



# KFL

## Karnavati Finance Limited

Administrative & Corporate Office : "Vraj" 5th Floor, Nr. Teen Batti, Limda Lane, Jamnagar - 361 001 (Gujarat) India.  
Phones : +91 288 2663042 Fax : +91 288 2673759 Mo. +91 990 456 1000 Email : info@karnavatifinancelimited.com

Date: December 23, 2017

To,  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001.

Kind Attention: Mr. Rakesh Parekh

Dear Sir,

**Sub.: Reply of your E-mail dated December 21, 2017 regarding clarification with respect to discrepancies in Financial Results for the quarter and half year ended on September 30, 2017.**

With reference to the above subject, we would like to state that our company Karnavati Finance Limited is a Non-banking Finance company, registered with Reserve Bank of India under section 45 IA of the Reserve Bank of India Act, 1934, and in regards of the same we are exempted for preparing financial results as per IND-AS, being under the preview of NBFC as per Notification issued by Ministry of Corporate affairs dated February 16, 2015 regarding applicability of Indian Accounting Standard. As per Point 5 to the said notification, Exemption is given to Insurance companies, Banking Companies and Non-banking Finance Companies with respect to non applicability of Indian Accounting Standard to the said companies. The respective notification can be accessed through following link:  
[http://mca.gov.in/Ministry/pdf/Notification\\_20022015.pdf](http://mca.gov.in/Ministry/pdf/Notification_20022015.pdf)

On the basis of aforesaid exemption we have prepared our financial statements for the quarter and half year ended on September 30, 2017 on basis of Schedule III of the Companies Act 2013 and not as per IND-AS. Further we have attached herewith the revised result as per Schedule III of the Companies Act 2013.

Kindly take the same in your records and oblige us.

Thanking You,

For, Karnavati Finance Limited

  
Raman Morzaria  
Whole-Time Director  
DIN: 00203310



Encl Ref.: MCA Notification regarding applicability of Ind AS to listed companies

[http://mca.gov.in/Ministry/pdf/Notification\\_20022015.pdf](http://mca.gov.in/Ministry/pdf/Notification_20022015.pdf).

**KARNAVATI FINANCE LIMITED**

CIN: L65910MH1984PLC034724

Registered Office: Unit no. 2, Sagar Deep Darshan CHS Limited, S.V. Road, Borivali (W), Mumbai-400092

**Statement of Standalone Unaudited Financial Results for the Quarter ended on September 30, 2017**

(Rs. In Lakh)

Particulars	QUARTER ENDED			HALF YEARLY		YEAR ENDED	
A	Date of start of reporting quarter	7/1/2017	4/1/2017	7/1/2016	01/04/2017	01/04/2016	01/04/2016
B	Date of end of reporting quarter	9/30/2017	6/30/2017	9/30/2016	30/09/2017	30/09/2016	31/03/2017
C	Whether results are audited or unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
D	Nature of report standalone or consolidated	Standalone	Standalone	Standalone	Standalone	Standalone	Standalone
<b>Part I</b>							
1	<b>Income from Operation :</b>						
(a)	Net sales / Income from Operations	35.015	27.25	8.67	62.26	31.15	94.68
(b)	Other Operating Income						28.02
	<b>Total Income from operations (net)</b>	<b>35.02</b>	<b>27.25</b>	<b>8.67</b>	<b>62.26</b>	<b>31.15</b>	<b>122.70</b>
2	<b>Expenses</b>						
(a)	Cost of materials consumed						
(b)	Purchase of stock-in-trade	-0.275	1.64	-	1.36	-	1.73
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	0	0.2		0.20		(0.36)
(d)	Employee benefits expense	3.292	2.353	1.053	5.65	5.19	10.50
(e)	Finance costs					1.27	
(f)	Depreciation and amortisation expense	0	0	0.792	-	0.79	1.61
(g)	Other Expenses	7.47	5.537	53.072	14.93	48.98	12.53
	<b>Total expenses</b>	<b>10.49</b>	<b>9.73</b>	<b>54.92</b>	<b>22.14</b>	<b>56.23</b>	<b>26.01</b>
3	<b>Profit / (loss) from operations before other income and exceptional items (1-2)</b>	<b>24.53</b>	<b>17.52</b>	<b>(46.25)</b>	<b>40.12</b>	<b>(25.08)</b>	<b>96.69</b>
	Other Income	0	0	0	0	0	0
5	<b>Profit / (loss) from ordinary activities before exceptional items (3+4)</b>	<b>24.53</b>	<b>17.52</b>	<b>(46.25)</b>	<b>40.12</b>	<b>(25.08)</b>	<b>96.69</b>
7	<b>Profit / (loss) from ordinary activities before exceptional items (5+6)</b>	<b>24.53</b>	<b>17.52</b>	<b>(46.25)</b>	<b>40.12</b>	<b>(25.08)</b>	<b>96.69</b>
8	Exceptional items		0				
9	<b>Profit / (loss) before extra ordinary activities before tax (7+8)</b>	<b>24.53</b>	<b>17.52</b>	<b>(46.25)</b>	<b>40.12</b>	<b>(25.08)</b>	<b>96.69</b>
10	Extraordinary items						
11	<b>Net profit / (loss) from ordinary activities before tax (9+10)</b>	<b>24.53</b>	<b>17.52</b>	<b>(46.25)</b>	<b>40.12</b>	<b>(25.08)</b>	<b>96.69</b>
12	<b>Tax Expense</b>						
	Current Tax	1.921	-	4.795		3.52	19.60
	Deferred Tax		0			1.74	1.67
13	<b>Net Profit/ (Loss) for the period from continuous operations (11+12)</b>	<b>22.61</b>	<b>17.52</b>	<b>(51.04)</b>	<b>40.12</b>	<b>(30.34)</b>	<b>75.42</b>
14	Net Profit / Loss from discontinuing operations	-	-	-	-	-	-
15	Tax expenses of discontinuing operations	-	-	-	-	-	-
16	<b>Net Profit/Loss from discontinuing operations after tax (14-15)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
17	<b>Net Profit / (Loss) for the period</b>	<b>22.61</b>	<b>17.52</b>	<b>(51.04)</b>	<b>40.12</b>	<b>(30.34)</b>	<b>75.42</b>
18	<b>Paid-up equity share capital</b>						
(a)	Paid-up equity share capital	1005	1005	836	1,005.00	836.00	836.00
(b)	Face value of equity share capital (Per Share)	10	10	10	10	10	10
19	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						7.31
20	<b>Earnings per share (Not Annualized for half year ended)</b>						

**KARNAVATI FINANCE LIMITED**

CIN: L65910MH1984PLC034724

Registered Office: Unit no. 2, Sagar Deep Darshan CHS Limited, S.V. Road, Borivali (W), Mumbai-400092

**Statement of Standalone Unaudited Financial Results for the Quarter ended on September 30, 2017**

(Rs. In Lakh)

Particulars	QUARTER ENDED			HALF YEARLY		YEAR ENDED
<b>A</b> Date of start of reporting quarter	7/1/2017	4/1/2017	7/1/2016	01/04/2017	01/04/2016	01/04/2016
<b>B</b> Date of end of reporting quarter	9/30/2017	6/30/2017	9/30/2016	30/09/2017	30/09/2016	31/03/2017
<b>C</b> Whether results are audited or unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>D</b> Nature of report standalone or consolidated	Standalone	Standalone	Standalone	Standalone	Standalone	Standalone
<b>i</b> Earnings per share before extraordinary items						
Basic earnings per share before extraordinary items	0.22	0.17	(0.61)	0.40	(0.36)	0.90
Diluted earnings per share before extraordinary items						
<b>ii</b> Earnings per share after extraordinary items	0.22	0.17	(0.61)	0.40	(0.36)	0.90
Basic earnings per share after extraordinary items	0.22	0.17	(0.61)	0.40	(0.36)	0.90
Diluted earnings per share after extraordinary items	0.22	0.17	(0.61)	0.40	(0.36)	0.90

**Notes:-**

- The above results were reviewed by the Audit committee and subsequently approved and taken on record by the Board of Directors of the company at its board meeting held on November 14, 2017. The statutory auditor of the company have carried out audit of the above Financial Results.
- The Company has only one segment of activity.
- The Paid up capital of the Company was increased upto Rs 10050000 w.e.f May 30, 2017 due to further allotment of equity shares.

For, Karnavati Finance Limited

*Raman Morzaria*  
Raman Morzaria  
Whole-Time Director  
DIN: 00203340



Date :- November 14, 2017.  
Place:- Mumbai

**KARNAVATI FINANCE LIMITED**  
CIN: L65910MH1984PLC034724

Registered Office: Unit no. 2, Sagar Deep Darshan CHS Limited, S.V. Road, Borivali (W), Mumbai-400092

Statement of Assets and Liabilities			
(Rs. In Lakh)			
	Particulars	As at 30/09/2017	As at
		Unaudited	31/03/2017 Audited
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	(a) Share capital	1,005.00	836.00
	(b) Reserves and surplus	148.85	7.31
	(c) Money received against share warrants		-
	<b>Sub-total - Shareholders' funds</b>	<b>1,153.85</b>	<b>843.31</b>
<b>2</b>	<b>Share application money pending allotment</b>		-
<b>3</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings		-
	(b) Deferred tax liabilities (net)		-
	(c) Other long-term liabilities		-
	(d) Long-term provisions		-
	<b>Sub-total - Non-current liabilities</b>		-
<b>4</b>	<b>Current liabilities</b>		
	(a) Short-term borrowings	95.38	4.04
	(b) Trade payables	16.29	13.64
	(A) total outstanding dues of micro enterprises and small enterprises; and		
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	16.29	13.64
	(c) Other current liabilities	0.21	0.37
	(d) Short-term provisions	4.85	23.76
	<b>Sub-total - Current liabilities</b>	<b>116.73</b>	<b>41.81</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>1,270.58</b>	<b>885.11</b>
<b>B</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Fixed assets	8.32	8.25
	(i) Tangible assets	8.32	8.25
	(ii) Intangible assets		
	(iii) Tangible assets Capital work-in-progress		
	(iv) Intangible assets under development		
	(b) Non-current investments		-
	(c) Deferred tax assets (net)	3.14	3.14
	(d) Long-term loans and advances		-
	(e) Other non-current assets		-
	<b>Sub-total - Non-current assets</b>	<b>11.46</b>	<b>11.39</b>
<b>2</b>	<b>Current assets</b>		
	(a) Current investments		-
	(b) Inventories	0.18	0.36
	(c) Trade receivables	3.41	-
	(d) Cash and cash equivalents	4.19	8.10
	(e) Bank Balance other than Cash and cash equivalents	20.94	37.01
	(f) Short-term loans and advances	1,229.66	827.85
	(g) Other current assets	0.75	0.39
	<b>Sub-total - Current assets</b>	<b>1,259.12</b>	<b>873.72</b>
	<b>TOTAL - ASSETS</b>	<b>1,270.58</b>	<b>885.11</b>

For, Karnavati Finance Limited



Raman Morzaria  
Whole-Time Director  
DIN: 00203340

Date : November 14, 2017.  
Place:- Mumbai

