



SHANTHALA

SHANTHALA FMCG PRODUCTS LIMITED

CIN: L51109KA2014PLC073756

Regd Office: 7th Block, Gandhinagar Bye Pass Road, Virajpet, Kodagu- 571218, Karnataka, India.

GST: 29AAUCS2983H1ZI | **Phone:** 08274298999 / 09945694963

Email: accounts@shanthalafmcg.com | **Web:** www.shanthalafmcg.com

Date: October 31, 2026

To,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East) -400051, Maharashtra, India.

Respected Sir,

Sub: Outcome of the Board Meeting held on 31st October, 2026

NSE Symbol: SHANTHALA

We hereby inform that the Board of Directors of the company, at its meeting held today i.e., October 31, 2026, have;

- Approved the audited Standalone and Consolidated Financial results of the company for the half year and year ended 31st March, 2026 along with the Standalone and Consolidated Balance Sheet, the Statement of Profit and Loss account and the Cash Flow Statement for the year ended 31st March, 2026;
- Approved the Board's Report of the Company and other annexure(s) for financial year 2025-26;
- Approved notice convening 12th Annual General Meeting and the date, time & venue thereof;
- Finalized the dates of Book Closure for the purpose of forthcoming 12th Annual General Meeting;
- Approved the appointment of Scrutinizer to oversee the e-voting process of the Company at the 12th Annual General Meeting;
- Approved the removal of Mr. Yogish Mallya as Chief Financial Officer of the company (*The detailed disclosure as required under Regulation 30 read with Schedule III is enclosed as Annexure I*);
- Approved the appointment of Mr. Ratnakar Rai as the Chief Financial Officer of the Company. (*The detailed disclosure as required under Regulation 30 read with Schedule III is enclosed as Annexure II*).

In connection with Financial Results, please find enclosed the copy of Audited Standalone and Consolidated Financial Results of the Company for the half and year ended March 31, 2026, along with the respective Audit Reports by the Statutory Auditors of the Company as "Annexure-III".

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), read with circular CIR/CFD/CMD/56/2016 dated 27th May, 2016 on "Disclosure of the Impact of Audit Qualifications by the Listed Entities", we would like to confirm that M/s Kale Malde & Co., Chartered Accountants (Firm Registration Number 0154422W), Statutory Auditors of the Company, have issued Audit Reports with unmodified opinion on the above financial results.

The meeting commenced at 03.30 P.M. (IST) and concluded at 04.05 P.M (IST).

Kindly take the note of the above.

Thanking You,

Yours faithfully,

For Shanthala FMCG Products Limited

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MALLYA
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MALLYA
Date: 2026.10.31
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Shobitha Mallya
Managing Director
DIN: 06793259
Encl: as above



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Date: October 31, 2026

DECLARATION

[Pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.]

Pursuant to the requirement as specified by Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, it is hereby declared by the Auditors Report, for the financial year ended as on March 31, 2026 contains **unmodified opinion for "Standalone and Consolidated Financial Statements"** as provided under the Independent Auditors Report which is attached herewith for your reference.

You are kindly requested to take the above declaration in your records.

FOR SHANTHALA FMCG PRODUCTS LIMITED

B
SHOBITHA
MALLYA

Digitally signed by
B SHOBITHA
MALLYA
Date: 2026.10.31
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Shobitha Mallya
Managing Director
DIN: 06793259



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'Annexure I'

Details required under Regulation 30 read with Schedule III of the Listing Regulations and the SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated January 30, 2026.

Sr. no.	Particulars	Details
1.	Reason for change viz. appointment, reappointment, resignation, removal, death or otherwise	The Board has resolved to remove Mr. Yogish Mallya from the position of Chief Financial Officer of the Company, on the grounds of misappropriation of funds during a period in which he exercised control over the Company's day-to-day affairs and operational activities. Management also attempted to contact the CFO and offered him an opportunity to be heard; however, no response has been received from him to date.
2.	Date of appointment/reappointment/cessation (as applicable) & term of appointment/re-appointment	31.10.2026
3.	Brief profile (in case of appointment);	NA
4.	Disclosure of relationships between directors (in case of appointment of a director).	NA



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'Annexure II'

Details required under Regulation 30 read with Schedule III of the Listing Regulations and the SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026 dated January 30, 2026.

Sr. no.	Particulars	Details
1.	Reason for change viz. appointment , reappointment, resignation, removal, death or otherwise	Mr. Ratnakar Rai has been appointed as the Chief Financial Officer (CFO) of the Company. In view of his experience, he has now been entrusted with the responsibilities of the Chief Financial Officer due to removal of Mr. Yogish Mallya from the position of CFO of the company.
2.	Date of appointment/reappointment/ cessation (as applicable) & term of appointment/re-appointment	31.10.2026
3.	Brief profile (in case of appointment);	Ratnakar Venkappa Rai, aged 59 years. He has completed his B.Com from University of Bombay in April 1992 and one year Diploma programmed in Business Management from All India Council for Management Studies, Madras in October 1997. He has also been awarded Post Graduate Program in Management Services for undergoing Executive Business Management Program during 2011 to 2013 by WE School (Welingkar Education), Prin. L. N. Welingkar Institute of Management Development & Research, Mumbai, India with an experience of over 2 decades in the field of liaison, accounts and finance.
4.	Disclosure of relationships between directors (in case of appointment of a director).	NA

Independent Auditor's Report on Standalone Half yearly and Yearly Financial Results of the SHANTHALA FMCG PRODUCTS LIMITED, Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors of
SHANTHALA FMCG PRODUCTS LIMITED

Report on the Audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying half-yearly and yearly financial results ("the Statement") of **SHANTHALA FMCG PRODUCTS LIMITED** ("the Company") for the half-year and year ended 31st March 2026 and the year-to-date results for the period from 1st April 2025 to 31st March 2026, prepared and being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matter described in the Basis for Qualified Opinion section of our report**, the aforesaid Statement:

a) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and

b) gives the information required by the Companies Act, 2013 ("the Act") in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, and its net loss and other financial information for the year ended on that date.

Basis for Qualified Opinion

Attention is invited to the disclosures relating to the discrepancies identified in the Forensic Audit and Investigation Report dated October 9, 2026, as included in the accompanying Statement of Standalone Financial Results as on 31st March 2026.

As reported in the Forensic Audit Report, an amount of ₹760.79 lakh collected from customers during the year was not deposited into the Company's bank accounts. The Chief Financial Officer (CFO) was responsible for the day-to-day financial operations of the Company and had full access and authority over its financial transactions and banking operations.



Based on the findings of the Forensic Audit Report and pursuant to the resolution passed by the Board of Directors, the Company has recognised the said amount as recoverable from the CFO. Considering the uncertainty regarding its recoverability, the Company has recognised an impairment loss of ₹760.79 lakh in the Statement of Profit and Loss under Exceptional Items, with a corresponding allowance against the amount recoverable.

Further, during the year, ₹569.19 lakh was transferred to two related parties without requisite approvals of the Audit Committee and the Board of Directors, of which ₹57.84 lakh remained outstanding as at March 31, 2026.

We have considered the Forensic Audit Report, the Board Resolution and the information and explanations provided by the Management. However, in the absence of sufficient appropriate audit evidence regarding the recoverability of the said amount, we are unable to determine whether any further adjustments or disclosures are necessary in the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, together with the ethical requirements relevant to our audit under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Management's Responsibility for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled on the basis of the audited standalone financial statements for the year ended 31st March, 2026.

The Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other financial information in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, and in compliance with Regulation 33 of the Listing Regulations.



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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results 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 Standalone Financial Results.

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 Standalone Financial Results, 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.



- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of management's use of the going concern basis of accounting.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

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

Our opinion is not modified in respect of this matter.

As per our report of even date

For KALE MALDE & CO.
Chartered Accountants
Reg No. :0154422W


CA. Laxman Kale
Partner

M.No. : 110882

Date : 31/10/2026

Place : Dombivli

ICAI UDIN : 26110882UBKFHG2706



SHANTHALA FMCG PRODUCTS LIMITED
CIN : L51109KA2014PLC073756
Standalone Balance Sheet as at 31st March, 2026

All amounts in INR Lakhs, unless otherwise stated

Particulars	Note	As at March 31, 2026	As at March 31, 2025
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	669.81	669.81
Reserves and Surplus	4	1013.93	1602.74
		1683.74	2272.55
Non-current liabilities			
Long-Term Borrowings	5	-	11.37
Deferred Tax Liabilities (Net)	6	-	0.89
		-	12.26
Current liabilities			
Short-Term Borrowings	7	45.63	-
Trade Payables			
total outstanding dues of micro and small	8	-	-
total outstanding dues of creditors other than	8	37.02	140.87
Other current liabilities	9	10.94	14.79
Short-Term Provisions	10	72.93	50.11
		166.52	205.77
TOTAL EQUITY AND LIABILITIES		1850.26	2490.58
II. ASSETS			
Non-current assets			
Property, Plant and Equipment and Intangible Assets			
Property, Plant and Equipment	11	233.37	234.78
Non-current investments	12	1.00	1.00
Long-term loans and advances	13	18.73	34.80
Other non-current assets	14	730.61	1251.30
Deffered Tax Assets (Net)	26	1.06	-
		984.77	1521.88
Current assets			
Inventories	15	203.55	221.81
Trade Receivables	16	169.43	436.91
Cash and Cash Equivalents	17	276.10	217.42
Short-term loans and advances	18	167.74	0.84
Other current assets	19	48.67	91.73
		865.49	968.70
TOTAL ASSETS		1850.26	2490.58

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For Kale Malde & Co.

Chartered Accountants

Firm Regn No : 154422W

CA Laxman Kale

Partner

Membership No : 110882

Date: 31/10/2026

Place : Dombivli

ICAI UDIN: 26110882UBKFHG2706


For and on behalf of Board of Directors
Shanthala FMCG Products Limited
Shobitha Malya

Managing Director

DIN : 06793259

Date: 31/10/2026

Place : Kodagu



Shanthala FMCG Products Limited
CIN: L51109KA2014PLC073756

Statement of Audited Standalone Financial Results for the Half / Year Ended 31st March, 2026

All amounts in INR Lakhs, unless otherwise stated

Particulars	Half Year ended on		Year ended on	
	31-Mar-26	30-Sep-25	31-Mar-25	31-Mar-26
	Audited	Unaudited	Audited	Audited
INCOME				
Revenue from operations	3010.32	2582.47	2689.47	5592.79
Other income	42.88	59.34	45.32	102.22
Total Income	3053.20	2641.81	2734.79	5695.01
Expenses:				
Purchases of Stock-in-Trade	2865.70	2419.64	2541.97	5285.34
Changes in Inventories of Stock-in-Trade	-18.83	37.09	26.66	18.26
Employee benefit expense	30.44	35.88	39.55	66.32
Financial costs	2.80	3.97	1.15	6.77
Depreciation and amortisation cost	1.03	0.91	1.68	1.94
Other expenses	39.14	48.35	48.62	87.49
Total expenses	2920.28	2545.84	2659.63	5466.12
Profit before tax and before Exceptional and Extraordinary Items and Tax	132.92	95.97	75.16	228.89
Exceptional and Extraordinary Items and Tax				
Impairment Loss on Amount Recoverable	760.79	-	-	760.79
PROFIT BEFORE TAX	-627.87	95.97	75.16	-531.90
Tax expense:				
(1) Current tax	34.15	23.59	19.10	57.74
(2) Deferred Tax	-1.89	-0.06	1.55	-1.95
(3) Excess / Short Provision of Income Tax	1.12	-	-	1.12
Total Tax Expenses	33.38	23.53	20.65	56.91
Profit/(Loss) After Tax	-661.25	72.44	54.51	-588.81
Earning per equity share:				
Face value per equity shares Rs.10/- fully paid up.				
(1) Basic	-9.93	1.14	0.76	-8.79
(2) Diluted	-9.93	1.14	0.76	-8.79

For KALE MALDE & CO.
Chartered Accountants
Firm Regn No : 154422W

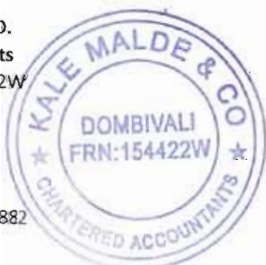
CA Lakman Kale
Partner

Membership No : 110882

Date: 31/10/2026

Place: Dombivli

ICAI UDIN: 26110882UBKFHG2706



For & On Behalf of the Board
Shanthala FMCG Products Limited

Shobitha Malya
Managing Director

DIN : 06793259

Date: 31/10/2026

Place: Kodagu



SHANTHALA FMCG PRODUCTS LIMITED**CIN : L51109KA2014PLC073756****Standalone Statement of Cash Flows for the year ended 31st March, 2026**

All amounts in INR Lakhs, unless otherwise stated

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	-531.90	130.84
Adjustments for :		
Interest income	-87.26	-84.32
Interest expense	6.77	2.76
Depreciation and Amortization Expense	1.94	3.40
Operating Profit Before Working Capital Changes	-610.45	52.68
Increase / (Decrease) in Trade Payables	-103.85	71.90
Increase / (Decrease) in Other liabilities	-3.86	-0.98
Increase / (Decrease) in Provisions	22.82	33.75
Decrease / (Increase) in Inventories	18.26	25.33
Decrease / (Increase) in Trade Receivables	267.48	-114.10
Decrease / (Increase) in loans and advances	-150.83	-0.36
Decrease / (Increase) in Other assets	563.76	-63.23
Cash generated from / (used in) Operations	3.32	4.99
Income taxes paid	-58.86	-33.02
Net Cash generated from / (used in) Operating Activities	-55.54	-28.03
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible Assets	-0.53	-0.23
Purchase of Non-current investments	-	-1.00
Interest received	87.26	84.32
Net Cash generated from / (used in) Investing Activities	86.73	83.09
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-Term Borrowings	-	-
Repayment of Long-Term Borrowings	-11.37	-6.33
Proceeds from Short-Term Borrowings	45.63	-
Interest paid	-6.77	-2.76
Net Cash generated from / (used in) Financing Activities	27.49	-9.09
Net Increase / (Decrease) In Cash and Cash Equivalents	58.68	45.97
Cash and Cash Equivalents at the Beginning	217.42	171.44
Cash and Cash Equivalents at the End	276.10	217.42

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For Kale Malde & Co.

Chartered Accountants

Firm Regn No : 154422W


CA Laxman Kale

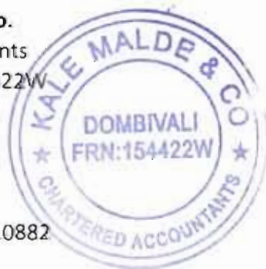
Partner

Membership No : 110882

Date: 31/10/2026

Place : Dombivli

ICAI UDIN: 26110882UBKFHG2706



For and on behalf of Board of Directors

Shanthala FMCG Products Limited


Shobitha Malya

Managing Director

DIN : 06793259

Date: 31/10/2026

Place : Kodagu



Notes to the Standalone Audited Financial Results

(for the Half year and Year ended 31st March, 2026)

1. The standalone audited financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on 31st October 2026.
2. The Statutory Auditors of the Company have conducted the audit of these standalone financial results for the year ended 31st March, 2026, as required under Regulation 33 of SEBI (LODR) Regulations, 2015 and issued an unmodified audit report, which was taken on record by the Board.
3. Earnings per Share (EPS) has been computed in accordance with the applicable provisions of Accounting Standard (AS) 20 – Earnings Per Share.
4. The Company is primarily engaged in the business of marketing and distribution of FMCG products, which constitutes a single reportable segment under AS 17 – Segment Reporting.
5. In accordance with the MCA Notification dated 16th February 2015, companies listed on SME Exchanges as per Chapter XB of SEBI (ICDR) Regulations, 2009 are exempt from mandatory Ind-AS adoption. Accordingly, the Company has prepared its standalone financial results in accordance with the Accounting Standards (AS) notified under the Companies (Accounting Standards) Rules, 2006.
6. The figures for the previous periods have been recast/regrouped wherever necessary to make them comparable with the current period figures.
7. These standalone results are also available on the Company's website and on the website of the Stock Exchange where the Company is listed.
8. ***Attention is invited to the disclosures relating to the discrepancies identified in the Forensic Audit and Investigation Report dated October 9, 2026, as included in the accompanying Statement of Standalone Financial Results as on 31st March, 2026.***

As reported in the Forensic Audit Report, an amount of ₹760.79 lakh collected in cash from customers during the year was not deposited into the Company's bank accounts. The Chief Financial Officer (CFO) was responsible for the day-to-day financial operations of the Company and had full access and authority over its financial transactions and banking operations.

Based on the findings of the Forensic Audit Report and pursuant to the resolution passed by the Board of Directors, the Company has recognised the said amount as recoverable from the CFO. Considering the uncertainty regarding its recoverability, the Company has recognised an impairment loss of ₹760.79 lakh in the Standalone



Statement of Profit and Loss under Exceptional Items, with a corresponding allowance against the amount recoverable.

Further, during the year, ₹569.19 lakh was transferred to two related parties without requisite approvals of the Audit Committee and the Board of Directors, of which ₹57.84 lakh remained outstanding as at March 31, 2026.

We have considered the Forensic Audit Report, the Board Resolution and the information and explanations provided by the Management. However, in the absence of sufficient appropriate audit evidence regarding the recoverability of the said amount, we are unable to determine whether any further adjustments or disclosures are necessary in the standalone financial statements.



Independent Auditor's Report on Consolidated Half yearly and Yearly Financial Results of the SHANTHALA FMCG PRODUCTS LIMITED, Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Independent Auditor's Report

To

The Board of Directors of
SHANTHALA FMCG PRODUCTS LIMITED

Qualified Opinion

We have audited the accompanying Consolidated half yearly and yearly financial results ('the Statement') of SHANTHALA FMCG PRODUCTS LIMITED ('the Company') for the half year and year ended on 31st March, 2026 and year to date results for the period from April 01, 2025 to March 31, 2026 prepared and being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (The 'Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Statement:

- a) are presented in accordance with the requirements of Regulation 33 of the Regulations; and
- b) 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and net loss and other financial information for the year ended on 31st March, 2026.

Basis for Qualified Opinion

Attention is invited to the disclosures relating to the discrepancies identified in the Forensic Audit and Investigation Report dated October 9, 2026, as included in the accompanying Statement of Consolidated Financial Results as on 31st March, 2026.

As reported in the Forensic Audit Report, an amount of ₹760.79 lakh collected in cash from customers during the year was not deposited into the Company's bank accounts. The Chief Financial Officer (CFO) was responsible for the day-to-day financial operations of the Company and had full access and authority over its financial transactions and banking operations.



Based on the findings of the Forensic Audit Report and pursuant to the resolution passed by the Board of Directors, the Company has recognised the said amount as recoverable from the CFO. Considering the uncertainty regarding its recoverability, the Company has recognised an impairment loss of ₹760.79 lakh in the Consolidated Statement of Profit and Loss under Exceptional Items, with a corresponding allowance against the amount recoverable.

Further, during the year, ₹569.19 lakh was transferred to two related parties without requisite approvals of the Audit Committee and the Board of Directors, of which ₹57.84 lakh remained outstanding as at March 31, 2026.

We have considered the Forensic Audit Report, the Board Resolution and the information and explanations provided by the Management. However, in the absence of sufficient appropriate audit evidence regarding the recoverability of the said amount, we are unable to determine whether any further adjustments or disclosures are necessary in the Consolidated financial statements.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

Management's Responsibility for Consolidated Financial Results

This statement, is the responsibility of the Company's Management and approved by the Board of Directors has been compiled the basis of Consolidated financial statements for the year ended 31st March, 2026. The Company's Board of Directors are responsible for the preparation and presentation of the Consolidated Financial Results that gives true and fair view of the net loss and other comprehensive income and other financial information in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act and in compliance with Regulation 33 of the listing Regulations.



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, The Board of Directors are 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 Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial results 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 this Consolidated Financial results.

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 results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. But not for the purpose of expressing an opinion on the effectiveness of such controls.



- Evaluate the appropriateness and reasonableness of disclosures made by Board of Directors in the term of the requirement specified under Regulation 33 of the Listing Regulation.
- 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 the Consolidated financial Results, including the disclosures and whether the Consolidated financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Consolidated Financial Results of the Company to Express an Opinion on the Consolidated Financial Results.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of are reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in –

1. Planning the scope of our audit work and in evaluating the results of our work; and
2. To evaluate the effect of any identified misstatements in the Consolidated Financial Results.

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.



Other Matters

The Consolidated Financial Results dealt with by this report have been prepared for the express purpose of filing with Stock Exchanges. These results are based on and should be read with the audited Consolidated Financial Statements of the Company for the year ended 31st March 2026 on which we issued an unmodified audit opinion.

The result include the results of the half year ended 31st March, 2026 being the balancing figure between the audited figure in respect of the full financial year ended 31st March, 2026 and the unaudited year –to-date figures up to the first half ended on 30th Sep, 2025 of the current financial year which were subject to a limited review by us, as required under the Listing Regulations.

As per our report of even date

For KALE MALDE & CO.
(Chartered Accountants)
Reg No. :0154422W



(CA. Laxman Kale)
Partner

M.No. : 110882

Date : 31/10/2026

Place : Dombivli

ICAI UDIN : 26110882TGWSFB9853

SHANTHALA FMCG PRODUCTS LIMITED
CIN : L51109KA2014PLC073756
Consolidated Balance Sheet as at 31st March, 2026

All amounts in INR Lakhs, unless otherwise stated

Particulars	Note	As at March 31, 2026	As at March 31, 2025
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	669.81	669.81
Reserves and Surplus	4	1017.37	1602.74
		1687.18	2272.55
Non-current liabilities			
Long-Term Borrowings	5	-	11.37
Deferred Tax Liabilities (Net)	6	-	.89
		-	12.26
Current liabilities			
Short-Term Borrowings	7	103.47	-
Trade Payables			
total outstanding dues of micro and small	8	-	-
total outstanding dues of creditors other	8	37.42	140.87
Other current liabilities	9	11.45	14.79
Short-Term Provisions	10	73.94	50.11
		226.28	205.77
TOTAL EQUITY AND LIABILITIES		1913.47	2490.58
II. ASSETS			
Non-current assets			
Property, Plant and Equipment and Intangible As:			
Property, Plant and Equipment	11	233.37	234.78
Long-term loans and advances	12	18.73	34.80
Other non-current assets	13	730.83	1251.30
Deferred Tax Assets (Net)	26	1.06	.00
		983.99	1520.88
Current assets			
Inventories	14	226.85	221.81
Trade Receivables	15	185.24	436.91
Cash and Cash Equivalents	16	299.80	218.47
Short-term loans and advances	17	167.74	.84
Other current assets	18	49.85	91.67
		929.48	969.70
TOTAL ASSETS		1913.47	2490.58

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For Kale Malde & Co.

Chartered Accountants

Firm Regn No : 154422W


CA Laxman Kale
 Partner

Membership No : 110882

Date: 31/10/2026

Place : Dombivli

ICAI UDIN: 26110882TGW5FB9853


**For and on behalf of Board of
 Directors Shanthala FMCG Products
 Limited**

Shobitha Malya
 Managing Director
 DIN : 06793259
 Date: 31/10/2026
 Place : Kodagu


Shanthala FMCG Products Limited

CIN: L51109KA2014PLC073756

Statement of Audited Consolidated Financial Results for the Quarter / Year Ended 31st March, 2026

All amounts in INR Lakhs, unless otherwise stated

Particulars	Half Year ended on			Year ended on	
	31-Mar-26	30-Sep-25	31-Mar-25	31-Mar-26	31-Mar-25
	Unaudited	Audited	Unaudited	Audited	Audited
INCOME					
Revenue from operations	3,185.48	2694.15	2689.47	5879.63	5274.62
Other income	42.88	59.34	45.32	102.22	103.15
Total Income	3,228.36	2753.49	2734.79	5981.85	5377.77
Expenses:					
Purchase Cost	3,036.54	2548.28	2541.97	5584.82	5038.47
Changes in Inventories of Stock-in-Trade	-17.92	12.88	26.66	-5.04	25.33
Employee benefit expense	30.39	36.48	39.55	66.87	75.69
Financial costs	5.75	3.97	1.15	9.72	2.76
Depreciation and amortisation cost	1.03	0.91	1.68	1.94	3.40
Other expenses	40.66	49.53	48.62	90.19	101.28
Total expenses	3,096.45	2652.05	2659.63	5748.50	5246.93
Profit before tax and before Exceptional and Extraordinary Items and Tax	131.91	101.44	75.16	233.35	130.84
Impairment Loss on Amount Recoverable	760.79	-	-	760.79	-
	-628.88	101.44	75.16	-527.44	130.84
Tax expense:					
(1) Current tax	33.80	24.96	19.10	58.76	33.02
(2) Deferred tax	-1.89	-0.06	1.55	-1.95	1.29
(3) Excess / Short Provision of Income Tax	1.12	0.00	0.00	1.12	0.00
Total Tax Expenses	33.03	24.90	20.65	57.93	34.31
Profit/(Loss) After Tax	-661.91	76.54	54.51	-585.37	96.53
Earning per equity share:					
Face value per equity shares Rs.10/- fully paid up.					
(1) Basic	(9.88)	1.14	0.76	-8.74	1.44
(2) Diluted	(9.88)	1.14	0.76	-8.74	1.44

As per our report of even date

For KALE MALDE & CO.
Chartered Accountants
Firm Regn No : 154422W

Kale

CA Laxman Kale
Partner

Membership No : 110882

Date: 31/10/2026

Place: Dombivli

ICAI UDIN: 26110882TGWSFB9853



For & On Behalf of the Board
Shanthala FMCG Products Limited

Shobitha

Shobitha Malya
Managing Director

DIN : 06793259

Date: 31/10/2026

Place: Kodagu



SHANTHALA FMCG PRODUCTS LIMITED
CIN : L51109KA2014PLC073756
Consolidated Statement of Cash Flows for the year ended 31st March, 2026

All amounts in INR Lakhs, unless otherwise stated

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	-527.44	130.84
Adjustments for :		
Interest income	-87.26	-84.32
Interest expense	9.72	2.76
Depreciation and Amortization Expense	1.94	3.40
Operating Profit Before Working Capital Changes	-603.04	52.68
Increase / (Decrease) in Trade Payables	-103.45	71.90
Increase / (Decrease) in Other liabilities	-3.34	-0.98
Increase / (Decrease) in Provisions	23.84	33.75
Decrease / (Increase) in Inventories	-5.04	25.33
Decrease / (Increase) in Trade Receivables	251.67	-114.10
Decrease / (Increase) in loans and advances	-150.83	-0.31
Decrease / (Increase) in Other assets	562.30	-63.23
Cash generated from / (used in) Operations	-27.90	5.04
Income taxes paid	-59.88	-33.02
Net Cash generated from / (used in) Operating Activities	-87.78	-27.98
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible Assets	-0.53	-0.23
Interest received	87.26	84.32
Net Cash generated from / (used in) Investing Activities	86.73	84.09
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-Term Borrowings	-	-
Repayment of Long-Term Borrowings	-11.37	-6.33
Proceeds from Short-Term Borrowings	103.47	-
Interest paid	-9.72	-2.76
Net Cash generated from / (used in) Financing Activities	82.38	-9.09
Net Increase / (Decrease) In Cash and Cash Equivalents	81.33	47.03
Cash and Cash Equivalents at the Beginning	218.47	171.44
Cash and Cash Equivalents at the End	299.80	218.47

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For Kale Malde & Co.

Chartered Accountants

Firm Regn No : 154422W

CA Laxman Kale

Partner

Membership No : 110882

Date: 31/10/2026

Place : Dombivli

ICAI UDIN: 26110882TGWSFB9853


**For and on behalf of Board of
Directors Shanthala FMCG Products
Limited**
Shobitha Malya

Managing Director

DIN : 06793259

Date: 31/10/2026

Place : Kodagu



Notes to the Consolidated Audited Financial Results

(for the Half year and Year ended 31st March, 2026)

1. The consolidated audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on, 30th October 2026.
2. The Statutory Auditors have conducted an audit of the consolidated financial results for the year ended 31st March, 2026 and have issued an unmodified audit report thereon, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The consolidated financial results include the financial performance of the holding company and its subsidiaries, in accordance with Accounting Standard (AS) 21 – Consolidated Financial Statements, as notified under the Companies (Accounting Standards) Rules, 2006.
4. Earnings Per Share (EPS) has been computed in accordance with Accounting Standard (AS) 20 – Earnings Per Share, based on net profit attributable to equity shareholders.
5. The company is primarily engaged in the business of marketing and distribution of FMCG products, which is considered as a single reportable business segment as per Accounting Standard (AS) 17 – Segment Reporting.
6. In view of the Ministry of Corporate Affairs notification dated 16th February 2015, companies whose equity shares are listed on the SME Exchange under Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, are exempted from mandatory adoption of Indian Accounting Standards (Ind-AS). Accordingly, the company has prepared its financial results under existing Accounting Standards (AS) framework.
7. The figures for the previous periods have been regrouped and rearranged wherever necessary to make them comparable with the current period's presentation.
8. The company has a Wholly Owned Subsidiary Company named as 'STPL Commtrade Private Limited'. Further, required consolidated results and statements for half year ended on 31st March, 2026 are prepared and attached below.
9. **Attention is invited to the disclosures relating to the discrepancies identified in the Forensic Audit and Investigation Report dated October 9, 2026, as included in the accompanying Statement of Consolidated Financial Results as on 31st March, 2026.**

As reported in the Forensic Audit Report, an amount of ₹760.79 lakh collected in cash from customers during the year was not deposited into the Company's bank accounts. The Chief Financial Officer (CFO) was responsible for the day-to-day financial operations of the Company and had full access and authority over its financial transactions and banking operations.



Based on the findings of the Forensic Audit Report and pursuant to the resolution passed by the Board of Directors, the Company has recognised the said amount as recoverable from the CFO. Considering the uncertainty regarding its recoverability, the Company has recognised an impairment loss of ₹760.79 lakh in the Consolidated Statement of Profit and Loss under Exceptional Items, with a corresponding allowance against the amount recoverable.

Further, during the year, ₹569.19 lakh was transferred to two related parties without requisite approvals of the Audit Committee and the Board of Directors, of which ₹57.84 lakh remained outstanding as at March 31, 2026.

We have considered the Forensic Audit Report, the Board Resolution and the information and explanations provided by the Management. However, in the absence of sufficient appropriate audit evidence regarding the recoverability of the said amount, we are unable to determine whether any further adjustments or disclosures are necessary in the consolidated financial statements.



To,
Shanthala FMCG Products Limited
Virajpet, Kodagu

Sub: Certificate of Utilization of IPO Funds for the period ending on 31st
March 2026

Management's responsibility for the Statement:

1. The preparation of the information in terms of the requirements of Generally Accepted Accounting principle (GAAP) is the responsibility of the Management of M/s Shanthala FMCG Products Limited including the preparation and maintenance of all accounting and other relevant supporting record. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Practitioner's responsibility:

1. Pursuant to the requirements of the requirements for certification of fund utilization as stipulated by SEBI and NSE, as per applicable regulations, our responsibility to examine the books of accounts and other relevant documents / records of the applicant and to provide a reasonable assurance that the information declared in the Statement are is in accordance with the books of accounts maintained.
2. To conduct our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
3. To comply with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

1. We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.



2. This certificate has been issued the request of the company and based on the information and documents provided by the management and is meant solely for the purpose of bank finance as per attached Annexure.

Restriction on Use

This certificate is addressed and provided to the verify the statutory records and books accounts to Verify the utilization of IPO funds aligns with the purposes specified in the prospectus details given in Attached annexure. This certificate solely for the purpose of submission to NSE and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For M/s. Kale Malde & Co.
Chartered Accountants,
FRN - 0154422W





CA Laxman Kale
M. no. 110882
Date: 31/10/2026
Place: Dombivli
UDIN: 26110882GFZXIU4174

Annexure A

We have examined the books of account and other relevant records/documents maintained by the company in connection with the utilization of proceeds of the Initial Public Offering (IPO) as stated in the Offer Document for issuing 17,66,400 equity shares of ₹10/- each at a premium of ₹81/- per share.

As of 31st March 2026 the details of funds raised and their application are as follows:

(Amount in Lakhs)

S No.	Object as disclosed in the Offer Document	Amount disclosed in the Offer Document	Actual Utilised Amount	Unutilised Amount	Remarks
1	Funding Working requirements Additional capital	1150.00	606.15	543.85	
2	General Purposes (Including expenses apportioned) Corporate IPO	457.42	457.42	Nil	
	Total	1607.42	1063.57	543.85	

We certify that:

- The company has partially applied the IPO proceeds for the disclosed purposes as of March 31, 2026
- The unutilized balance remains held in short-term deposits and bank balances, as reflected in the financial statements.

This certificate is issued as per the guidance provided in the relevant ICAI pronouncements for a special-purpose certificate and is intended solely for your information.

For M/s. Kale Malde & Co.
Chartered Accountants,
FRN - 0154422W

[Signature]

CA Laxman Kale
M. no. 110882
Date: 31/10/2026
Place: Dombivli
UDIN: 26110882GFZXIU4174

