

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

To,

Date:05.05.2026

Manager - Listing Compliance
National Stock Exchange of India Limited
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

SUB: Second Corrigendum to the notice of the Extra Ordinary General Meeting to be held on 11th May, 2026

REF: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

This is with reference to our earlier communication dated April 16, 2026 and April 28, 2026 regarding Notice of the Extra Ordinary General Meeting of the Company scheduled to be held on Monday, May 11, 2026 at 01:00 P.M. (IST) through video conferencing / other audio-visual means ("EGM Notice") and first Corrigendum to the notice of aforesaid EGM dated April 28, 2026.

A Second Corrigendum is being issued to inform members of the Company regarding modifications / corrections/ Rectifications in Explanatory Statement Item No. 2 forming part of the EGM Notice dated April 16, 2026 read with first corrigendum dated April 28, 2026.

The Company through this Second corrigendum ("Corrigendum") wishes to bring to the notice of the Shareholders, certain corrections/rectifications, appearing with respect to Explanatory Statement under Item no. 2 of the said EGM Notice dated 16.04.2026 read with first corrigendum dated April 28, 2026 in terms of the SEBI Listing Regulations 2015 and SEBI ICDR Regulations 2018 based on suggestions/comments received from the National Stock Exchange of India Limited.

On and from the date hereof, the Notice of Extra Ordinary General Meeting shall always be read in conjunction with first corrigendum and this Second Corrigendum which forms an integral part of the Notice of Extra Ordinary General Meeting and the same is also being uploaded on the website of the Company at www.karnikaindustries.com and also uploaded on the website of the Stock Exchange where the securities of company are listed i.e., www.nseindia.com

Except for the corrections/ rectifications mentioned in this corrigendum all other contents/information mentioned in the Notice of Extra Ordinary General Meeting dated April 16, 2026 read with first corrigendum dated April 28, 2026 shall remain unchanged.

Accordingly, all the concerned shareholders, stock Exchange, Depositories, Registrar and Transfer Agents, Agencies appointed for e-voting and other regulatory authorities are requested to take note of the aforesaid corrigendum.

Further, please note that the Second Corrigendum has been emailed to all the shareholders on Tuesday 05.05.2026 whose email addresses are registered with the Company.

Kindly take the information on record.

For Karnika Industries Limited,

Niranjan Mundhra
Managing Director
DIN-05254448

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

SECOND CORRIGENDUM TO THE NOTICE OF EXTRAORDINARY GENERAL MEETING OF KARNIKA INDUSTRIES LIMITED ("THE COMPANY"), TO BE HELD ON MONDAY, MAY 11, 2026 AT 1:00 P.M. THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM").

KARNIKA INDUSTRIES LIMITED ("Company") had on Thursday, 16th April, 2026, despatched electronically, to its shareholders, the Notice of the Extraordinary General Meeting of the Company dated 16th April, 2026 for convening an Extraordinary General Meeting of the shareholders of the Company scheduled to be held on **MONDAY, MAY 11, 2026 at 1:00 P.M.**, through **Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")**. The EGM Notice has been dispatched to the shareholders of the Company in due compliance with the provisions of the Companies Act, 2013 read with the relevant rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and applicable provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**"). The first Corrigendum to the notice of aforesaid EGM was intimated to the Shareholders and the Exchanges on April 28, 2026.

The Company through this Second corrigendum wishes to bring to the notice of the Shareholders, certain corrections/rectifications, detailed below, in the said Notice Extra Ordinary General Meeting in terms of the Listing Regulations and SEBI ICDR Regulations based on suggestions/comments received from the National Stock Exchange of India Limited.

On and from the date hereof, the Notice of Extra Ordinary General Meeting shall always be read in conjunction with first corrigendum and this Second Corrigendum which forms an integral part of the Notice of Extra Ordinary General Meeting and the same is also being uploaded on the website of the Company at www.karnikaindustries.com on the website of National Securities Depository Limited at www.evoting.nsdl.com and Stock Exchange i.e., www.nseindia.com

Except for the corrections/ rectifications mentioned in this corrigendum all other contents/information mentioned in the Notice of Extra Ordinary General Meeting dated April 16, 2026 read with first corrigendum dated April 28, 2026 shall remain unchanged.

In respect of the EGM Notice, the shareholders are requested to note the following corrections/ Rectifications to the Explanatory Statement (Item No. 2)

(i) Point B) - Objects of the Preferential Issue :

The word "*facto*" in 4th line of Second para under "Utilization of Issue Proceeds" shall be read as "*factors*".

The word "*yea*" in 5th line of third para under "Utilization of Issue Proceeds" shall be read as "*years*".

(ii) Point H) - Basis on which the price has been arrived at along with the Report of the Registered Valuer / Justification for the Issue Price:

- a) Under paragraph – "Accordingly, the price at which warrants are proposed to be issued is higher of the following:" the VWAP of the equity shares shall be changed as below-

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

The VWAP of the Equity Shares during the 90 trading days preceding the Relevant Date shall be read as ₹120.11 per Equity Share instead of ₹120.15 per Equity Share.

The VWAP of the Equity Shares during the 10 trading days preceding the Relevant Date shall be read as ₹108.74 per Equity Share instead of ₹110.30 per Equity Share.

- b) **The entire 1st Paragraph under “Method of Determination of Price as per Articles of Association” as stated in Corrigendum dated 28.04.2026 shall be replaced with the following:**

The Articles of Association of the Company contain a provision under Clause 14(1)(c), which permits the issuance of further shares to any persons (whether or not such persons are existing shareholders), subject to approval by way of a special resolution under Section 62 of the Companies Act, 2013, and provides that the price of such shares shall be determined on the basis of a valuation report obtained from a registered valuer. The said provision mandates obtaining a valuation report for such issuances, without prescribing a specific pricing methodology.

- c) *Link for accessibility of Valuation report shall be read as* ”

(vii) Point Q) - No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

The entire Paragraph as stated in Corrigendum dated 28.04.2026 shall be replaced with the following:

The Company has not made any allotment on preferential basis during the Financial Year commencing 01.04.2026 onwards, till date.

(viii) Point Y) - Certificate from Practicing Company Secretary:

Link for accessibility of PCS Certificate shall be read as <https://karnikaindustries.com/wp-content/uploads/2026/05/PCS-CERTIFICATE-REVISED-05.05.2026.pdf> ”

This Second Corrigendum to the Notice of the EGM shall form an integral part of the EGM Notice read in conjunction with first corrigendum which has already been circulated to shareholders of Company and on and from the date hereof, the EGM Notice shall always be read in conjunction with both the Corrigendums. This Corrigendum is also made available on the website of the stock exchange and on the website of the Company. All other contents of the EGM Notice read in conjunction with first corrigendum, save and except as modified or supplemented by further Corrigendum, shall remain unchanged.

“The revised Explanatory Statement relating specifically to Item No. 2 is annexed hereto and shall be read as an integral part of this Corrigendum for the sake of convenience and ease of reference.”

Note : The changes made in blue refers to changes made via First Corrigendum dated 28.04.2026 and change made in purple refers to changes made via second Corrigendum dated 05.05.2026.

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013;

Item No. 2:-

The Board of Directors of the Company, at its meeting held on Saturday, April 11, 2026, subject to the approval of the Members and such other statutory/regulatory approvals as may be required, approved the issuance of up to 39,66,860 (Thirty Nine Lakhs Sixty Six Thousand Eight Hundred and Sixty) Convertible Warrants on a preferential basis. Each warrant carries a right to subscribe to one fully paid-up Equity Share of the Company at a price of ₹121/- (Rupees One Hundred Twenty-One only) per warrant, including a premium of ₹111/- per warrant, aggregating up to ₹47,99,90,060/- (Rupees Forty-Seven Crores Ninety-Nine Lakhs Ninety Thousand and Sixty only), to the proposed allottees as mentioned in Resolution No. 2.

The Company continues to identify and pursue growth opportunities in its line of business and, in order to support such growth and strengthen its financial position, requires additional long-term capital. The proceeds from the preferential issue are proposed to be utilized, inter alia, towards meeting the working capital requirements of the Company, including timely payment of trade creditors and servicing/repayment of bank loans and other short-term borrowings, thereby improving liquidity, maintaining financial discipline, and strengthening the Company's credit profile. The balance proceeds shall be utilized for general corporate purposes, including funding business growth opportunities, strategic initiatives, marketing and brand-building activities, meeting exigencies, and other business requirements, including expenses related to the preferential issue. Accordingly, to augment its financial resources and support its growth plans and future business outlook, the Company proposes to raise funds through issuance of Convertible Warrants on a preferential basis.

The Proposed Allottees have confirmed that they are eligible under Regulation 159 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations") to subscribe to the Warrants proposed to be issued pursuant to the preferential issue.

In terms of the provisions of Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the rules made thereunder, and in accordance with the SEBI ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, approval of the Members of the Company by way of a special resolution is required for issuance of securities on a preferential basis by way of private placement.

Accordingly, the consent of the Members is being sought by way of a special resolution to enable the Company to raise funds aggregating up to ₹47,99,90,060/- (Rupees Forty-Seven Crores Ninety-Nine Lakhs Ninety Thousand and Sixty only) through issuance of up to 39,66,860 (Thirty Nine Lakhs Sixty Six Thousand Eight Hundred and Sixty) Convertible Warrants. Each warrant shall be convertible into or exchangeable for one fully paid-up Equity Share of the Company having a face value of ₹10/- each, at an issue price of ₹121/- per warrant (payable in cash), on a preferential basis to the Proposed Allottees, in such manner and on such terms and conditions as may be determined by the Board in accordance with applicable laws.

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

The information as required under Regulation 163(1) of ICDR Regulations and as per the provisions of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 is given below:

A) Particulars of the offer including date of passing Board Resolution :

The Board of Directors at its meeting held on Saturday, the 11th Day of April, 2026, subject to the approval of the Members and such other approvals as may be required, has approved the issuance and allotment of upto 39,66,860 (Thirty-Nine Lakhs Sixty-Six Thousand Eight Hundred and Sixty only) Convertible Warrants by way of a preferential issue basis, carrying an entitlement to subscribe for equivalent number of fully paid-up Equity Shares of the Company, at a price of ₹ 121/- (including a premium of ₹ 111/-) each payable in cash, aggregating upto ₹ 47,99,90,060/- (Rupees Forty-Seven Crores Ninety-Nine Lakhs and Ninety Thousand and Sixty Only) for consideration in cash, determined in accordance with Chapter V of SEBI ICDR Regulations.

B) Objects of the Preferential Issue :

The Company intends to utilize the proceeds raised through the Preferential Issue ("Issue Proceeds") towards the following objects:

i. Working capital requirements for business operations for the purpose of repayment to the Creditors and Bank Loan

The Company requires additional working capital to meet its incremental working capital requirements for Fiscal 2026–27 and subsequent *year*. The primary purpose of such working capital is to ensure timely payment of trade creditors and to service and repay bank loans and other short-term borrowings as and when they become due. This will help in maintaining financial discipline, improving liquidity position, and strengthening the Company's credit profile. Further, the infusion of funds is expected to support the Company's growth and expansion plans by enabling it to scale up operations, optimize resource utilization, and enhance its market presence in line with its strategic objectives. The funding of incremental working capital requirements is anticipated to improve operational efficiency, increase turnover, and enhance overall profitability, thereby assisting the Company in achieving its projected targets as per its approved business plan.

ii. General Corporate Purposes

The balance amount of the Issue Proceeds will be utilized towards general corporate purposes, as may be determined by the Board from time to time, subject to compliance with applicable laws. Such utilization may include, inter alia, funding business growth opportunities, strengthening marketing and brand-building initiatives, undertaking strategic initiatives, meeting exigencies, and other business requirements of the Company. Further, expenses related to the Preferential Issue, including but not limited to regulatory fees, professional fees, and other incidental expenses, shall also be met from the Issue Proceeds under this head.

Utilization of Issue Proceeds

Given that the Preferential Issue is for convertible Warrants, the complete Issue Proceeds shall be received by the Company within 18 (eighteen) months from the date of allotment of the

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

Warrants in terms of Chapter V of the SEBI ICDR Regulations, and as estimated by our management, the entire Issue Proceeds would be utilized for the all the aforementioned Objects, in phases, as per the Company's business requirements and availability of Issue Proceeds (as set out herein).

Sl. No.	Objects of an issue	*Indicative amount of proceeds of Preference Issue proposed to be utilised	Percentage of amount proposed to be utilised to overall Preference Issue	Tentative timelines for utilization of Issue
1	Working capital requirements for business operations for the purpose of repayment to the Creditors and Bank Loan	₹ 40,00,00,000 (approx.)	83.33% (approx.)	With 24 months from receipt of funds.
2	General corporate purposes (including Preference Issue related expenses#)	₹ 7,99,90,060 (approx.)	16.67% (approx.)	

*considering 100% conversion of Warrants into equity shares within the stipulated time.

#Issue related expenses include fees and expenses of valuer for providing valuation certificate, legal fees, printing and dispatch costs and expenses of stock exchanges towards listing.

In terms of the NSE Circular No. NSE/CML/2022/56 dated December 13, 2022 the amount specified for the aforementioned Objects may deviate +/- 10% depending upon the future circumstances, given that the Objects are based on management estimates and other commercial and technical factors. Accordingly, the same is dependent on a variety of factors such as financial, market and sectoral conditions, business performance and strategy, competition and other external actors, which may not be within the control of the Company and may result in modifications to the proposed schedule for utilization of the Issue Proceeds at the discretion of the Board, subject to compliance with applicable laws. If the Issue Proceeds are not utilised (in full or in part) for the Objects to any such factors, the remaining Issue Proceeds shall be utilised to any other object or Company can add new object in such manner as may be determined by the Board, in accordance with applicable laws.

The above fund requirements are based on our current business plan, managements' estimates and have not been appraised by any bank or financial institution. Our Company's funding deployment schedule are subject to revision in the future at the discretion of our Board in accordance with applicable law. The proceeds of the Preferential Issue are proposed to be utilised during Fiscal 2026-27 and subsequent years. Further, in case the Net Proceeds are not completely utilised as aforesaid due to any reason, the same would be utilised (in part or full) in the next Fiscal in accordance with applicable law. Till such time the issue proceeds are fully utilized, the Company shall keep the same in bank deposits and/or money market instruments and/or other purpose as may be decided by the Board of Directors from time to time, within stipulated guideline.

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

C) Monitoring Of Utilization of Funds:

Since the proceeds from the Issue is less than ₹100 Crores, in terms of Regulation 162A of Chapter V of SEBI (ICDR) Regulations, 2018 hence appointment of Monitoring Agency to monitor the use of proceeds of this preferential issue is not required.

D) Pricing of the Preferential Issue:

The Company proposes to issue up to 39,66,860 (Thirty Nine Lakhs Sixty Six Thousand Eight Hundred and Sixty) Convertible Warrants, each having a face value of ₹10/- (Rupees Ten only), at an issue price of ₹121/- (Rupees One Hundred Twenty-One only) per warrant, including a premium of ₹111/- per warrant. The said price has been determined in accordance with the applicable provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

A detailed justification for the issue price, including the basis of determination, is provided in Point No. H of the Explanatory Statement.

E) Intention of Promoters / Directors / Key Managerial Personnel/ Senior Management to subscribe to the offer:

The following persons intends to subscribe to the offer to the extent of the number of warrants as detailed in the resolution at item No. 2 above.

- (i) Niranjan Mundhra (Promoter & Managing Director), Shiv Shankar Mundhra (Promoter & Whole-time Director), Mahesh Kumar Mundhra (Promoter & Director & Whole-time Director), Kirti Mundhra (Promoter & Director)
- (ii) Jagdish Prasad Mundhra, Saroj Devi Mundhra, Poonam Mundhra, Priyanka Mundhra, all being Promoters
- (iii) Krishan Kumar Karnani (Relative of Promoter & Chief Financial officer)
- (iv) Niranjan Mundhra HUF, Shiv Shankar Mundhra HUF, Mahesh Kumar Mundhra HUF (Promoter/ Promoter group)

Except as above, no other promoters /directors/ Key Management Personnel of the issuer intend to subscribe to the offer of convertible Warrants.

F) kinds of securities offered and the price at which security is being offered Maximum number of specified securities to be issued :

Upto 39,66,860 Convertible Warrants to be issued and allotted will be of the face value of ₹ 10 /- each and will be issued at ₹ 121/- (Rupees One Hundred and Twenty one Only) per Warrant [including a premium of ₹ 111/- (Rupees One Hundred and Eleven) per Warrant].

G) the price or price band at/within which the allotment is proposed /

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

The Convertible Warrants are proposed to be issued at a price of ₹121/- (Rupees One Hundred Twenty-One only) per warrant, which is determined in accordance with the provisions of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. The said price is computed as per Regulation 164 of the SEBI ICDR Regulations and is also in line with the valuation report dated April 10, 2026 obtained from the Independent Registered Valuer. Accordingly, the allotment is proposed to be made at a fixed price of ₹121/- per warrant.

H) Basis on which the price has been arrived at along with the Report of the Registered Valuer / Justification for the Issue Price:

The Equity Shares of the Company are listed and traded on NSE (SME Emerge) and are frequently traded within the meaning of Explanation to Regulation 164(5) of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations").

In terms of Regulation 164 of the SEBI ICDR Regulations, the issue price of the Equity Shares to be allotted pursuant to the preferential issue shall not be less than the higher of the following:

- The 90 (Ninety) trading days' volume weighted average price ("VWAP") of the Equity Shares quoted on the recognized stock exchange preceding the Relevant Date; or
- The 10 (Ten) trading days' volume weighted average price ("VWAP") of the Equity Shares quoted on the recognized stock exchange preceding the Relevant Date.

The Relevant Date for the purpose of determination of price is April 10, 2026.

Accordingly, the price at which warrants are proposed to be issued is higher of the following:

- ₹120.11 per Equity Share, being the VWAP of the Equity Shares during the 90 trading days preceding the Relevant Date; or
- ₹108.74 per Equity Share, being the VWAP of the Equity Shares during the 10 trading days preceding the Relevant Date.

Accordingly, the floor price in terms of Regulation 164 of the SEBI ICDR Regulations is ₹120.11 per Equity Share.

Method of Determination of Price as per Articles of Association:

The Articles of Association of the Company contain a provision under Clause 14(1)(c), which permits the issuance of further shares to any persons (whether or not such persons are existing shareholders), subject to approval by way of a special resolution under Section 62 of the Companies Act, 2013, and provides that the price of such shares shall be determined on the basis of a valuation report obtained from a registered valuer. The said provision mandates obtaining a valuation report for such issuances, without prescribing a specific pricing methodology.

Further, in terms of Regulation 166A(1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, where the preferential issue results in allotment of more than five percent of the post-

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

issue fully diluted share capital of the Company to an allottee or to allottees acting in concert, the Company is required to obtain a valuation report from an independent registered valuer and consider the same for determination of the issue price. Accordingly, the Company has obtained such valuation report and has taken the same into consideration while determining the issue price.

In view of the above, the Board of the Company decided to issue these securities to be allotted on preferential basis to the proposed allottees at Rs. 121/- (Rupees One hundred and twenty one Only) [including Premium of Rs. 111/- each] being not less than the floor price computed in accordance with Chapter V of the SEBI ICDR Regulations.

Accordingly, the Company has obtained a valuation report dated **April 10, 2026** from an Independent Registered Valuer, **Mr. Manish Gadia** (Registration No.: IBBI/RV/06/2019/11646), having office at 5, Raja Subodh Mullick Square, 2nd Floor, Kolkata – 700013. As per the said valuation report, the value of each warrant has been determined at ₹121/- (Rupees One Hundred Twenty-One only).

In compliance with Regulation 166A of the SEBI ICDR Regulations, the issue price shall be the higher of:

- the price determined under Regulation 164; and
- the price determined pursuant to the valuation report of the Independent Registered Valuer.

Accordingly, the issue price per warrant is fixed at ₹121/- each, being higher than the floor price determined under Regulation 164 and in compliance with Chapter V of the SEBI ICDR Regulations.

The valuation report is available on the website of the Company at www.karnikaindustries.com.

“The said Valuation Report can be accessed at <https://karnikaindustries.com/wp-content/uploads/2026/05/VALUATION-REPORT-REVISED-05.05.2026.pdf>”

Adjustments for Warrants:

The issue price and the number of Equity Shares to be allotted upon exercise of the warrants shall be subject to appropriate adjustments, as permitted under applicable laws and regulations from time to time.

Re-computation of Issue Price:

Since the Equity Shares of the Company have been listed on a recognized stock exchange for more than 90 trading days, the provisions relating to re-computation of price and lock-in extensions under Regulations 164(3) and 167(5) of the SEBI ICDR Regulations, and the disclosures and undertakings under Regulation 163(1)(g) and (h), are not applicable.

However, if required, the Company shall re-compute the price in accordance with the SEBI ICDR Regulations. In the event that the amount payable pursuant to such re-computation is not paid by the proposed allottees within the stipulated time, the warrants shall continue to remain under lock-in until such payment is made.

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

Notes:

- NSE (SME Emerge) is the only recognized stock exchange where the Equity Shares of the Company are listed and traded; accordingly, the price data of the said exchange has been considered for determining the floor price.

I) Amount which the Company intends to raise by way of such securities :

The aggregate amount intended to be raised pursuant to the Proposed issue / Allotment of Convertible Warrants is ₹ 47,99,90,060/- (Rupees Forty-Seven Crores Ninety-Nine Lakhs Ninety Thousand and Sixty Only).

J) Relevant Date :

The Relevant Date, as stipulated in Regulation 161 of SEBI ICDR Regulations for the purpose of determination of the price of the equity shares to be issued and allotted as above is Friday, the 10th day of April, 2026, being the day preceding the weekend as the 30 days prior to the date of this Extra Ordinary General Meeting.

K) Shareholding Pattern before and after the proposed preferential issue :

"The shareholding pattern prior to the preferential issue is as on 31st March, 2026 (being the same as on 10th April, 2026, i.e., the relevant date). The post-issue shareholding pattern is arrived at after considering the preferential allotment to be made under this notice and on a fully diluted basis (assuming full subscription of Convertible warrants and thereby full conversion of said Warrants into equity shares).

The detailed shareholding structure is provided in the table below. In the event any further issue of shares of the Company between the date of this notice and the date of allotment of equity shares upon exercise of the Convertible Warrants is undertaken, the shareholding pattern shall stand modified accordingly"

Sl no	Category	Pre-Issue (as per Shareholding pattern dated 31.03.2026)		Post Issue Shareholding *	
		No of shares held	% of Share holding	No of shares held	% of Share holding
A	Promoters & Promoters group holding :				
1.	Indian : /HUF				
	Individual	45501500	73.39	49303080	74.74
	Body Corporate	-	-	-	-
	Sub Total : Indian Promoters & Promoters group	-	-	-	-
2	Foreign Promoters	-	-	-	-
	Sub Total (A1 +A2)	45501500	73.39	49303080	74.74
B	Non-Promoters' holding :				
1	Institutional Investor	-	-	-	-
	Financial Institutions / Banks / Insurance Companies/FII	-	-	-	-

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

	Foreign Portfolio Investors	-	-	-	-
	Sub Total (B1)	-	-	-	-
2	Non Institution Investor				
	Body Corporate	6953000	11.22	6953000	10.54
	Indian Public	8270000	13.34	8435280	12.79
	Directors and Relatives	-	-	-	-
	Others (including NRI)	1273000	2.05	1273000	1.93
	Sub Total (B2)	16496000	26.61	16661280	25.26
	Sub-Total B [(B1) + (B2)]	16496000	26.61	16661280	25.26
	GRAND TOTAL (A+B)	61997500	100.00	65964360	100.00

* The above post-issue shareholding is prepared assuming the full conversion of 3966860 convertible warrants into equal number of equity shares issued pursuant to resolution at item No.2.

L) Proposed time within which the allotment shall be completed/ Time frame within which the Proposed Preferential Issue shall be completed:

In accordance with Regulation 170 of the ICDR Regulations, the allotment of Convertible Warrants shall be completed within a period of 15 (fifteen) days from the date of passing of the resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval(s) or permission(s) from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 (fifteen) days from the date of such approval(s) or permission(s).

Further, as per Regulation 162(2) of ICDR Regulations, upon exercise of the option by the Allottee to convert the convertible securities, the issuer shall ensure that the allotment of equity shares pursuant to exercise of the convertible securities is completed within a period of 15 days from the date of such exercise by the Allottee.

M) Name and identity of the Proposed Allottees Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees; the percentage of post preferential issue that may be held by them :

The names of the Proposed Allottees and the identity (category) of the natural persons who are ultimate beneficial owners of the Convertible Warrants and resultant equity shares, proposed to be allotted and/or who ultimately control the Proposed Allottees, the percentage of post Preferential Issue capital that may be held by them and change in control, if any, in the Company consequent to the Preferential Issue are provided herein below:

Sl. No.	Name of the Proposed Allottees	Category	Ultimate beneficial owner	Pre Preferential Issue		Number of Convertible Warrants proposed to be allotted	Post Preferential Issue	
				No. of shares held	% of shareholding		No. of shares held	% of shareholding
1.	Niranjan Mundhra	Promoter	*NA	15165000	24.46	247930	15412930	23.36
2.	Shiv Shankar Mundhra	Promoter	*NA	15165000	24.46	247930	15412930	23.36
3.	Mahesh Kumar Mundhra	Promoter	*NA	15165000	24.46	247930	15412930	23.36
4.	Jagdish Prasad Mundhra	Promoter	*NA	1300	0.00	661150	662450	1.01
5.	Saroj Devi Mundhra	Promoter	*NA	1300	0.00	330570	331870	0.50

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

6.	Poonam Mundhra	Promoter	*NA	1300	0.00	330570	331870	0.50
7.	Priyanka Mundhra	Promoter	*NA	1300	0.00	330570	331870	0.50
8.	Kirti Mundhra	Promoter	*NA	1300	0.00	330570	331870	0.50
9.	Krishan Kumar Karnani	Promoter	*NA	0	0.00	82640	82640	0.13
10.	Jagdish Prasad Mundhra HUF	Promoter	Jagdish Prasad Mundhra	0	0.00	247930	247930	0.38
11.	Niranjan Mundhra HUF	Promoter	Niranjan Mundhra	0	0.00	247930	247930	0.38
12.	Shiv Shankar Mundhra HUF	Promoter	Shiv Shankar Mundhra	0	0.00	247930	247930	0.38
13.	Mahesh Kumar Mundhra HUF	Promoter	Mahesh Kumar Mundhra	0	0.00	247930	247930	0.38
14.	Bhagwan Nath Sidh	Non-Promoter	NA	16000	0.00	165280	181280	0.27

*NA mentioned, since person being individual

N) Change in control, if any, in the Company that would occur consequent to the preferential issue:

"The existing Promoters of the company will continue to be in control of the company and there will not be any changes in the management/control of the company as a result of the proposed preferential allotment, However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to allotment of equity shares pursuant to conversion of Convertible warrants to be allotted on preferential basis."

O) Class or Classes of Persons to whom the allotment is proposed to be made :

The Convertible Warrants shall be issued and allotted to the investors as detailed herein below;

Sl. No.	Name of the Proposed Allottees	PAN No.	Category	Number Of Convertible Warrants proposed to be allotted
1.	Niranjan Mundhra	AIDPM4767F	Promoter	247930
2.	Shiv Shankar Mundhra	BCBPM6409B	Promoter	247930
3.	Mahesh Kumar Mundhra	BYWPM6764J	Promoter	247930
4.	Jagdish Prasad Mundhra	ABBPM2282J	Promoter	661150
5.	Saroj Devi Mundhra	AIDPM4818R	Promoter	330570
6.	Poonam Mundhra	BREPM9114K	Promoter	330570
7.	Priyanka Mundhra	DBIPM1677R	Promoter	330570
8.	Kirti Mundhra	FAUPM8628H	Promoter	330570
9.	Krishan Kumar Karnani	DBPPK8574N	Promoter	82640
10.	Jagdish Prasad Mundhra HUF	AAGHJ1833G	Promoter	247930
11.	Niranjan Mundhra HUF	AAGHN5635N	Promoter	247930
12.	Shiv Shankar Mundhra HUF	ABEHS6167H	Promoter	247930
13.	Mahesh Kumar Mundhra HUF	AASHM2337J	Promoter	247930
14.	Bhagwan Nath Sidh	BMAPS7507K	Non-Promoter	165280

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

P) Disclosure specified in Schedule VI of ICDR Regulations, if the issuer or any of its promoters or directors is a wilful defaulter or a fraudulent borrower

Neither the Company nor its Promoters or promoters Group (including directors of promoter group) or Directors have been declared as wilful defaulter or fraudulent borrower as defined under the ICDR Regulations. None of its Promoters or promoters Group(including directors of promoter group) or Directors are a fugitive economic offender as defined under the ICDR Regulations.

Q) No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well as price:

The Company has not made any allotment on preferential basis during the Financial Year commencing 01.04.2026 onwards, till date.

S) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the Registered Valuer:

Not Applicable, as the proposed allotment is made for Cash consideration.

T) Material term of raising Securities:

Details of the securities to be issued, price of securities, date of approval by the Board in relation to the preferential allotment, and details of the Proposed Allottees are mentioned in the resolutions set out at Item No. 02 and the previous and the forthcoming paragraphs. The Equity Shares allotted on conversion of Warrants shall be fully paid-up and listed on the NSE (SME Emerge) and shall rank pari-passu with the existing Equity Shares of the Company in all aspects from the date of allotment (including with respect to entitlement to dividend and voting powers, other than statutory lock-in under the SEBI ICDR Regulations), in accordance with applicable laws, and shall be subject to the requirements of all applicable laws and to the provisions of the Memorandum of Association and Articles of Association of the Company

- i. Proposed time schedule:** In accordance with Regulation 170 of the ICDR Regulations, the allotment of Convertible Warrants shall be completed within a period of 15 (fifteen) days from the date of passing of the resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval(s) or permission(s) from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 (fifteen) days from the date of such approval(s) or permission(s).
- ii. Purposes or objects of offer:** As separately disclosed above
- iii. Contribution being made by the promoters or directors either as part of the Preferential Issue or separately in furtherance of objects:** The Promoter / promoter group intends to subscribe to the preferential issue as stated in the resolution at item No. 2 above.
- iv. Principle terms of assets charged as securities:** Not applicable.

U) Undertaking:

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

The Company hereby undertakes that:

- 1) None of the Company, its Directors or Promoter has been declared as wilful defaulter or fraudulent borrower as defined under the ICDR Regulations. None of its Directors or promoters are a fugitive economic offender as defined under the ICDR Regulations;
- 2) The Company is eligible to make the Preferential Issue to the Proposed Allottees under Chapter V of the ICDR Regulations;
- 3) As the Equity Shares have been listed for a period of more than ninety days as on the Relevant Date, the provisions of Regulation 164(3) of ICDR Regulations governing re-computation of the price of shares shall not be applicable;
- 4) The Company shall re-compute the price of the equity shares to be allotted under the Preferential Issue, in terms of the provisions of ICDR Regulations where it is required to do so;
- 5) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the equity shares and the warrants to be allotted under the Preferential Issue shall continue to be locked-in till the time such amount is paid by the warrant holder.
- 6) The entire pre-preferential holding, if any, of the proposed allottees shall be locked in for the period as prescribed under ICDR Regulations.
- 7) No person belonging to the promoters / promoters group has previously subscribed to any warrants of the Company but failed to exercise them; and
- 8) There are no outstanding dues to the Board, the stock exchanges or the depositories.

V) Listing:

The Company will make an application to the Stock Exchange at which the existing shares are listed, for listing of the Equity Shares that will be issued upon conversion of Warrants

W) Lock-in Period:

The Warrants and the Equity Shares issued upon conversion of the Warrants shall be locked in, in accordance with Chapter V of the SEBI ICDR Regulations.

X) Pending Preferential Issue:

Presently, there is no preferential issue pending or in process except as proposed in the accompanying Notice.

Y) Certificate From Practicing Company Secretary :

The certificate from Mrs. Poonam Binani, Practising Company Secretary (ACS No. A33638 CP. No. 12552) certifying that the Preferential Allotment is being made in accordance with the requirements of Chapter V of the SEBI ICDR Regulations has been obtained and the same shall be available for inspection at the website of the Company. *"The said PCS Certificate is uploaded on the website of the*

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

Company and can be accessed at <https://karnikaindustries.com/wp-content/uploads/2026/05/PCS-CERTIFICATE-REVISED-05.05.2026.pdf> "

Z) Details of Current and Proposed Status of the Allottees i.e., promoter or non-promoter;

Sl. No.	Name of the Proposed Allottee	Current status of the proposed allottees	Proposed status of the proposed allottees
1.	Niranjan Mundhra	Promoter	Promoter
2.	Shiv Shankar Mundhra	Promoter	Promoter
3.	Mahesh Kumar Mundhra	Promoter	Promoter
4.	Jagdish Prasad Mundhra	Promoter	Promoter
5.	Saroj Devi Mundhra	Promoter	Promoter
6.	Poonam Mundhra	Promoter	Promoter
7.	Priyanka Mundhra	Promoter	Promoter
8.	Kirti Mundhra	Promoter	Promoter
9.	Krishan Kumar Karnani	*Promoter	Promoter
10.	Jagdish Prasad Mundhra HUF	*Promoter	Promoter
11.	Niranjan Mundhra HUF	*Promoter	Promoter
12.	Shiv Shankar Mundhra HUF	*Promoter	Promoter
13.	Mahesh Kumar Mundhra HUF	*Promoter	Promoter
14.	Bhagwan Nath Sidh	Non-Promoter	Non-Promoter

**The persons marked with an asterisk (*) above do not currently hold any shares in the Company. However, they have been classified under the 'Promoter' category as they are relatives of the existing promoters and form part of the promoter group."*

In case of any corporate action(s) that the Company undertakes any form of restructuring of its share capital ("Capital Restructuring") including but not limited to: (i) consolidation or sub-division or splitting up of its equity shares, (ii) issue of bonus shares; (iii) reclassification of shares or variation of rights into other kinds of equity shares of the Company; and (iv) issue of right shares, as applicable from time to time, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit to the proposed allottees for the purpose of making a fair and reasonable adjustment such that the number of convertible warrants or equity shares granted earlier, the ceiling of total number of warrants and equity shares specified above shall be deemed to be increased to the extent of such additional warrants granted or equity shares issued after occurrence of any such Capital Restructuring thereto."

In accordance with the provisions of Sections 23(1)(b), 42 and 62(1)(c) of the Companies Act, 2013 read with applicable rules thereto and relevant provisions of the ICDR Regulations, approval of the Members for issue and allotment of Convertible Warrants and equity shares (pursuant to conversion of said Convertible warrants) is being sought by way of a Special Resolution as set out in Item No. 2 of the notice. The issue of the Equity Shares pursuant to the Preferential Issue would be within the authorized share capital of the Company.

In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto, relevant documents are open for inspection by the members at the Registered Office of the Company from 11.00 am to 1.00 pm on all working days, during business hours up to the one day prior to the EGM.

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone: +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : L17299WB2022PLC253035

Website-www.karnikaindustries.com

The Board of Directors of the Company believes that the proposed preferential issue is in the best interest of the Company and its members and, accordingly, recommends the resolution set forth in Item no. 2 of the accompanying Notice for the approval of members.

Except the above proposed allottees in their capacity as Promoter, Director or relatives of Promoter / Director and CFO, none of the other Directors or the Key Managerial Personnel of the Company or their relatives are concerned or interested, financially, or otherwise in the resolution except in their capacity as members/shareholder of the Company.

For Karnika Industries Limited,

Niranjan Mundhra
Managing Director
DIN-05254448

The image shows a large, light gray watermark of the company name 'Karnika' with a registered trademark symbol (®) to the right. Above the 'i' in 'Karnika', there is a small red icon of a speech bubble with a question mark inside. The watermark is tilted diagonally across the page.