

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

To
The Manager - Listing
National Stock Exchange of India Limited
Exchange Plaza, 5 Floor, 'G' Block,
Bandra Kurla Complex,
Bandra (East) Mumbai 400 051.

Date- 07-01-2025

Symbol: KARNIKA ISIN: INE0MGA01012

Dear Sir / Madam,

Pursuant to Regulation 32 of the SEBI Listing Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 a statement showing utilization of the proceeds of the Initial Public Offer ("IPO") of the Company for the half year ended 30th September 2024 is enclosed as Annexure. Please note that there are no deviation(s) or variation(s) in respect of the utilization of the proceeds of the IPO.

The Certificate issued by the Statutory Auditors in respect of utilization of issue proceeds in terms of NSE Circular No. NSE/CML/2024/23 dated September 5, 2024 is also enclosed as Annexure below.

The aforesaid statement/certificate has been reviewed by the Audit Committee and taken on record by the Board at their respective meetings held on November 14, 2024.

You are requested to kindly take the above information on record.

Thanking You,

For Karnika Industries Ltd

NIRANJAN Digitally signed by
NIRANJAN MUNDHRA
MUNDHRA Date: 2025.01.07
16:03:49 +05'30'

Mr Niranjan Mundhra
Managing Director
DIN: 05254448

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Annexure

Statement of Deviation/ Variation in Utilization of Funds Raised

Name of Listed Entity	Karnika Industries Limited
Mode of Fund Raising	Public Issue (SME IPO)
Date of Raising Funds (Date of Allotment)	October 10, 2023
Amount Raised	Rs. 25,07,39,200.00
Report filed for half year ended	September 30, 2024
Monitoring Agency	Not Applicable
Monitoring Agency Name, if applicable	Not Applicable
Is there a Deviation / Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders.	Not Applicable
If Yes, Date of shareholder Approval	Not Applicable
Explanation for the Deviation / Variation	Not Applicable
Comments of the Audit Committee after review	Nil
Comments of the auditors, if any	Nil

Objects for which funds have been raised and where there has been a deviation, in the following table

Original Object	Modified Object, if any	Original Allocation (Rs in Lakhs)	Modified allocation, if any (Rs in Lakhs)	Funds Utilised (Rs in Lakhs)	Amount of Deviation/Variation for the half year according to applicable object	Remarks if any
Working Capital Expenditure	NA	2,000.00	NA	2,000.00	Nil	Refer Note
General Corporate Purpose	NA	337.39	NA	337.39	Nil	Refer Note
Issue Related Expenses	NA	170.00	NA	170.00	Nil	Refer Note
	Total	2,507.39		2,507.39	Nil	

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Note:

During the quarter ended December 31, 2023, the Company came up with the public issue of 32,99,200 Equity shares of face value of Rs. 10/- each with the price band of Rs. 76.00 through book building issue method, IPO was open for subscription from September 29, 2023 to October 05, 2023. The Company has allotted 32,99,200 Equity shares of face value of Rs. 10/- each for cash at a price of Rs. 76/- per Equity share (including premium of Rs. 66/-per equity share) aggregating to Rs. 2507.39 lakhs on October 10, 2023. The equity shares of the company got listed with Emerge platform of National Stock Exchange of India Limited on October 12, 2023. The issue was made in accordance with SEBI (Issue of Capital and Disclosure Requirements) regulations, 2018, as amended.

Deviation or variation could mean:

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

For Karnika Industries Ltd

NIRANJAN Digitally signed by
NIRANJAN MUNDHRA
MUNDHRA Date: 2025.01.07
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Mr Niranjan Mundhra

Managing Director

DIN: 05254448

UTILIZATION OF FUNDS CERTIFICATE OF M/S KARNIKA INDUSTRIES LIMITED

To,

The Board of Directors,

M/s Karnika Industries Ltd

6 & 6/1, Gurgola Ghat Road,

Howrah – 711106.

Respected Sir / Madam,

Sub: Certificate under pursuant to NSE Circular No. NSE/CML/2024/23 dated September 05, 2024 for Expenditure incurred in relation to the Initial Offer proceeds of public issue for M/s Karnika Industries Limited ("the Company").

We have been requested to certify expenditure incurred by the Company in relation to the Initial Offer Proceeds of Public Issue. For the purpose of certifying the below table, we have reviewed documents, statements, papers, accounts etc. of the Company on the proceeds of Public Issue, based on our review of the same, we hereby certify that up to September 30, 2024 the Company has incurred following expenditure. The details required as per NSE Circular No. NSE/CML/2024/23 dated September 05, 2024 are mentioned below:

<u>Objects for which funds have been raised and where there has been a deviation, in the following table</u>				
Object as disclosed in the Offer Document	Amount disclosed in the Offer Document (Rs in Lakhs)	Actual Utilised Amount (Rs in Lakhs)	Unutilised Amount (Rs in Lakhs)	Remarks
Working Capital Expenditure	2,000.00	2,000.00	Nil	NA
General Corporate Purpose	337.39	337.39	Nil	NA
Issue Related Expenses	170.00	170.00	Nil	NA
Total	2,507.39	2,507.39	Nil	

We inform you that there has been no deviation(s) or variation(s) in the use of public issue proceeds, raised from the Initial Public Offer (IPO) by the Company which had been fully utilized by the year ended March 31, 2024.



List of IPO Fund Received:	
Particulars	Amount (Rs in Lakhs)
IPO Proceeds	2,507.39
Total	2,507.39

Note:

During the quarter ended December 31, 2023, the Company came up with the public issue of 32,99,200 Equity shares of face value of Rs. 10/- each with the price band of Rs. 76.00 through book building issue method, IPO was open for subscription from September 29, 2023 to October 05, 2023. The Company has allotted 32,99,200 Equity shares of face value of Rs. 10/- each for cash at a price of Rs. 76/- per Equity share (including premium of Rs. 66/- per equity share) aggregating to Rs. 2507.39 lakhs on October 10, 2023. The equity shares of the company got listed with Emerge platform of National Stock Exchange of India Limited on October 12, 2023. The issue was made in accordance with SEBI (Issue of Capital and Disclosure Requirements) regulations, 2018, as amended.

For A A A J & Associates
(formerly known as Uttam Agarwal & Associates)
Chartered Accountants
Firm Registration No. 322455E

Deepak

CA Deepak Agarwal
Partner
Mem No. 061132
UDIN: 25061132BMIYSI2345



Date: 03.01.2024
Place: Kolkata