

KAVANAR LATEX LIMITED

PALA



36th
ANNUAL REPORT
2025 - 2026



KAVANAR LATEX LIMITED
VALLIYAMTHADATHIL BUILDINGS
ERATTUPETTA ROAD, PALA, KOTTAYAM DT.
KERALA 686575
CIN: U25199KL1990PLC005667

BOARD OF DIRECTORS

Sri. Arumugam P (DIN 08253293)	: Chairman
Sri. Renjith Divakaran Nair (DIN 10278279)	: Managing Director
Sri. Devasia Sebastian (DIN 00204020)	: Director
Sri. M K Gopalakrishnan Nair (DIN 03341210)	: Director
Sri. Francis Jacob (DIN 02491437)	: Director
Sri. K S Mathew (DIN 07318203)	: Director
Sri. Joseph Mathews Cherukara (DIN 02550190)	: Independent Director
Sri. G Krishnakumar (DIN 02336033)	: Independent Director

Auditors : M/S Nambiar and Thomas,
Chartered Accountants
Pala

REGISTERED OFFICE : XII/233/1, 1st Floor, Valliyamthadathil Buildings
ERATTUPETTA ROAD,
PALA-686 575
KERALA, INDIA
Phone: 04822 212399, 214799
9446581699, 8547611799
E Mail kavanarpala@gmail.com
Web: www.kavanarlatex.com

FACTORY : VAKAKKADU, MOONNILAVU P.O
Phone: 04822 286373, 9497098393

DEPOTS : PALA 04822 213199, 9778636479
RAMAPURAM 04822 261041, 9778636476
PAIKA 04822 227041, 9778636478
KURAVILANGADU 9778636477
KOZHUVANAL 9778636475
MOOLAMATTAM 9778707062

LABORATORY : PALA 04822, 216708

KAVANAR LATEX LIMITED**VALLIYAMTHADATHIL BUILDINGS, ERATTUPETTA ROAD, PALA****KOTTAYAM DT. KERALA 686575****CIN: U25199KL1990PLC005667****Notice to Members**

The 36th Annual General Meeting of the members of Kavanar Latex Ltd. Pala will be held on Wednesday, the 30th September 2026 at the St. Mary's Church Lalam, Old Parish Hall, St. Mary's School Junction, Pala at 2.30 P M to transact the following business.

Ordinary Business

1. To receive, consider and if thought fit to adopt the Audited balance Sheet as at 31st March 2026 and the Profit and Loss account for the year ended on that date together with the Cash Flow statement, Directors and Auditors report thereon.
2. To appoint a Director in place of Sri. Devasia Sebastian (DIN00204020), Ganapathiplackal, Thekkummury, Puliyanloor-PO, Pala who retires by rotation and being eligible subject to the provisions of the Companies Act 2013 and offers himself for re-appointment.
3. To appoint a Director in place of Sri. Francis Jacob (DIN 02491437), Kavalammackal House, Theekkoy-PO, Kottayam (Dist), who retires by rotation and being eligible subject to the provisions of the Companies Act 2013 and offers himself for re-appointment.
4. To appoint the Auditors of the Company from the conclusion of 36th AGM till the conclusion of the next AGM.

Special Business

1. To appoint Chairman of the Company.
2. To appoint two independent Directors.

By Order of the Board

For **KAVANAR LATEX LIMITED**

Sd/-

RENJITH DIVAKARAN NAIR

MANAGING DIRECTOR

(DIN 10278279)

Pala
03-09-2026

Explanatory statement on ordinary business.Item No 2 ,3 and 4**Right of persons other than retiring directors to stand for directorship (As per section 160 of the Companies Act 2013)**

A person who is not a retiring director in terms of section 152 shall, subject to the provisions of this Act, be eligible for appointment to the office of a director at any general meeting, if he, or some member intending to propose him as a director, has, not less than fourteen days before the meeting, left at the registered office of the company, a notice in writing under his hand signifying his candidature as a director or, as the case may be, the intention of such member to propose him as a candidate for that office, along with the deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to the member, if the person proposed gets elected as a director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.

The proposal if any for candidature for Directorship should contain the Director's Identification number of the candidate and that he is not disqualified to become Director as per the Act and the consent of the person to act as the Director of the Company.

The company shall inform its members of the candidature of a person for the office of director in such manner as may be prescribed by the Act.

Item No. 4- Appointment of Statutory Auditors: The meeting may consider if thought fit to re appoint M/s Nambiar and Thomas, Chartered Accountant Pala (FRN 002312S) as the Statutory Auditors of the Company from the conclusion of 36th AGM till the conclusion of the next AGM at a fee of Rs20,000/- and pass appropriate resolutions in this regard as per the provisions of Companies Act 2013. The auditors have certified that they are eligible for being reappointed as per the provisions of the Companies Act 2013

Explanatory Statement on Special Business

Item No. 1 Appointment of Chairman: As per the Articles of Association of the Company, the Annual General Meeting shall appoint a Director nominated by Rubber Board as Chairman of the Company. Sri. Arumugam.P, Joint Director (P&QC) (DIN 08253293), Rubber Board is the director nominated from Rubber Board for being considered for appointment as the Chairman of the Company.

Item No:2 Appointment of Independent Directors: As per Section 149(4) of the Companies Act 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules 2014 our company is required to appoint minimum of two independent directors who qualifies as per the said act and rules. The meeting of Board of Directors held on 21-8-2026 has subject to approval of the AGM appointed S/Sri. Dr. Joseph Mathews Cherukara (DIN 02550190) and G.Krishnakumar (DIN 02336033) as Independent Directors and the AGM may kindly consider ratification of the appointment, further extension of appointment and to pass the following resolutions with/without modification as thought fit.

- (i) “RESOLVED that pursuant to Section 149 (4) of the Companies Act 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules 2014 and other applicable provisions of the Companies Act, 2013, approval is hereby accorded for the

appointment of Dr. Joseph Mathews Cherukara (DIN 02550190), Block 2, F3, VB Garden, Chempumukku, Kakkanad-west, Kochi-682030, KERALA as the independent Director of M/s Kavanar Latex Limited by the 269th Meeting of Board of Directors held on 21-8-2026 at a remuneration of Rs15,000/- (Rupees Fifteen Thousand only) per sitting of the meeting of Board/Committee plus reimbursement of travelling expenses at actuals.

ALSO RESOLVED that Dr. Joseph Mathews Cherukara (DIN 02550190) be appointed as independent director of the company for a further period of three years on the same terms of remuneration from the conclusion of 36th AGM to the conclusion of 39th AGM.

- (ii) RESOLVED that pursuant to Section 149 (4) of the Companies Act 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules 2014 and other applicable provisions of the Companies Act, 2013, approval is hereby accorded for the appointment of Sri.G. Krishnakumar (DIN 02336033), A-1, VB Willows, CSEZ-PO, Kakkanad, Kochi-682037 as the independent Director of M/s Kavanar Latex Limited by the 269th Meeting of Board of Directors held on 21-8-2026 at a remuneration of Rs15,000/- (Rupees Fifteen Thousand only) per sitting of the meeting of Board/Committee plus reimbursement of travelling expenses at actuals.

ALSO RESOLVED that Sri.G. Krishnakumar (DIN 02336033) be appointed as independent director of the company for a further period of three years on the same terms of remuneration from the conclusion of 36th AGM to the conclusion of 39th AGM.

Note:

1. Rubber Board/Member RPS/Other Body Corporate who are members of the company may duly authorise a person on their behalf to attend and vote at the meeting and to take part in the discussions there at on behalf of the member. Such person should hand over at the venue of the meeting the enclosed authorisation duly filled in, signed and sealed for attending the meeting.
2. ***The person entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member. In such case, 'the instrument appointing a proxy' should be deposited at the registered office of the Company not less than 48 hours before holding the meeting.***
3. Member /Proxy should also bring the enclosed attendance slip duly filled in, signed and sealed for attending the meeting. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, such proxy shall not act as a proxy for any other person or shareholder.

KAVANAR LATEX LIMITED**REGD. OFF.: VALLIAMTHADATHIL BUILDINGS, PALA 686575****CIN: U25199KL1990PLC005667****DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting 36th Annual report on the affairs of the Company, together with the Audited Statement of Accounts for the year ended on 31st March, 2026

1. Financial performance of the company:**(in thousands)**

Sl. No	PARTICULARS	YEAR ENDED 31-3-2026	YEAR ENDED 31-3-2025
I	Sales for the year	1304982.11	1197382.10
II	Other Income	223.09	98.17
III	Total Income	1305205.20	1197480.27
IV	Total expenses before interest and depreciation	1295657.22	1180420.30
	Interest and other charges	2384.83	1699.22
	Depreciation	1832.81	1593.06
V	Profit/-Loss before exceptional and extraordinary items and tax (III-IV)	1299874.86	13767.69
VI	Exceptional items	0.00	0.00
VII	Profit before extraordinary items and tax (V+VI)	5330.34	13767.69
VIII	Extraordinary items	0.00	0.00
IX	Profit before tax (VII-VIII)	5330.34	13767.69
X	Tax Expenses	1541.81	3834.23
XI	Profit/(Loss) for the period from continuing operations after Tax (IX-X)	3788.53	9933.46
XII	Tax expense of discontinuing operations	0	0
XIII	Profit/loss from discontinuing operations (after tax)	0	0
XIV	Profit/loss for the period (XI+XIII)	3788.53	9933.46
	Earnings per equity share:		
	Basic	2.69	7.06
	Diluted	2.69	7.06

2 Operations

Your directors are pleased to announce that the company could generate a total turnover of Rs 130.52 Crores in the reporting year against Rs 119.75 Crores of the previous year. The net profit generated is Rs 37.88 Lakhs during the year of report. It is a matter of pleasure to inform that despite the constraints caused by the unfavorable agro climatic conditions and the uncertainties in the international market your Company could improve the turnover during the year of report. The performance of the trading depots also could be strengthened during the year.

3 Transfer to reserves

Apart from the adjustment of profit for the year the Company has not transferred amount to reserves, during the year.

There was no transfer of unclaimed dividend to Investor Education & Protection Fund.

4 Dividend

During the year of report no dividend is recommended.

5. Material Changes between the date of the Board report and end of financial year.

There has been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

6. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

7. Subsidiary Company:

As on March 31, 2026, the Company does not have any subsidiary.

8. Statutory Auditor & Audit Report:

M/s. Nambiar and Thomas, Chartered Accountants, Pala, statutory auditors of the Company having registration number FRN No 002312S hold office until the conclusion of the 36th Annual General Meeting. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed. The statutory auditors have also confirmed that they hold a valid certificate issued by the "Peer Review Board" of The Institute of Chartered Accountants of India.

There are no adverse qualifications or observations or remarks made by the Auditors in their Report.

9. Change in the nature of business:

There is no change in the nature of the business of the company.

10. Future Plans:

The future plans include installation of a solar power project in the factory, modernization of plant and machinery, construction of a godown and undertaking contract planting operations in Rubber growers' field etc. The Company aims at cost control and cost reduction along with quality improvement to improve the profit in future.

11. Details of directors or key managerial personnel:

Sri Tomson Francis K, Joint Director (E&P), Rubber Board who was the chairman of the Company vacated the office with effect from 30-4-2026 consequent to his superannuation from the services of Rubber Board. Sri. Arumugam P, Joint Director (P&QC) was nominated as Director in his place by the Rubber Board. Adv. M.K. Gopalakrishnan Nair (DIN03341210) retired at the 35th Annual General Meeting (AGM) was re-appointed by the AGM. Sri. Renjith Divakaran Nair continues as the Managing Director of the Company at a remuneration already approved by the 35th AGM. As required vide Section 149(4) of the Companies Act read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules 2014 the Company was required to appoint a minimum of two independent Directors and the 269th meeting of Board of Directors have in anticipation of approval of the AGM appointed S/Sri. Dr. Joseph Mathew Cherukara (DIN 02550190) and G. Krishnakumar (DIN 02336033) as independent Directors.

S/Sri. Devasia Sebastian, Francis Jacob and K S Mathew are the other Directors of the Company.

Sri. Devasia Sebastian and Sri. Francis Jacob retire by rotation at the 36th AGM being eligible offers for reappointment. The Board place on record the appreciation and gratitude for the valuable services of S/Sri. Tomson Francis, Devasia Sebastian and Francis Jacob.

12. Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2026. There were no unclaimed or unpaid deposits as on March 31, 2026.

13. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as “Annexure A”.

14. Corporate Social Responsibility:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

15. Number of meetings of the Board:

During the year 2025-26, the Board of Directors met 4 times viz. on 11/07/2025, 27/08/2025, 22/12/2025 and 20/03/2026

16. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3) (C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures (if any);
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2026 and of the profit and loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.
- (vii) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively to the best of their knowledge.

17. Declaration by Independent Directors: The Company has obtained the declaration by independent directors as per the provisions of Section 149(7) of the Companies Act 2013.**18. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;**

None of the Directors except the Managing Director is entitled to draw remuneration other than sitting fee/travelling allowance. Managing Director is a Director nominated by Rubber Board as per the articles of association of the Company and the Board of Directors (excluding the Director proposed to be

appointed as the Managing Director) appoints the said director as Managing Director at a remuneration as per the deputation rules of the Rubber Board and the same is approved by the AGM. Sri Renjith Divakaran Nair, Development Officer, Rubber Board continues as the Managing Director of the Company.

19. Particulars of loans, guarantees or investments under section 186:

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments.

20. Particulars of Employee:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

21. Prevention of sexual Harassment at work place

The Company is committed to provide a safe and conducive work environment to its employees.

Your Directors further state that during the year under review there was no case filed pursuant to the Sexual Harassment of women at work place (Prevention and Redressal) Act 2013.

EXTRACT OF THE ANNUAL RETURN IN FORM MGT-9:

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, MGT-9 is given as Annexure B

Related Party Transactions:

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014:*

1. Details of contracts or arrangements or transactions not at arm's length basis: Rs 6.51 lakhs

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Meenachil Rubber Wood Ltd (two of our directors are also directors in Meenachil Rubber wood Ltd.)	Sale of wood board	2 months	Sale of rubber wood board amounting to Rs. 6.51 lakhs (excluding tax)	NA	Nil

22. Acknowledgments:

The Directors would like to place on record their sincere gratitude to the Chairman and the Executive Director of Rubber Board for the patronage and support extended to the Company. We further acknowledge our gratitude to the Officers of Rubber Board, Banks and various agencies of Central & State governments, RPSs, growers, employees, auditors, suppliers and customers for their kind co-operation and support and expect the same in all future endeavors.

For and on behalf of the Board of Directors

Sd/-

Renjith Divakaran Nair
Managing Director
(DIN 10278279)

Sd/-

Arumugam. P
Chairman
(DIN: 08253293)

Place: Pala

Dated: 03-09-2026

ANNEXURE – A

**Information under Section 134(3) (m) of the Companies Act, 2013
read with rule 8(3) the Companies (Accounts) Rules, 2014 and
forming part of the Report of the Directors**

(A) Conservation of energy-

- (i) the steps taken or impact on conservation of energy:

Energy conservation Measures Taken:

1. Installation of Capacitors for obtaining energy efficiency.
2. Factory personnel were trained on different aspects of energy conservation
3. Regular maintenance of, Alternator, Capacitor etc.

- (ii) The steps taken by the company for utilizing alternate sources of energy: NIL

- (iii) The capital investment on energy conservation equipments: NIL

(B) Technology absorption-

- (i) the efforts made towards technology absorption: NIL

- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: NIL

- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- : NIL

- (iv) the expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo-

(₹in Lakhs)

Particulars	2025-26	2024-25
Total Foreign Exchange Received (F.O.B. Value of Export)	Nil	Nil
Total Foreign Exchange used:		
i) Raw Materials	Nil	Nil
ii) Consumable Stores	Nil	Nil
iii) Capital Goods	Nil	Nil
iv) Foreign Travels	Nil	Nil
v) Others	Nil	Nil

ANNEXURE B

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31/03/2026

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U25199KL1990PLC005667
ii.	Registration Date	04-04-1990
iii.	Name of the Company	KAVANAR LATEX LTD
iv.	Category/Sub-Category of the Company	Public Limited Company
v.	Address of the Registered office and contact details	VALLIYAMTHADATHIL BUILDINGS, ERATTUPETTA ROAD, PALA – 686575
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	BLOCK RUBBER		60.58
2	LATEX		19.03
3	Sheet rubber		17.48

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	NIL	N A	NIL	NA	NA
2.					
3.					
4.					

III. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp		708246	708246	50.34		708246	708246	50.34	Nil
e) Banks / FI									
f) Any Other		253864	253864	18.04		253864	253864	18.04	Nil
Sub-total(A)(1):-		962110	962110	68.38		962110	962110	68.38	Nil
2) Foreign									
g) NRIs-Individuals	Nil	Nil							
h) Other-Individuals	Nil	Nil							
i) Bodies Corp.	Nil	Nil							
j) Banks / FI	Nil	Nil							
Any Other....	Nil	Nil							
Sub-total(A)(2):-	Nil	Nil							
B. Public Shareholding									
1. Institutions	Nil	Nil							
a) Mutual Funds	Nil	Nil							
b) Banks / FI	Nil	Nil							
c) Central Govt	Nil	Nil							
d) State Govt (s)	Nil	Nil							
e) Venture Capital Funds	Nil	Nil							
f) Insurance Companies	Nil	Nil							
g) FIs	Nil	Nil							
h) Foreign Venture Capital Funds	Nil	Nil							
i) Others (specify)	Nil	Nil							
Sub-total(B)(1)									
2. Non Institutions									
a) Bodies Corp.									
(i) Indian		182840	182840	13.00		182840	182840	13.00	Nil
(ii) Overseas		Nil	Nil	Nil		Nil	Nil	Nil	
b) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs. 1 lakh		249474	249474	17.73		249474	249474	17.73	Nil
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		12500	12500	0.89		12500	12500	0.89	Nil
c) Others(Specify)		Nil	Nil						
Sub-total(B)(2)		444814	444814	31.62		444814	444814	31.62	Nil
Total Public Shareholding (B)=(B)(1)+ (B)(2)		444814	444814	31.62		444814	444814	31.62	Nil
C Shares held by Custodian for GDR s & ADRs		Nil							
Grand Total(A+B+ C)		1406924	1406924	100		1406924	1406924	100	Nil

ii. Share holding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Rubber Board	708246	50.34	Nil	708246	50.34	Nil	N A
2.	Rubber Producers societies (49 Nos)	253864	18.04	Nil	253864	18.04	Nil	N A
3.								
	Total	962110	68.38	Nil	962110	68.38	Nil	N A

iii. Change in Promoters' Share holding (please specify, if there is no change)

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No change			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

IV. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	291.06 Lakhs			291.06 Lakhs
ii) Interest due but not paid	0.00			0.00
iii) Interest accrued but not due	0.00			0.00
Total(i+ii+iii)	291.06 Lakhs			291.06 Lakhs
Change in Indebtedness during the financial year				
- Addition	0.00			0.00
- Reduction	55.81 Lakhs			55.81 Lakhs
Net Change	55.81 Lakhs			55.81 Lakhs
Indebtedness at the end of the financial year				
i) Principal Amount	235.25 Lakhs			235.25 Lakhs
ii) Interest due but not paid	0.00			0.00
iii) Interest accrued but not due				
Total (i+ii+iii)	235.25 Lakhs			235.25 Lakhs

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2)Income-tax Act, 1961 (c)Profits in lieu of salary under section 17(3) Income- tax Act, 1961	18.25 Lakhs				18.25 Lakhs
2.	Stock Option	Nil				
3.	Sweat Equity	Nil				
4.	Commission - as% of profit - others, specify	Nil				
5.	Others, please specify	Nil				
6.	Total(A)	18.25 Lakhs				18.25 Lakhs
	Ceiling as per the Act					

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	Nil				
	Total(1)	Nil				
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	0.10 Lakhs				
	Total(2)	0.10 Lakhs				
	Total(B)=(1+2)	0.10 Lakhs				
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax, Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as% of profit - others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
6.	Total	Nil	Nil	Nil	Nil

VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				
B. Directors					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				
C. Other Officers In Default					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KAVANAR LATEX LIMITED.

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of **Kavanar Latex Limited** ("the Company"), which comprise the balance sheet as at 31st March 2026, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 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, its profit and its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit 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 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 opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting on key audit matters as per SA 701 is not applicable to the Company, since it is an unlisted entity. Accordingly, there are no key audit matters to be communicated in our report.

Emphasis of Matter

We draw attention to **Note 2 "Employee Retirement Benefits" (Paragraph 14, Clause 'c')** to the financial statements, which describes the accounting treatment adopted by the Company for employee retirement benefits. As disclosed therein, the Company has recognized the provision for leave encashment without discounting the future cash flows to their present value, as otherwise required by Accounting Standard (AS) 15, *Employee Benefits*.

We draw attention to **Note 28 "Related Parties"** to the financial statements regarding managerial remuneration paid to the Managing Director of the Company. During the year ended March 31, 2026, the Company has paid managerial remuneration of **₹18,25,356/-**, which exceeds the limit prescribed under Section 197 of the Companies Act, 2013 by **₹12,52,368/-** as disclosed in the said Note, the remuneration for the Managing Director has been approved at the **35th AGM via Resolution No.6**, conducted on **29-09-2025** and it was unanimously approved as a special item.

Our opinion is not modified in respect of the above matters.

Information other than the Financial Statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and 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 the Board of Directors 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- (d) Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report, are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021, ***except Accounting Standard – 15, "Employee Benefits", which requires recognition and measurement of retirement benefits as per Actuarial Valuation. The Company has recognized the leave encashment liability based on their internal calculations. We were not in a position to quantify the financial effect, if any, on the financial statement of the company.***
 - (e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a) The Company does not have any pending litigations which would impact its financial position.
- b) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- e) No dividend has been declared or paid during the year by the company.
- f) The company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.
- g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Managing Director during the current year is in excess of the limit laid down under Section 197 of the Act by ₹12,52,368/-, for which approval by way of a Special Resolution as prescribed under section 197(1) was not obtained prior to payment. However, remuneration for the Managing Director has been **unanimously approved** at the 35th AGM via Resolution No.6, conducted on 29-09-2025.

For Nambiar and Thomas
Chartered Accountants
(Firm Reg. No. 0002312S)

Sd/-
Jose Thomas K.
(Partner)
(Membership Number:020122)
UDIN: 26020122FSYAHN8100

Pala
03-09-2026

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR'S REPORT
ON THE FINANCIAL STATEMENTS OF KAVANAR LATEX LIMITED
FOR THE YEAR ENDED 31 MARCH 2026**

Report as required by the Companies (Auditor's Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013

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

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
(B) The company does not have any intangible assets as on the Balance Sheet date.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner on continuous monitoring basis. In accordance with this programme, major Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Accordingly, reporting under clause (ii) (b) is not applicable.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year other than advances to employees as part of routine employment terms, accordingly, clause (iii)(a) to (iii) (f) of the Order is not applicable.
- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, investments or provided any guarantee or security as

specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013, which would require compliance with the provisions of Sections 185 and 186 of the Companies Act 2013. Accordingly, clause 3(iv) of the Order is not applicable.

- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder. Accordingly, clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, The Company is maintaining Cost accounts and Records as specified by the Central Government under sub- section (1) of Section 148 of the Companies Act 2013 for the products manufactured.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

However, we observed that undisputed employees' contribution to provident fund amounting to **₹59,400/-** (including Rs 12,660/- reported as arrears under this clause for the previous year, i.e FY 24-25) relating to the period September 2024 to January 2026 had not been deposited with the appropriate authorities within their respective due dates. Out of the above, dues relating to September 2024 to July 2025, amounting to ₹27,000, had remained outstanding for a period more than six months from the date they became payable. These statutory dues were subsequently paid **on 27-02-2026**.

According to the information and explanations given to us, other than the above mentioned item, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of any disputes with any forum.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short term basis to be used for long term purposes by the Company. Accordingly, clause (ix)(d) of the Order is not applicable.

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Moreover, the company has no subsidiaries and hence, reporting under this clause is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Moreover, the company has no subsidiaries and hence, reporting under clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year as per requirements of the section 42 and section 62 of the Companies Act, 2013. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle blower complaints were received by the Company during the year and therefore we have not considered any such complaints. Hence nothing is reported under this clause.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company. Hence, reporting under this clause is not applicable.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year. Accordingly, clause 3(xvii) of the Order is not applicable.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, Section 135 is not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- xxi. CFS is not applicable to this Company. Accordingly, clause 3(xxi) of the Order is not applicable.

**For Nambiar and Thomas
Chartered Accountants
(Firm Reg. No. 0002312S)**

Sd/-

**Jose Thomas K.
(Partner)
(Membership Number:020122)
UDIN: 26020122FSYAHN8100**

**Pala
03-09-2026**

ANNEXURE “B” TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF KAVANAR LATEX LIMITED FOR THE YEAR ENDED 31ST MARCH, 2026

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) (Referred to in paragraph 2(f) under “Report on Other Legal and Regulatory Requirements” section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of **Kavanar Latex Limited** (“the Company”), as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control

based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Company.

Meaning of Internal Financial Controls with Reference to Financial Statements.

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements.

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Nambiar and Thomas
Chartered Accountants
(Firm Reg. No. 0002312S)**

Sd/-

**Jose Thomas K.
(Partner)**

**(Membership Number: 020122)
UDIN: 26020122FSYAHN8100**

**Pala
03-09-2026**

KAVANAR LATEX LTD, VALLIYAMTHADATHIL BUILDINGS, PALA 686575

CIN: U25199KL1990PLC005667

BALANCE SHEET AS AT 31st MARCH 2026

Amount (Rs in Thousands)

Particulars		Note No.	31st March 2026	31st March 2025
1		2	3	4
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital		3	14,069.24	14,069.24
(b) Reserves and surplus		4	24,693.62	20,905.09
2 Share application money pending allotment				
3 Non-current liabilities				
(a) Long-term borrowings		5	638.09	967.75
(b) Deferred tax liabilities (Net)		6	(610.72)	(543.78)
(c) Long-term provisions		7	1,995.13	3,187.32
4 Current liabilities				
(a) Short-term borrowings		8	22,886.44	28,138.30
(b) Trade payables		9	28,397.08	24,905.37
(c) Other current liabilities		10	5,107.36	2,360.08
(d) Short-term provisions		11	-	1,203.71
TOTAL			97,176.24	95,193.08
II. ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipments and Intangible assets				
i) Property, Plant & equipments		12	13,734.59	14,269.49
ii) Capital Work-in-Progress			868.70	403.82
(b) Non-current investments		13	1.00	1.00
(c) Long-term loans and advances		14	1,871.12	2,347.85
2 Current assets				
(a) Inventories		15	72,604.99	66,208.08
(b) Trade receivables		16	2,433.98	9,621.21
(c) Cash and cash equivalents		17	4,770.81	1,868.68
(d) Short-term loans and advances		18	891.05	472.95
TOTAL			97,176.24	95,193.08

The schedule referred to above form an integral part of the Balance sheet

As per our report of even date attached

For Nambiar and Thomas

Chartered Accountants

(FRN 002312S)

Sd/-

Jose Thomas K

Partner

M. No. 020122(Partner)

UDIN: 26020122FSYAHN8100

For and on Behalf of the Board

Sd/-

Arumugam P

Chairman

DIN 08253293

Sd/-

Renjith Divakaran Nair

Managing Director

DIN 10278279

Pala

03-09-2026

KAVANAR LATEX LTD,VALLIYAMTHADATHIL BUILDINGS, PALA -686575

CIN: U25199KL1990PLC005667

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2026

Amount (Rs in Thousands)

Particulars		Refer Note No.	For the year ended 31 March, 2026	For the year ended 31 March, 2025
I.	Revenue from operations	19	13,04,982.11	11,97,382.10
II.	Other income	20	223.09	98.17
III.	Total Revenue (I + II)		13,05,205.20	11,97,480.27
IV.	Expenses:			
	Cost of materials consumed	21	7,15,413.31	6,84,104.43
	Purchases of Stock-in-Traded goods	22	5,08,074.29	4,45,334.32
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	23	(6,251.24)	(29,279.04)
	Employee benefits expense	24	36,748.11	41,641.69
	Finance costs	25	2,384.83	1,699.22
	Depreciation and amortization expense	12	1,832.81	1,593.06
	Other expenses	26	41,672.75	38,618.90
	Total expenses		12,99,874.86	11,83,712.58
V.	Profit before exceptional and extraordinary items and tax (III-IV)		5,330.34	13,767.69
VI.	Exceptional items - Prior Period items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		5,330.34	13,767.69
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII- VIII)		5,330.34	13,767.69
X	Less: Tax expense:			
	(1) Current tax		1,546.34	3,879.94
	(2) Deferred tax		(66.94)	(45.71)
	(3) MAT Credit Carried Forward		-	-
	(4) MAT Credit (Prior period items)		62.41	-
XI	Profit (Loss) for the period (IX - X)		3,788.53	9,933.46
XII	Earnings per equity share:	27		
	(1) Basic		2.69	7.06
	(2) Diluted		2.69	7.06

As per our report of even date attached

For Nambiar and Thomas

Chartered Accountants

(FRN 002312S)

Sd/-

Jose Thomas K

Partner

M. No. 020122(Partner)

UDIN: 26020122FSYAHN8100

For and on Behalf of the Board

Sd/-

Arumugam P

Chairman

DIN 08253293

Sd/-

Renjith Divakaran Nair

Managing Director

DIN 10278279

Pala

03-09-2026

KAVANAR LATEX LTD, PALA

CIN: U25199KL1990PLC005667

CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2026

Amount (Rs in Thousands)

	Year ended 31/03/2026		Year ended 31/03/2025	
A. Cash flow from Operating activities				
Profit before tax		5330.34		13767.69
Adjustment for				
Depreciation	1832.81		1593.06	
Expenses payable	-1250.41		-1024.74	
Long term provisions	-1192.18		474.04	
Operating profit before working capital change		4720.56		14810.05
Adjustment for				
Inventories	-6396.92		-12482.35	
Short term borrowings	-5251.86		-1431.53	
Trade payables	4742.12		6664.81	
Other current liabilities	2747.28		-177.70	
Short term provisions	-1203.71		1203.71	
Short term loans and advances	-418.09		317.84	
Trade receivables	7187.23		-3127.96	
Cash Generated from Operations		6126.61		5776.87
Tax (MAT not eligible for carryforward)		-1608.74		-3879.94
Net cash flow from Operating activities		4517.87		1896.93
B. Cash flow from Investing activities				
Fixed Assets Addition/deletion	-1762.80		-2485.98	
Long term loans and advances	476.73		1339.43	
Net Cash flow from Investing activities		-1286.07		-1146.55
C. Cash flow from Financing activities				
Long Term Borrowings	-329.67		-646.79	
Net Cash flow from Financing activities		-329.67		-646.79
Net Increase/Decrease in cash & cash equivalents(A+B+C)		2902.13		103.59
Opening cash and cash equivalents		1868.68		1765.09
Closing cash and bank balances		4770.81		1868.68

As per our report of even date attached

For Nambiar and Thomas

Chartered Accountants

(FRN 002312S)

Sd/-

Jose Thomas K

Partner

M. No. 020122(Partner)

UDIN: 26020122FSYAHN8100

For and on Behalf of the Board

Sd/-

Arumugam P

Chairman

DIN 08253293

Sd/-

Renjith Divakaran Nair

Managing Director

DIN 10278279

Pala

03-09-2026

KAVANAR LATEX LTD,
VALLIYAMTHADATHIL BUILDINGS, PALA 686575
CIN: U25199KL1990PLC005667

NOTES TO FINANCIAL STATEMENTS

Note 1

Background

Kavanar Latex Ltd was incorporated on 04/04/1990. The company is primarily engaged in the processing of Block Rubber (ISNR) and trading of all kinds of natural rubber and Agriculture inputs and related accessories.

Note 2

Significant Accounting Policies

The significant accounting policies followed by the company are as stated below

General

The financial statements are prepared under historical cost convention. These statements have been prepared in accordance with applicable mandatory Accounting Standards and relevant presentational requirements of The Companies Act, 2013.

Use of Estimates

The preparation of financial statements in conformity with the Indian Generally Accepted Accounting Principal (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amount of income and expenses during the period. Actual figures may differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Property, Plant and Equipment

Property, Plant and Equipment are stated at historical cost less accumulated depreciation. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the expenditure can be measured reliably. Repairs and Maintenance costs are recognised in the Statement of Profit and Loss when they are incurred.

Depreciation

Depreciation on property, plant and equipment has been provided under Straight Line Method over the useful life of the assets estimated by the management which is in line with the terms prescribed in Schedule II to The Companies Act, 2013. Depreciation for assets purchased/sold during the period is proportionately charged. Depreciation methods, useful lives & residual values are reviewed periodically.

The management estimates the useful life of the assets as follows:

Buildings	30 years
Other civil works	30 years
Plant and machinery	8 Years
Electrical Installation	10 Years
Furniture and Fixtures	10 Years
Office equipments	5 Years
Latex collection Equipments	10 Years
Water supply installation	15 years

Loose tools	8 Years
Laboratory Equipments	10 Years
Computer	3 Years
Car	6 Years
Lorry	6 Years
Solar Plant	15 years

Inventories

- i. Raw materials are valued on cost basis.
- ii. Work-in-Progress is valued at Cost basis. Cost includes indirect cost.
- iii. Finished Goods are valued at lower of cost or net realisable value. Cost includes indirect costs.

Foreign Currency Transactions

There is no foreign currency transactions during the financial year.

Investments

Investments being long term investments are carried in the financial statements at cost. Provision for diminution, if any is made to recognise a decline, other than temporary, in the value of investments.

Employee Benefits

- a. Short term employee benefits such as salaries, wages, bonus and incentives which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits are recognised on an undiscounted basis and charged to the profit and loss account.
- b. Defined Contribution Plans - Contributions made to the Recognised Provident Fund is expensed to the Profit & Loss Account. The Company's obligation is limited to the amount to be contributed by it.
- c. Gratuity: Gratuity liability of the company is covered by the group gratuity scheme of Life Insurance Corporation of India and annual contribution is absorbed in the profit and loss account.

Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

Segment Reporting

In the absence of more than one distinguishable business/ geographical segment, segment information is not given.

Taxes on Income

Income tax expense comprises current tax and deferred tax charge or credit. The current tax is determined as the amount of tax payable in respect of the estimated taxable income of the period. The deferred tax charge or credit is recognised using prevailing enacted or substantively enacted tax rates. Where there are unabsorbed depreciation or carry forward losses, deferred tax asset is recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets are reviewed at each Balance Sheet date based on the developments during the year and available case laws, to reassess realisation/liabilities. The net deferred tax position as on 31-03-2026 is a Deferred Tax liability of Rs 6.11 lakhs represented by unabsorbed depreciation/loss. This is not recognised in the absence of virtual certainty about sufficient future profits.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum

Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to check whether there is any indication of impairment based on internal/external factors. An impairment loss will be recognised wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital.

Provisions, Contingent Liabilities and Contingent Assets

The company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements. MAT paid in a year in respect of which the credit is allowed during the specified period under the Act is a resource controlled by the company as a result of past event, namely, the payment of MAT. MAT credit has expected future economic benefits in the form of its adjustment against the discharge of the normal tax liability if the same arises during the specified period. Accordingly, MAT credit is an 'asset'. Where MAT credit is recognised as an asset in accordance with paragraph 11 of 'Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961' the same should be reviewed at each balance sheet date. The company shall write down the carrying amount of the MAT credit asset to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

Employee Retirement Benefits

- a). Provident fund : Contributions are charged to profit and loss account of the year when the contributions are due in accordance with the Employees Provident Fund and Miscellaneous Provisions Act. 1952
- b). Gratuity: Gratuity liability of the company is covered by the group gratuity scheme of Life Insurance Corporation of India and annual contribution is absorbed in the profit and loss account.
- c). Long term leave encashment provisions are recognized at an undiscounted basis every year using suitable estimates, derived on the reasonable accounting practices and policies adopted consistently by the Company in this regard.

Note 3

(Amount in Rs thousand)

<u>Share Capital</u>	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares	value	Number of shares	value
(a) Authorised Equity shares of Rs 10/- each with voting rights	15,00,000	15,000.00	15,00,000	15,000.00
(b) Issued Equity shares of Rs10/- each with voting rights	15,00,000	15,000.00	15,00,000	15,000.00
(c) Subscribed and fully paid up Equity shares of Rs10/- each with voting rights	14,06,924	14,069.24	14,06,924	14,069.24

Shares available for subscription (out of authorized capital)	Equity Shares		Preference Shares	
	Number	Value	Number	Value
At the beginning of the year	93,076	930.76	-	-
Shares Issued during the year	0.00	0.00		
Shares bought back during the year	0.00	0.00		
At the end of the year	93,076	930.76	-	-

Shares held by shareholders holding more than 5% shares

Name of Shareholder	As at 31 March 2026		As at 31 March 2025	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares with voting rights				
Rubber Board	708246	50.34%	7,08,246.00	50.34%

Note 4

(Amount in Rs thousand)

Reserves & Surplus	As at 31 March, 2026	As at 31 March, 2025
(a) Capital reserve		
Opening balance	608.03	608.03
Add: Additions during the year (give details)	0.00	0.00
Less: Utilised / transferred during the year (give details)	0.00	0.00
Closing balance	608.03	608.03
(b) Other reserves (State investment subsidy)		
Opening balance	566.16	566.16
Add: Additions / transfers during the year	0.00	0.00
Closing balance	566.16	566.16
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	19,730.90	9,797.44
Add: Profit / (Loss) for the year	3,788.53	9,933.46
Sub total	23,519.43	19,730.90
Less Appropriations		
Interim Dividend	0.00	0.00
Corporate Divident Tax	0.00	0.00
	0.00	0.00
Total	24,693.62	20,905.09

Note 5

(Amount in Rs thousand)

<u>Long Term Borrowings</u>	As at 31 March, 2026	As at 31 March, 2025
(a) Term loans		
From banks ,secured	638.09	967.75
From other parties		
Secured	0.00	0.00
Total	638.09	967.75

The oustatanding amount stated above include RS 3.55 lakhs repayable within the next 12 months from the balance sheet date.Further, the same has not been regrouped into current maturities of long term debt as it would be inconsistent with the usersunderstanding of this item from the previous years.

Note 6

(Amount in Rs thousand)

Deferred Tax Liability	As at 31 March, 2026	As at 31 March, 2025
Net Block as per Companies Act	6,679.72	7,214.61
Net Block as per Income Tax Act	9,028.62	9,306.07
Timing Difference	-2,348.90	-2,091.46
Deferred Tax Liability @26%	-610.72	-543.78

Note 7

(Amount in Rs thousand)

Long Term Provisions	As at 31 March, 2026	As at 31 March, 2025
(a) Provision for employee benefits:		
Provision for Leave encashment	1,995.13	3,187.32
(b) Provision - Others:	0.00	0.00
Total	1,995.13	3,187.32

Note 8

(Amount in Rs thousand)

<u>Short Term Borrowings</u>	As at 31 March, 2026	As at 31 March, 2025
(a) Loans repayable on demand		
From banks		
Secured	22,886.44	28,138.30
Total	22,886.44	28,138.30

Secured Loan repayable on demand represent the working capital loan taken from the South Indian Bank by hypothecation of Company's entire stock and first charge on companies entire assets.

The company has not defaulted any repayment due as principal or interest.

Note 9

Trade payables	As at 31 March, 2026	As at 31 March, 2025
Creditors		
For purchases		
Micro, Small and Medium Enterprises	14,555.12	6,564.38
Others	11,782.57	15,445.75
For Capital Goods	414.57	0.00
Expenses Payable	1,644.82	2,895.23
Total	28,397.08	24,905.37

Expenses payable represents amounts payable to electricity charge, provision for salaries and wages etc.

Trade payable Aging schedule As on 31st March 2026

Particulars	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	more than 3 Years	Total
MSME	0.00	0.00	14,555.12	0	0	0	14,555.12
Others	0.00	0.00	13,619.46	100.00	80.00	42.50	13,841.96
Disputed dues (MSME)	0.00	0.00					0.00
Disputed dues (OTHERS)	0.00	0.00					0.00
Total	0.00	0.00	28,174.58	100.00	80.00	42.50	28,397.08

Trade payable Aging schedule As on 31st March 2025

Particulars	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	more than 3 Years	Total
MSME	0.00	0.00	6,564.38		0	0	6,564.38
Others	0.00	0.00	18,241.16	57.33		42.50	18,340.99
Disputed dues (MSME)	0.00	0.00	0				0.00
Disputed dues (OTHERS)	0.00	0.00	0				0.00
Total	0.00	0.00	24,805.54	57.33	0.00	42.50	24,905.37

Note 10

(Amount in Rs thousand)

Other Current Liabilities	As at 31 March, 2026	As at 31 March, 2025
Statutory dues		
(i) Statutory remittances (Contributions to PF , Withholding Taxes, GST, Service Tax, etc.)	5,104.97	2,360.08
(ii) Suspense Account	2.39	0.00
Total	5,107.36	2,360.08

Note 11

(Amount in Rs thousand)

Short Term Provisions	As at 31 March, 2026	As at 31 March, 2025
(a) Provision for Income Tax (Minimum Alternate Tax)	1,546.34	3,879.94
(b) Less - TDS	964.25	1,094.39
(c) Less-MAT credit set off	582.09	1,581.84
Total	0.00	1,203.71

Calculation Of MAT	As at 31 March, 2026	As at 31 March, 2025
Book Profit As Per MAT Calculation	5,330.34	13,767.68
MAT @ 15%	799.55	2,065.15
Add: Surcharge @ 7%	0.00	144.56
Add: Health and Education Cess @ 4%	31.98	88.39
MAT with SC & Cess on book profit	831.53	2,298.10

KAVANAR LATEX LTED

Note-12 TANGIBLE FIXED ASSETS

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		Original cost As At 31.03.2025	Additions during the Year	Subsidy Received (AS -12)	Deductions during the year	Original cost As At 31.03.2026	Written off up to 31.03.2025	Adjustment for deductions	For the year	Written off up to 31.03.2026	WDV As At 31.03.2026	WDV As At 31.03.2025
1	Land	6821.69	0.00		0.00	6821.69	0.00	0.00	0.00	0.00	6821.69	6821.69
2	Land development	233.19	0.00		0.00	233.19	0.00	0.00	0.00	0.00	233.19	233.19
3	Buildings	3991.55	0.00		0.00	3991.55	2423.66	0.00	142.98	2566.64	1424.91	1567.89
4	Other civil works	4999.47	0.00		0.00	4999.47	3871.42	0.00	106.71	3978.13	1021.34	1128.05
5	Plant and machinery	13234.30	97.00		0.00	13331.30	11149.54	0.00	528.16	11677.70	1653.60	2084.76
6	Electrical Installation	3000.73	0.00		0.00	3000.73	2811.64	0.00	12.37	2824.01	176.72	189.09
7	Furniture and Fixtures	935.15	146.70		0.00	1081.85	762.32	0.00	63.89	826.21	255.64	172.84
8	Office equipments	400.76	6.78		0.00	407.54	362.30	0.00	11.93	374.23	33.31	38.45
9	Latex collection Equipments	13.86	0.00		0.00	13.86	10.18	0.00	0.89	11.07	2.79	3.68
10	Water supply installation	641.11	0.00		0.00	641.11	595.57	0.00	5.44	601.01	40.10	45.54
11	Loose tools	361.15	0.00		0.00	361.15	243.83	0.00	35.28	279.11	82.04	117.32
12	Laboratory Equipments	1934.44	0.00		0.00	1934.44	1774.86	0.00	18.13	1792.99	141.45	159.58
13	Computer	729.03	72.88		0.00	801.91	643.33	0.00	43.77	687.10	114.81	85.70
14	Car	1331.89	1003.02		569.45	1765.46	574.64	540.98	600.64	634.30	1131.16	757.25
15	Lorry	1449.84	0.00		0.00	1449.84	1043.09	0.00	177.85	1220.94	228.90	406.75
16	Solar Plant	520.44	0.00		0.00	520.44	62.73	0.00	84.77	147.50	372.94	457.71
	TOTAL	40598.60	1326.38		569.45	41355.53	26329.11	540.98	1832.81	27620.94	13734.59	14269.49
	Godown Renovation (Work in progress)	403.82	984.81	519.92		868.70	0.00			0.00	868.70	403.82
	Grand Total	41,002.42	2,311.19	519.92	569.45	42,224.23	26,329.11	540.98	1,832.81	27,620.94	14,603.29	14,673.31

Note 13

Non Current Investments	As at 31 March, 2026	As at 31 March, 2025
Non -Trade Investments		
Investment in Equity Shares of Meenachil Rubber Marketing Co-operative Society (unquoted)	1.00	1.00
Total	1.00	1.00

Note 14

Long Term Loans and Advances	As at 31 March, 2026	As at 31 March, 2025
a. Capital Advances	0.00	0.00
b. Deposits		
Unsecured, considered good	1,871.12	1,703.36
c. MAT Credit Entitlement - Unsecured, considered good	0.00	644.49
d. Loans and advances to related parties	0.00	0.00
Total	1,871.12	2,347.85

Deposits represent the amount deposited with the Kerala State Electricity board, Deposit with BSNL and rent deposit.

Note 15

Inventories	As at 31 March, 2026	As at 31 March, 2025
(a) Raw materials	17,577.97	16,518.76
(b) Finished goods (other than those acquired for trading)	21,226.65	27,875.38
(c) Stock-in-trade (acquired for trading)	31,394.39	18,494.42
(d) Stores and spares	2,405.98	3,319.52
Total	72,604.99	66,208.08

Inventories are valued at lower of cost or net realisable value.

Raw materials like coconut shell packing materials etc are grouped under Stores and Spares.

Note 16

Trade Receivables	As at 31 March, 2026	As at 31 March, 2025
(a) Trade receivables outstanding for a period less than six Unsecured, considered good	1,836.42	9,614.71
(b) Trade receivables outstanding for a period exceeding six Unsecured, considered good	597.56	6.49
Total	2,433.98	9,621.20

Trade receivable Aging schedule As on 31st March 2026

Particulars	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	more than 3 Years	Total
i. Undisputed trade receivables - considered good	0.00	0.00	2,425.78	5.27	1.81	1.12	2,433.98
ii. Undisputed trade receivables - which have significant increase in credit risk	0.00	0.00	0.00	0	0.00	0.00	0.00
iii) Undisputed trade receivables - credit impaired	0.00	0.00					0.00
(iv) Disputed Trade Receivables - Considered Good	0.00	0.00	0	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables - Credit Impaired	0.00	0.00	0	0	0	0	0

Trade receivable Aging schedule As on 31st March 2025

Particulars	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	more than 3 Years	Total
i. Undisputed trade receivables - considered good	0.00	0.00	9,616.17	1.81	1.23	2	9,621.21
ii. Undisputed trade receivables - which have significant increase in credit risk	0.00	0.00					0.00
iii) Undisputed trade receivables - credit impaired	0.00	0.00					0.00
(iv) Disputed Trade Receivables - Considered Good	0.00	0.00					0.00
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.00	0.00					0.00
(vi) Disputed Trade Receivables - Credit Impaired	0.00	0.00					

Note 17

Cash and cash equivalents	As at 31 March, 2026	As at 31 March, 2025
(a) Cash on hand	607.19	663.50
(b) Balances with banks		
(i) In current accounts	4,063.62	1,105.18
(ii) Term Deposit	100.00	100.00
Total	4,770.81	1,868.68

Note 18

Short-term loans and advances	As at 31 March, 2026	As at 31 March, 2025
(a) Loans and advances to related parties		
Unsecured, considered good	0.00	0.00
(b) Loans and advances to employees		
Unsecured, considered good	292.00	323.20
(c) Prepaid expenses - Unsecured, considered good (For e.g. Insurance premium, Annual maintenance contracts, etc.)	169.72	115.09
(d) Balances with government authorities		
Unsecured, considered good		
TDS Receivable	398.92	10.64
(e) Interest receivable	30.41	24.02
Total	891.05	472.95

Note 19

(Amount in Rs thousand)

Revenue from Operations	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Sale of products	13,02,744.65	11,94,445.77
Other operating revenues	2,237.45	2,936.33
Total	13,04,982.10	11,97,382.10

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Sale of products comprises		
<u>Manufactured goods</u>		
Block Rubber	7,88,313.82	7,48,596.08
Total - Sale of manufactured goods	7,88,313.82	7,48,596.08
<u>Traded goods</u>		
Field Latex	2,47,879.05	2,21,061.30
Block Rubber	949.00	4,012.00
Sheet Rubber	2,27,705.99	1,90,067.72
Agriculture inputs	36,585.42	29,120.49
Others	1,311.38	1,588.18
Total - Sale of traded goods	5,14,430.84	4,45,849.69
Total - Sale of products	13,02,744.66	11,94,445.77
Other operating revenues		
Sale of scrap (waste items)	146.78	1,240.94
Award	50.00	50.00
Lab testing fee	1,333.95	1,307.00
Profit on sale of lorry	90.17	141.53
Others: Loading and unloading	130.90	73.11
Hiring Charge -Car	229.16	0.00
Rubber Plantation Receipts	71.68	0.00
Others	184.81	123.75
Total - Other operating revenues	2,237.45	2,936.33

Note 20

(Amount in Rs thousand)

Other Income	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Interest income		
Interest from banks on:		
deposits with Bank	6.62	14.12
Others	0.00	0.00
Interest on Deposit with KSEB	92.52	73.01
Interest on Income Tax refund	0.00	11.04
Total - Interest income	99.14	98.17
Others - Discount received	123.95	0.00
Total	223.09	98.17

Note 21

(Amount in Rs thousand)

Cost of Material Consumed	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening stock	16,738.31	35,321.58
Add: Purchases	7,16,364.48	6,65,521.16
Less: Closing stock	17,689.48	16,738.31
Cost of material consumed	7,15,413.31	6,84,104.43
Material consumed comprises:		
Field coagulum	7,13,889.67	6,82,479.37
Sheet rubber	0.00	70.83
Other items	1,523.64	1,554.23
Total	7,15,413.31	6,84,104.43

Note 22

(Amount in Rs thousand)

Purchase of Traded Goods	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Field latex	2,32,115.83	2,15,692.59
Block rubber	875.00	3,775.00
Sheet rubber	2,34,616.61	1,93,078.40
Other items	40,466.85	32,788.33
Total	5,08,074.29	4,45,334.32

Note 23

(Amount in Rs thousand)

Stock Differentials	For the year ended 31 March, 2026	For the year ended 31 March, 2025
<u>Inventories at the end of the year:</u>		
Finished goods	21,226.65	27,875.38
Stock-in-trade	31,394.39	18,494.42
	52,621.04	46,369.80
<u>Inventories at the beginning of the year:</u>		
Finished goods	27,875.38	9,854.49
Stock-in-trade	18,494.42	7,236.27
	46,369.80	17,090.76
Net (increase) / decrease	-6,251.24	-29,279.04

Note 24

(Amount in Rs thousand)

Employee Benefits Expense	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Salaries and wages	34,042.11	37,075.54
Contributions to provident and other funds	2,612.28	4,368.84
Staff welfare expenses	93.72	197.31
Total	36,748.11	41,641.69

Note 25

(Amount in Rs thousand)

Financial Costs	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(a) Interest expense on:		
(i) Borrowings	2,186.26	1,540.61
(ii) Others	0.00	0.00
- Others (Bank charges)	198.57	158.61
Total	2,384.83	1,699.22

Note 26

(Amount in Rs thousand)

Other Expenses	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Consumption of stores and consumables	751.05	742.15
Power and fuel	20,279.09	17,117.74
Rent including lease rentals (Refer Note 30.8.d)	1,518.50	1,412.81
Repairs and maintenance - Machinery	3,874.32	5,106.70
Insurance	1,170.85	1,021.36
Rates and taxes	1,062.39	427.87
Communication	91.88	100.77
Travelling and conveyance	277.64	248.63
Printing and stationery	258.36	199.04
Freight and forwarding	4,863.12	5,240.82
Business promotion expenses	252.58	151.70
Legal and professional	129.50	165.00
Discount	0.00	83.91
Payments to auditors (Refer Note (i) below)	75.00	60.00
Advertisement	45.50	41.01
Board/general body/other meetings	144.81	137.82
Books and periodicals	10.99	15.04
lab testing fee	161.10	95.68
Medical expenses	0.80	3.22
Field coagulum collection incentive	0.00	385.80
sundry expenses	210.48	286.94
Software expenses	61.17	13.50
Office expenses	52.82	41.18
Depot expenses	761.57	711.34
Handling charges	2,381.49	1,872.66
Latex collection expenses	2,691.14	2,141.20
Sheet collection expenses	477.98	795.01
Rubber Plantation Expenses	68.62	0.00
Total	41,672.75	38,618.90

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	20.00	10.00
For taxation matters	28.00	25.00
For other services	27.00	25.00
Total	75.00	60.00

Note 27 - Earnings per equity share**Amount (in thousands)**

	2025-26	2024-25
Numerator : Net Profit		
Basic	3788.52	9933.46
Diluted	3788.52	9933.46
Denominator: Average Number of Shares during the year		
Basic	1406924	1406924
Diluted	1406924	1406924
Earnings per share		
Basic	2.69	7.06
Diluted	2.69	7.06

Note 28 - Related party DisclosureKey Management personnel

<u>Name</u>	<u>Designation</u>	<u>DIN</u>
Sri. Arumugam P	Chairman	08253293
Sri. Renjith Divakaran Nair	Managing Director	10278279
Sri. Devasia Sebastian	Director	00204020
Adv. M K Gopalakrishnan Nair	Director	03341210
Sri. Francis Jacob	Director	02491437
Sri. Mathew K S	Director	07318203
Dr. Joseph Mathews Cherukara	Independent Director	02550190
Sri. Krishnakumar G	Independent Director	02336033

Transactions with Related parties**2025-26****2024-25**Remuneration paid

Sri. Mathew Joseph C,	0.00	1332.19
Sri. Renjith Divakaran Nair	1825.36	652.75

Note: The remuneration of Managing Director is approved in the AGM held on 29/09/2025 by a unanimous resolution (Resolution No. 6) in accordance with Section 196 and other applicable provisions of the companies Act 2013

2. Other related parties - outstanding balance

i. The Rubber Board (Major shareholder of the company)	19.15	13.27
ii. Meenachil Rubber Wood Ltd As Per para 3, Clause (e) of AS 18)	568.36	0.00

3. Other related parties - Transactions during the year

i. The Rubber Board (Major shareholder of the company)		
Total sales / receipts	236.16	42.30
Total expenses / purchase	1149.18	48.30
ii. Meenachil Rubber Wood Ltd (As per para 3 (e) of AS 18)		
Total sales / receipts	651.15	431.16
Total expenses / purchase	0.00	0.00

Note : The above figures are stated exclusive Of Gst component

Foreign Exchange Transactions

Expenditure in foreign currency	0.00	0.00
Earnings in foreign currency	0.00	0.00

Note 29. DISCLOSURE IN ACCORDANCE WITH AS 15 ON EMPLOYEE BENEFITS**a) Defined Contribution Plans**

Particulars	Amount (in thousands)
Contribution to Recognised Provident Fund	919.86
Contribution to Employee's State Insurance	0.00
TOTAL	919.86

b) Defined Benefit Plan-Gratuity

Particulars	Amount (in thousands)
Gratuity contribution for the year	1692.43
(Gratuity liability of the company is covered by the group gratuity scheme of LIC)	0.00
TOTAL	1692.43

Note 30. ADDITIONAL INFORMATION**Amount in thousands**

Particulars	Sales Values	Closing Inventory	Opening Inventory
Block Rubber	7,88,313.82	21,226.65	27,875.38
Total	7,88,313.82	21,226.65	27,875.38

b. Quantitative Details of major items of Raw Materials Consumed (In thousands)

Raw Materials	Current year	Previous Year
	Consumption (in Qty)	Consumption (in Qty)
Field Coagulum	5659.08	5320.74
Sheet Rubber	0	0.00
Total	5659.08	5320.74

Note 31. Additional Regulatory Information**Financial Ratios: As on 31 March 2026****Rupees in thousands**

	Numerator	Denominator	Current Period	Previous Period	% of variance	Reason for change >25%
Liquidity Ratio						
Current Ratio (times)	Current Assets	Current Liabilities	1.43	1.38	3.63	
Solvency Ratio						
Debt-Equity Ratio (times)	Total Debt	Total equity	1.61	1.83	(27.08)	Due to adverse market conditions
Debt Service Coverage Ratio (times)	Earnings available for debt service	Debt services (Finance cost + Principal repayments)	2.95	5.64	(47.68)	Due to adverse market conditions
Profitability ratio						
Net Profit Ratio (%)	Net profit after tax	Total sales	0.29	0.83	(65.03)	Due to adverse market conditions
Return on Equity Ratio (%)	Net profit after tax	Share holders fund	9.77	28.40	(65.59)	Due to adverse market conditions
Return on Capital employed (%)	Earnings before interest and taxes	Capital employed (Total assets - current liabilities)	18.92	40.08	(32.81)	Due to adverse market conditions
Return on Investment (%)	Net Profit after tax	Average share holders fund	10.28	33.10	(68.96)	Due to adverse market conditions
Utilization Ratio						
Trade Receivables turnover ratio (times)	Total sales	Average trade receivables	216.13	148.25	45.79	Increase in economic activities
Inventory turnover ratio (times)	Cost of materials consumed	Average Inventory	17.63	18.83	(6.41)	
Trade payables turnover ratio (times)	Cost of goods sold	Average Trade payables	45.67	49.81	(8.31)	
Net capital turnover ratio (times)	Total sales	Net working capital	53.59	55.39	(3.26)	

Figures have been re-worked, re-grouped, re-arranged and re-classified wherever necessary.

As per our report of even date attached

For Nambiar and Thomas

Chartered Accountants

(FRN 002312S)

Sd/-

Jose Thomas K

Partner

M. No. 020122(Partner)

UDIN: 26020122FSYAHN8100

For and on Behalf of the Board

Sd/-

Arumugam P

Chairman

DIN 08253293

Sd/-

Renjith Divakaran Nair

Managing Director

DIN 10278279

Pala

03-09-2026

KAVANAR LATEX LIMITED

PALA 686575, CIN: U25199KL1990PLC005667

FORM OF PROXY

(To be filled in by the share holder)

Folio no.

I/We of house,
in the district of being a member/members of the above named Company
hereby appoint Shri. of house,
in the district of as my/our proxy to vote for me/us and on my /our behalf at the
Annual General Meeting to be held on or at any adjournment thereof.

Revenue
Stamp

Signed this day of 20....

Note: This form duly filled up, stamped and signed by the appointer or his attorney duly authorised in writing or if appointer is a body corporate, under the seal or signed by an officer or an attorney duly authorised by it, shall be deposited at the Registered office of the Company along with the Power of Attorney or other authority if any, under which the proxy form is signed, not less than 48 hours before the time for holding the meeting.

KAVANAR LATEX LIMITED

PALA 686575

ATTENDANCE SLIP

I hereby record my presence at the 36th Annual/Adjourned Annual General Meeting of Kavanar Latex Ltd, Pala held at the St.Mary's Church Lalam, Old Parish Hall, Pala

Full Name and Address of the Member

Signature of member/proxy

Folio No.....

No. of shares held.....

Full Name of the proxy if applicable (IN BLOCK LETTERS).....

Note: Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

Folio No :

Name:

Address:

No of Shares:

To

