevailing on the date of transaction

Subsequent recognition: As at the reporting date, monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences arising out of actual payment / realization and from the year end restatement are recognized in the statement of Profit and Loss.

Forward Contracts: Foreign exchange forward contracts outstanding at the year-end on account of firms commitment / highly probable forecast transactions are marked to market and the gains / losses, if any, are recognized in the Statement of Profit and Loss. The Company does not enter into any speculative transactions in derivatives.

Interim Financial Reporting (Ind AS 34)

The interim financial results are prepared in accordance with Ind AS 34 – Interim Financial Reporting, as notified under the Companies Act, 2013.The same accounting policies and methods of computation as followed in the annual financial statements have been applied.

Estimates used are consistent with those of the previous financial year unless stated otherwise. Interim results are not necessarily indicative of the full-year performance.

Note 3 Property, plant and equipment

Rs. in Lakhs

Current Year (FY 2025-26) Assets	Gross Block				Depreciation				Impairment Loss			Net Block	
	As at April 1, 2025	Addition	Disposal	As at March 31, 2026	Opening Accumulated Depreciation	Depreciation / amortization for the year	Deductions / Other adjustments	Closing Accumulated Depreciation / Amortization	As at April 1, 2025	During the year	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Property, plant and equipment													
Land	2,630.43	-	-	2,630.43	-	-	-	-	-	-	-	2,630.43	2,630.43
Building	10.43	169.61	-	180.04	2.05	20.12	-	22.17	-	-	-	157.87	8.38
Plant and Machinery	255.37	670.30	-	925.67	37.96	457.37	-	495.33	-	-	-	430.34	217.41
Furniture and Fixture	637.37	211.58	-	848.95	78.71	111.86	-	190.56	-	-	-	658.39	558.67
Vehicle	142.19	1,514.49	269.52	1,387.16	91.51	409.52	-	501.04	-	-	-	886.13	50.67
Office Equipment's	184.13	95.18	-	279.30	129.75	22.54	-	152.29	-	-	-	127.01	54.38
Electrical Equiptments	64.32	-	-	64.32	26.12	6.31	-	32.43	-	-	-	31.89	38.20
Computer	103.60	84.35	-	187.95	83.93	38.40	-	122.33	-	-	-	65.62	19.67
General Items / Kitchenware / Miscellaneous	70.89	511.48	-	582.37	17.89	53.60	-	71.50	-	-	-	510.88	53.00
Total Fixed Assets (A)	**4,098.74**	**3,256.98**	**269.52**	**7,086.20**	**467.93**	**1,119.71**	**-**	**1,587.64**	**-**	**-**	**-**	**5,498.56**	**3,630.81**
Intangible Assets													
Software	32.61	-	-	32.61	21.26	2.91	-	24.17	-	-	-	8.44	11.35
Trade mark	7.85	-	-	7.85	0.81	0.03	-	0.84	-	-	-	7.00	7.04
Other Intangible Assets	286.94	14.22	-	301.16	12.91	32.05	-	44.96	-	-	-	256.20	274.03
Total Intangible Assets (B)	**327.40**	**14.22**	**-**	**341.62**	**34.98**	**35.00**	**-**	**69.98**	**-**	**-**	**-**	**271.64**	**292.42**
Total Assets (A+B)	**4,426.14**	**3,271.20**	**269.52**	**7,427.82**	**502.91**	**1,154.71**	**-**	**1,657.62**	**-**	**-**	**-**	**5,770.20**	**3,923.24**

Previous Year (FY 2024-25) Assets	Gross Block				Depreciation				Impairment Loss			Net Block	
	As at April 1, 2023	Addition	Disposal	As at March 31, 2024	Opening Accumulated Depreciation	Depreciation / amortization for the year	Deductions / Other adjustments	Closing Accumulated Depreciation / Amortization	As at April 1, 2023	During the year	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Fixed Assets													
Land	2,630.43	-	-	2,630.43	-	-	-	-	-	-	-	2,630.43	2,630.43
Building	6.04	4.39	-	10.43	1.60	0.45	-	2.05	-	-	-	8.38	4.44
Plant and Machinery	149.49	119.01	13.13	255.37	29.79	8.17	-	37.96	-	-	-	217.41	84.02
Furniture and Fixture	168.13	469.24	-	637.37	47.98	30.73	-	78.71	-	-	-	558.67	120.58
Vehicle	115.33	26.86	-	142.19	78.74	12.78	-	91.51	-	-	-	50.67	72.27
Office Equipment's	147.55	36.58	-	184.13	122.78	6.97	-	129.75	-	-	-	54.38	24.77
Electrical Equiptments	34.81	29.52	-	64.32	22.94	3.18	-	26.12	-	-	-	38.20	-
Computer	81.14	22.46	-	103.60	60.46	23.46	-	83.93	-	-	-	19.67	32.55
General Items / Kitchenware / Miscellaneous	5.15	65.75	-	70.89	4.73	13.17	-	17.89	-	-	-	53.00	-
Total Fixed Assets (A)	**3,338.08**	**773.79**	**13.13**	**4,098.74**	**369.02**	**98.91**	**-**	**467.93**	**-**	**-**	**-**	**3,630.81**	**2,969.06**
Intangible Assets													
Software	22.52	10.09	-	32.61	20.76	0.50	-	21.26	-	-	-	11.35	3.11
Trade Mark	1.72	6.13	-	7.85	0.37	0.44	-	0.81	-	-	-	7.04	-
Other Intangible Assets	-	286.94	-	286.94	-	12.91	-	12.91	-	-	-	274.03	-
Total Intangible Assets (B)	**24.24**	**303.16**	**-**	**327.40**	**21.13**	**13.85**	**-**	**34.98**	**-**	**-**	**-**	**292.42**	**3.11**
Total Assets (A+B)	**3,362.31**	**1,076.95**	**13.13**	**4,426.14**	**390.15**	**112.76**	**-**	**502.91**	**-**	**-**	**-**	**3,923.24**	**2,972.15**

Notes :

1. There were no Capital work in progress as on 31st March 2026 (31st March 2025: Nil)
2. a) The Company does not have any benami property, and no proceedings have been initiated or are pending against the Company.
   b) The title deeds of all immovable properties disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
3. The company has not revalued any property, plant and equipment or intangibles during the year. (31st March 2025: Nil)
4. The Company had applied to SIPCOT for allotment of land at Melur, Tamil Nadu, costing ₹32.13 crores, for the purpose of setting up a factory. The allotment letter was received on 26 February 2026, requiring payment of the net allotment value along with caution deposit on or before 24 March 2026. The Company requested an extension of time and subsequently made the payment on 24 May 2026, together with interest of ₹31 lakhs.
   As no formal agreement was executed during FY 2025–26, the Company has evaluated the applicability of Ind AS 116 and decided to recognize the lease arrangement with effect from FY 2026–27. The interest payment of ₹31 lakhs represents a non adjusting event under Ind AS 10, as the liability arose subsequent to the reporting date. Accordingly, no adjustment has been made in the financial statements for the year ended 31 March 2026.

Rs. in Lakhs

4.		31st March 2026	31st March 2025
	Goodwill		
	Opening balance	-	-
	Add: Goodwill on business combination (refer note 2.23)	1,192.89	-
	Less: Impairment loss	-	-
	Total	**1,192.89**	**-**

The increase during the year is primarily attributable to goodwill recognized on the acquisition of Parveen Roadways amounting to Rs. 1,192.89 lakhs (refer note 2.23) which is allocated to the Logistics cash-generating unit.

For the purpose of impairment testing goodwill acquired on business combination is entirely allocated to the CGUs which benefit from the synergies of acquisition cash-generating unit. The company internally reviews the goodwill for impairment at the operating segment level, after allocation of goodwill to the CGUs.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of CGU as at 31 March 26 is determined based on an independent valuers report dated 19 February 2025. Value-in-use is determined based on discounted future cash flows, with a perpetual growth rate assumed at 4.00% and the discount rate assumed at 20.78%.

As at 31 March 26, the estimated recoverable amount of CGU exceeds its carrying amount. Reasonable sensitivites in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the CGU.

5.		31st March 2026	31st March 2025
	Non-Current Investments		
	Investments in Equity instruments		
	- 1,900 share in Kothari's My Park King Solutions Private Limited @ Rs.10 each fully paid	0.19	0.19
	- 11,79,02,900 share in Phoenix Kothari Footwear Private Limited @ Rs.10 each fully paid	13,896.37	-
	Less: Investment provision	-	-
	Total	**13,896.56**	**0.19**

During the year, the Company acquired 30% equity interest in Phoenix Kothari Footwear Private Limited for a consideration of Rs. 13.896.37 lakhs. Based on the level of ownership and representation on the Board of Directors, the investment has been classified as an investment in an associate in accordance with Ind AS 28. The associate is currently in the pre-commercialisation phase and has incurred losses during the year as part of its establishment and development activities. Management assessed the investment for impairment in view of these indicators. Based on the management's assessment of the value-in-use, no impairment provision has been recognised as the recoverable amount exceeds the carrying amount of the investment.

All the above investments are carried at cost.

6.		31st March 2026	31st March 2025
	Long Term Loans and Advances		
	Secured considered good		
	Capital Advances	-	-
	Security Deposits	1,424.82	1,063.01
	Loans and advances to related parties	-	-
	Sub Total	1,424.82	1,063.01
	Unsecured considered good/Doubtful	-	-
	Sub Total	-	-
	Total	**1,424.82**	**1,063.01**

Rs. in Lakhs

7.		31st March 2026	31st March 2025
	Other Financial Assets		
	Unbilled Receivables	803.29	-
	Receivable from Government Authorities	80.78	80.78
	Total	**884.06**	**80.78**

The unbilled receivables balance primarily pertains to revenue recognized in respect of contracts acquired pursuant to the acquisition of Parveen Roadways. Upon acquisition, the Company applied to the respective government authorities for change of the contracting entity's name from Parveen Roadways to Kothari Industrial Corporation Limited. Billing could not be undertaken as the approval for change of the contracting entity's name with the respective government authorities is pending. The Company expects to raise the invoices upon receipt of the necessary approval.

Receivable from Governnment Authorities represents subsidy receivable amounting to Rs. 80.78 lakhs, pertaining to the financial year 2013-14. The Company is actively pursuing the necessary documentation to facilitate the receipt of this subsidy, ensuring its appropriate accounting treatment in accordance with Indian Accounting Standard 20. Confirmation of balance from Government department is awaited.

8.		31st March 2026	31st March 2025
	Deferred Tax (Net)		
	Deferred Tax Asset	45.39	45.39
	Total	**45.39**	**45.39**

Deferred Tax Assets have not been recognized additionally in the financial statements in compliance with the principle of prudence as prescribed under Ind AS 12 – Income Taxes. Although the Company has carry-forward losses and other deductible temporary differences, the management, based on its evaluation of available evidence and projections, has determined that recognition of such deferred tax assets is not appropriate at this stage. Accordingly, no deferred tax asset has been recognized in the books of account. The position will be reviewed periodically and such assets will be recognized when reasonable certainty exists regarding their realization.

9.		31st March 2026	31st March 2025
	Inventories		
	Work in progress	-	-
	Finished goods	572.53	523.63
	Stock in trade(Land)	51.93	51.93
	Stock in trade	1,028.04	156.79
	- Packing Materials	49.89	38.11
	Total	**1,702.39**	**770.47**

10.		31st March 2025	31st March 2024
	Trade receivables		
	Unsecured, considered good		
	- Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
	*- Others Debtors receivable	3,475.29	568.15
	Debtor provision	(51.72)	(15.61)
	Total	**3,423.58**	**552.54**

*Confirmation of balance is awaited

Rs. in Lakhs

(i) Trade Receivables Ageing Schedule - Year ended 31st March 2026

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,685.21	1,124.08	657.51	2.73	5.77	3,475.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less : Provision for the year ended	-	-	(49.71)	(0.22)	(1.79)	(51.72)
Total	**1,685.21**	**1,124.08**	**607.81**	**2.51**	**3.98**	**3,423.58**

(ii) Trade Receivables Ageing Schedule - Year ended 31st March 2025

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	486.96	2.03	17.34	51.13	10.69	568.15
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less : Provision for the year ended	-	-	(6.33)	(4.47)	(4.81)	(15.61)
Total	**486.96**	**2.03**	**11.01**	**46.66**	**5.88**	**552.54**

Rs. in Lakhs

11.		31st March 2026	31st March 2025
	Cash and cash equivalents		
	Balances with banks		
	- In current account	953.60	2,070.89
	Cash in hand	8.12	6.16
	Total	**961.72**	**2,077.05**

12.		31st March 2026	31st March 2025
	Other Bank balances		
	other current account	2,279.07	88.98
	Balances with banks to the extent held as margin money	13.72	42.11
	Total	**2,292.79**	**131.10**

13.		31st March 2026	31st March 2025
	Other Financial assets		
	Loans and advances unsecured and considered good		
	Advances		
	Parveen Roadways (P) Ltd	37.50	80.46
	Advance to employees (net)	15.31	12.12
	Parveen Roadways*	-	2,404.00
	Mr. Rafiq Ahmed**	-	7,000.00
	Other Advances (Net)	149.39	946.40
	Total	**202.20**	**10,442.98**

***Acquisition of Parveen Roadways**

The Company has acquired Parveen Roadways, a sole proprietorship firm engaged in logistics and railway-related services, for a consideration of Rs. 24.04 crores (Paid as an advance on 28/03/2025) through a business transfer agreement dated 8th April 2025. The business includes over 100 vehicles (such as tippers, trailers, buses, and forklifts) and a workforce of approximately 500 employees. Major clients include Integral Coach Factory, Southern Railways, Port Trusts, and Aavin Milk Factory.

****Strategic Investment in Phoenix Kothari Footwear Limited (PKFL)**

The Company has entered into an agreement in FY 24-25 to acquire 30% equity stake in Phoenix Kothari Footwear Limited (PKFL) from Mr. Rafiq Ahmed for a total consideration of Rs. 9,906 lakhs. PKFL is a reputed contract manufacturer for global footwear brands such as CROCS and Adidas. This strategic investment is aimed at strengthening KICL's global supply chain presence and supporting PKFL's growth and innovation initiatives in the footwear sector. Advance of Rs 7000 lakhs was given during the said year for this purpose. Subsequently, the advance was adjusted in FY 25-26.

14.		31st March 2026	31st March 2025
	Current tax assets (net)		
	- Advance Income tax	164.64	153.76
	Total	**164.64**	**153.76**

Rs. in Lakhs

15.		31st March 2026	31st March 2025
	Other Current Assets		
	Prepaid Insurance	5.37	2.64
	Kothari (Madras) International Ltd., Chennai - Trade Advance	3,145.43	-
	Advance from Vendors	0.00	756.40
	Other Recoverable Deposits	99.17	-
	Total	**3,249.97**	**759.04**

16. (a) Equity share Capital

	Particulars	As at 31.03.2026		As at 31.03.2025	
		Number of Shares	Amount (Rs. in Lakhs)	Number of Shares	Amount (Rs. in Lakhs)
	<u>Authorised</u>				
	Equity shares of Rs. 10 each	1,50,00,000	7,500.00	1,50,00,000	7,500.00
	<u>Issued, subscribed and fully paid up</u>				
	Equity shares of Rs. 10 each	10,80,21,773	5,401.09	9,27,18,105	4,635.91

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

	Particulars	As at 31.03.2026		As at 31.03.2025	
		Number of Shares	Amount (Rs. in Lakhs)	Number of Shares	Amount (Rs. in Lakhs)
	Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	9,27,18,105	4,635.90	1,24,83,885	624.19
	Add: Shares issued during the year	1,53,03,668	765.18	8,02,34,220	4,011.71
	Less: Reduction during the Year*	Nil	Nil	Nil	Nil
	Issued, subscribed and fully paid up equity shares outstanding at the end of the year	10,80,21,773	5,401.09	9,27,18,105	4,635.90

***Reduction of share capital as per NCLT Order**

(c) Rights, Preferences and restrictions attached to equity shares

Each shareholder is entitled to one vote per share and dividend when declared. Other rights are governed by the Articles of Association of the Company and the Companies Act 2013.

(d)	Details of Shares held by share holders holding more than 5% of the aggregate shares in the company				
		31st March 2026		31st March 2025	
		Percentage	No.of Shares	Percentage	No.of Shares
	Equity Shares				
	*Mr. Pradip D Kothari		-	1.47%	13,66,288
	*Life Insurance corporation of India		-	1.53%	14,14,629
	F J Global Trading and Investment	6.53%	70,56,000	7.61%	70,56,000
	*Mr. A. Sahabudeen		-	1.00%	9,29,793
	Mr. Rafiq Ahmed	44.90%	4,85,05,946	44.86%	4,15,90,734
	Total		**5,55,61,946**		**5,23,57,444**

***Holding less than 5% as on 31.03.2025 and 31.03.2026**

Rs. in Lakhs

(e) Shares held by Promoters and Promoter Group

		As on 31st March 2026		As on 31st March 2025		
Sr. No.	Promoter and Promters group name	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	% Change during the year
1	Pradip D. Kothari	13,66,288	1.47	13,66,288	1.47	-
2	Surekha P. Kothari	1,11,323	0.12	1,11,323	0.12	-
3	Maya D. Kothari	76,410	0.08	76,410	0.08	-
4	Mitali P. Kothari	1,68,090	0.18	1,68,090	0.18	-
5	Piyali P. Kothari	2,03,056	0.22	2,03,056	0.22	-
6	Antara P. Kothari	1,80,492	0.19	1,80,492	0.19	-
7	Asha Thayer	1,03,890	0.11	1,03,890	0.11	-
8	Solaman Investments	3,60,000	0.39	3,60,000	0.39	-
9	Kothari & Sons Nominees Pvt. Ltd.,	1,07,526	0.12	1,07,526	0.12	-
10	G. Mohan Das	450	-	450	-	-
11	N.K. Sukkal	450	-	450	-	-
12	N.Ravichandran	60	-	60	-	-
13	N. Santharam	1	-	1	-	-
14	A.R. Raja	1	-	1	-	-
15	D. Ravindra Reddy	1	-	1	-	-
16	A.RabindranSwamidason	-	-	-	-	-
17	K.Santhanam	-	-	-	-	-
18	T.Sankaran	-	-	-	-	-
19	Rafiq Ahmed	4,85,05,946	44.90	4,15,90,734	44.86	0.04
	Total	**5,11,83,984**	**47.78**	**4,42,68,772**	**47.74**	**0.04**

Additional Disclosures

Out of the Paid-up Capital

(i) 22,25,850 Equity Shares of Rs.10/- each were allotted as fully paid on amalgamation in February 1972 for consideration other than cash.

(ii) 8,29,760 Equity Shares of Rs.10/- each fully paid were allotted for consideration other than cash to certain financial institutions on conversion of part of secured loans, in the year 1981.

(iii) 20,00,000 Equity Shares of Rs.10/- each fully paid were allotted for consideration other than cash on 01.10.1983 as per the terms of issue to the holders of 13.5% Convertible Secured Debentures issued to the Public.

(iv) 45,68,200 Equity Shares of Rs.10/- each were allotted on 25.08.93 as fully paid on part conversion of 16% Secured Partly convertible Redeemable Debentures allotted on 25.02.93.

(v) In accordance with the shareholders' consent obtained at the 39th Annual General Meeting held on 14th December 2009, the company allotted 66,27,000 equity shares of Rs. 5/- each, aggregating to Rs. 331.35 lakhs, to promoters and associates on 31st March 2016.

Subsequently, these shares were cancelled based on the order of the National Company Law Tribunal (NCLT) dated 10th May 2024.

Rs. in Lakhs

(vi)	The consent terms filed on 05.03.2000 with the Supreme Court and decreed by the said Court in the matter of share allotment and sale of 5 The consent terms filed on 05.03.2000 with the Supreme Court and decreed by the said Court in the matter of share allotment and sale of 5.33 grounds of land effects of the decree has not been considered in the books of accounts of the company, since the consent decree terms are yet to be implemented. A suit has since been filed in Madras High Court for implementation of the scheme.
(vii)	During the year, NCLT, Chennai vide its order dated 10.05.2024 had allowed for reduction of share capital from Rs. 9,55,54,425 to Rs. 6,24,19,425. Pursuant to NCLT order on reduction of capital, Promoters and Promoters group holding reduced from 93,05,038 to 26,78,038 shares.
(viii)	During the year 2024-2025 the Company made the following Preferential allotments of 3,00,00,000 shares as on 29.07.2024, 3,52,00,000 shares as on 20.01.2025 and 1,50,34,220 shares as on 27.03.2025.
(ix)	During the year 2025-2026 the Company made the following Preferential allotments of 10,15,000 shares as on 08.04.2025,1,27,37,600 shares as on 23.07.2025, 4,20,000 shares as on 02.08.2025 and 11,31,068 shares as on 29.11.2025.

17.		31st March 2026	31st March 2025
	Reserves and Surplus		
	Capital Reserves	2,631.90	2,631.90
	Capital Redemption Reserves	349.35	349.35
	Revenue reserves		
	Retained Earnings	(9,731.99)	(6,626.55)
	Fixed Asset Reserves	24.10	24.10
	Debenture Redemption Reserves		
	Revaluation Reserves	2,164.72	2,164.72
	Other Reserves		
	Security Premium	26,394.78	14,875.46
	Total	**21,832.86**	**13,418.98**

18.		31st March 2026	31st March 2025
	Long-term borrowings		
	Secured		
	Term Loans		
	- From Banks (Non - Current)	316.51	28.85
	Total	**316.51**	**28.85**

Term loan of Rs. 29 lakhs from ICICI Bank is taken for purchase of vehicle at interest rate of 9.10% repayable in 48 installments. Secured on a first charge on the Vehicle and the creation of charge has been filed with the ROC.

Term loan of Rs. 22 lakhs from HDFC Bank is taken for purchase of vehicle at interest rate of 9.01% repayable in 39 installments commencing from 07/01/2025. Secured on a first charge on the Vehicle and the creation of charge has been filed with the ROC.

The Company has used the borrowings from banks and financial institutions for the specific purpose for which they were obtained.

No loans have been guaranteed by the Directors of the Company or any other person.

Rs. in Lakhs

19.		31st March 2026	31st March 2025
	Current borrowings		
	Secured		
	Term Loans	-	
	- Current maturities of long term boprrowings from Banks	214.38	13.23
	Unsecured		
	- From Promoters	180.95	180.95
	- From Related party	281.94	281.94
	- Others	5,288.73	-
	Total	**5,965.99**	**476.12**

Interest free borrowings from promoters and related parties are repayable on demand.

The Company has availed unsecured loans amounting to Rs. 5,388.73 lakhs from the following parties. These loans carry interest at 24% per annum and are repayable as per the terms of the respective loan agreements.

Lender	Amount
1. Sheetala Credit Holding Private LTD	1,727.00
2. Satluj Credit Holding Private LTD	3,461.73
3. Transworld Breweries and Distilleries Private LTD	200.00
4. Kamalam Medical Corporation	100.00

20.		31st March 2026	31st March 2025
	Provisions		
	Non Current - Due to Gratuity	65.70	30.00
	Provision for Leave Encashment	7.03	-
	Current - Due to Gratuity	9.87	7.16
	Total	**82.60**	**37.16**

The Company's liability towards Gratuity to employees has been provided in accordance with the Indian Accounting Standard No. 19 on "Retirement Benefits".

21.		31st March 2026	31st March 2025
	Trade Payables		
	Total outstanding dues of micro and small enterprises	4.39	3.38
	Total outstanding dues of creditors other than micro and small enterprises	997.94	772.95
	Total	**1,002.33**	**776.33**

(i) Trade Payable ageing Schedule - year ended 31st March 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) MSME	4.39	-	-	-	4.39
(ii) Others	997.94	-	-	-	997.94
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	**1,002.33**	**-**	**-**	**-**	**1,002.33**

Rs. in Lakhs

(ii) Trade Payable ageing Schedule - year ended 31st March 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) MSME	3.38	-	-	-	3.38
(ii) Others	772.95	-	-	-	772.95
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	**776.33**	**-**	**-**	**-**	**776.33**

(iii) Disclosure required under the Micro, Small & Medium Development Act, 2006

	Amount as on	
	31st March of Current Year	31st March of Previous Year
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
(a) Principal amount due	4.39	3.38
(b) Interest due on above		
ii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
iii) 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 MSMED Act, 2006.		
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.		
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.		

22.		31st March 2026	31st March 2025
	Other Financial Liabilities		
	Statutory dues including PF and TDS	258.75	50.64
	Salaries & Wages Payable	267.66	110.51
	Income Tax Provisions	-	-
	Outstanding Expenses payable	59.79	74.66
	Others	23.62	227.03
	Total	**609.82**	**462.83**

Rs. in Lakhs

23.		31st March 2026	31st March 2025
	Other Current liabilities		
	Advances from Customers	-	163.37
	Total	**-**	**163.37**

24.		31st March 2026	31st March 2025
	Revenue from Operations (for companies other than a finance company)		
	Revenue from - Sale of Fertilisers	3,170.31	1,084.55
	Other operating revenue *	177.27	336.85
	Revenue from - Sale of Food	1,670.01	1,338.74
	Revenue from - Sale of Footwear	10,085.20	5,830.14
	Revenue from - Leather and Packings Material	19.32	73.31
	Revenue from - logistics, facilities and Drone services	2,708.24	-
	Total	**17,830.36**	**8,663.59**

*** Operating revenue includes Lease Rental Income**

25.		31st March 2026	31st March 2025
	Other Income		
	Rent received	240.74	-
	Bank Interest Received	1.68	4.36
	Royalty Receipts	-	6.78
	Discount received	24.84	-
	- Other Income	76.35	85.50
	Total	**343.62**	**96.64**

26.		31st March 2026	31st March 2025
	Changes in inventory of finished goods and Work in progress		
	(Increase)/decrease in stock:		
	Stock at the end of the year:		
	Finished goods	1,600.56	680.42
	Land held as stock-in-Trade	51.93	51.93
	- Packing Materials	11.78	-
	Total A	**1,664.27**	**732.35**
	Stock at the beginning of the year:		
	Finished goods	680.42	86.82
	Land held as stock-in-Trade	51.93	51.93
	Total B	**732.35**	**138.75**
	Total	**(931.92)**	**(593.60)**

Note : Stock-in-trade includes land located in Conoor, valued at a cost of Rs. 51.93 lakhs. The valuation of this land is based on the historical cost method. This cost-based valuation reflects the purchase price and any related costs incurred to acquire the land. There has been no revaluation or impairment of the land in the current financial period.

Rs. in Lakhs

27.		31st March 2026	31st March 2025
	Employee Expense		
	Salaries and wages	3,382.71	925.12
	Gratuity	36.05	15.86
	Contribution to PF	188.72	29.64
	Expense on Employees stock option scheme (ESOP) and Employee stock purchase plan (ESPP)	-	-
	Staff welfare expenses	1.91	49.43
	Total	**3,609.39**	**1,020.05**

28.		31st March 2026	31st March 2025
	Finance Costs		
	Interest	360.36	189.99
	Other borrowing costs	-	-
	Applicable net gain/ loss on foreign currency transactions/ translation	-	-
	Total	**360.36**	**189.99**

29.		31st March 2026	31st March 2025
	Other Expenses		
	Consumption of stores and Packing Materials	-	-
	Power and fuel	402.16	29.27
	Rent	719.46	295.91
	Audit Fees		
	- Statutory Audit	4.00	4.00
	- Tax Audit	1.50	1.00
	- Other Audit	5.50	1.50
	Repairs to buildings	28.07	50.62
	Repairs others	79.12	80.16
	Director Sitting Fee	7.40	-
	Insurance	5.27	2.09
	Rates & Taxes	5.45	0.14
	Travelling expenses	221.41	196.79
	Telephone expenses	15.17	7.57
	Postage & Courier	10.54	14.21
	Conveyance	386.14	34.05
	Security charges	35.27	30.36
	Printing & Stationery	28.57	10.56
	Professional Charges	464.31	290.91
	Bank charges	15.55	3.15
	Selling Expenses	693.11	394.09
	Office Maintenance	93.02	71.36
	Other Manufacturing expenses	521.69	185.19
	Provision for Debtors	36.11	13.67
	Advertisement Charges	108.49	254.05
	Legal Charges	1.26	13.08
	Royalty Receipts	5.05	-
	Share Capital - Preliminary Expenses	-	40.00
	Other Expenses	395.81	315.16
	Total	**4,289.44**	**2,338.89**

Rs. in Lakhs

30.	Earnings / (Loss) per Share - Calculation of weighted average number of Equity Shares of Rs. 5 each:		
	Particulars	**31st March 2026**	**31st March 2025**
	Profit after tax as per Statement of Profit and Loss (Rs. in Lakhs)	(3,119.07)	(1,616.82)
	Opening number of shares	9,27,18,105.00	1,24,83,885.00
	Add: shares issued during the year	1,53,03,668.00	8,02,34,220.00
	Closing number of shares of Rs. 5/- each	10,80,21,773.00	9,27,18,105.00
	Weighted average number of shares	10,31,67,438.05	3,97,56,134.59
	Basic Earnings (in Rupees) per Shares	(3.02)	(4.07)
	Diluted Earnings(in Rupees) per Share	(3.02)	(4.07)

31.	**Related Parties Disclosure: Particulars of transaction with related parties**		
	Description	**31st March 2026**	**31st March 2025**
	(a) Remuneration with Key Managerial Personnel		
	Mr. Rafiq Ahmed	197.25	60.00
	Mr. Hari Kishore	10.42	35.10
	Mr. Anil Kumar Padhiali	23.21	18.20
	Mr. V. Anand	21.20	0
		252.08	113.30
	(b) Payment to Directors (Sitting Fees)		
	Mr. D Gunasekaran	1.80	-
	Mr. V Anburaj	0.50	0.40
	Mr. Ravi Kumar	1.90	-
	Mr. Gnansambandam Venkatraghavan	3.00	-
	Mrs. Priya Rao	0.20	-
	Total	**7.40**	**0.40**

Name of the Key Management Personnel and Directors:

(i) Mr. Rafiq Ahmed - Executive Chairman and Managing Director

(ii) Mrs. Priya Rao - Independent Director (Appointed w.e.f. 16-02-2026)

(iii) Mr. Ravi Kumar- Independent Director- Resigned w.e.f 30.05.2026

(iv) Mr. Gnansambandam Venkatraghavan - Independent Director (Appointed w.e.f. 15-02-2025)

(v) Mrs. T A Raja Laxmi- Non independent Director (Appointed w.e.f. 11-06-2018)

(vi) Ms. Rafiq Ahmed Sulaiha Banu- Non independent Director (Appointed w.e.f. 20-03-2026)

(vii) Mr. Anil Kumar Padhiali - Company Secretary (Appointed w.e.f. 19-03-2018)

(viii) Mr. Viruthagiri Anand - Chief Financial Officer (Appointed w.e.f. 28-10-2025)

(ix) Mr. Hari Kishore - Chief Financial officer (Resigned w.e.f 16.08.2025)

Rs. in Lakhs

Related parties under IND AS 24 with whom transactions have taken place during the year:

Name of the Related Party	Nature of relationship
Rafiq Ahmed	Mr. Rafiq ahmed is Managing direrctor of the company.
Kothari’s My Park King Solutions Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Phoenix Kothari Footwear Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
Top Guard International Security Force Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Parveen Roadways Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Flyeasy Aviation Services Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
Kothari Marine International Limited	Mrs. T.A Rajalaxmi is director in the related party company.
JR Trading WLL	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
JR One Kothari Footwear Private Ltd	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Evervan Kothari Footwear Private Ltd	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Phoenix Kothari infrastructure Developer Limited	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Gemini Minerals Private Ltd	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
GEMINI LEGAL CONSULTANTS PRIVATE LIMITED	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.

Rs. in Lakhs

Nature of Transaction	31st March 2026	31st March 2025
a) Transaction during the year		
Sales of goods and Service:		
JR One Kothari Footwear Private Limited	882.19	96.83
Top guard International Security Force Private Limited	4.25	5.56
Flyeasy Aviation Services Private Limited	428.34	-
Evervan Kothari Footwear Private Limited	27.21	-
Phoenix Kothari Infrastructure Developer Private Limited	1.63	-
Parveen Roadways Private Limited	35.78	
JR Trading WLL	14.09	
Maintenance Services		
Phoenix Kothari Footwear Private Limited	53.63	82.21
Purchase of goods and Service:		
Parveen Roadways Private Limited	232.55	-
Top guard International Security Force Private Limited	31.21	30.36
JR One Kothari Footwear Private Limited	15.93	-
Gemini Legal Consultants Private Limited	39.29	-
b) Balances outstanding as at year end		
Investment		
Kothari's My Park King Solutions Private Limited	0.19	0.19
Phoenix Kothari Footwear Private Limited	13,896.37	-
Security Deposit		
Parveen Roadways Private Limited	795.83	795.83
Gemini Mineral Pvt Ltd	7.91	7.91
Loans & Advances		
Parveen Roadways	-	2,404.00
Parveen Roadways Private Limited	37.50	140.34
Kothari's My Park King Solutions Private Limited	26.76	26.76
Flyeasy Aviation Services Private Limited	-	-
Phoenix Kothari Footwear Private Limited	-	7,000.00
Trade Receivables		
JR One Kothari Footwear Private Limited	329.19	1.99
Phoenix Kothari Footwear Private Limited	1.49	1.06
Flyeasy Aviation Services Private Limited	427.36	
Evervan Kothari Footwear Private Limited	5.36	
Phoenix Kothari Infrastructure Developer Private Limited	0.76	
Kothari Marine International Limited	8.50	-
Trade Payables		
Gemini Fertilizers	0.00	0.00
Top Guard International Security Force Private Limited	7.13	3.38
Gemini Legal Consultants Private Limited	-	39.29
Loan		
Rafig Ahmed - Managing Director	-	-
Financial Costs & Other receivables		
Rafig Ahmed - Managing Director	38.15	
Rafig Ahmed - Managing Director	37.72	154.02

Note:
Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
(a) repayable on demand; or - NIL
(b) without specifying any terms or period of repayment - NIL

Rs. in Lakhs

32. Ratio Analysis

S.No.	Particulars	31st March 2026	31st March 2025	% of changes	Reason for variance
1.	**Current Ratio**				
	Numerator				
	Current Assets				
	(a) Inventories	1702.39	770.47		
	(i) Trade receivables (Net)	3423.58	552.54		
	(ii) Cash and cash equivalents	961.72	2077.05		
	(iii) Bank balances other than (ii) above	2292.79	131.10		
	(iv) Others	202.20	10442.98		
	(b) Current tax assets (net)	164.64	153.76		
	(c) Other current assets	3249.97	759.04		
	Total	11997.28	14886.93		
	Denominator				
	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	5965.99	476.12		
	(ii) Trade payables - Others (Net)	0.00	0.00		
	Micro & small enterprises	4.39	3.38		
	Other than micro & small enterprises	997.94	772.95		
	(iii) Other Financial Liabilities	609.82	462.83		
	(b) Other Current liabilities	0.00	163.37		
	(c) Provisions	16.90	7.16		
	Total	7595.04	1885.81		
	Ratio				
	Current Assets/Current Liabilities	1.58	7.89	(0.80)	Current ratio decreased mainly due to Decreased in Other Financial Asset
2.	**Debt Equity Ratio**				
	Numerator				
	Debt				
	Total Outside Liabilities				
	Non Current Liabilities	382.21	58.85		
	Current Liabilities	7595.04	1885.81		
	Total	7977.25	1944.66		
	Denominator				
	Equity				
	Paid Up Capital + Reserves	27233.95	18054.89		
	Ratio				
	Outside Liabilities/Equity	0.29	0.11	1.72	Debt-Equity ratio increased due to an increase in total outside liabilities.

S.No.	Particulars	31st March 2026	31st March 2025	% of changes	Reason for variance
3.	**Debt Service Coverage Ratio**				
	Numerator				
	Net Operating Income				
	Net Profit After Tax	-3119.07	-1616.82		
	Depreciation	1154.71	112.76		
	Amortization	0.00	0.00		
	Interest	360.36	189.99		
	Total	-1604.00	-1314.07		
	Denominator				
	Debt Obligation				
	Repayment Of Term Loan	0.00	0.00		
	Interest	360.36	189.99		
	Total	360.36	189.99		
	Ratio				
	Net Operating Income/Debt Obligation	-4.45	-6.92	(0.36)	The ratio remained negative due to operating losses resulting in insufficient earnings to service debt obligations.
4.	**Return On Equity Ratio**				
	Numerator				
	Return				
	Net Profit After Tax	-3119.07	-1616.82		
	Denominator				
	Equity				
	Paid Up Capital	27233.95	18054.89		
	Ratio				
	Net Profit After Tax/Paid Up Capital	-0.11	-0.09	0.28	The ratio remained negative due to net loss incurred during the year, resulting in a negative return on shareholders' equity

Rs. in Lakhs

S.No.	Particulars	31st March 2026	31st March 2025	% of changes	Reason for variance
5.	**Inventory Turnover Ratio**				
	Numerator				
	Cost Of Goods Sold				
	Opening Stock Of Raw Materials	770.47	167.84		
	Add Purchases	12811.07	7434.36		
	Less Closing Stock Of Raw Materials	1702.39	770.47		
	Total	15283.92	8372.66		
	Denominator				
	Inventory				
	Opening Stock	718.54	167.84		
	Closing Stock	1702.39	718.54		
	Average Stock	1210.46	443.19		
	Ratio				
	Cost Of Goods Sold/Inventory	12.63	18.89	(0.33)	Inventory turnover decreased due to a higher average inventory level compared to the increase in cost of goods sold during the year.
6.	**Trade Receivables Turnover Ratio**				
	Numerator				
	Sales	17830.36	8663.59		
	Denominator				
	Receivables	1988.06	363.55		
	Ratio				
	Sales/Receivables	8.97	23.83	(0.62)	The ratio decreased due to a significant increase in average trade receivables compared to sales during the year.
7.	**Trade Payable Turnover Ratio**				
	Numerator				
	Purchases	11879.15	6840.76		
	Denominator				
	Trade Payables	889.33	580.37		
	Ratio				
	Purchases/Trade Payables	13.36	11.79	0.13	The ratio Increased due to an increase in Purchases relative to average trade payables during the year.

Rs. in Lakhs

S.No.	Particulars	31st March 2026	31st March 2025	% of changes	Reason for variance
8.	**Net Capital Turnover Ratio**				
	Numerator				
	Net Sales				
	Sales Less Returns	17830.36	8663.59		
	Denominator				
	Average Working Capital				
	Current Assets	11997.28	14886.93		
	Less Current Liabilities	7595.04	1885.81		
	Total	4402.24	13001.12		
	Ratio				
	Net Sales/Average Working Capital	4.05	0.72	4.63	The ratio improved from negative to positive primarily due to positive working capital and higher revenue from operations during the year.
9.	**Net Profit Ratio**				
	Numerator				
	Net Profit After Tax	-3119.07	-1616.82		
	Denominator				
	Net Sales	17830.36	8663.59		
	Ratio				
	Net Profit After Tax/Net Sales	-0.17	-0.19	(0.06)	
10.	**Return On Capital Employed**				
	Numerator				
	EBIT				
	Net Profit	-3119.07	-1616.82		
	Income Tax				
	Interest	360.36	189.99		
	Total	-2758.71	-1426.83		
	Denominator				
	Capital Employed				
	Net Worth				
	Total Asset	35211.21	19999.55		
	Current Liabilities	7595.04	1885.81		
	Total	22864.95	1681.04		
	Ratio				
	EBIT/Capital Employed	-0.12	-0.85	(0.86)	The ratio remained negative due to operating losses.

S.No.	Particulars	31st March 2026	31st March 2025	% of changes	Reason for variance
11.	**Return On Investments**				
	Numerator				
	Return				
	Net Profit After Tax	-3119.07	-1616.82		
	Denominator				
	Investments				
	Non Current Assets	23213.92	5112.61		
	Current Assets	11997.28	14886.93		
	Total	35211.21	19999.54		
	Ratio				
	Net Profit After Tax/Investments	-0.09	-0.08	0.10	The ratio remained negative due to net loss during the year.

33. Segment Reporting

Year ended 31 March 2026 (Rs. In Lakhs)	Reportable segments								Others (HO)	Total
	Fertilizers	Drone	FMCG	Hotel	Footwear	Logistics	Digital Media	Total reportable segments		
External revenues	3,196.82	285.41	19.22	1,684.79	10,241.38	2,138.53	23.99	**17,590.13**	578.80	**18,168.93**
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-
Segment revenue	**3,196.82**	**285.41**	**19.22**	**1,684.79**	**10,241.38**	**2,138.53**	**23.99**	**17,590.13**	**578.80**	**18,168.93**
Segment profit (loss) before tax	383.45	(45.06)	(81.44)	(953.67)	(909.81)	(226.13)	(82.96)	**(1,915.62)**	(1,205.82)	**(3,121.44)**
Interest income	-	-	-	-	-			-	18.19	**18.19**
Interest expense	-	-	-	-	-			-	360.36	**360.36**
Depreciation and amortization	-	-	-	-	-			-	1,154.71	**1,154.71**
Segment assets	7,969.03	485.53	78.85	(588.48)	1,081.82	1,725.31	224.60	**10,976.66**	24,234.54	**35,211.20**
Segment liabilities	(851.47)	(455.34)	(49.45)	(728.93)	(3,260.29)	(1,683.34)	(27.40)	**(7,056.23)**	(921.02)	**(7,977.25)**

Year ended 31 March 2025 (Rs. In Lakhs)	Reportable segments									
	Fertilizers	Drone	FMCG	Hotel	Footwear	Logistics	Digital Media	Total reportable segments	Others (HO)	Total
External revenues	1,121.62	77.73	0.75	1,336.29	6,010.29	-	-	**8,546.68**	217.61	**8,764.30**
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-
Segment revenue	**1,121.62**	**77.73**	**0.75**	**1,336.29**	**6,010.29**			8,546.68	**217.61**	8,764.30
Segment profit (loss) before tax	100.82	(87.05)	(44.26)	(352.76)	(336.79)	-	-	**(720.04)**	(892.70)	**(1,612.74)**
Interest income	-	-	-	-	-	-	-	-	12.28	**12.28**
Interest expense	-	-	-	-	-	-	-	-	189.99	**189.99**
Depreciation and amortization	-	-	-	-	-	-	-	-	112.76	**112.76**
Segment assets	1,868.36	73.04	(59.26)	(305.50)	(345.36)	-	-	**1,231.29**	17,768.02	**18,999.30**
Segment liabilities	(19.58)	323.97	103.37	286.17	625.97	-	-	**1,319.92**	(375.50)	**944.42**

Operating Segment

Reconciliations of information on reportable segments to the amounts reported in the standalone financial statements

(Rs in Lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
i. Revenues		
Total revenue for reportable segments	17,590.13	8,546.68
Revenue for other segments	578.80	217.61
Elimination of inter-segment revenue	-	-
Elimination of discontinued operations	-	-
Consolidated revenue	**18,168.93**	**8,764.30**
ii. Profit before tax		
Total profit before tax for reportable segments	(1,915.62)	(720.04)
Profit before tax for other segments	(1,205.82)	(892.70)
Elimination of inter-segment profit	-	-
Elimination of discontinued operation	-	-
Consolidated profit before tax from continuing operations	**(3,121.44)**	**(1,612.74)**
iii. Assets		
Total assets for reportable segments	10,976.66	1,231.29
Assets for other segments	24,234.54	17,768.02
Consolidated total assets	**35,211.20**	**18,999.30**
iv. Liabilities		
Total liabilities for reportable segments	(7,056.23)	1,319.92
Liabilities for other segments	(921.02)	(375.50)
Consolidated total liabilities	**(7,977.25)**	**944.42**

Reconciliations of information on reportable segments to the amounts reported in the standalone financial statements

(Rs in Lakhs)

Year ended 31 March 2026	Reportable segment totals	Adjustments	Consolidated totals
Interest income	18.19	-	18.19
Interest expense	360.36	-	360.36
Depreciation and amortization	1,154.71	-	1,154.71

Year ended 31 March 2025	Reportable segment totals	Adjustments	Consolidated totals
Interest income	12.28	-	12.28
Interest expense	189.99	-	189.99
Depreciation and amortization	112.76	-	112.76

34. In accordance with IND AS 12 - "Income Taxes", During the current year, the Company has incurred losses and hence no provision for current tax has been made under the Income Tax Act, 1961.

35. With respect to the pending litigations, the company has not provided for additional financial commitment over and above the amount due and appearing in the books of accounts to the various litigations.

36. The Government of India notified the new Labour Codes on 21st November 2025. While the codes have come into effect from the said date, the supporting final rules are yet to be notified by the respective authorities. The Company has carried out an evaluation of the potential impact of the new Labour Codes on its financials and employee cost structure. Based on this assessment, the estimated impact on employee benefits in terms of qualifying wages under the new labour code is 13.81% and related liabilities is approximately 6.58% (Rs. 3.96 lakhs). The Company continues to monitor developments and will update its policies, disclosures, and compliance framework once the final rules are issued.

37. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person(s) or entity(ies) including foreign entities ("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 as per Clause (e)(i) of Rule 11 of Companies Audit and Auditors Rules, 2014.

38. No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding parties"), with the understanding, whether recorded in writing or otherwise, 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 as per Clause (e)(ii) of Rule 11 of Companies Audit and Auditors Rules, 2014.

39. The proceedings initiated by the Collector of Nilgiris for the repossession of certain plots of land in Coonoor, earmarked for public use, have been challenged by the company through a writ petition filed before the Madras High Court. The matter is currently pending adjudication. The next date of hearing is scheduled on 14.07.2026.

40. Contingent liabilities and commitments (to the extent not provided for) :

a) Income Tax Liability: For FY 2021-22, creating a contingent liability for income tax Notice of Demand under Section 156 of the Income-Tax Act, 1961, Rs. 95.34 lakhs (FY 2023-24: Rs. 95.34 lakhs)

b) Legal Opinion on Land Dispute: the legal opinion on the 5.33 acres land dispute. This dispute concerns the parking area at the Nungambakkam head office and is still pending in court. Rs. 882.80 lakhs (FY 2023-24: Rs. 882.80 lakhs)

c) Ennore Land Sale: The company sold the Ennore factory during FY 2023-24. As per Section 50C, the company is required to pay capital gains tax on the fair market value of the property, which is INR 110 crores. Rs. 1284.67 lakhs (FY 2023-24: Rs. 1284.67 lakhs) Refer Note 36 of FY 23-24 Audited Financial Statements for references.

d) The Company has received GST demand notices (DRC-01) aggregating to Rs. 66,27,248 relating to FY 2022-23 and FY 2023-24. The Company has submitted replies to the respective notices, and the matters are pending before the GST authorities. Based on management's assessment, no provision has been recognised in the financial statements as the outcome of the proceedings is presently not ascertainable.

e) The Company has received a notice under Section 148A(1) of the Income Tax Act, 1961, dated 21st March 2026, relating to FY 2021-22 (AY 2022-23). The notice proposes disallowance of expenses amounting to Rs. 3,37,04,222, resulting in a demand of Rs. 1,16,26,892. The Company is in the process of filing its reply to the show cause notice and firmly believes that the demand raised is erroneous.

41(A) During the year ended 31st March 2026, the shareholders through a special resolution have approved KICL Employee Stock Option Scheme. Based on the recommendation of the Nomination and Remuneration Committee, 46,86,000 ESOPs shall be issued from time to time under this scheme. As on 31st March 2026, the Company has not yet implemented this scheme.

41(B) During the year, the Company has applied on 16th March 2026 for voluntarily delisting its equity shares from the Calcutta Stock Exchange, pursuant to applicable regulatory provisions. The Company is awaiting the final order confirming delisting as on the date of this statement. The delisting was undertaken to streamline compliance and reduce administrative costs, while ensuring continued listing and trading of the Company's equity shares on other recognized stock exchanges. The Company remains fully compliant with SEBI (LODR) Regulations, 2015.

42. Subsequent to the submission of financial results under Regulation 33 of SEBI (LODR) for FY 2025-26, the Company has regrouped certain items in the audited financial statements presented in this Annual Report. These changes have been made to enhance clarity and align with the revised presentation format adopted by the Company.

The regrouping does not impact the previously reported profit/loss or total equity. Comparative figures have been restated accordingly.

43. Employee Benefit Obligations

(a) Defined Contribution Plan

The Company makes provident fund contributions to the fund maintained with the office of Regional Provident Fund Commissioner. The company has recognized Rs. 1,88,72,330/- (Previous year Rs. 29,63,977/-) in the Statement of Profit and Loss under 'Contribution to provident and other funds'.

(b) Defined Benefit Plan

The Company has a gratuity benefit plan applicable to all employees. Employees are eligible for gratuity as per the provisions of the Payment of Gratuity Act, 1972, with a vesting period of five years of service, on resignation, retirement or death.

The following tables summarize the components of the net benefit expenses recognized in the Statement of Profit and Loss and the unfunded status and amounts recognized in the balance sheet for the gratuity benefit plan.

(Rs in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Change in Present Value of Obligation		
Present value of DBO at beginning of the year	37.15	25.78
Interest Cost	2.22	1.65
Current Service Cost	29.87	14.22
Past service cost - Vested Benefits	3.97	-
Benefits Paid	-	(0.42)
Actuarial (gain)/loss on obligation	2.37	(4.07)
Present value of the obligation at the end of the year	**75.57**	**37.15**
Change in Plan Assets		
Plan assets at year beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain / (loss)	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of Plan Assets at the end of the year	**-**	**-**
Amounts Recognized in the Balance Sheet :		
Present value of obligation as at the end of the year	75.57	25.88
Fair value of plan assets as at the end of the year	-	-
Net Obligation at the end of the year	**75.57**	**25.88**
Net asset/(liability) recognized - Current	9.88	5.84
Net asset/(liability) recognized - Non-current	65.69	19.94
	75.57	**25.78**
Net gratuity cost for the year ended		
Current Service Cost	29.87	9.25
Interest Cost	2.22	9.11
Expected return on plan assets	-	-
Past Service Cost (Vested benefit) Recognized	3.97	-
Net Actuarial (gain)/loss recognized	2.37	(109.96)
Net gratuity cost recognized in the Statement of Profit and Loss	**38.42**	**(91.60)**
Actuarial Assumptions		
Discount Rate	7.15%	6.60%
Salary escalation rate	10%	10%

(C) Other employee benefits

Compensated Absences: The Company provides for the encashment of leave or leave with pay to employees. The employees are entitled to accumulate leave subject to certain limits, for future availment/ encashment. The liability is provided based on the number of days of unutilized days of leave at each Balance sheet date on the basis of year-end actuarial valuation using projected unit credit method. The scheme is unfunded.

(Rs in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Liability at the beginning of the year	1.83	-
Leave salary cost accounted for the year (Net)	-	1.83
Total Liability as at the end of the year	**1.83**	**1.83**

IND AS 19 – Employee Benefits: The Company has made the following disclosures as per IND AS 19:

Investment Risk: The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields on government bonds at the end of the reporting period.

Interest Rate Risk: A decrease in the bond interest rate will increase the plan liability.

Salary Risk: Higher-than-expected salary increases will increase the defined benefit obligation.

Longevity Risk: The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants.

Attrition Rate: The actuarial assumption for employee attrition is based on the Company's past history.

Expected Rate of Return on Plan Assets: The expected rate of return on plan assets is based on the average long-term rate of return expected on investments of the fund during the estimated term of the obligation.

Note No. 44: Other Information:

1. **Going Concern Disclosure:** The financial statements have been prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.
2. **IND AS 113 – Fair Value Measurement:** The Company has applied IND AS 113 to measure the fair value of its financial instruments and other assets as required. The fair value hierarchy used for measurement and disclosures is in accordance with the prescribed levels in IND AS 113.
3. **Financial Risk Management:** The Company is exposed to various financial risks, including market risk, currency risk, credit risk, and liquidity risk. The Company's risk management framework is designed to identify and mitigate these risks:

   Market Risk: The Company manages market risk through diversification and hedging strategies.

   Currency Risk: Exposure to currency risk is managed through forward contracts and natural hedges.

   Credit Risk: The Company manages credit risk by setting credit limits and monitoring the creditworthiness of customers.

   Liquidity Risk: The Company maintains sufficient cash and liquid investments to meet its obligations.

The following table demonstrates the sensitivity to a reasonabl\y possible change in exchange rates, with all other variable held constant. The impact of the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(Rs in Lakhs)

Particulars	Changes in rate	Foreign currency receivable/payable (net)	Effect on profit before tax
March 31, 2026		**USD in lakhs**	**USD in lakhs**
	5%	2.63	0
	+5%	2.76	0.13
	-5%	2.50	-0.13
		EUR in lakhs	**EUR in lakhs**
	5%	0.00106	0
	+5%	0.001113	0.0001
	-5%	0.001007	-0.0001

March 31, 2025		**USD in lakhs**	**USD in lakhs**
	5%	1.06	0
	+5%	1.12	0.05
	-5%	1.01	-0.05
		EUR in lakhs	**EUR in lakhs**
	5%	(0.07)	0
	+5%	-0.07	-0.00
	-5%	-0.06	0.00

The following table shows the effect of price change in securities measured at FVTPL/FVOCI

All the investments of the Company are unlisted equity shares which are carried at cost. Since these investments are not subject to fair value or NAV fluctuations, there is no impact of price changes, and accordingly, no such disclosure is applicable.

The Company's exposure to credit risk for trade receivables by geographic location is as follows:

Particulars	Carrying amount	
	March 31, 2026	**March 31, 2025**
India	999.70	458.13
Outside India	2.632	94.41
Total	**1002.33**	**552.54**

Movement of allowance for impairment

Particulars	Expected credit loss	
	March 31, 2026	**March 31, 2025**
Opening balance	**15.62**	**10.27**
Add: Provisions	**36.11**	**13.27**
Less: utilisation	**0**	**7.92**
Closing balance	**51.73**	**15.62**

The following table shows maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows alongwith its carrying value as at the Balance sheet date.

Particulars	Contractual cash flows 1 year or less	More than 1 year	Total carrying amount
Liabilities			
March 31, 2026			
Trade payable	1002.33	0	1002.33
Other financial liabilities	609.82	0	609.82
March 31, 2025			
Trade payable	776.33	0	776.33
Other financial liabilities	462.83	0	462.83

Interest Rate Senstivity analysis

The Company considering the economic environment in which it operates has determined the interest rate sensitivity analysis (interest exposure) at the end of the reporting period. The interest rate for the Company are fixed rates and this analysis is prepared assuming the amount of the borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point +/- fluctuation in the interest rate is used for disclosing the sensitivity analysis.

	(Rs. in lakhs)	
Particulars	Impact on Profit before tax	
	31st March 2026	31st March 2025
Interest rates - increase by 50 basis points	1.80	0.14
Interest rates - decrease by 50 basis points	(1.80)	(0.14)

The interest rate senstivity analysis is done holding on the assumption that all other variables remaining constant.

4. Capital Management

The Company's objective when managing capital are to:

a) safeguard the Company's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

b) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may vary the distribution of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company consists of debt and total equity of the Company and monitors capital, based on this capital structure's gearing ratio.

The gearing ratio at the end of the reporting period is computed as follows:

	(Rs in lakhs)	
Particulars	As at 31.03.2026	As at 31.03.2025
i) Debt	8,371.68	2,003.51
ii) Equity share capital	5,401.09	4,635.91
iii) Other equity	21,832.86	13,418.98
v) Total equity [(ii)+(iii)+(iv)]	27,233.95	18,054.89
vi) Debt to equity ratio (times)	31%	11%

5. Additional Disclosures:

a) The Company has not traded or invested in cryptocurrency or virtual currency during the financial year.

b) The Company does not have any transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year under the Income Tax Act, 1961.

c) The Company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013.

d) The Company has not been declared a wilful defaulter by any bank, financial institution, or lender during the year.

e) The Company does not have any charges or satisfaction pending for registration with ROC beyond the statutory period.

f) Quarterly returns or statements of current assets filed with banks or financial institutions are in agreement with the books of accounts.

g) The Company does not have any transactions with companies that have been struck off.

h) The Indian Parliament has approved the Code on Social Security, 2020, which may impact contributions towards Provident Fund and Gratuity. The Company will assess the impact and provide appropriate disclosures once the corresponding rules are notified.

i) No dividend have been paid/provided during the year ended 31st March 2026

j) No Transfers Between Levels of Fair Value Hierarchy: There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments during the period.

k) The Company has not received any whistle-blower complaints during the year.

l) No Changes in Classification of Financial Assets: There have been no changes in the classification of financial assets into those at amortized cost, fair value through OCI, or fair value through P&L, during the period.

m) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

n) During the first year of the agreement with Royer Group (June 2024 – July 2025), the Company was granted a waiver of the Minimum Guaranteed Royalty to support brand promotion, branch openings, and production ramp-up. For the second year (July 2025 – June 2026), the contractual royalty payable is EUR 189,048. This liability has not been provided in the books, as negotiations with Royer Group are ongoing as of the reporting date, and management is optimistic of securing a waiver of the minimum guaranteed royalty.

6. Category-wise Classification of Financial Instruments:

Financial Assets Measured at Amortized Cost: Rs. 14,347.64 lakhs (Previous year Rs.1959.39 lakhs)
Financial Assets Measured at FVTPL: NIL
Financial Assets Measured at FVTOCI: NIL
Financial Liabilities Measured at Amortized Cost: Rs. 1744.13 lakhs (Previous year: Rs. 4701.38 lakhs)

7. Significant Changes:

Expansion of Kickers Retail Business

KICL has commenced retail operations for the Kickers brand under a 30-year license agreement with Groupe Royer, France. As of 31st March 2026, the Company has opened two exclusive brand outlets, including one at VR Mall, Chennai. Future plans include the launch of 100 exclusive stores, 700 multi-brand outlet (MBO) counters, and online presence across India and eight neighbouring countries.

During the year ended 31 March 2026, the Company acquired the logistics business of Parveen Roadways as a going concern with effect from 08 April 2025 pursuant to a business transfer agreement dated 08 April 2025, to expand its logistics and facility management operations. The acquisition has been accounted for under the acquisition method in accordance with Ind AS 103 - Business Combinations. Total consideration transferred: Rs. 2404.00 lakhs. The fair values of identifiable assets acquired and liabilities assumed as at the acquisition date amounts to Rs. 1211.11 lakhs.Goodwill of Rs. 1,192.89 lakhs represents assembled workforce, expected synergies with the Company's distribution network and future customer growth, none of which qualify for separate recognition. Goodwill is not deductible for income-tax purposes. From the acquisition date, the acquired business contributed revenue of Rs. 2,138.53 lakhs and loss before tax of Rs. 226.13 lakhs. The seller is a related party as defined in Ind AS 24; the transaction was approved by the Audit Committee on 19 February 2026 and Board resolution no.11 and shareholders on 19 February 2026 Board resloution and undertaken at arm's length based on an independent valuation by Mr. Jaypal Parmar, Registered Valuer registered with IBC Membership no.IBBI/RV/06/13110 dated 10 February 2026.

8. **No Correction of Prior Period Errors : There has been no correction of prior period errors during the period.**

9. **Appointment of Company Secretary : The Company Secretary of the Company was appointed from 19-03-2018.**

10. **Approval of Financial Statements : The financial statements were approved for issue by the Audit Committee and the Board of Directors at their respective meetings conducted on 03-06-2026.**

As per our Report of even date attached

For Ray & Ray
Chartered Accountants
Regn.No.301072E

Swetha Srinivasan
Partner
Membership No. 240553
Place : Chennai
Date : 03.06.2026
UDIN : 26240553WJAGOM2019

For and on behalf of the Board of Directors

T.A. Rajalaxmi
Director
DIN : 08148628

J. Rafiq Ahmed
Executive Chairman & Managing Director
DIN : 02861341

Anil Kumar Padhiali
Company Secretary
Membership No. A53635

V Anand
Chief Financial Officer

Independent Auditor's Report

To the Members of

KOTHARI INDUSTRIAL CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of **KOTHARI INDUSTRIAL CORPORATION LIMITED (hereinafter referred to as the "Holding Company")** and its associate (Holding Company and its associate together referred to as "the Group"), which comprise of the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of the other auditor on separate financial statements and on the other financial information of associate referred to in the "Other matters" section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associates as at March 31, 2026, of consolidated loss (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date *except for the matters discussed in the basis of qualified opinion paragraph*.

Basis for Qualified Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ('ICAI'), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

1. Attention is drawn to Note No 7, wherein a subsidy of Rs. 80 lakhs is carried in the books of the Holding Company as receivable from the Government for which no documentary evidence was produced to us for verification. Also, the Holding Company has not made a provision against such balance which is outstanding for more than 8 years. Hence, we are unable to comment on its realizability or otherwise and its accounting treatment in consonance with Ind AS 20. This was also reported in our audit report for the previous year.

2. Year-end direct balance confirmation in respect of promoters Rs. 1.80 crores, trade receivables Rs. 33.49 crores trade payables Rs. 23.24 crores, vendor advances Rs. 15.06 crores, advances from customers Rs. 3.99 crores, other loans payable Rs. 52.88 crores have not been provided for our

Continued...

verification by the holding company. Further, out of the total related party balances of Rs. 15.26 crores balance confirmations was not provided for Rs. 1.44 crores in the case of the holding company. In the absence of such confirmations, we are unable to ascertain any consequential effect of the above in the consolidated financial results for the year.

3. The Holding Company's books of accounts reflect a balance of Rs. 10.41 crores in GST input credit, Rs. 10.55 crores in GST output liability, and a debit balance of Rs. 1.41 crores in the GST payable account. However, the Holding Company has not reconciled the input credit as per the GST portal and GSTR-2B with the balances recorded in the books. In the absence of such reconciliation, we are unable to verify the accuracy of the GST input credit and output liability, or to comment on the actual liability and credit available to the Holding Company for future adjustments.

4. Out of the total recorded inventory of Rs. 17.02 crores, detailed stock valuation reports for Rs. 10.98 crores was not made available to us. Further, the Holding Company's current system does not separately track non-moving and slow-moving inventories. Accordingly, the financial statements reflect the inventory balance as reported and we are unable to comment on the potential impact of such items in the financial statements.

5. As per information available from the TRACES portal, there is a default of Rs. 7.12 lakhs relating to tax deducted at source under the Income-tax Act, 1961 by the Holding Company. This indicates non-compliance with statutory requirements and may attract further interest and penalties.

6. The proceedings initiated by the Collector of Nilgiris for repossession of certain plots of land in Coonoor earmarked for public use has been challenged by the Holding company on a Writ Petition filed before Madras High Court and the matter is pending adjudication. Decision, if any, by the Madras High Court which does not go in favour of the Holding Company, could give rise to a liability and consequential loss, which could not be ascertained at the balance sheet date.

7. The Holding Company has recorded closing liability of statutory deductions (employer and employee contributions) under Provident Fund (PF) Rs. 40.68 lakhs, Employees' State Insurance (ESI) Rs. 9.38 lakhs and Professional Tax (PT) Rs. 30.03 lakhs as part of its payroll process. Final reconciliation workings to match the salary payable Rs. 2.56 crores as per the books with the payroll records, and to align these deductions with the corresponding payments to employees and statutory authorities, were not made available for our review. Accordingly, our procedures were limited to the information provided by management Hence, we are unable to comment whether any differences exists in respect of such deductions and remittances.

Emphasis of matter

We draw attention to Note No 44(5)(n) of the consolidated financial statements, wherein the Company has not made provision for the royalty to be paid to Royer Group for the period from July 2025 to June 2026 since negotiations were ongoing and the Management is optimistic of obtaining awaiver.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	Principal Audit Procedures
During the year, the Holding Company has invested Rs. 13,896.37 lakhs in its associate, Company X, there by acquiring a 30% interest. Both the Holding Company and the associate have incurred losses in prior years. For the year ended March 31, 2026, the Holding Company reported a standalone loss of Rs. 3,119.07 lakhs, and its share of loss from the associate amounted to Rs. 4,099 lakhs. Consequently, the consolidated financial statements reflect a total loss of Rs. 7,218.53 lakhs. The recognition of losses from the associate under the equity method of accounting, together with the Holding Company's own losses, has a significant impact on the consolidated results and the assessment of going concern. This involves considerable judgment and is therefore considered a key audit matter.	The Holding Company as well as its associate have incurred losses in prior years. The Holding Company and its Group are, however, in the process of expanding operations and have entered into business contracts with customers in India and overseas. For our audit, management has provided contracts supporting the assumption of going concern, on the basis of which the accompanying consolidated financial statements have been prepared. We have examined these contracts in respect of the Holding Company. In relation to the associate, we have not independently verified the documents supporting its going concern assumption and have placed reliance on the audit report issued by the other auditor. We assessed the appropriateness of the application of the equity method of accounting for the associate and the accuracy of the Company's share of losses recognized in the consolidated financial statements.
Acquisition of M/s. Parveen Roadways, proprietorship of Mr. Rafiq Ahmed.	The Holding Company had acquired Parveen Roadways, a sole proprietorship firm engaged in logistics and railway-related services, for a consideration of Rs. 2404 lakhs through a business transfer agreement dated 8th April 2025. The business includes over 100 vehicles (such as tippers, trailers, buses, and forklifts) and a workforce of approximately 500 employees. Major clients include Integral Coach Factory, Southern Railways, Port Trusts, and Aavin Milk Factory. We have considered the valuation report obtained from an independent valuer. All assets and liabilities of Parveen Roadways has been accounted in the Books of the Holding Company as on 1st April 2025 alongwith resultant goodwill recognized of Rs. 1192.89 lakhs.
During the year, the Holding Company obtained unsecured short-term loans aggregating to Rs. 5,183 lakhs from various parties at an interest rate of 24%. At the same time, the Holding Company's fixed deposits with banks earned interest at significantly lower rates. In our view, this financing arrangement results in interest expense substantially exceeding the interest income, which may be prejudicial to the interests of the Holding Company.	We obtained details of the borrowings and examined the terms and conditions of the loan agreements, including the interest rates and repayment schedules. We compared these rates with prevailing market benchmarks to assess reasonableness. We also reviewed the Holding Company's treasury management practices, including placement of fixed deposits and related interest income. Management explained that the Holding Company had approached banks for funding; however, applications were rejected due to the Holding Company's losses. Given the urgent need for short-term funds and the unsecured nature of the borrowings, the Company had limited options and therefore accepted loans at higher interest rates. We evaluated the impact of such borrowings on the Holding Company's financial position and discussed the rationale with management. Based on our procedures, we noted that the cost of borrowings is significantly higher than the returns on deposits, which may adversely affect the Holding Company's financial performance.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management discussion and Analysis, Board's report including annexure to Board's report, Business Responsibility and Sustainability Reporting, Corporate Governance and Shareholder's information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 over ride 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 Holding Companyhas adequate internal financial controls with reference to consolidated 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 the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors 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 ability of the Group and its associates 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 consolidated 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 Group and its associates, to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

OTHER MATTERS

We did not audit the financial information of one associate whose consolidated financial information reflect Group's share of net loss (including other comprehensive income) of Rs. 4099.46 lakhs for the year ended March 31, 2026, as considered in these consolidated financial statements. The financial information of these associates have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates and our report in terms of sub-section(3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the associates referred to in the Other Matters section above, we report, to the extent applicable, that:
   (A) 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 of the aforesaid consolidated financial statements.
   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company, none of the directors of the Group companies, its associate companies incorporated in India are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group, its associate companies, incorporated in India and the operating effectiveness of such controls, refer to our separate report with qualified opinion in "Annexure A".
   (g) 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the associate referred to in the Other Matters section above:
      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates, – Refer Note 32 to the consolidated financial statements.
      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foresee able losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its associate company incorporated in India during the year ended March 31, 2026.

iv. a. The respective Managements of the Holding Company and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associates respectively that, to the best of their knowledge and belief, as disclosed in the Note 63(d) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such associate to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The respective Managements of the Holding Company and its associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associates respectively that, to the best of their knowledge and belief, as disclosed in the Note 63(d) to the consolidated financial statements, no funds have been received by the Holding Company or any of such associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associates, shall, 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 that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the associate company which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. No dividend has been declared or paid by the Holding Company or its associate company during the year.

vi. Based on our examination which included test checks and based on the other auditor's reports of its associate companies incorporated in India whose financial statements have been audited under the Act, the Holding Company, its associate company incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended 31st March 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Holding Company, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Holding Company and above referred associate company incorporated in India as per the statutory requirements for record retention.

2. In our opinion, according to information, explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters section above, the remuneration paid or provided by the Holding Company and associate company incorporated in India to its respective Directors is in accordance with the provisions of this section 197 read with Schedule V to the Act.
3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Holding company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except the following:

Sr. No.	Name of the Company	CIN	Type of Company	Clause number of the CARO Report
1	Kothari Industrial Corporation Limited	L81100TN1970PLC005865	Holding Company	Clause i, vii,ix(a), xx
2	Phoenix Kothari Footwear Private Limited	U15209TN2022PLC157171	Associate company	Clause iii(c), ix(a), xvi(a), xvii

For **M/s. Ray & Ray**
Chartered Accountants
Firm Reg.No.301072E

(Swetha Srinivasan)
Partner
Membership No. 240553
UDIN : 26240553JWSPJV1425

Place : Chennai
Dated : 03.06.2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Kothari Industrial Corporation Limited on the Consolidated Financial Statements for the year ended March 31, 2026]

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

Qualified Opinion

TIn conjunction with our audit of the consolidated financial statements of Kothari Industrial Corporation Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its associate, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements referred to in the Other Matters section below, the Group and its associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Holding Company and the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibilities for Internal Financial Controls

The respective Management and the Board of Directors of the Group and its associate which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the Holding Company and the respective companies considering the essential components of internal control stated in the Guidance Note issued by the 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 the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group and its associate, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Group and its associates, which are companies incorporated in India.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financialstatements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to one associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

In our opinion, to the best of our information and according to the explanations given to us and during the course of our audit of the financial statements of the Holding Company for the year ended 31st March 2026, we evaluated the design and operating effectiveness of internal financial controls over financial reporting.

Based on these procedures undertaken, we identified certain deficiencies in the internal financial control framework of the Holding Company, which, in our professional judgement, constitute significant deficiencies. While our sample testing did not reveal any material misstatement in the consolidated financial statements, the presence of such deficiencies indicates an increased risk that misstatements, if they occur, may not be prevented or detected on a timely basis.

It should be noted that our audit provides reasonable assurance only, regarding the adequacy and operational effectiveness of the Holding Company's internal financial controls. Because of the inherent limitation of internal controls, including the possibility of management override, misstatements due to error or fraud may occur and not be detected. We have communicated these matters to the management and the Audit committee of the Holding Company, along with our recommendations for appropriate and immediate remediation.

For **M/s. Ray & Ray**
Chartered Accountants
Firm Reg.No.301072E

(Swetha Srinivasan)
Partner
Membership No. 240553
UDIN : 26240553JWSPJV1425

Place : Chennai
Dated : 03.06.2026

KOTHARI INDUSTRIAL CORPORATION LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2026

Rupees in Lakhs

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
I) ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3	5,498.56	3,630.82
(b) Goodwill	4	1,192.89	-
(c) Other Intangible assets	3	271.64	292.42
(d) Financial Assets			
(i) Investments	5	9,797.10	0.19
(ii) loans	6	1,424.82	1,063.01
(iii) Others	7	884.06	80.78
(e) Deferred tax asset	8	45.39	45.39
(f) Other Non current assets		-	-
NON-CURRENT ASSETS		**19,114.46**	**5,112.61**
CURRENT ASSETS			
(a) Inventories	9	1,702.39	770.47
(i) Trade receivables (Net)	10	3,423.58	552.54
(ii) Cash and cash equivalents	11	961.72	2,077.05
(iii) Bank balances other than (ii) above	12	2,292.79	131.10
(iv) Others	13	202.20	10,442.98
(c) Current tax assets (net)	14	164.64	153.76
(d) Other current assets	15	3,249.97	759.04
Current Assets		**11,997.29**	**14,886.94**
TOTAL ASSETS		**31,111.75**	**19,999.55**
II) EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	16	5,401.09	4,635.91
(b) Other Equity	17	17,733.41	13,418.98
Equity		**23,134.50**	**18,054.89**
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	18	316.51	28.85
(b) Provisions	20	65.70	30.00
NON-CURRENT LIABILITIES		**382.21**	**58.85**
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	19	5,965.99	476.12
(ii) Trade payables - Others (Net)	21		
Micro & small enterprises		4.39	3.38
Other than micro & small enterprises		997.94	772.95
(iii) Other Financial liabilities	22	609.82	462.83
(b) Other Current liabilities	23	-	163.37
(c) Provisions	20	16.90	7.16
CURRENT LIABILITIES		**7,595.04**	**1,885.81**
TOTAL EQUITY AND LIABILITIES		**31,111.75**	**19,999.55**
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes 1- 44 are an integral part of the consolidated Ind AS financial statements

As per our Report of even date attached

For and on behalf of the Board of Directors

For Ray & Ray
Chartered Accountants
Regn.No.301072E
Swetha Srinivasan
Partner
Membership No. 240553
Place : Chennai
Date : 03.06.2026
UDIN : 26240553JWSPJV1425

T.A. Rajalaxmi
Director
DIN : 08148628

J. Rafiq Ahmed
Executive Chairman & Managing Director
DIN : 02861341

Anil Kumar Padhiali
Company Secretary
Membership No. A53635

V Anand
Chief Financial Officer

CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

Rupees in Lakhs

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
Revenue from operations	24	17,830.36	8,663.59
Other Income	25	343.62	96.64
Total Income		**18,173.98**	**8,760.23**
Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		12,811.07	7,434.36
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	26	(931.92)	(593.60)
Employee benefits	27	3,609.39	1,020.05
Financial costs	28	360.36	189.99
Depreciation and amortization expense	3	1,154.71	112.76
Other expenses	29	4,289.44	2,338.89
Total Expenses		**21,293.05**	**10,502.45**
Profit/(Loss) before exceptional items/tax		(3,119.07)	(1,742.22)
Exceptional Items		-	-
- Profit/(Loss) on sale of asset		-	-
- Provision for Expenses		-	-
Profit/(Loss) before tax		**(3,119.07)**	**(1,742.22)**
Tax expense:			
(1) Current tax		-	(125.40)
(2) DEFERRED TAX		-	-
Profit/(loss) for the period before share in Profit of associates		**(3,119.07)**	**(1,616.82)**
Share in profit/(loss) of associates	5	(4,099.46)	-
Profit/(loss) for the period of continuing operation		(7,218.53)	(1,616.82)
Tax expense of discounting operations		-	-
Profit/(loss) from discontinued operations (after tax)		-	-
Profit/(Loss) for the period		**(7,218.53)**	**(1,616.82)**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		(2.37)	4.07
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period and Other Comprehensive Income for the period)		**(7,220.90)**	**(1,612.75)**
Earning per equity share(for continuing operation):			
(1) Basic EPS	30	(7.00)	(1.74)
(2) Diluted EPS		(7.00)	(1.74)
(3) Revised EPS		(7.00)	(1.74)
Earning per equity share(for discontinuing operation):	30		
(1) Basic EPS		-	-
(2) Diluted EPS		-	-
(3) Revised EPS		-	-
Earning per equity share(for discontinued and continuing operations):			
(1) Basic EPS		(7.00)	(1.74)
(2) Diluted EPS		(7.00)	(1.74)
(3) Revised EPS		(7.00)	(1.74)
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes 1- 44 are an integral part of the consolidated Ind AS financial statements

As per our Report of even date attached

For Ray & Ray
Chartered Accountants
Regn.No.301072E
Swetha Srinivasan
Partner
Membership No. 240553
Place : Chennai
Date : 03.06.2026
UDIN : 26240553JWSPJV1425

For and on behalf of the Board of Directors

T.A. Rajalaxmi
Director
DIN : 08148628

J. Rafiq Ahmed
Executive Chairman & Managing Director
DIN : 02861341

Anil Kumar Padhiali
Company Secretary
Membership No. A53635

V Anand
Chief Financial Officer

A) EQUITY SHARE CAPITAL

Rs. in Lakhs

(i) Year ended 31st March, 2026

Balance as at April 1, 2025	Changes in Equity Share Capital due to Prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share capital during the current year	Balance as at March 31, 2025
4,635.90	-	-	765.19	5,401.09

(ii) Year ended 31st March, 2025

Balance as at April 1, 2024	Changes in Equity Share Capital due to Prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share capital during the previous year	Balance as at March 31, 2024
624.19	-	-	4,011.71	4,635.90

Equity Shares of Rs. 5 each issued, subscribed and fully paid (Refer Note No. 11a)

	31st March 2026		31st March 2025	
	No.of Shares	Amount	No. of Shares	Amount
Equity Shares				
Balance as at the beginning of the year	9,27,18,105	46,35,90,525	1,24,83,885	6,24,19,425
Add: Shares issued during the year	1,53,03,668	7,65,18,340	8,02,34,220	40,11,71,100
Less: Reduction in Share Capital	-	-	-	-
Balance as at the end of the year	**10,80,21,773**	**54,01,08,865**	**9,27,18,105**	**46,35,90,525**

B) OTHER EQUITY

Current Year 2025 - 26

Particulars		Reserves and Surplus					
	Capital Reserves	Securities Premium	Capital Redemption Reserves	Fixed Asset Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as at April 1, 2025	2,631.90	14,875.46	349.35	24.10	2,164.72	(6,626.55)	13,418.98
Profit /(Loss) for the year	-		-		-	-	-
Other Comprehensive Income	-		-		-	-	-
Transfer from / to retained earning	-		-		-	-	-
Transfer from / to Profit and Loss A/c	-		-		-	(7,220.90)	(7,220.90)
Transfer from Equity Share Capital	-		-		-	-	-
Other Adjustment	-	11,519.32	-	-	-	16.00	11,535.32
Dividend distribution tax paid	-		-		-	-	-
Balance as at March 31, 2026	2,631.90	26,394.78	349.35	24.10	2,164.72	(13,831.44)	17,733.41

Previous Year **Rs. in Lakhs**

Particulars	Reserves and Surplus						
	Capital Reserves	Securities Premium	Capital Redemption Reserves	Fixed Asset Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as at April 1, 2024	2,631.90	-	349.35	24.10	2,164.72	(5,013.80)	156.27
Profit /(Loss) for the year	-	-	-		-	-	-
Other Comprehensive Income	-	-	-		-	-	-
Transfer from / to retained earning	-	-	-		-	-	-
Transfer from / to Profit and Loss A/c	-	-	-		-	(1,612.75)	(1,612.75)
Transition Adjustments made during previous year	-	-	-		-	-	-
Other Adjustment		14,875.46				-	14,875.46
Dividend declared and paid during the year	-	-	-		-	-	-
Dividend distribution tax paid	-	-	-		-	-	-
Balance as at March 31, 2025	2,631.90	14,875.46	349.35	24.10	2,164.72	(6,626.55)	13,418.98

To enhance clarity, Retained Earnings and the Profit & Loss Account have been combined into a single line item. This consolidated presentation reflects cumulative profits retained in the business, including the current year's results, and aligns with standard accounting practices.

Securities Premium

Premium received on equity shares issued are recognised in the securities premium.

Retained earnings

Retained earnings are profits that the Company has earned till date, less dividends or other distributions paid to the shreholders. It also includes remeasurement gain/loss of defined benefit plans.

Capital Reserves

This Reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

Capital Redemption Reserves

Capital Redemption Reserve is created due to reduction in capital by NCLT court Order in financial year 2023-24.

Revaluation Reserve

Revaluation Reserve is created on account of revaluation of Land and Buildings.

As per our Report of even date attached

For Ray & Ray
Chartered Accountants
Regn.No.301072E

Swetha Srinivasan
Partner
Membership No. 240553

Place : Chennai
Date : 03.06.2026
UDIN : 26240553JWSPJV1425

For and on behalf of the Board of Directors

T.A. Rajalaxmi
Director
DIN : 08148628

J. Rafiq Ahmed
Vice Chairman &
Managing Director
DIN : 02861341

Anil Kumar Padhiali
Company Secretary
Membership No. A53635

V Anand
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT

Rs. in Lakhs

	31st March 2026		31st March 2025	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) Before Tax and share of profit of associates for the year		(7,218.53)		(1,742.22)
Add:				
Net Depreciation		1,154.71		112.76
		(6,063.82)		**(1,629.46)**
Add / Less:				
Finance cost	360.36		189.99	
Provision Long Term			-	
Duty draw back & Creditors written back			24.46	
Interest received	(16.50)		(7.91)	
Bank Interest	(1.68)		(4.36)	
Discount Received			-	
Profit On Sale Of Asset	-		-	
Provision No Longer Required	-		-	
Provisions	59.08		15.44	
Other Income	-	401.25	-	217.61
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**(5,662.56)**		**(1,411.85)**
Movement In Working Capital:				
(Increase)/Decrease In Inventories	(931.92)		(631.71)	
(Increase)/Decrease In Trade Receivables	(2,871.04)		(377.97)	
(Increase)/Decrease In Financial Assets	7,738.97		(10,128.34)	
(Increase)/Decrease In Margin money with banks	-			
Increase/(Decrease) In Provisions	-		-	
Increase/(Decrease) In Borrowings	5,489.87		(2,833.28)	
Increase/(Decrease) In Trade Payables	226.00		391.91	
Increase/(Decrease) In Other current liabilities	(163.37)		7.89	
Increase/(Decrease) In Other Financial Liabilities	146.99	9,635.51	(523.18)	(14,094.68)
Cash Generated from Operating Activities		3,972.94		(15,506.53)
Direct Taxes Paid		-		125.40
Net Cash Flow From Operating Activities(A)		**3,972.94**		**(15,381.12)**
B) Cash Flow From Investing Activities				
Sale / (Purchase) of PPR and Intangibles	(3,001.67)		(1,063.83)	
(Increase)/Decrease In Goodwill	(10,989.80)			
Duty draw back & Creditors written back	-		(24.46)	

(Increase)/Decrease In Financial Assets	(1,165.10)		(164.71)	
(Increase)/Decrease In Margin money with banks	(2,161.70)		(92.83)	
Interest received	16.50		7.91	
Bank Interest	1.68		4.36	
Discount Received	-		-	
Profit On Sale Of Asset	-		-	
Provision No Longer Required	-		-	
Sale / (Purchase) of Investments	-		9.99	
Other Income	-	(17,300.09)	-	(1,323.57)
Net Cash Flow From Investing Activities (B)		**(17,300.09)**		**(1,323.57)**
B) Cash Flow From Financing Activities				
Increase in Equity share capital	765.18		**4,011.71**	
Security premium received	11,519.32		**14,875.46**	
Borrowings/(Repayment) Of Non Current Liabilities	-		-	
Borrowings/(Repayment) Of Long Term Borrowings	287.66		7.30	
Advances	-		-	
Other borrowings	-		-	
Interest Paid	(360.36)	12,211.80	(189.99)	18,704.48
Net Cash Flow From Financing Activities (C)		**12,211.80**		**18,704.48**
Net Increase In Cash And Cash Equivalents(A+B+C)		**(1,115.34)**		**1,999.79**
Cash And Cash Equivalent Opening Balance		2,077.05		77.26
Effect of Exchange Differences on Restatement of Foreign Currency Cash and Cash Equivalents		-		-
Cash And Cash Equivalent Closing Balance		**961.71**		**2,077.05**
Components Of Cash And Cash Equivalents				
Cash On Hand		8.12		6.16
Balances On Current Accounts		953.60		2,070.89
Total Cash And Cash Equivalents		**961.72**		**2,077.05**

Note:- The above cash flow statement has been prepared under "Indirect method " Set out in the Ind AS 7 - Cash flow statement.

Particulars	1-4-25	Cash Flow	Foreign exchange / others	31-3-26
Borrowing - Non-Current (including current maturities)	28.85	-	-	28.85
Borrowing - Current	476.12	-	-	476.12
Total	**504.97**	**-**	**-**	**504.97**

As per our Report of even date attached
For Ray & Ray
Chartered Accountants
Regn.No. 301072E
Swetha Srinivasan
Partner
Membership No. 240553
Place : Chennai
Date : 03.06.2026
UDIN : 26240553JWSPJV1425

For and on behalf of the Board of Directors

T.A. Rajalaxmi
Director
DIN : 08148628

J. Rafiq Ahmed
Executive Chairman &
Managing Director
DIN : 02861341

Anil Kumar Padhiali
Company Secretary
Membership No. A53635

V Anand
Chief Financial Officer

NOTES TO ACCOUNTS

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Kothari Industrial Corporation Limited ("KICL" or "the Company") is a listed company incorporated under the provisions of the Indian Companies Act 1956, on July 1, 1970. The Company is engaged in manufacturing and mixing of fertilizers, providing drone services, engaged in hotel activities, engaged in footwear and leather activities and has a network of distributors in the southern states and has developed a brand value recognized in the market place. The company has planned to develop a Container Terminal at Ennore.

The Company's shares are listed on 2 Recognised Stock Exchanges in India. The registered office of the Company is located at 114, Kothari Building, Mahatma Gandhi salai, Chennai - 600 034.

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates and all the values are rounded off to the nearest two decimal places, unless otherwise indicated.

2. SIGNIFICANT ACCOUNTING POLICIES :

(a) Statement of Compliance

These financial statements have been prepared in accordance with and have complied in all material respects with the Indian Accounting Standards("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act), the Companies (Indian Accounting Standards) Rules, 2015 and Companies Indian Accounting Standards) Amendment Rules, 2016 as applicable and also complied with other relevant provisions of the Act and Interpretations issued by the Ind AS Transition Facilitation Group (ITFG) applicable to Companies reporting under Ind AS and additional disclosures required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) Basis of measurement

The financial statements have been prepared on the accrual basis of accounting and under the going concern assumption, following the historical cost convention, except for certain assets and liabilities that are required to be measured at fair value in accordance with Ind AS.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are categorised within a three-level hierarchy based on the observability and significance of inputs used in the valuation:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability, reflecting the Company's own assumptions about market participant inputs.

Transfers between levels of the fair value hierarchy are recognised only when there is a change in circumstances that warrants such transfer.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle which is based on the nature of businesses and the time elapsed between deployment of resources and the realisation of cash and cash equivalents. The Company has considered an operating cycle of 12 months.

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

i. Expected to be realized or intended to be sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realized within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(c) Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under Ind AS and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Amounts in the financial statements are presented in Indian Rupee in lakhs rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee up to two decimals places.

(d) Use of estimates and critical accounting judgements

In the preparation of the financial statements, the Company makes judgements in the application of accounting policies; and estimates and assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

(e) Material Accounting Policies

Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset. Freehold land is carried at cost. All other items of property, plant and equipment including intangibles are carried at cost less accumulated depreciation/amortization losses, if any.

The cost includes the cost of replacing part of the property, plant and equipment meeting the recognition criteria and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment up to the date of commissioning of the assets. In accordance with Ind AS 16 - Property, Plant and Equipment commissioning expenses directly attributable to project is recognized under Capital Work in Progress (CWIP). Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Property, plant and equipment are evaluated for recoverability wherever there is any indication that their carrying value may not be recoverable. If any such indication exists, the recoverable amount being the higher of fair value less costs to sell and value in use is determined on an individual asset basis. In cases where the asset does not generate cash flows that are largely independent from other assets, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. In assessing value in use, the estimated future cash flows are discounted to their present value using a tax free discount rate that reflects current market assessment of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable value of an asset (CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable value. An impairment loss is recognised in the statement of profitand loss.

Depreciation in tangible assets is provided on Written Down Value method and calculated on cost of items of property, plant and equipment less their estimated residual value over their estimated useful life and recognised in the statement of profit and loss.

The estimated useful lives for the main categories of property, plant and equipment are :

Assets	Useful Life
Building	30 years
Computer	3 years
Plant & Machinery	8 years
Furniture & Fittings - General	10 years
Furniture & Fittings - Used in hotels, restaurants	8 years
Vehicles	10 years
Office Equipment's	5 years
Software and Other Intangibles	6 years

The Company reviews the useful life of property, plantand equipment, right-of-use assets and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

Intangible Assets

Intangible assets are recognized when it is probable that future economic benefits will flow to the Company and the cost can be reliably measured.

They are initially measured at cost and subsequently at cost less amortisation and impairment, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in the profit or loss as incurred. Amortisation is on a straight-line basis over the estimated useful life. Research costs are expensed as incurred; development costs are capitalized if criteria under Ind AS 38 are met. Assets with indefinite life or not yet in use are tested annually for impairment.

Intangible assets are evaluated for recoverability wherever there is any indication that their carrying value may not be recoverable. If any such indication exists, the recoverable amount being the higher of fair value less costs to sell and value in use is determined on an individual asset basis. In cases, where the asset does not generate cash flows that are largely independent from other assets, the recoverable amount is determined for the cash generating unit (CGU)to which the asset belongs. If the recoverable value of an asset (CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable value. An impairment loss is recognised in the statement of profit and loss.

Inventories

Inventories are valued at cost or net realisable value whichever is less. The cost of inventories includes expenditure incurred in acquiring the inventories, production or other conversion cost incurred in bringing them to their present location and condition. In the case of raw material and stock-in-trade cost comprises of cost of purchase, in the case of finished goods and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. In the case of trading inventories, cost comprises the cost of purchase and other incidental costs incurred in bringing them to their present location and condition. The company values its inventories using the First-In, First-Out (FIFO) method & its land using the Fair Market Value(Guideline Value).

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The net realisable value of work in progress is determined with reference to the selling price of related finished goods.

Investment Property

Property that is held for long-term rental yield or for capital appreciation or both is classified as investment property. Investment property is carried at cost including related transaction costs less accumulated depreciation and impairment losses, if any. Subsequent expenditure is included in the asset’s book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are expensed when incurred. When a part of an investment property is replaced, the carrying amounts of the replaced part is derecognized.

Borrowing Costs

Borrowing costs include finance costs calculated using the effective interest method, finance charges in respect of assets acquired on lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to finance costs.

In cases where hedging instruments are acquired for protection against exchange rate risk related to borrowings and are accounted as hedging a time-period related hedge item, the borrowing costs also include the amortisation of premium element of the forward contract and foreign currency basis spread as applicable, over the period of the hedging instrument.

Borrowing costs net of any investment income from the temporary investment of related borrowings that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/ inventorised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Cash and bank balances

Cash and bank balances include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short-term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

Share-based payment arrangements

The stock options granted to employees in terms of the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

The fair value of the stock options granted to employees of the Company by the Company's subsidiaries is accounted as employee compensation cost over the vesting period and where such fair value is not recovered by the subsidiaries, the same is treated as dividend declared by them. The share- based payment equivalent to the fair value as on the date of grant of employee stock options granted to key managerial personnel is disclosed as a related party transaction in the year of grant.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Securities premium

(i) Securities premium includes:

A. The difference between the face value of the equity shares and the consideration received in respect of shares issued.

B. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium.

Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets: Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement- Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in three categories:

- Debt instruments at amortized cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI); and
- Debt instruments at fair value through profit or loss (FVTPL).

Debt Instruments at Amortized Cost

A debt instrument is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cashflows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

Debt Instrument at FVTOCI

A debt instrument is classified as at FVTOCI if both the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned while holding FVTOCI debt instruments is reported as interest income using the EIR method.

Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as at FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity Instruments

- Equity instruments measured at fair value through profit or loss (FVTPL); and
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

(a) The rights to receive cash flows from the asset have expired, or

(b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(i) the Group has transferred substantially all the risks and rewards of the asset, or

(ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Group assesses on a forward- looking basis the expected credit losses associated with its assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. Assessment of such credit risk is being made on case to case basis based on available information.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The allowance for doubtful debts / advances or impairment of assets is made on case to case basis by considering relevant available information.

(b) Financial Liabilities- Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, as loans and borrowings, as payables, or as derivatives. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including redeemable preference shares and derivative financial instruments.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'.Gains or losses on liabilities held for trading are recognized in the profit or loss.

Impairment of assets

As at the end of each financial year, the carrying amounts of PPE, investment property, intangible assets and investments in subsidiary, associate and joint venture companies are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, PPE, investment property, intangible assets and investments in subsidiary, associate and joint venture companies are tested for impairment so as to determine the impairment loss, if any. Goodwill is tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value-in-use; and

(ii) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs of disposal and the value-in-use.(The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the Company and from its disposal at the end of its useful life. For this purpose, the discount rate (post-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount When an impairment loss recognised earlier is subject to full or partial reversal, the carrying amount of the asset (or cash generating unit), except impairment loss allocated to goodwill, is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

Employee benefits / Obligations

(i) Short term obligations

Liabilities for wages and salaries including non monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render their related services are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

(ii) Post employment obligations

The Company has the following post employment obligations / plans:

a) Defined benefit plans such as gratuity for its eligible employees

The cost of the defined benefit gratuity plan, post-employment medical benefits and other defined benefit plans and the present value of the obligation of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss not include an expected return on plan assets. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset.

Re-measurement gains or losses arising from experience adjustments and changes in actuarial assumption are recognized in the period in which they occur, directly in other comprehensive income (net of tax).

b) Defined contribution plans

The Company's contribution to state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service.

(iii) Other long-term employee benefits:

The obligation recognised in respect of other long-term benefits is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii)(B) above.

Long-term employee benefit costs comprising current service cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefits expenses. Interest cost implicit in long-term employee benefit cost is recognised in the Statement of Profit and Loss under finance costs.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit can no longer be withdrawn or when the Company recognises the related restructuring costs whichever is earlier.

Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits full flow to the Company and the revenue can be reliably measured, regardless of when payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it had pricing latitude and is also exposed to inventory and credit risks.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

(a) the customer simultaneously consumes the benefit of the Company's performance or

(b) the customer controls the asset as it is being created/ enhanced by the Company's performance or

(c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents, In all other cases, performance obligation is considered as satisfied at a point in time.

(i) Revenue from operations

A. Revenue from sale of goods

Revenue, including subsidy, in respect of sale of goods and services is recognized at a point in time when control of the goods has transferred or services obligation has been performed, being when the goods are delivered to the buyer, the buyer has full discretion over the goods or services and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods. Revenue (other than subsidy) from the sales is recognized based on price specified in the contract, net of estimated volume discount. Amounts disclosed as revenue are net of returns and allowances, trade discounts, rebates, and goods & services tax (GST). The Company collects GST on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

The Company includes variable consideration (including estimates amounts of claims) as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when its recovery is highly probable and that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract and costs incurred to fulfil a contract which are expected to be recovered are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Contract Assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company fulfils its performance obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade Receivables: A receivable represents the company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract Liabilities in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognized as revenue when the Company performs under the contract.

Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred. Other operational revenue represents income earned from the activities incidental to the business and is recognised when the performance obligation is satisfied and right to receive the income is established as per the terms of the contract.

Interest income on investments, deposits and loans is accrued on a time basis by reference to the principal outstanding and the effective interest rate including interest on investments classified as fair value through profit or loss or fair value through other comprehensive income. Interest receivable on customer dues is recognised as income in the Statement of Profit and Loss on accrual basis provided there is no uncertainty of realisation.

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Claims receivable on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

Government grants, which are revenue in nature and are towards compensation for the qualifying costs incurred by the Company, are recognised as other income/reduced from underlying expenses in profit or loss in the period in which such costs are incurred. Government grants related to an asset are reduced from the cost of an asset until the asset is ready to use and the grant post that is presented as deferred income. Subsequently the grant is recognised as income in profit or loss on a systematic basis over the expected useful life of the related asset. Government grant receivable in the form of duty credit scrips is recognised as other income in the Statement of Profit and Loss in the period in which the export is done or the application is made to the government authorities and to the extent there is no uncertainty towards its receipt.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

An item of income or expense which by its size, nature and incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

<u>Company as Lessee</u>

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognizes lease liabilities to make lease payments and right-of use assets representing the right to use the underlying assets.

<u>Right of use assets</u>

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets. The Right to use assets are also subject to impairment as described in the polices with respect to the impairment of non-financial assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the statement of Profit and loss.

Company as Lessor

The leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating Lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. During the year ended 31 March 2020, the Company applied, for the first time, Ind AS 116 Leases retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application.

Nature of the effect of adoption of Ind AS 116

The Company has lease contracts for Factory and Hotel Business. Before the adoption of Ind AS 116, the Company classified its leases (as lessor) at the inception date as an operating lease. In an operating lease, the leased property was not capitalized and the lease receipts/payments were recognized as rent income in the statement of profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognized under Prepayments and Trade and other payables, respectively.

Upon adoption of Ind AS 116, the company applied a single recognition and measurement approach for all leases that it is the lessee, except for short term, leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the company.

Business combinations

Common control business combination is accounted using the pooling of interest method where the Company is transferee. Assets and liabilities of the combining entities are reflected at their carrying amounts and no new asset or liability is recognised. Identity of reserves of the transferor company is preserved by reflecting them in the same form in the Company’s financial statements in which they appeared in the financial statements of the transferor company. The excess between the amount of consideration paid over the share capital of the transferor company is recognised as a negative amount and the same is disclosed as capital reserve on business combination.

The financial information in the financial statements in respect of prior periods is restated from the beginning of the preceding period inthe financial statements if the business combination date is prior to that date. However, if business combination date is after that date,the financial information in the financial statements is restated from the date of business combination.

Statement of cash flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- changes during the period in inventories and operating receivables and payables;
- non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available forgeneral use as at the date of Balance Sheet.

Earnings per share

Basic earnings per share is computed using the net profit or loss after tax and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit or loss after tax and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

Taxes on Income

Taxes on Income comprise current tax and deferred tax

The current tax expense for the period is the tax payable on the current period's taxable income computed at the applicable income tax rate and is recognized in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Current and deferred tax is recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for. Where the Company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised only when it is virtually certain that reimbursement will be received if the entity settles the obligation.

Contingencies

Contingent liability is disclosed in case of:

(i) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation arising from past events where:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are disclosed where an inflow of economic benefits is probable

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision for onerous contract/foreseeable losses.

Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on shares and other investments partly paid;
- funding related commitment to subsidiary, associate and joint venture companies; and
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

Discontinued operations and non-current assets held for sale

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a majorline of business.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

Investments in Subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Dividend to Shareholders

Final dividend distributed to equity shareholders is recognized in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognized when approved by the Board of Directors at the Board meeting. Dividend distributed (including interim dividend) is recognized in the Statement of changes in Equity.

Accounting and reporting of information for Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting:

i) Segment revenue includes sales and other operational revenue directly identifiable with/allocable to the segment including inter segment revenue.
ii) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment result.
iii) Most of the common costs are allocated to segments mainly on the basis of the respective segment revenue estimated at the beginning of the reporting period.
iv) Income and expense not allocable to segments is included in “Unallocable corporate income net of expenditure”.

v) Segment result represents profit before interest and tax and includes margins on inter-segment capital jobs, which are reduced in arriving at the profit before tax of the Company.

vi) Segment result includes the finance costs incurred on interest bearing advances with corresponding credit included in "Unallocable corporate income net of expenditure".

vii) Segment results are not adjusted for any exceptional item.

viii) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole.

ix) Segment non-cash expenses forming part of segment expenses also includes the fair value of the employee stock options which is accounted as employee compensation cost [Note 1(ii)(r) above] and is allocated to the segment.

x) Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price which are either determined to yield a desired margin or agreed on a negotiated basis.

Accounting Policy, Change in Accounting Estimates and Error

If the Material error occurred before the earliest prior period presented then entity shall correct the same retrospectively in the first set of financial statement approved for issue after the discovery after restating the opening balance of assets, Liabilities and equity for the earliest prior period presented.

Key sources of estimation

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions made by management are explained under respective policies. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value / recoverable amount measurement, tax provisions etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

Foreign Currency translation

Initial Recognition: Foreign currency transactions are recorded in functional currency using the exchange rate prevailing on the date of transaction

Subsequent recognition: As at the reporting date, monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences arising out of actual payment / realization and from the year end restatement are recognized in the statement of Profit and Loss.

Forward Contracts: Foreign exchange forward contracts outstanding at the year-end on account of firms commitment / highly probable forecast transactions are marked to market and the gains / losses, if any, are recognized in the Statement of Profit and Loss. The Company does not enter into any speculative transactions in derivatives.

Interim Financial Reporting (Ind AS 34)

The interim financial results are prepared in accordance with Ind AS 34 – Interim Financial Reporting, as notified under the Companies Act, 2013.The same accounting policies and methods of computation as followed in the annual financial statements have been applied.

Estimates used are consistent with those of the previous financial year unless stated otherwise. Interim results are not necessarily indicative of the full-year performance.

Note 3 Property, plant and equipment

Rs. in Lakhs

Current Year (FY 2025-26) Assets	Gross Block: As at April 1, 2025	Gross Block: Addition	Gross Block: Disposal	Gross Block: As at March 31, 2026	Depreciation: Opening Accumulated Depreciation	Depreciation: Depreciation / amortization for the year	Depreciation: Deductions / Other adjustments	Depreciation: Closing Accumulated Depreciation / Amortization	Impairment Loss: As at April 1, 2025	Impairment Loss: During the year	Impairment Loss: As at March 31, 2026	Net Block: As at March 31, 2026	Net Block: As at March 31, 2025
Property, plant and equipment													
Land	2,630.43	-	-	2,630.43	-	-	-	-	-	-	-	2,630.43	2,630.43
Building	10.43	169.61	-	180.04	2.05	20.12	-	22.17	-	-	-	157.87	8.38
Plant and Machinery	255.37	670.30	-	925.67	37.96	457.37	-	495.33	-	-	-	430.34	217.41
Furniture and Fixture	637.37	211.58	-	848.95	78.71	111.86	-	190.56	-	-	-	658.39	558.67
Vehicle	142.19	1,514.49	269.52	1,387.16	91.51	409.52	-	501.04	-	-	-	886.13	50.67
Office Equipment's	184.13	95.18	-	279.30	129.75	22.54	-	152.29	-	-	-	127.01	54.38
Electrical Equiptments	64.32	-	-	64.32	26.12	6.31	-	32.43	-	-	-	31.89	38.20
Computer	103.60	84.35	-	187.95	83.93	38.40	-	122.33	-	-	-	65.62	19.67
General Items / Kitchenware / Miscellaneous	70.89	511.48	-	582.37	17.89	53.60	-	71.50	-	-	-	510.88	53.00
Total Fixed Assets (A)	**4,098.74**	**3,256.98**	**269.52**	**7,086.20**	**467.93**	**1,119.71**	**-**	**1,587.64**	**-**	**-**	**-**	**5,498.56**	**3,630.81**
Intangible Assets													
Software	32.61	-	-	32.61	21.26	2.91	-	24.17	-	-	-	8.44	11.35
Trade mark	7.85	-	-	7.85	0.81	0.03	-	0.84	-	-	-	7.00	7.04
Other Intangible Assets	286.94	14.22	-	301.16	12.91	32.05	-	44.96	-	-	-	256.20	274.03
Total Intangible Assets (B)	**327.40**	**14.22**	**-**	**341.62**	**34.98**	**35.00**	**-**	**69.98**	**-**	**-**	**-**	**271.64**	**292.42**
Total Assets (A+B)	**4,426.14**	**3,271.20**	**269.52**	**7,427.82**	**502.91**	**1,154.71**	**-**	**1,657.62**	**-**	**-**	**-**	**5,770.20**	**3,923.24**

Previous Year (FY 2024-25) Assets	Gross Block: As at April 1, 2023	Gross Block: Addition	Gross Block: Disposal	Gross Block: As at March 31, 2024	Depreciation: Opening Accumulated Depreciation	Depreciation: Depreciation / amortization for the year	Depreciation: Deductions / Other adjustments	Depreciation: Closing Accumulated Depreciation / Amortization	Impairment Loss: As at April 1, 2023	Impairment Loss: During the year	Impairment Loss: As at March 31, 2024	Net Block: As at March 31, 2024	Net Block: As at March 31, 2023
Fixed Assets													
Land	2,630.43	-	-	2,630.43	-	-	-	-	-	-	-	2,630.43	2,630.43
Building	6.04	4.39	-	10.43	1.60	0.45	-	2.05	-	-	-	8.38	4.44
Plant and Machinery	149.49	119.01	13.13	255.37	29.79	8.17	-	37.96	-	-	-	217.41	84.02
Furniture and Fixture	168.13	469.24	-	637.37	47.98	30.73	-	78.71	-	-	-	558.67	120.58
Vehicle	115.33	26.86	-	142.19	78.74	12.78	-	91.51	-	-	-	50.67	72.27
Office Equipment's	147.55	36.58	-	184.13	122.78	6.97	-	129.75	-	-	-	54.38	24.77
Electrical Equiptments	34.81	29.52	-	64.32	22.94	3.18	-	26.12	-	-	-	38.20	-
Computer	81.14	22.46	-	103.60	60.46	23.46	-	83.93	-	-	-	19.67	32.55
General Items / Kitchenware / Miscellaneous	5.15	65.75	-	70.89	4.73	13.17	-	17.89	-	-	-	53.00	-
Total Fixed Assets (A)	**3 ,338.08**	**773.79**	**13.13**	**4,098.74**	**369.02**	**98.91**	**-**	**467.93**	**-**	**-**	**-**	**3,630.81**	**2,969.06**
Intangible Assets													
Software	22.52	10.09	-	32.61	20.76	0.50	-	21.26	-	-	-	11.35	3.11
Trade Mark	1.72	6.13	-	7.85	0.37	0.44	-	0.81	-	-	-	7.04	-
Other Intangible Assets	-	286.94	-	286.94	-	12.91	-	12.91	-	-	-	274.03	-
Total Intangible Assets (B)	**24.24**	**303.16**	**-**	**327.40**	**21.13**	**13.85**	**-**	**34.98**	**-**	**-**	**-**	**292.42**	**3.11**
Total Assets (A+B)	**3,362.31**	**1,076.95**	**13.13**	**4,426.14**	**390.15**	**112.76**	**-**	**502.91**	**-**	**-**	**-**	**3,923.24**	**2,972.15**

Notes :

1. There were no Capital work in progress as on 31st March 2026 (31st March 2025: Nil)
2. a) The Company does not have any benami property, and no proceedings have been initiated or are pending against the Company.
   b) The title deeds of all immovable properties disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
3. The company has not revalued any property, plant and equipment or intangibles during the year. (31st March 2025: Nil)
4. The Company had applied to SIPCOT for allotment of land at Melur, Tamil Nadu, costing ₹32.13 crores, for the purpose of setting up a factory. The allotment letter was received on 26 February 2026, requiring payment of the net allotment value along with caution deposit on or before 24 March 2026. The Company requested an extension of time and subsequently made the payment on 24 May 2026, together with interest of ₹31 lakhs.
   As no formal agreement was executed during FY 2025–26, the Company has evaluated the applicability of Ind AS 116 and decided to recognize the lease arrangement with effect from FY 2026–27. The interest payment of ₹31 lakhs represents a non adjusting event under Ind AS 10, as the liability arose subsequent to the reporting date. Accordingly, no adjustment has been made in the financial statements for the year ended 31 March 2026.

Rs. in Lakhs

4.		31st March 2026	31st March 2025
	Goodwill		
	Opening balance	-	-
	Add: Goodwill on business combination (refer note 2.23)	1,192.89	-
	Less: Impairment loss	-	-
	Total	**1,192.89**	**-**

The increase during the year is primarily attributable to goodwill recognized on the acquisition of Parveen Roadways amounting to Rs. 1,192.89 lakhs (refer note 2.23) which is allocated to the Logistics cash-generating unit.

For the purpose of impairment testing goodwill acquired on business combination is entirely allocated to the CGUs which benefit from the synergies of acquisition cash-generating unit. The company internally reviews the goodwill for impairment at the operating segment level, after allocation of goodwill to the CGUs.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of CGU as at 31 March 26 is determined based on an independent valuers report dated 19 February 2025. Value-in-use is determined based on discounted future cash flows, with a perpetual growth rate assumed at 4.00% and the discount rate assumed at 20.78%.

As at 31 March 26, the estimated recoverable amount of CGU exceeds its carrying amount. Reasonable sensitivites in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the CGU.

5.		31st March 2026	31st March 2025
	Non-Current Investments		
	Investments in Equity instruments		
	- 52,000 shares of Karthikeyan Logistics Ltd @ Rs. 10 each fully paid	-	-
	- #9,994 shares of Kothari Marine International Limited @ Rs. 10 each fully paid	-	-
	- 1,900 share in Kothari's My Park King Solutions Private Limited @ Rs. 10 each fully paid	0.19	0.19
	Investments in Associates		
	- 11,79,02,900 share in Phoenix Kothari Footwear Private Limited @ Rs. 10 each fully paid	13,896.37	-
	Less: Share of loss during the year	(4,099.46)	-
	Less: Investment provision	-	-
	Total	**9,797.10**	**0.19**

Note: Shares of karthikeyan logistics was sold at cost during FY 25 and corresponding provison was reversed.

The Company sold its entire shareholding of 99,994 equity shares in Kothari Marine International Limited on 5th March 2025 through a Delivery Instruction Slip (DIS). Following this transaction, Kothari Marine International Limited ceased to be a subsidiary of the Company effective the same date. Hence, no consolidated financial statements have been presented by the Company.

The Group accounts for its investment in the associate using the equity method in accordance with Ind AS 28, the investment is initially recognised at cost and subsequently adjusted for the Group's share of the post-acquisition profits or losses and other comprehensive income of the associate. Dividends received from the associate reduce the carrying amount of the investment.

During the year, the Company acquired 30% equity interest in Phoenix Kothari Footwear Private Limited for a consideration of Rs. 13.896.37 lakhs. Based on the level of ownership and representation on the Board of Directors, the investment has been classified as an investment in an associate in accordance with Ind AS 28. The associate

Rs. in Lakhs

is currently in the pre-commercialisation phase and has incurred losses during the year as part of its establishment and development activities. Accordingly, the Group has recognised its share of such losses and reduced the carrying amount of the investment.

Management assessed the investment in the associate for impairment in accordance with Ind AS 36. Based on the valuation report prepared by an independent valuer dated 10 February 2025 and management's assessment of the value-in-use, no impairment provision has been recognised as the recoverable amount exceeds the carrying amount of the investment.

All the above investments are carried at cost.

6.		**31st March 2026**	**31st March 2025**
	Long Term Loans and Advances		
	Secured considered good		
	Capital Advances	-	-
	Security Deposits	1,424.82	1,063.01
	Loans and advances to related parties	-	-
	Sub Total	1,424.82	1,063.01
	Unsecured considered good/Doubtful	-	-
	Sub Total	-	-
	Total	**1,424.82**	**1,063.01**

7.		**31st March 2026**	**31st March 2025**
	Other Financial Assets		
	Unbilled Receivables	803.29	-
	Receivable from Government Authorities	80.78	80.78
	Total	**884.06**	**80.78**

The unbilled receivables balance primarily pertains to revenue recognized in respect of contracts acquired pursuant to the acquisition of Parveen Roadways. Upon acquisition, the Company applied to the respective government authorities for change of the contracting entity's name from Parveen Roadways to Kothari Industrial Corporation Limited. Billing could not be undertaken as the approval for change of the contracting entity's name with the respective government authorities is pending. The Company expects to raise the invoices upon receipt of the necessary approval.

Receivable from Governnment Authorities represents subsidy receivable amounting to Rs. 80.78 lakhs, pertaining to the financial year 2013-14. The Company is actively pursuing the necessary documentation to facilitate the receipt of this subsidy, ensuring its appropriate accounting treatment in accordance with Indian Accounting Standard 20. Confirmation of balance from Government department is awaited.

8.		**31st March 2026**	**31st March 2025**
	Deferred Tax (Net)		
	Deferred Tax Asset	45.39	45.39
	Total	**45.39**	**45.39**

Deferred Tax Assets have not been recognized additionally in the financial statements in compliance with the principle of prudence as prescribed under Ind AS 12 – Income Taxes. Although the Company has carry-forward losses and other deductible temporary differences, the management, based on its evaluation of available evidence and projections, has determined that recognition of such deferred tax assets is not appropriate at this stage. Accordingly, no deferred tax asset has been recognized in the books of account. The position will be reviewed periodically and such assets will be recognized when reasonable certainty exists regarding their realization.

Rs. in Lakhs

9.		31st March 2026	31st March 2025
	Inventories		
	Work in progress	-	-
	Finished goods	572.53	523.63
	Stock in trade(Land)	51.93	51.93
	Stock in trade	1,028.04	156.79
	- Packing Materials	49.89	38.11
	Total	**1,702.39**	**770.47**

10.		31st March 2025	31st March 2024
	Trade receivables		
	Unsecured, considered good		
	- Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
	*- Others Debtors receivable	3,475.29	568.15
	Debtor provision	(51.72)	(15.61)
	Total	**3,423.58**	**552.54**

*Confirmation of balance is awaited

(i) Trade Receivables ageing Schedule - Year ended 31st March 2026

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,685.21	1,124.08	657.51	2.73	5.77	3,475.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less : Provision for the year ended	-	-	(49.71)	(0.22)	(1.79)	(51.72)
Total	**1,685.21**	**1,124.08**	**607.81**	**2.51**	**3.98**	**3,423.58**

Rs. in Lakhs

(ii) Trade Receivables ageing Schedule - Year ended 31st March 2025

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	486.96	2.03	17.34	51.13	10.69	568.15
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less : Provision for the year ended	-	-	(6.33)	(4.47)	(4.81)	(15.61)
Total	**486.96**	**2.03**	**11.01**	**46.66**	**5.88**	**552.54**

11.		31st March 2026	31st March 2025
	Cash and cash equivalents		
	Balances with banks		
	- In current account	953.60	2,070.89
	Cash in hand	8.12	6.16
	Total	**961.72**	**2,077.05**

12.		31st March 2026	31st March 2025
	Other Bank balances		
	other current account	2,279.07	88.98
	Balances with banks to the extent held as margin money	13.72	42.11
	Total	**2,292.79**	**131.10**

Rs. in Lakhs

13.		31st March 2026	31st March 2025
	Other Financial assets		
	Loans and advances unsecured and considered good		
	Advances		
	Parveen Roadways (P) Ltd	37.50	80.46
	Advance to employees (net)	15.31	12.12
	Parveen Roadways*	-	2,404.00
	Mr. Rafiq Ahmed**	-	7,000.00
	Other Advances (Net)	149.39	946.40
	Total	**202.20**	**10,442.98**

***Acquisition of Parveen Roadways**

The Company has acquired Parveen Roadways, a sole proprietorship firm engaged in logistics and railway-related services, for a consideration of Rs. 24.04 crores (Paid as an advance on 28/03/2025) through a business transfer agreement dated 8th April 2025. The business includes over 100 vehicles (such as tippers, trailers, buses, and forklifts) and a workforce of approximately 500 employees. Major clients include Integral Coach Factory, Southern Railways, Port Trusts, and Aavin Milk Factory.

****Strategic Investment in Phoenix Kothari Footwear Limited (PKFL)**

The Company has entered into an agreement in FY 24-25 to acquire 30% equity stake in Phoenix Kothari Footwear Limited (PKFL) from Mr. Rafiq Ahmed for a total consideration of Rs. 9,906 lakhs. PKFL is a reputed contract manufacturer for global footwear brands such as CROCS and Adidas. This strategic investment is aimed at strengthening KICL's global supply chain presence and supporting PKFL's growth and innovation initiatives in the footwear sector. Advance of Rs. 7,000 lakhs was given during the said year for this purpose. Subsequently, the advance was adjusted in FY 25-26.

14.		31st March 2026	31st March 2025
	Current tax assets (net)		
	- Advance Income tax	164.64	153.76
	Total	**164.64**	**153.76**

15.		31st March 2026	31st March 2025
	Other Current Assets		
	Prepaid Insurance	5.37	2.64
	Kothari (Madras) International Ltd., Chennai - Trade Advance	3,145.43	-
	Advance from Vendors	0.00	756.40
	Other Recoverable Deposits	99.17	-
	Total	**3,249.97**	**759.04**

16. (a) Equity share Capital

	Particulars	As at 31.03.2026		As at 31.03.2025	
		Number of Shares	Amount (Rs. in Lakhs)	Number of Shares	Amount (Rs. in Lakhs)
	Authorised				
	Equity shares of Rs 10 each	1,50,00,000	7,500.00	1,50,00,000	7,500.00
	Issued, subscribed and fully paid up				
	Equity shares of Rs 10 each	10,80,21,773	5,401.09	9,27,18,105	4,635.91

Rs. in Lakhs

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

	Particulars	As at 31.03.2026		As at 31.03.2025	
		Number of Shares	Amount (Rs. in Lakhs)	Number of Shares	Amount (Rs. in Lakhs)
	Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	9,27,18,105	4,635.90	1,24,83,885	624.19
	Add: Shares issued during the year	1,53,03,668	765.18	8,02,34,220	4,011.71
	Less: Reduction during the Year*	Nil	Nil	Nil	Nil
	Issued, subscribed and fully paid up equity shares outstanding at the end of the year	10,80,21,773	5,401.09	9,27,18,105	4,635.90

***Reduction of share capital as per NCLT Order**

(c) Rights, Preferences and restrictions attached to equity shares

Each shareholder is entitled to one vote per share and dividend when declared. Other rights are governed by the Articles of Association of the Company and the Companies Act 2013.

(d)	Details of Shares held by share holders holding more than 5% of the aggregate shares in the company				
		31st March 2026		31st March 2025	
		Percentage	No.of Shares	Percentage	No.of Shares
	Equity Shares				
	*Mr. Pradip D Kothari		-	1.47%	13,66,288
	*Life Insurance corporation of India		-	1.53%	14,14,629
	F J Global Trading and Investment	6.53%	70,56,000	7.61%	70,56,000
	*Mr. A. Sahabudeen		-	1.00%	9,29,793
	Mr. Rafiq Ahmed	44.90%	4,85,05,946	44.86%	4,15,90,734
	Total		**5,55,61,946**		**5,23,57,444**

***Holding less than 5% as on 31.03.2025 and 31.03.2026**

(e) Shares held by Promoters and Promoter Group

Sr. No.	Promoter and Promters group name	As on 31st March 2026		As on 31st March 2025		% Change during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	Pradip D. Kothari	13,66,288	1.47	13,66,288	1.47	-
2	Surekha P. Kothari	1,11,323	0.12	1,11,323	0.12	-
3	Maya D. Kothari	76,410	0.08	76,410	0.08	-
4	Mitali P. Kothari	1,68,090	0.18	1,68,090	0.18	-
5	Piyali P. Kothari	2,03,056	0.22	2,03,056	0.22	-
6	Antara P. Kothari	1,80,492	0.19	1,80,492	0.19	-
7	Asha Thayer	1,03,890	0.11	1,03,890	0.11	-
8	Solaman Investments	3,60,000	0.39	3,60,000	0.39	-

Rs. in Lakhs

9	Kothari & Sons Nominees Pvt. Ltd.,	1,07,526	0.12	1,07,526	0.12	-
10	G. Mohan Das	450	-	450	-	-
11	N.K. Sukkal	450	-	450	-	-
12	N.Ravichandran	60	-	60	-	-
13	N. Santharam	1	-	1	-	-
14	A.R. Raja	1	-	1	-	-
15	D. Ravindra Reddy	1	-	1	-	-
16	A.RabindranSwamidason	-	-	-	-	-
17	K.Santhanam	-	-	-	-	-
18	T.Sankaran	-	-	-	-	-
19	Rafiq Ahmed	4,85,05,946	44.90	4,15,90,734	44.86	0.04
	Total	**5,11,83,984**	**47.78**	**4,42,68,772**	**47.74**	**0.04**

Additional Disclosures

Out of the Paid-up Capital

(i) 22,25,850 Equity Shares of Rs.10/- each were allotted as fully paid on amalgamation in February 1972 for consideration other than cash.

(ii) 8,29,760 Equity Shares of Rs.10/- each fully paid were allotted for consideration other than cash to certain financial institutions on conversion of part of secured loans, in the year 1981.

(iii) 20,00,000 Equity Shares of Rs.10/- each fully paid were allotted for consideration other than cash on 01.10.1983 as per the terms of issue to the holders of 13.5% Convertible Secured Debentures issued to the Public.

(iv) 45,68,200 Equity Shares of Rs.10/- each were allotted on 25.08.93 as fully paid on part conversion of 16% Secured Partly convertible Redeemable Debentures allotted on 25.02.93.

(v) In accordance with the shareholders' consent obtained at the 39th Annual General Meeting held on 14th December 2009, the company allotted 66,27,000 equity shares of Rs. 5/- each, aggregating to Rs. 331.35 lakhs, to promoters and associates on 31st March 2016.

Subsequently, these shares were cancelled based on the order of the National Company Law Tribunal (NCLT) dated 10th May 2024.

(vi) The consent terms filed on 05.03.2000 with the Supreme Court and decreed by the said Court in the matter of share allotment and sale of 5The consent terms filed on 05.03.2000 with the Supreme Court and decreed by the said Court in the matter of share allotment and sale of 5.33 grounds of land effects of the decree has not been considered in the books of accounts of the company, since the consent decree terms are yet to be implemented. A suit has since been filed in Madras High Court for implementation of the scheme.

(vii) During the year, NCLT, Chennai vide its order dated 10.05.2024 had allowed for reduction of share capital from Rs. 9,55,54,425 to Rs. 6,24,19,425. Pursuant to NCLT order on reduction of capital, Promoters and Promoters group holding reduced from 93,05,038 to 26,78,038 shares.

(viii) During the year 2024-2025 the Company made the following Preferential allotments of 3,00,00,000 shares as on 29.07.2024, 3,52,00,000 shares as on 20.01.2025 and 1,50,34,220 shares as on 27.03.2025.

(ix) During the year 2025-2026 the Company made the following Preferential allotments of 10,15,000 shares as on 08.04.2025,1,27,37,600 shares as on 23.07.2025, 4,20,000 shares as on 02.08.2025 and 11,31,068 shares as on 29.11.2025.

Rs. in Lakhs

17.		31st March 2026	31st March 2025
	Reserves and Surplus		
	Capital Reserves	2,631.90	2,631.90
	Capital Redemption Reserves	349.35	349.35
	Revenue reserves		
	Retained Earnings	(13,831.44)	(6,626.55)
	Fixed Asset Reserves	24.10	24.10
	Debenture Redemption Reserves		
	Revaluation Reserves	2,164.72	2,164.72
	Other Reserves		
	Security Premium	26,394.78	14,875.46
	Total	**17,733.41**	**13,418.98**

18.		31st March 2026	31st March 2025
	Long-term borrowings		
	Secured		
	Term Loans		
	- From Banks (Non - Current)	316.51	28.85
	Total	**316.51**	**28.85**

Term loan of Rs. 29 lakhs from ICICI Bank is taken for purchase of vehicle at interest rate of 9.10% repayable in 48 installments. Secured on a first charge on the Vehicle and the creation of charge has been filed with the ROC.

Term loan of Rs. 22 lakhs from HDFC Bank is taken for purchase of vehicle at interest rate of 9.01% repayable in 39 installments commencing from 07/01/2025. Secured on a first charge on the Vehicle and the creation of charge has been filed with the ROC.

The Company has used the borrowings from banks and financial institutions for the specific purpose for which they were obtained.

No loans have been guaranteed by the Directors of the Company or any other person.

19.		31st March 2026	31st March 2025
	Current borrowings		
	Secured		
	Term Loans	-	
	- Current maturities of long term boprrowings from Banks	214.38	13.23
	Unsecured		
	- From Promoters	180.95	180.95
	- From Related party	281.94	281.94
	- Others	5,288.73	-
	Total	**5,965.99**	**476.12**

Rs. in Lakhs

Interest free borrowings from promoters and related parties are repayable on demand.

The Company has availed unsecured loans amounting to Rs. 5,388.73 lakhs from the following parties. These loans carry interest at 24% per annum and are repayable as per the terms of the respective loan agreements.

Lender	Amount
1. Sheetala Credit Holding Private LTD	1,727.00
2. Satluj Credit Holding Private LTD	3,461.73
3. Transworld Breweries and Distilleries Private LTD	200.00
4. Kamalam Medical Corporation	100.00

20.		31st March 2026	31st March 2025
	Provisions		
	Non Current - Due to Gratuity	65.69	30.00
	Provision for Leave Encashment	7.03	-
	Current - Due to Gratuity	9.87	7.16
	Total	**82.60**	**37.16**

The Company's liability towards Gratuity to employees has been provided in accordance with the Indian Accounting Standard No. 19 on "Retirement Benefits".

21.		31st March 2026	31st March 2025
	Trade Payables		
	Total outstanding dues of micro and small enterprises	4.39	3.38
	Total outstanding dues of creditors other than micro and small enterprises	997.94	772.95
	Total	**1,002.33**	**776.33**

(i) Trade Payable ageing Schedule - year ended 31st March 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) MSME	4.39	-	-	-	4.39
(ii) Others	997.94	-	-	-	997.94
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	**1,002.33**	**-**	**-**	**-**	**1,002.33**

(ii) Trade Payable ageing Schedule - year ended 31st March 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) MSME	3.38	-	-	-	3.38
(ii) Others	772.95	-	-	-	772.95
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	**776.33**	**-**	**-**	**-**	**776.33**

Rs. in Lakhs

(iii) Disclosure required under the Micro, Small & Medium Development Act, 2006

	Amount as on	
	31st March of Current Year	31st March of Previous Year
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
(a) Principal amount due	4.39	3.38
(b) Interest due on above		
ii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
iii) 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 MSMED Act, 2006.		
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.		
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.		

22.		31st March 2026	31st March 2025
	Other Financial Liabilities		
	Statutory dues including PF and TDS	258.75	50.64
	Salaries & Wages Payable	267.66	110.51
	Income Tax Provisions	-	-
	Outstanding Expenses payable	59.79	74.66
	Others	23.62	227.03
	Total	**609.82**	**462.83**

Other Short term amounting to ₹160.10 lakhs primarily comprise expenses payable, employee and management-related payables, professional and service fees payable, provisions and other miscellaneous liabilities outstanding as at the reporting date. Material items have been presented separately based on their nature and materiality.

23.		31st March 2026	31st March 2025
	Other Current liabilities		
	Advances from Customers	-	163.37
	Total	**-**	**163.37**

Rs. in Lakhs

24.		31st March 2026	31st March 2025
	Revenue from Operations (for companies other than a finance company)		
	Revenue from - Sale of Fertilisers	3,170.31	1,084.55
	Other operating revenue *	177.27	336.85
	Revenue from - Sale of Food	1,670.01	1,338.74
	Revenue from - Sale of Footwear	10,085.20	5,830.14
	Revenue from - Leather and Packings Material	19.32	73.31
	Revenue from - logistics, facilities and Drone services	2,708.24	-
	Total	**17,830.36**	**8,663.59**

*** Operating revenue includes Lease Rental Income**

25.		31st March 2026	31st March 2025
	Other Income		
	Rent received	240.74	-
	Bank Interest Received	1.68	4.36
	Royalty Receipts	-	6.78
	Discount received	24.84	-
	- Other Income	76.35	85.50
	Total	**343.62**	**96.64**

26.		31st March 2026	31st March 2025
	Changes in inventory of finished goods and Work in progress		
	(Increase)/decrease in stock:		
	Stock at the end of the year:		
	Finished goods	1,600.56	680.42
	Land held as stock-in-Trade	51.93	51.93
	- Packing Materials	11.78	-
	Total A	**1,664.27**	**732.35**
	Stock at the beginning of the year:		
	Finished goods	680.42	86.82
	Land held as stock-in-Trade	51.93	51.93
	Total B	**732.35**	**138.75**
	Total	**(931.92)**	**(593.60)**

Note : Stock-in-trade includes land located in Conoor, valued at a cost of Rs. 51.93 lakhs. The valuation of this land is based on the historical cost method. This cost-based valuation reflects the purchase price and any related costs incurred to acquire the land. There has been no revaluation or impairment of the land in the current financial period.

27.		31st March 2026	31st March 2025
	Employee Expense		
	Salaries and wages	3,382.71	925.12
	Gratuity	36.05	15.86
	Contribution to PF	188.72	29.64
	Expense on Employees stock option scheme (ESOP) and Employee stock purchase plan (ESPP)	-	-
	Staff welfare expenses	1.91	49.43
	Total	**3,609.39**	**1,020.05**

Rs. in Lakhs

28.		31st March 2026	31st March 2025
	Finance Costs		
	Interest	360.36	189.99
	Other borrowing costs	-	-
	Applicable net gain/ loss on foreign currency transactions/ translation	-	-
	Total	**360.36**	**189.99**

29.		31st March 2026	31st March 2025
	Other Expenses		
	Consumption of stores and Packing Materials	-	-
	Power and fuel	402.16	29.27
	Rent	719.46	295.91
	Audit Fees		
	- Statutory Audit	4.00	4.00
	- Tax Audit	1.50	1.00
	- Other Audit	5.50	1.50
	Repairs to buildings	28.07	50.62
	Repairs others	79.12	80.16
	Director Sitting Fee	7.40	-
	Insurance	5.27	2.09
	Rates & Taxes	5.45	0.14
	Travelling expenses	221.41	196.79
	Telephone expenses	15.17	7.57
	Postage & Courier	10.54	14.21
	Conveyance	386.14	34.05
	Security charges	35.27	30.36
	Printing & Stationery	28.57	10.56
	Professional Charges	464.31	290.91
	Bank charges	15.55	3.15
	Selling Expenses	693.11	394.09
	Office Maintenance	93.02	71.36
	Other Manufacturing expenses	521.69	185.19
	Provision for Debtors	36.11	13.67
	Advertisement Charges	108.49	254.05
	Legal Charges	1.26	13.08
	Royalty Receipts	5.05	-
	Share Capital - Preliminary Expenses	-	40.00
	Other Expenses	395.81	315.16
	Total	**4,289.44**	**2,338.89**

Rs. in Lakhs

30.	Earnings / (Loss) per Share - Calculation of weighted average number of Equity Shares of Rs. 5 each:		
	Particulars	**31st March 2026**	**31st March 2025**
	Profit after tax as per Statement of Profit and Loss (Rs. in Lakhs)	(7,218.53)	(1,616.82)
	Opening number of shares	9,27,18,105.00	1,24,83,885.00
	Add: shares issued during the year	1,53,03,668.00	8,02,34,220.00
	Closing number of shares of Rs. 5/- each	10,80,21,773.00	9,27,18,105.00
	Weighted average number of shares	10,31,67,438.05	3,97,56,134.59
	Basic Earnings (in Rupees) per Shares	(7.00)	(4.07)
	Diluted Earnings(in Rupees) per Share	(7.00)	(4.07)

31.	**Related Parties Disclosure: Particulars of transaction with related parties**		
	Description	**31st March 2026**	**31st March 2025**
	(a) Remuneration with Key Managerial Personnel		
	Mr. Rafiq Ahmed	197.25	60.00
	Mr. Hari Kishore	10.42	35.10
	Mr. Anil Kumar Padhiali	23.21	18.20
	Mr. V. Anand	21.20	0
		252.08	113.30
	(b) Payment to Directors (Sitting Fees)		
	Mr. D Gunasekaran	1.80	-
	Mr. V Anburaj	0.50	0.40
	Mr. Ravi Kumar	1.90	-
	Mr. Gnansambandam Venkatraghavan	3.00	-
	Mrs. Priya Rao	0.20	-
	Total	**7.40**	**0.40**

Name of the Key Management Personnel and Directors:

(i) Mr. Rafiq Ahmed - Executive Chairman and Managing Director

(ii) Mrs. Priya Rao - Independent Director (Appointed w.e.f. 16-02-2026)

(iii) Mr. Ravi Kumar- Independent Director- Resigned w.e.f. 30.05.2026

(iv) Mr. Gnansambandam Venkatraghavan - Independent Director (Appointed w.e.f. 15-02-2025)

(v) Mrs. T A Raja Laxmi- Non independent Director (Appointed w.e.f. 11-06-2018)

(vi) Ms. Rafiq Ahmed Sulaiha Banu- Non independent Director (Appointed w.e.f. 20-03-2026)

(vii) Mr. Anil Kumar Padhiali - Company Secretary (Appointed w.e.f. 19-03-2018)

(viii) Mr. Viruthagiri Anand - Chief Financial Officer (Appointed w.e.f. 28-10-2025)

(ix) Mr. Hari Kishore- Chief Financial officer (Resigned w.e.f. 16.08.2025)

Rs. in Lakhs

Related parties under IND AS 24 with whom transactions have taken place during the year:

Name of the Related Party	Nature of relationship
Rafiq Ahmed	Mr. Rafiq ahmed is Managing direrctor of the company.
Kothari's My Park King Solutions Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Phoenix Kothari Footwear Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
Top Guard International Security Force Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Parveen Roadways Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Flyeasy Aviation Services Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
Kothari Marine International Limited	Mrs. T.A Rajalaxmi is director in the related party company.
JR Trading WLL	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
JR One Kothari Footwear Private Ltd	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Evervan Kothari Footwear Private Ltd	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Phoenix Kothari infrastructure Developer Limited	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
Gemini Minerals Private Ltd	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.
GEMINI LEGAL CONSULTANTS PRIVATE LIMITED	Mr. Rafiq Ahmed, Managing director of the company is director and shareholder in the related party company.

Rs. in Lakhs

Nature of Transaction	31st March 2026	31st March 2025
a) Transaction during the year		
Sales of goods and Service:		
JR One Kothari Footwear Private Limited	882.19	96.83
Top guard International Security Force Private Limited	4.25	5.56
Flyeasy Aviation Services Private Limited	428.34	-
Evervan Kothari Footwear Private Limited	27.21	-
Phoenix Kothari Infrastructure Developer Private Limited	1.63	-
Parveen Roadways Private Limited	35.78	
JR Trading WLL	14.09	
Maintenance Services		
Phoenix Kothari Footwear Private Limited	53.63	82.21
Purchase of goods and Service:		
Parveen Roadways Private Limited	232.55	-
Top guard International Security Force Private Limited	31.21	30.36
JR One Kothari Footwear Private Limited	15.93	-
Gemini Legal Consultants Private Limited	39.29	-
b) Balances outstanding as at year end		
Investment		
Kothari's My Park King Solutions Private Limited	0.19	0.19
Phoenix Kothari Footwear Private Limited	13,896.37	-
Security Deposit		
Parveen Roadways Private Limited	795.83	795.83
Gemini Mineral Pvt Ltd	7.91	7.91
Loans & Advances		
Parveen Roadways	-	2,404.00
Parveen Roadways Private Limited	37.50	140.34
Kothari's My Park King Solutions Private Limited	26.76	26.76
Flyeasy Aviation Services Private Limited	-	-
Phoenix Kothari Footwear Private Limited	-	7,000.00
Trade Receivables		
JR One Kothari Footwear Private Limited	329.19	1.99
Phoenix Kothari Footwear Private Limited	1.49	1.06
Flyeasy Aviation Services Private Limited	427.36	
Evervan Kothari Footwear Private Limited	5.36	
Phoenix Kothari Infrastructure Developer Private Limited	0.76	
Kothari Marine International Limited	8.50	-
Trade Payables		
Gemini Fertilizers	0.00	0.00
Top Guard International Security Force Private Limited	7.13	3.38
Gemini Legal Consultants Private Limited	-	39.29
Loan		
Rafig Ahmed - Managing Director	-	-
Financial Costs & Other receivables		
Rafig Ahmed - Managing Director	38.15	
Rafig Ahmed - Managing Director	37.72	154.02
Advance Payable		
Gemini Iron and Steel Private Limited	-	-

Note:
Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
(a) repayable on demand; or - NIL
(b) without specifying any terms or period of repayment - NIL

32. Ratio Analysis

S.No.	Particulars	31st March 2026	31st March 2025	% of changes	Reason for variance
1.	**Current Ratio**				
	Numerator				
	Current Assets				
	(a) Inventories	1702.39	770.47		
	(i) Trade receivables (Net)	3423.58	552.54		
	(ii) Cash and cash equivalents	961.72	2077.05		
	(iii) Bank balances other than (ii) above	2292.79	131.10		
	(iv) Others	202.20	10442.98		
	(b) Current tax assets (net)	164.64	153.76		
	(c) Other current assets	3249.97	759.04		
	Total	11997.28	14886.93		
	Denominator				
	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	5965.99	476.12		
	(ii) Trade payables - Others (Net)	0.00	0.00		
	Micro & small enterprises	4.39	3.38		
	Other than micro & small enterprises	997.94	772.95		
	(iii) Other Financial Liabilities	609.82	462.83		
	(b) Other Current liabilities	0.00	163.37		
	(c) Provisions	16.90	7.16		
	Total	7595.04	1885.81		
	Ratio				
	Current Assets/Current Liabilities	1.58	7.89	(0.80)	Current ratio decreased mainly due to Decreased in Other Financial Asset
2.	**Debt Equity Ratio**				
	Numerator				
	Debt				
	Total Outside Liabilities				
	Non Current Liabilities	382.21	58.84		
	Current Liabilities	7595.04	1885.82		
	Total	7977.25	1944.66		
	Denominator				
	Equity				
	Paid Up Capital + Reserves	23134.50	18054.89		
	Ratio				
	Outside Liabilities/Equity	0.34	0.11	2.20	Debt-Equity ratio increased due to an increase in total outside liabilities.

Rs. in Lakhs

S.No.	Particulars	31st March 2026	31st March 2025	% of changes	Reason for variance
3.	**Debt Service Coverage Ratio**				
	Numerator				
	Net Operating Income				
	Net Profit After Tax	-7218.53	-1616.82		
	Depreciation	1154.71	112.76		
	Amortization	0.00	0.00		
	Interest	360.36	189.99		
	Total	-5703.46	-1314.07		
	Denominator				
	Debt Obligation				
	Repayment Of Term Loan	0.00	0.00		
	Interest	360.36	189.99		
	Total	360.36	189.99		
	Ratio				
	Net Operating Income/Debt Obligation	-15.83	-6.92	1.29	The ratio remained negative due to operating losses resulting in insufficient earnings to service debt obligations.
4.	**Return On Equity Ratio**				
	Numerator				
	Return				
	Net Profit After Tax	-7218.53	-1616.82		
	Denominator				
	Equity				
	Paid Up Capital	23134.50	18054.89		
	Ratio				
	Net Profit After Tax/Paid Up Capital	-0.31	-0.09	2.48	The ratio remained negative due to net loss incurred during the year, resulting in a negative return on shareholders' equity

Rs. in Lakhs

S.No.	Particulars	31st March 2026	31st March 2025	% of changes	Reason for variance
5.	**Inventory Turnover Ratio**				
	Numerator				
	Cost Of Goods Sold				
	Opening Stock Of Raw Materials	770.47	167.84		
	Add Purchases	12811.07	7434.36		
	Less Closing Stock Of Raw Materials	1702.39	770.47		
	Total	15283.92	8372.66		
	Denominator				
	Inventory				
	Opening Stock	718.54	167.84		
	Closing Stock	1702.39	718.54		
	Average Stock	1210.46	443.19		
	Ratio				
	Cost Of Goods Sold/Inventory	12.63	18.89	(0.33)	Inventory turnover decreased due to a higher average inventory level compared to the increase in cost of goods sold during the year.
6.	**Trade Receivables Turnover Ratio**				
	Numerator				
	Sales	17830.36	8663.59		
	Denominator				
	Receivables	1988.06	363.55		
	Ratio				
	Sales/Receivables	8.97	23.83	(0.62)	The ratio decreased due to a significant increase in average trade receivables compared to sales during the year.
7.	**Trade Payable Turnover Ratio**				
	Numerator				
	Purchases	11879.15	6840.76		
	Denominator				
	Trade Payables	889.33	580.37		
	Ratio				
	Purchases/Trade Payables	13.36	11.79	0.13	The ratio Increased due to an increase in Purchases relative to average trade payables during the year.

S.No.	Particulars	31st March 2026	31st March 2025	% of changes	Reason for variance
8.	**Net Capital Turnover Ratio**				
	Numerator				
	Net Sales				
	Sales Less Returns	17830.36	8663.59		
	Denominator				
	Average Working Capital				
	Current Assets	11997.28	14886.93		
	Less Current Liabilities	7595.04	1885.82		
	Total	4402.24	13001.11		
	Ratio				
	Net Sales/Average Working Capital	4.05	0.72	4.63	The ratio improved from negative to positive primarily due to positive working capital and higher revenue from operations during the year.
9.	**Net Profit Ratio**				
	Numerator				
	Net Profit After Tax	-7218.53	-1616.82		
	Denominator				
	Net Sales	17830.36	8663.59		
	Ratio				
	Net Profit After Tax/Net Sales	-0.40	-0.19	1.17	
10.	**Return On Capital Employed**				
	Numerator				
	EBIT				
	Net Profit	-7218.53	-1616.82		
	Income Tax				
	Interest	360.36	189.99		
	Total	-6858.17	-1426.83		
	Denominator				
	Capital Employed				
	Net Worth				
	Total Asset	31111.75	19999.55		
	Current Liabilities	7595.04	1885.82		
	Total	20815.22	1681.04		
	Ratio				
	EBIT/Capital Employed	-0.33	-0.85	(0.61)	The ratio remained negative due to operating losses.

S.No.	Particulars	31st March 2026	31st March 2025	% of changes	Reason for variance
11.	**Return On Investments**				
	Numerator				
	Return				
	Net Profit After Tax	-7218.53	-1616.82		
	Denominator				
	Investments				
	Non Current Assets	19114.46	5112.61		
	Current Assets	11997.28	14886.93		
	Total	31111.74	19999.54		
	Ratio				
	Net Profit After Tax/Investments	-0.23	-0.08	1.87	The ratio remained negative due to net loss during the year.

33. Segment Reporting

	Reportable segments									
Year ended 31 March 2026 (Rs. In Lakhs)	Fertilizers	Drone	FMCG	Hotel	Leather	Logistics	Digital Media	Total reportable segments	Others (HO)	Total
External revenues	3,196.82	285.41	19.22	1,684.79	10,241.38	2,138.53	23.99	**17,590.13**	578.80	**18,168.93**
Inter-segment revenue	-	-	-	-		-	-	**-**	-	**-**
Segment revenue	**3,196.82**	**285.41**	**19.22**	**1,684.79**	**10,241.38**	**2,138.53**	**23.99**	**17,590.13**	**578.80**	**18,168.93**
Segment profit (loss) before tax	383.45	(45.06)	(81.44)	(953.67)	(909.81)	(226.13)	(82.96)	**(1,915.62)**	(5,305.28)	**(7,220.90)**
Interest income	-	-	-	-		-		**-**	18.19	**18.19**
Interest expense	-	-	-	-		-		**-**	360.36	**360.36**
Depreciation and amortization	-	-	-	-		-		**-**	1,154.71	**1,154.71**
Segment assets	7,969.03	485.53	78.85	(588.48)	1,081.82	1,725.31	224.60	**10,976.66**	20,135.09	**31,111.75**
Segment liabilities	(851.47)	(455.34)	(49.45)	(728.93)	(3,260.29)	(1,683.34)	(27.40)	**(7,056.23)**	(921.02)	**(7,977.25)**

	Reportable segments									
Year ended 31 March 2025 (Rs. In Lakhs)	**Fertilizers**	**Drone**	**FMCG**	**Hotel**	**Leather**	**Logistics**	**Digital Media**	**Total reportable segments**	**Others (HO)**	**Total**
External revenues	1,121.62	77.73	0.75	1,336.29	6,010.29	-	-	**8,546.68**	217.61	**8,764.30**
Inter-segment revenue	-	-	-	-	-	-	-	-	-	-
Segment revenue	**1,121.62**	**77.73**	**0.75**	**1,336.29**	**6,010.29**			8,546.68	**217.61**	8,764.30
Segment profit (loss) before tax	100.82	(87.05)	(44.26)	(352.76)	(336.79)	-	-	**(720.04)**	(892.70)	**(1,612.74)**
Interest income	-	-	-	-	-	-	-	-	12.28	**12.28**
Interest expense	-	-	-	-	-	-	-	-	189.99	**189.99**
Depreciation and amortization	-	-	-	-	-	-	-	-	112.76	**112.76**
Segment assets	1,868.36	73.04	(59.26)	(305.50)	(345.36)	-	-	**1,231.29**	17,768.02	**18,999.30**
Segment liabilities	(19.58)	323.97	103.37	286.17	625.97	-	-	**1,319.92**	(375.50)	**944.42**

Operating Segment

Reconciliations of information on reportable segments to the amounts reported in the consolidated financial statements

(Rs in Lakhs)

Particulars	**Year ended 31 March 2026**	**Year ended 31 March 2025**
i. Revenues		
Total revenue for reportable segments	17,590.13	8,546.68
Revenue for other segments	578.80	217.61
Elimination of inter-segment revenue	-	-
Elimination of discontinued operations	-	-
Consolidated revenue	**18,168.93**	**8,764.30**
ii. Profit before tax		
Total profit before tax for reportable segments	(1,915.62)	(720.04)
Profit before tax for other segments	(5,305.28)	(892.70)
Elimination of inter-segment profit	-	-
Elimination of discontinued operation	-	-
Consolidated profit before tax from continuing operations	**(7,220.90)**	**(1,612.74)**
iii. Assets		
Total assets for reportable segments	10,976.66	1,231.29
Assets for other segments	20,135.09	17,768.02
Consolidated total assets	**31,111.75**	**18,999.30**
iv. Liabilities		
Total liabilities for reportable segments	(7,056.23)	1,319.92
Liabilities for other segments	(921.02)	(375.50)
Consolidated total liabilities	**(7,977.25)**	**944.42**

Reconciliations of information on reportable segments to the amounts reported in the consolidated financial statements

(Rs in Lakhs)

Year ended 31 March 2026	Reportable segment totals	Adjustments	Consolidated totals
Interest income	18.19	-	18.19
Interest expense	360.36	-	360.36
Depreciation and amortization	1,154.71	-	1,154.71

Year ended 31 March 2025	Reportable segment totals	Adjustments	Consolidated totals
Interest income	12.28	-	12.28
Interest expense	189.99	-	189.99
Depreciation and amortization	112.76	-	112.76

34. In accordance with IND AS 12 - “Income Taxes”, During the current year, the Company has incurred losses and hence no provision for current tax has been made under the Income Tax Act, 1961.

35. With respect to the pending litigations, the company has not provided for additional financial commitment over and above the amount due and appearing in the books of accounts to the various litigations.

36. The Government of India notified the new Labour Codes on 21st November 2025. While the codes have come into effect from the said date, the supporting final rules are yet to be notified by the respective authorities. The Company has carried out an evaluation of the potential impact of the new Labour Codes on its financials and employee cost structure. Based on this assessment, the estimated impact on employee benefits in terms of qualifying wages under the new labour code is 13.81% and related liabilities is approximately 6.58% (Rs 3.96 lakhs). The Company continues to monitor developments and will update its policies, disclosures, and compliance framework once the final rules are issued.

37. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person(s) or entity(ies) including foreign entities (“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 as per Clause (e)(i) of Rule 11 of Companies Audit and Auditors Rules, 2014.

38. No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding parties”), with the understanding, whether recorded in writing or otherwise, 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 as per Clause (e)(ii) of Rule 11 of Companies Audit and Auditors Rules, 2014.

39. The proceedings initiated by the Collector of Nilgiris for the repossession of certain plots of land in Coonoor, earmarked for public use, have been challenged by the company through a writ petition filed before the Madras High Court. The matter is currently pending adjudication. The next date of hearing is scheduled on 14.07.2026.

40. Contingent liabilities and commitments (to the extent not provided for) :

a) Income Tax Liability: For FY 2021-22, creating a contingent liability for income tax Notice of Demand under Section 156 of the Income-Tax Act, 1961, Rs. 95.34 lakhs (FY 2023-24: Rs. 95.34 lakhs)

b) Legal Opinion on Land Dispute: the legal opinion on the 5.33 acres land dispute. This dispute concerns the parking area at the Nungambakkam head office and is still pending in court. Rs. 882.80 lakhs (FY 2023-24: Rs. 882.80 lakhs)

c) Ennore Land Sale: The company sold the Ennore factory during FY 2023-24. As per Section 50C, the company is required to pay capital gains tax on the fair market value of the property, which is INR 110 crores. Rs. 1284.67 lakhs (FY 2023-24: Rs. 1284.67 lakhs) Refer Note 36 of FY 23-24 Audited Financial Statements for references.

d) The Company has received GST demand notices (DRC-01) aggregating to Rs. 66,27,248 relating to FY 2022-23 and FY 2023-24. The Company has submitted replies to the respective notices, and the matters are pending before the GST authorities. Based on management's assessment, no provision has been recognised in the financial statements as the outcome of the proceedings is presently not ascertainable.

e) The Company has received a notice under Section 148A(1) of the Income Tax Act, 1961, dated 21st March 2026, relating to FY 2021-22 (AY 2022-23). The notice proposes disallowance of expenses amounting to Rs. 3,37,04,222, resulting in a demand of Rs. 1,16,26,892. The Company is in the process of filing its reply to the show cause notice and firmly believes that the demand raised is erroneous.

41(A) During the year ended 31st March 2026, the shareholders through a special resolution have approved KICL Employee Stock Option Scheme. Based on the recommendation of the Nomination and Remuneration Committee, 46,86,000 ESOPs shall be issued from time to time under this scheme. As on 31st March 2026, the Company has not yet implemented this scheme.

41(B) During the year, the Company has applied on 16th March 2026 for voluntarily delisting its equity shares from the Calcutta Stock Exchange, pursuant to applicable regulatory provisions. The Company is awaiting the final order confirming delisting as on the date of this statement. The delisting was undertaken to streamline compliance and reduce administrative costs, while ensuring continued listing and trading of the Company's equity shares on other recognized stock exchanges. The Company remains fully compliant with SEBI (LODR) Regulations, 2015.

42. Subsequent to the submission of financial results under Regulation 33 of SEBI (LODR) for FY 2025-26, the Company has regrouped certain items in the audited financial statements presented in this Annual Report. These changes have been made to enhance clarity and align with the revised presentation format adopted by the Company.

The regrouping does not impact the previously reported profit/loss or total equity. Comparative figures have been restated accordingly.

43. Employee Benefit Obligations

(a) Defined Contribution Plan

The Company makes provident fund contributions to the fund maintained with the office of Regional Provident Fund Commissioner. The company has recognized Rs. 1,88,72,330/- (Previous year Rs. 29,63,977/-) in the Statement of Profit and Loss under 'Contribution to provident and other funds'.

(b) Defined Benefit Plan

The Company has a gratuity benefit plan applicable to all employees. Employees are eligible for gratuity as per the provisions of the Payment of Gratuity Act, 1972, with a vesting period of five years of service, on resignation, retirement or death.

The following tables summarize the components of the net benefit expenses recognized in the Statement of Profit and Loss and the unfunded status and amounts recognized in the balance sheet for the gratuity benefit plan.

(Rs in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Change in Present Value of Obligation		
Present value of DBO at beginning of the year	37.15	25.78
Interest Cost	2.22	1.65
Current Service Cost	29.87	14.22
Past service cost - Vested Benefits	3.97	-
Benefits Paid	-	(0.42)
Actuarial (gain)/loss on obligation	2.37	(4.07)
Present value of the obligation at the end of the year	**75.57**	**37.15**
Change in Plan Assets		
Plan assets at year beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain / (loss)	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of Plan Assets at the end of the year	**-**	**-**
Amounts Recognized in the Balance Sheet :		
Present value of obligation as at the end of the year	75.57	25.88
Fair value of plan assets as at the end of the year	-	-
Net Obligation at the end of the year	**75.57**	**25.88**
Net asset/(liability) recognized - Current	9.88	5.84
Net asset/(liability) recognized - Non-current	65.69	19.94
	75.57	**25.78**
Net gratuity cost for the year ended		
Current Service Cost	29.87	9.25
Interest Cost	2.22	9.11
Expected return on plan assets	-	-
Past Service Cost (Vested benefit) Recognized	3.97	-
Net Actuarial (gain)/loss recognized	2.37	(109.96)
Net gratuity cost recognized in the Statement of Profit and Loss	**38.42**	**(91.60)**
Actuarial Assumptions		
Discount Rate	7.15%	6.60%
Salary escalation rate	10%	10%

(C) Other employee benefits

Compensated Absences: The Company provides for the encashment of leave or leave with pay to employees. The employees are entitled to accumulate leave subject to certain limits, for future availment/ encashment. The liability is provided based on the number of days of unutilized days of leave at each Balance sheet date on the basis of year-end actuarial valuation using projected unit credit method. The scheme is unfunded.

(Rs in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Liability at the beginning of the year	1.83	-
Leave salary cost accounted for the year (Net)	-	1.83
Total Liability as at the end of the year	**1.83**	**1.83**

Note : Refer Note No.14 for Provisions

IND AS 19 – Employee Benefits: The Company has made the following disclosures as per IND AS 19:

Investment Risk: The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields on government bonds at the end of the reporting period.

Interest Rate Risk: A decrease in the bond interest rate will increase the plan liability.

Salary Risk: Higher-than-expected salary increases will increase the defined benefit obligation.

Longevity Risk: The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants.

Attrition Rate: The actuarial assumption for employee attrition is based on the Company's past history.

Expected Rate of Return on Plan Assets: The expected rate of return on plan assets is based on the average long-term rate of return expected on investments of the fund during the estimated term of the obligation.

Note No. 44: Other Information:

1. **Going Concern Disclos**ure: The financial statements have been prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.
2. **IND AS 113 – Fair Value Measurement:** The Company has applied IND AS 113 to measure the fair value of its financial instruments and other assets as required. The fair value hierarchy used for measurement and disclosures is in accordance with the prescribed levels in IND AS 113.
3. **Financial Risk Management:** The Company is exposed to various financial risks, including market risk, currency risk, credit risk, and liquidity risk. The Company's risk management framework is designed to identify and mitigate these risks:

   Market Risk: The Company manages market risk through diversification and hedging strategies.

   Currency Risk: Exposure to currency risk is managed through forward contracts and natural hedges.

   Credit Risk: The Company manages credit risk by setting credit limits and monitoring the creditworthiness of customers.

   Liquidity Risk: The Company maintains sufficient cash and liquid investments to meet its obligations.

The following table demonstrates the sensitivity to a reasonabl\y possible change in exchange rates, with all other variable held constant. The impact of the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(Rs in Lakhs)

Particulars	Changes in rate	Foreign currency receivable/payable (net)	Effect on profit before tax
March 31, 2026		**USD in lakhs**	**USD in lakhs**
	5%	2.63	0
	+5%	2.76	0.13
	-5%	2.50	-0.13
		EUR in lakhs	**EUR in lakhs**
	5%	0.00106	0
	+5%	0.001113	0.0001
	-5%	0.001007	-0.0001

March 31, 2025		**USD in lakhs**	**USD in lakhs**
	5%	1.06	0
	+5%	1.12	0.05
	-5%	1.01	-0.05
		EUR in lakhs	**EUR in lakhs**
	5%	(0.07)	0
	+5%	-0.07	-0.00
	-5%	-0.06	0.00

The following table shows the effect of price change in securities measured at FVTPL/FVOCI

All the investments of the Company are unlisted equity shares which are carried at cost. Since these investments are not subject to fair value or NAV fluctuations, there is no impact of price changes, and accordingly, no such disclosure is applicable.

The Company's exposure to credit risk for trade receivables by geographic location is as follows:

Particulars	Carrying amount	
	March 31, 2026	**March 31, 2025**
India	999.70	458.13
Outside India	2.632	94.41
Total	**1002.33**	**552.54**

Movement of allowance for impairment

Particulars	Expected credit loss	
	March 31, 2026	**March 31, 2025**
Opening balance	**15.62**	**10.27**
Add: Provisions	**36.11**	**13.27**
Less: utilisation	**0**	**7.92**
Closing balance	**51.73**	**15.62**

The following table shows maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows alongwith its carrying value as at the Balance sheet date.

Particulars	Contractual cash flows 1 year or less	More than 1 year	Total carrying amount
Liabilities			
March 31, 2026			
Trade payable	1002.33	0	1002.33
Other financial liabilities	609.82	0	609.82
March 31, 2025			
Trade payable	776.33	0	776.33
Other financial liabilities	462.83	0	462.83

Interest Rate Senstivity analysis

The Company considering the economic environment in which it operates has determined the interest rate sensitivity analysis (interest exposure) at the end of the reporting period. The interest rate for the Company are fixed rates and this analysis is prepared assuming the amount of the borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point +/- fluctuation in the interest rate is used for disclosing the sensitivity analysis.

	(Rs. in lakhs)	
Particulars	Impact on Profit before tax	
	31st March 2026	31st March 2025
Interest rates - increase by 50 basis points	1.80	0.14
Interest rates - decrease by 50 basis points	(1.80)	(0.14)

The interest rate senstivity analysis is done holding on the assumption that all other variables remaining constant.

4. Capital Management

The Company's objective when managing capital are to:

a) safeguard the Company's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

b) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may vary the distribution of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company consists of debt and total equity of the Company and monitors capital, based on this capital structure's gearing ratio.

The gearing ratio at the end of the reporting period is computed as follows:

	(Rs in lakhs)	
Particulars	As at 31.03.2026	As at 31.03.2025
i) Debt	8,529.60	2,003.49
ii) Equity share capital	5,401.09	4,635.91
iii) Other equity	21,832.86	13,418.98
v) Total equity [(ii)+(iii)+(iv)]	27,233.95	18,054.89
vi) Debt to equity ratio (times)	31%	11%

5. Additional Disclosures:

a) The Company has not traded or invested in cryptocurrency or virtual currency during the financial year.

b) The Company does not have any transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year under the Income Tax Act, 1961.

c) The Company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013.

d) The Company has not been declared a wilful defaulter by any bank, financial institution, or lender during the year.

e) The Company does not have any charges or satisfaction pending for registration with ROC beyond the statutory period.

f) Quarterly returns or statements of current assets filed with banks or financial institutions are in agreement with the books of accounts.

g) The Company does not have any transactions with companies that have been struck off.

h) The Indian Parliament has approved the Code on Social Security, 2020, which may impact contributions towards Provident Fund and Gratuity. The Company will assess the impact and provide appropriate disclosures once the corresponding rules are notified.

i) No dividend have been paid/provided during the year ended 31st March 2026

j) No Transfers Between Levels of Fair Value Hierarchy: There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments during the period.

k) The Company has not received any whistle-blower complaints during the year.

l) No Changes in Classification of Financial Assets: There have been no changes in the classification of financial assets into those at amortized cost, fair value through OCI, or fair value through P&L, during the period.

m) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

n) During the first year of the agreement with Royer Group (June 2024 – July 2025), the Company was granted a waiver of the Minimum Guaranteed Royalty to support brand promotion, branch openings, and production ramp-up. For the second year (July 2025 – June 2026), the contractual royalty payable is EUR 189,048. This liability has not been provided in the books, as negotiations with Royer Group are ongoing as of the reporting date, and management is optimistic of securing a waiver of the minimum guaranteed royalty.

O) The consolidated financial statements for the year ended March 31, 2026 include the results of the Company and its associate acquired during the year. The comparative figures for the year ended March 31, 2025 represent the standalone financial statements of the Company, as consolidation was not applicable in that year. Accordingly, the figures for FY 2024-25 are not directly comparable with those of FY 2025-26.

6. Category-wise Classification of Financial Instruments:

Financial Assets Measured at Amortized Cost: Rs. 14,347.64 lakhs (Previous year Rs.1959.39 lakhs)
Financial Assets Measured at FVTPL: NIL
Financial Assets Measured at FVTOCI: NIL
Financial Liabilities Measured at Amortized Cost: Rs. 1744.13 lakhs (Previous year: Rs. 4701.38 lakhs)

7. Significant Changes:

Expansion of Kickers Retail Business

KICL has commenced retail operations for the Kickers brand under a 30-year license agreement with Groupe Royer, France. As of 31st March 2026, the Company has opened two exclusive brand outlets, including one at VR Mall, Chennai. Future plans include the launch of 100 exclusive stores, 700 multi-brand outlet (MBO) counters, and online presence across India and eight neighbouring countries.

During the year ended 31 March 2026, the Company acquired the logistics business of Parveen Roadways as a going concern with effect from 08 April 2025 pursuant to a business transfer agreement dated 08 April 2025, to expand its logistics and facility management operations. The acquisition has been accounted for under the acquisition method in accordance with Ind AS 103 - Business Combinations. Total consideration transferred: Rs 2404.00 lakhs. The fair values of identifiable assets acquired and liabilities assumed as at the acquisition date amounts to Rs. 1211.11 lakhs.Goodwill of Rs 1,192.89 lakhs represents assembled workforce, expected synergies with the Company's distribution network and future customer growth, none of which qualify for separate recognition. Goodwill is not deductible for income-tax purposes. From the acquisition date, the acquired business contributed revenue of Rs 2,138.53 lakhs and loss before tax of Rs 226.13 lakhs. The seller is a related party as defined in Ind AS 24; the transaction was approved by the Audit Committee on 19 February 2026 and Board resolution no.11 and shareholders on 19 February 2026 Board resloution and undertaken at arm's length based on an independent valuation by Mr. Jaypal Parmar, Registered Valuer registered with IBC Membership no.IBBI/RV/06/13110 dated 10 February 2026.

8. **No Correction of Prior Period Errors : There has been no correction of prior period errors during the period.**

9. **Appointment of Company Secretary : The Company Secretary of the Company was appointed from 19-03-2018.**

10. **Approval of Financial Statements : The financial statements were approved for issue by the Audit Committee and the Board of Directors at their respective meetings conducted on 03-06-2026.**

As per our Report of even date attached
For Ray & Ray
Chartered Accountants
Regn.No.301072E

Swetha Srinivasan
Partner
Membership No. 240553
Place : Chennai
Date : 03.06.2026
UDIN : 26240553JWSPJV1425

For and on behalf of the Board of Directors

T.A. Rajalaxmi
Director
DIN : 08148628

J. Rafiq Ahmed
Executive Chairman & Managing Director
DIN : 02861341

Anil Kumar Padhiali
Company Secretary
Membership No. A53635

V Anand
Chief Financial Officer

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Kothari Industrial Corporation Limited

If undelivered please return to :

KOTHARI INDUSTRIAL CORPORATION LIMITED

Regd. Office : "Kothari Buildings" Box No. 3332,
No. 114, Nungambakkam High Road,
Mahatma Gandhi Salai, Nungambakkam,
Chennai - 600 034.