

Karnika Industries Limited

6 & 6/1, Gurgola Ghat Road, Howrah - 711 106, Phone : +91 33 2655 8101, 98302 28105

E-mail : info@karnikaindustries.com, GSTIN : 19AAJCK4601M1Z8, CIN : U17299WB2022PLC253035

To,

The National Stock Exchange of India Limited

(Listing & Corporate Communications)

Exchange Plaza, Plot No. C/1, G Block

Bandra-Kurla Complex, Bandra (E)

Mumbai - 400 051

Email : cc_nse@nse.co.in

NSE Symbol : KARNIKA

ISIN: INE0MGA01012

Re: NSE Symbol: KARNIKA / ISIN: INE0MGA01012

Subject: Rectification of Clerical Error in PDF Submission - KARNIKA INDUSTRIES LIMITED

Dear National Stock Exchange-SME,

I hope this letter finds you well. My name is Muskan Mundhra, and I am the Company Secretary of KARNIKA INDUSTRIES LIMITED. I am writing to bring to your attention an inadvertent clerical error identified in the PDF submission for the financial period spanning from 1st April 2023 to 30th September 2023.

Following the board meeting held on 13th November 2023, where the financials for the mentioned period were duly approved by the board, we proceeded to submit the XBRL on 14th November 2023. However, during the submission process, we discovered a clerical error in the Cash Flow statement.

The error involved the representation of figures in the Cash Flow statement, where instead of being reflected in Lakhs, they were inadvertently input in Hundreds. We would like to emphasize that this error was entirely unintentional and does not have a material impact on the financials. To rectify this oversight, we have adjusted the figures in the Cash Flow statement from Hundred to Lakhs.

In light of the above, we are hereby submitting the rectified Cash Flow statement along with the complete set of financials for your records. We apologize for any inconvenience this may have caused and assure you that our team has taken corrective measures to prevent such errors in future submissions.

We appreciate your understanding in this matter. If there are any further steps or documentation required from our end to ensure the rectification is duly noted, please do not hesitate to inform us.

Thank you for your attention and cooperation.

Best regards,

Muskan Mundhra

Muskan Mundhra

Company Secretary



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ISIN: INE0MGA01012

Dear Sir/Madam

Subject: Outcome of Board Meetings – Unaudited Financial Results & Limited Review Report for the half year ended September 30, 2023.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this is to inform that the Board of Directors of the Company at its meeting held today i.e. November 13, 2023 (Commenced at 01.00 PM and concluded at 3.00 PM), has inter-alia, approved and taken on record the Unaudited Financial Results and Limited Review Report for the half year ended September 30, 2023, as recommended by the Audit Committee

The said results may also be accessed on the Company's website i.e. www.karnikaindustries.com

We request you to kindly take the same on record.

Thanking You

Yours faithfully

For Karnika Industries Ltd.

Niranjan Mundhra

Niranjan Mundhra
(Managing Director)
DIN : 05254448



Independent Auditor's Review Report on unaudited Financial Results of Karnika Industries Limited for the Half Year ended on 30th September 2023 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**To the Board of Directors
Karnika Industries Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Karnika Industries Limited (the "Company") for the half year ended September 30, 2023, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 provides less assurance than an audit conducted in accordance with standards on Auditing specified under section 143(10) of the Act. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that cause us to believe that the accompanying Statement of the Unaudited Financial Results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standards specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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


CA Deepak Agarwal
Partner

Mem No. 061132

UDIN 23061132B4VAFQ7085



Date: 13.11.2023

Place: Kolkata

KARNIKA INDUSTRIES LTD.
CIN : U17299WB2022PLC253035

6 & 6/1, Gurgola Ghat Road, P.O. Salkia, Howrah - 711106 (W.B.)
Email : info@karnikaindustries.com Website : www.karnikaindustries.com

Statement of the Standalone Financial Results for the half year ended 30th September, 2023
(Rs. in Lakhs)

PARTICULARS	Half Year ended	Year Ended
	30-09-2023	31-03-2023
	Unaudited	Audited
Revenue From Operation		
I. Sales	6,433.86	12,459.24
II. Other Income	16.98	146.37
III. Total income from Operation	6,450.84	12,605.62
IV. Expenses		
(a) Purchase of Traded Goods	831.31	1,646.43
(b) Cost of Materials Consumed	2,164.64	5,974.71
(c) Changes in Inventories	81.11	-1,439.19
(d) Employee Benefit Expenses	344.25	610.70
(e) Finance Cost	281.21	516.63
(f) Depreciation and amortisation	30.81	39.03
(g) Other Expenses	2,116.99	4,148.55
Total expenses	5,850.33	11,496.87
V. Profit/Loss before exceptional items, extraordinary items & Tax (III-IV)	600.51	1,108.75
VI. Exceptional & extraordinary Items	-	-
VII. Profit/Loss from ordinary activities before Tax (V-VI)	600.51	1,108.75
VIII. Tax expense:		
Current Tax	151.00	282.09
Tax paid for earlier year	-	11.47
Deferred Tax	-1.86	-3.02
Total Tax Expenses	149.14	290.54
IX. Profit/(Loss) from continuing operation after TAX (VII-VIII)	451.37	818.21
Details of Equity Share Capital		
Paid-up Share Capital	910.03	910.03
Face Value of Equity Shares	10.00	10.00
Reserves & Surplus excluding Revaluation Reserve	1,334.24	882.87
X Earning Per Shares (In Rupees)		
Basic	4.96	8.99
Diluted	4.96	8.99

For and on behalf of the Board of Directors
of Karnika Industries Ltd.

Niranjan Mundhra

Niranjan Mundhra
(Managing Director)
DIN : 05254448
Date: 13.11.2023
Place: Howrah



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Unaudited Standalone Statement of Assets and Liabilities for the half year ended as on 30th September, 2023
(Rs. in Lakhs)

Standalone Statements of Assets and Liabilities		Half year ended on	Year ended on
		30.09.2023	31.03.2023
	Particulars	Unaudited	Audited
EQUITY AND LIABILITIES			
1	<u>Shareholders' Funds</u>		
	(a) Share Capital	910.03	910.03
	(b) Reserves & Surplus	1,334.24	882.87
	Sub-total Shareholder's Fund	2,244.27	1,792.90
2	<u>Non-Current Liabilities</u>		
	(a) Long Term Borrowings	181.62	4.33
	(b) Long Term Provision	15.91	11.92
	Sub-total Non-Current Liabilities	197.52	16.25
3	<u>Current Liabilities</u>		
	(a) Short Term Borrowings	6,018.02	5,226.00
	(b) Trade Payables		
	(i) Total outstanding dues to micro, small & medium enterprise	-	-
	(ii) Total outstanding dues to other than micro, small & medium enterprise	2,921.48	2,564.29
	(c) Other Current Liabilities	139.96	177.80
	(d) Short Term Provisions	165.14	7.07
	Sub-total Current Liabilities	9,244.60	7,975.17
	TOTAL EQUITY AND LIABILITIES	11,686.39	9,784.32
II. ASSETS			
1	<u>Non-current Assets</u>		
	(a) Property, Plant & Equipment and Intangible Assets		
	(i) Property, Plant and Equipment	509.26	150.68
	(ii) Intangible Assets	1.95	2.53
	(b) Deferred Tax Asset	4.87	3.02
	(c) Long Term Loan & Advances	10.00	39.66
	(d) Other Non Current Asset	51.56	20.67
	Sub-total Non-Current Assets	577.64	216.55
2	<u>Current Assets</u>		
	(a) Inventories	4,948.67	4,853.67
	(b) Trade Receivables	5,469.47	4,021.51
	(c) Cash and Cash Equivalents	190.30	155.19
	(d) Short-term loans and advances	254.96	78.05
	(e) Other Current Asset	245.35	459.35
	Sub-total Current Assets	11,108.75	9,567.77
	TOTAL ASSETS	11,686.39	9,784.32

For and on behalf of the Board of Directors
of Karnika Industries Ltd.

Niranjan Mundhra
(Managing Director)
DIN : 05254448
Date: 13.11.2023
Place: Howrah



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Cash Flow Statement for the half year ended 30th September, 2023

(Rs. in Lakhs)

Particulars	Half year ended on		Year ended on	
	30.09.2023		31.03.2023	
	Unaudited		Audited	
A Cash Flow from Operating Activities				
Net Profit Before Tax		600.51		1,108.75
Adjustments for:				
Depreciation	30.81		39.03	
Interest & Finance Charges	281.21		516.63	
Interest Received on Investments	2.39		0.06	
Dividend Income	-	314.41	-	555.72
Operating Profit before Working Capital Changes		914.93		1,664.47
Adjustments for:				
Decrease/(Increase) in Inventories	-95.00		-4,853.67	
Decrease/(Increase) in Trade Receivables	-1,447.96		-4,021.51	
Decrease/(Increase) in Short Term Loans and Advances	-176.91		-78.05	
Decrease/(Increase) in Other current assets	214.00		-459.35	
Decrease/(Increase) in Other non-current assets	-30.90		-20.67	
Increase/(Decrease) in Long Term Provision	3.98		6.53	
Increase/(Decrease) in Short Term Borrowings	792.02		5,226.00	
Increase/(Decrease) in Trade Payables	357.19		2,564.29	
Increase/(Decrease) in Short Term Provisions	158.07		7.07	
Increase/(Decrease) in Other Current Liabilities	-37.85	-263.35	177.80	-1,451.55
Cash generated from Operations		651.57		212.92
Income Tax paid		151.00		293.56
Net Cash flow from Operating activities		500.57		-80.64
B Cash Flow from Investing Activities				
Investment in Shares / Mutual Fund (Net)	-		-	
Sales/(Purchases) of Fixed Assets	-388.81		-192.24	
Interest Received on Investments	-2.39		-0.06	
Dividend Income	-		-	
Net Cash used in Investing activities		-391.20		-192.30
C Cash Flow from Financing Activities				
Proceeding from Issue of Shares Including Right Shares	-		980.09	
Repayment of Long Term Loans and Advances	29.66		-39.66	
Repayment of Long Term Borrowings	177.29		4.33	
Interest paid	-281.21		-516.63	
Net Cash used in Financing Activities		-74.26		428.12
Net Increase in Cash & Cash Equivalents		35.11		155.19
Cash and Cash equivalents as on beginning of the year		155.19		-
Cash and Cash equivalents as at end of the year		190.30		155.19

Cash & Cash Equivalents

Cash in Hand
Cash at Bank
Cash & Cash equivalents as stated

	30.09.2023	31.03.2023	As on 31.03.2022
Cash in Hand	1.42	7.09	-
Cash at Bank	188.88	148.10	-
Cash & Cash equivalents as stated	190.30	155.19	-

For and on behalf of the Board of Directors
of Karnika Industries Ltd.

Niranjan Mundhra

Niranjan Mundhra
(Managing Director)
DIN : 05254448
Date: 13.11.2023
Place: Howrah



Notes to Financial Results

1. The financial results of the Company for the half year ended on September 30, 2023, have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on November 13, 2023. The results are being published in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Financial results of the Company have been prepared in accordance with Accounting Standards (AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014 as considered material and appropriate.
3. There are no separate reportable segments as per AS 17 on "Segment Reporting" in respect of the Company.
4. Balances of trade payables, trade receivables, advances received, advances given, GST liabilities / Input credits, and Income Tax assets (Net of liabilities) are subject to reconciliation and confirmation.
5. No Depreciation has been charged on Building purchased during the year and cutting Machine as they were not put to use till 30th September, 2023.
6. The Figures for the previous year have been regrouped/rearranged wherever necessary to make them comparable.
7. Cashflow Statement for the half year ended September 30, 2023, and for the year ended March 31, 2023, is attached herewith.

For and on behalf of the Board of Directors
of Karnika Industries Ltd.

Niranjan Mundhra

Niranjan Mundhra
(Managing Director)
DIN : 05254448
Date: 13.11.2023
Place: Howrah



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NSE Symbol : KARNIKA

ISIN: INE0MGA01012

Dear Sir/Madam

Subject: Declaration pursuant to Regulation 33(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Pursuant to Declaration pursuant to Regulation 33(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 we do hereby confirm, declare and certify that the Unaudited Financial Results for the half-year ended September 30, 2023 does not contain any false or misleading statement or figures and does not omit any material fact which may make the Statements or figures contained therein misleading.

We request you to kindly take the same on record.

Thanking You

For Karnika Industries Ltd.

Niranjan Mundhra

Niranjan Mundhra
(Managing Director)
DIN : 05254448

For Karnika Industries Ltd.

Krishna

Krishna Kumar Karnani
Chief Financial Officer