

KARNAVATI FINANCE LIMITED

Regd. Office : Unit No. 2, Sagar Deep Darshan Co Operative Housing Society Limited

S V Road, Borivali (W), Mumbai - 400092

CIN : U65910MH1984PLC034724

Website: www.karnavatifinancelimited.com E-mail:karnavatifinance@gmail.com

A. Half yearly Financial results for the half year ended on 30th September, 2015

Particulars	Half Year Ended		(Rs.in lacs)
	30/09/2015 (UNAUDITED)	30/09/2014 (UNAUDITED)	Year Ended 31/03/2015 (AUDITED)
1 a Net sales/ income from operations	20.37	8.53	47.58
b Other operating income	11.00	-	-
Total income from operations (net)	31.37	8.53	47.58
2 Expenses			
a Cost of materials consumed	-	-	-
b Purchases of stock-in-trade	-	-	-
c Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-
d Employee benefits expense	3.25	3.13	6.56
e Depreciation and amortisation expense	0.79	0.79	1.57
f Provisions and Write Offs	9.85	16.84	33.29
g Issue Expense	-	7.09	35.45
f Other expenses(Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	2.10	2.78	5.51
g Total expenses	16.00	30.63	82.38
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	15.37	-22.09	-34.80
4 Other income	-	-	-
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	15.37	-22.09	-34.80
6 Finance costs	-	-	-
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	15.37	-22.09	-34.80
8 Exceptional items	-	-	-
9 Profit / (Loss) from ordinary activities before tax(7 + 8)	15.37	-22.09	-34.80
10 Less :Tax expense	4.34	0.71	2.72
11 Net Profit / (Loss) from ordinary activities after tax (9 -10)	11.04	-22.80	-37.52
12 Extraordinary items	-	-	-
13 Net Profit / (Loss) for the period (11 + 12)	11.04	-22.80	-37.52
14 Paid-up equity share capital	836.00	578.00	836.00
(Face Value of the Share shall be indicated)	10.00	10.00	10.00
15 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year			-104.94
16 Earnings per share (before extraordinary items) (of Rs. 10/- each)			
(a) Basic & Diluted	0.13	-0.60	-0.72
PARTICULARS OF SHAREHOLDING			
17 Public shareholding			
- Number of shares	3,030,700	450,700	3,030,700
- Percentage of shareholding	36.25%	7.80%	36.25%
18 Promoters and Promoter Group Shareholding			
a Pledged / Encumbered			
- Number of shares	-	-	-
-Percentage of shares(as a % of the total share holding of promoter and promoter group)	-	-	-
-percentage of shares (as a % of total share capital of the company)	-	-	-



b Non - encumbered			
- Number of shares	5,329,300	5,329,300	5,329,300
-Percentage of shares(as a % of the total share holding of promoter and promoter group)	100%	100%	100%
-percentage of shares (as a % of total share capital of the company)	63.75%	92.20%	63.75%

B. INVESTOR COMPLAINTS

Pending at the beginning of the Half Year	Nil	Nil	Nil
Received during the Half Year	Nil	Nil	Nil
Disposed during the Half Year	Nil	Nil	Nil
Remaining unresolved at the end of the Half Year	Nil	Nil	Nil

C. ANNEXURE VI TO CLAUSE 43 OF LISTING AGREEMENT

Sr.	Particulars	AS AT 30/09/2015 Unaudited	AS AT 31/03/2015 Unaudited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	836.00	836.00
	(b) Reserves and surplus	-93.90	-104.94
	(c) Money received against share warrants		
	Sub-total - Shareholders' funds	742.10	731.06
2	Share application money pending allotment		
3	Non-current liabilities		
	(a) Long-term borrowings	3.04	27.04
	(b) Deferred tax liabilities (net)		
	(c) Other long-term liabilities		
	(d) Long-term provisions		
	Sub-total - Non-current liabilities	3.04	27.04
4	Current liabilities		
	(a) Short-term borrowings		
	(b) Trade payables	14.27	22.77
	(c) Other current liabilities	-	2.57
	(d) Short-term provisions	12.57	3.68
	Sub-total - Current liabilities	26.84	29.02
	TOTAL - EQUITY AND LIABILITIES	771.98	787.12
B	ASSETS		
1	Non current investments		
	(a) Fixed assets	10.22	11.00
	(b) Non-current investments		
	(c) Deferred tax assets (net)	4.17	
	(d) Long-term loans and advances		
	(e) Other non-current assets		
	Sub-total - Non-current assets	14.39	11.00
2	Current assets		
	(a) Non Current investments		
	(b) Inventories		
	(c) Trade receivables		
	(d) Cash and cash equivalents	19.09	45.56
	(e) Short-term loans and advances	734.88	727.13
	(f) Other current assets	3.62	3.43
	Sub-total - Current assets	757.59	776.12
	TOTAL ASSETS	771.98	787.12



Notes

- 1 The above results were reviewed and recommended by the Audit Committee, for approval by the Board, at its meeting held on 10/11/2015 and were approved and taken on record at the meeting of the Board of Directors of the Company held on that date.
- 2 The figures for the half year ended September 30, 2015 as reported in these financial results was not subject to audit/limited review.
- 3 Figures for previous half year/year have been regrouped /restated where necessary.
- 4 The company has only one segment which is financing activity. Therefore disclosure relating to segments is not applicable and accordingly not made.

For and on behalf of Karnavati Finance Limited

Signed at Jamnagar on November 10, 2015


Jay Morzaria
Managing Director
[DIN 02338864]



KARNAVATI FINANCE LIMITED
Balance Sheet as at 30/09/2015

(Amount in Rs.)

Particulars	Notes	30-Sep-15	31-Mar-15
I EQUITY AND LIABILITIES			
1 Shareholders Fund			
(a) Share Capital	3	8 36 00 000	8 36 00 000
(b) Reserves & Surplus	4	- 93 90 149	-1 04 93 909
sub-Total Shareholder's Fund		7 42 09 851	7 31 06 091
2 Non - Current Liabilities			
(a) Long-term borrowings	5	3 04 300	27 04 300
sub-Total Non - Current Liabilities		3 04 300	27 04 300
3 Current Liabilities			
(a) Trade payables	6	14 26 877	22 76 458
(b) Short Term Provisions	7	12 56 562	3 68 311
(c) Other Current Liabilities	8	0	2 57 000
sub-Total Current Liabilities		26 83 439	29 01 769
TOTAL EQUITY & LIABILITIES		7 71 97 590	7 87 12 160
II ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible assets	9	10 21 669	11 00 600
(ii)Deferred Tax Assets(net)		4 37 000	0
Sub-Total - Non Current Assets		14 58 669	11 00 600
2 Current Assets			
(a) Cash and cash equivalents	10	19 09 214	45 55 841
(b) Short-term loans and advances	11	7 34 68 207	7 27 13 063
(c) Other current assets	12	3 61 500	3 42 656
Sub-Total - Current Assets		7 57 38 921	7 76 11 560
TOTAL ASSETS		7 71 97 590	7 87 12 160



KARNAVATI FINANCE LIMITED**Statement of Profit & Loss for the half year ended 30th September, 2015****(Amount in Rs.)**

Particulars	Note No.	30-Sep-15	31-Mar-15
I INCOME			
Revenue from operations	13	20 37 236	47 58 347
Other Operating Income		11 00 000	0
TOTAL REVENUE		31 37 236	47 58 347
II EXPENSES			
Employee benefits expense	14	3 25 430	6 56 075
Loan Losses and Provisions	15	9 85 156	33 29 150
Other expenses	16	2 10 425	40 95 632
Depreciation and amortization expense	9	78 931	1 57 431
TOTAL EXPENSES		15 99 942	82 38 287
III Profit before tax (II-I)		15 37 294	- 34 79 940
IV Tax expense:			
(1) Current tax		8 70 534	2 72 119
(2) Deferred Tax		- 4 37 000	-
Sub-Total Tax Expenses		4 33 534	2 72 119
V PROFIT/(LOSS) FOR THE YEAR		11 03 760	- 37 52 059
VI Earnings per equity share	17	0.13	-0.72



KARNAVATI FINANCE LIMITED		
Balance Sheet Grouping		
F.Y. 2015-16		
PARTICULARS	30.09.2015	31.03.2015
<u>EQUITIES & LIABILITIES</u>		
<u>NOTE 3 - SHARE CAPITAL</u>		
Authorized Share Capital		
Issued, Subscribed And Paid Up Capital	83,600,000	83,600,000
Share Forfeiture		
Total Share capital	83,600,000	83,600,000
<u>NOTE 4 - RESERVE & SURPLUS</u>		
Statutory Reserve		
As per last Balance Sheet	164,623	164,623
Add: Transfer during the year	-	-
	164,623	164,623
General Reserve		
As per last Balance Sheet	15,000	15,000
Add: Transfer during the year	-	-
	15,000	15,000
Balance in Profit & Loss Account		
As per last Balance Sheet	-10,673,532	-6,879,677
Less: Depreciation Trf	-	-41,796
Add: Profit/(Loss) during the year	1,103,760	-3,752,059
	-9,569,772	-10,673,532
Total Reserve & Surplus	74,209,851	73,106,091
<u>NOTE 5 - LONG TERM BORROWINGS</u>		
Rajnikant Vora	104,300	104,300
Kush Morzaria	-	2,400,000
Kamlesh G. Morzaria	200,000	200,000
Sub Total	304,300	2,704,300
<u>NOTE 6 - TRADE PAYABLE</u>		
Ambica Plywood Décor	343,133	343,133
Daxaben R. Morzaria		120,000
Jay R Morzaria		180,000
Kothari Infosys		5,200
NNM Securities		7,080
Maharishi & Co.	156,467	163,767
MJP Associates	24,000	24,000
Raj Glass Centre	104,168	104,168
Ramanbhai P. Morzaria	119,110	649,110
Vinesh P. Makadia	680,000	680,000
Sub Total	1,426,878	2,276,458
<u>NOTE 7 - SHORT TERM PROVISIONS</u>		
Income Tax Provision	1,028,500	265,000
Less: TDS	-20,811	-74,872
General Provision	248,873	178,183
Sub Total	1,256,562	368,311
<u>NOTE 8 - OTHER CURRENT LIABILITY</u>		
TDS Payable	-	257,000
Sub Total	-	257,000
Total Liabilities	77,197,591	78,712,160



KARNAVATI FINANCE LIMITED		
Balance Sheet Grouping		
F.Y. 2015-16		
PARTICULARS	30.09.2015	31.03.2015
APPLICATION OF FUNDS		
NOTE 9 - FIXED ASSETS	1,021,669	1,100,604
Total	1,021,669	1,100,604
CURRENT ASSETS, LOANS & ADVANCES		
NOTE 10 - CASH AND CASH EQUIVALENTS		
<u>Cash & Cheques on hand</u>		
Cash on Hand	107,873	60,518
Sub-Total (a)	107,873	60,518
<u>Balance with Scheduled Bank in current account</u>		
Corporation Bank A/c. 2594	817,796	2,154,895
State Bank of India	-	14,924
J.P. Bank limited	1,462	2
Standard Co-Cp. Bank Ltd	1,835	1,835
HDFC Bank (Nasik)	980,248	2,323,668
Sub-Total (b)	1,801,340	4,495,323
TOTAL	1,909,214	4,555,841
NOTE 11 - SHORT TERM LOANS & ADVANCES		
<u>(Unsecured unless otherwise stated)</u>		
Loans against Asset (Unsecured)		
Considered good	62,218,208	70,741,721
Considered NPA	14,229,826	1,705,076
Considered Doubtful	10,572,955	9,590,697
	87,020,989	82,037,494
Less: Interest Reversal	3,609,350	295,465
NPA Provisions	9,943,432	9,028,966
	13,552,782	9,324,431
Sub-Total	73,468,207	72,713,063
TOTAL	73,468,207	72,713,063
NOTE 12 - OTHER CURRENT ASSETS		
BSE Ltd. (Deposit)	258,000	258,000
Jay R Morzaria	20,000	-
Shiv Shakti Agencies	50,000	50,000
Dattani Handloom	31,500	31,500
Reliance Infocom Deposits	2,000	2,000
Corporate Strategic Allianz Ltd.	-	1,156
Sub-Total	361,500	342,656
Total Assets	7 67 60 590	7 76 11 560



KARNAVATI FINANCE LIMITED		
P & L Grouping		
F.Y. 2015-16		
PARTICULARS	30-Sep-15	31-Mar-15
<u>NOTE 13 - INCOME FROM OPERATIONS</u>		
Income (Finance Charges)	2,005,215	4,758,347
Processing Charges	32,021	-
TOTAL	2,037,236	4,758,347
Other income	1,100,000	-
TOTAL INCOME	3,137,236	4,758,347
<u>NOTE 14 - EMPLOYEE COST</u>		
<u>Salary, Bonus & Incentives</u>		
Office Staff Salary	156,500	327,000
Director Remuneration	150,000	300,000
	306,500	627,000
Staff Welfare Expenses		
Canteen tea & Refreshment Expenses	18,930	29,075
	18,930	29,075
TOTAL	325,430	656,075
<u>NOTE 15 - OTHER EXPENSES</u>		
<u>Auditors Remuneration</u>		
Audit Fee		200,563
		200,563
ROC Fees	21,600	39,000
<u>Issue Expenses</u>		
Authorised Capital Fee	-	675,000
Book Building Fee	-	100,000
Professional Fees Towards SME IPO	-	2,769,674
	-	3,544,674
<u>General & Administrative Expenses</u>		
Computer Software Exp		55,650
Bank Charges & Commission	7,967	8,969
FIR Exp	15,000	30,000
Interest on TDS	24,777	-
Kasar	70	15
Listing Exp	33,714	5,456
Office Establishment expenses	-	68,070
Office Exp	38,350	19,060
Office Rent	30,000	78,000
Professional Fees	7,631	-
Printing and stationery	300	39,485
Travelling Expense	31,016	-
Xerox Expenses	-	6,690
	188,825	311,395



KARNAVATI FINANCE LIMITED		
P & L Grouping		
F.Y. 2015-16		
PARTICULARS	30-Sep-15	31-Mar-15
<u>Provision & Write Offs</u>		
General Provision on Standard Asset	70,690	127,441
Amount Written Off	-	2,611,734
Provision for Non Performing Assets(as per RBI norms)	914,466	589,975
TOTAL	985,156	3,329,150
TOTAL	1,521,011	8,080,857
Depreciation	78,931	157,431
TOTAL EXPENSES	1,599,942	8,238,287
PROFIT BEFORE TAX	1,537,294	-3,479,940
Current tax	870,534	272,119
Deferred Tax	-437,000	
PROFIT AFTER TAX	1,103,760	-3,752,059





Maharishi & Co.

Chartered Accountants

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Limited Review Report

Review Report to
The Board of Directors
Karnavati Finance Limited
Unit No. 2,
Sagar Deep Drashan Co-operative Housing Society Ltd.,
S.V. Road, Boriwali(W),
Mumbai- 400092

1. We have reviewed the accompanying statement of unaudited financial results of Karnavati Finance Limited ('the Company') for the half year ended on 30th September 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards as specified under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Maharishi & Co.
Chartered Accountants
Firm Registration No.124872W



Ankit Gokani

Partner

Membership No.: 133391

Signed at Jamnagar on 10th November, 2015

