



K F L Karnavati Finance Limited

CIN : L65910MH1984PLC034724

Administrative & Corporate Office : "Vraj", 5th Floor, Near Teen Batti, Limda Lane, Jamnagar - 361001 (Gujarat) INDIA
Phone : 0288 2673759, Fax No. 0288 2663042, Mo : +91 99045 61000 E-mail ID : karnavatifinance@gmail.com

Date: - November 12, 2020

To,
BSE Limited,
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Dear Sir,

Subject: Outcome of Board meeting held on today i.e. on November 12, 2020, in terms of second proviso to Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ref: Karnavati Finance Ltd (Security ID/Code: KARNAVATI / 538928)

Please be informed that the Board of Directors of the Company at its meeting held on today, i.e. on November 12, 2020 (commenced at 02.30 P.M and concluded at 03:30 P.M) has considered and approved:

1. The Un-Audited Financial Results of the Company for the Quarter and half-year ended September 30, 2020.
2. Statement of Assets and Liabilities
3. Cash Flow Statement

Further, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith Unaudited Financial Results for the Quarter and half year ended September 30, 2020 and Limited Review Report issued by Statutory Auditors on the Un-audited Financial results for the Quarter and half year ended September 30, 2020.

Kindly take the above on record.

For, Karnavati Finance Limited

Jay Morzaria
Managing Director
DIN: 02338864



Place: Jamnagar

Registered Office :

705, Palm Spring Centre, Above Croma, Near New Infinity Mall, Link Road, Malad (West) Mumbai - 400064
Phone : 022 28809111 Website : www.karnavatifinancelimited.com

KARNAVATI FINANCE LIMITED

CIN: L65910MH1984PLC034724

Registered Office: 705, Palm Spring Centre, Above Croma, Near New Infinity Mall, Link Road, Malad (West), Mumbai - 400064.

Corporate office: "Vraj", 5th Floor, Opp. Hotel President, Near Bhumi Press, Limda Lane, Jamnagar - 361001, Gujarat.

Statement of Standalone Unaudited Financial Results for the Quarter and half year ended on September 30, 2020

(Rs. In Lakhs)

Particulars		QUARTER ENDED			YEAR TO DATE 30/09/2020	
		01-07-20	01-04-20	01-07-19	01-04-20	01-04-19
A	Date of start of reporting quarter	01-07-20	01-04-20	01-07-19	01-04-20	01-04-19
B	Date of end of reporting quarter	30-09-20	30-06-20	30-09-19	30-09-20	30-09-19
C	Whether results are audited or unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
D	Nature of report standalone or consolidated	Standalone	Standalone	Standalone	Standalone	Standalone
Part I						
1	Revenue from Operation :					
(a)	Revenue from Operation :					
	(i) Interest Income	26.70	37.20	90.47	63.90	178.08
	(ii) Dividend Income	0.00	0.00	0.00	0.00	0.00
	(iii) Rental Income	0.00	0.00	0.00	0.00	0.00
	(iv) Fees and Commission Income	0.00	0.00	0.00	0.00	0.00
	(v) Net gain on Fair value changes	0.00	0.00	0.00	0.00	0.00
	(vi) Net gain on derecognition of financial instruments under amortised cost category	0.00	0.00	0.00	0.00	0.00
	(vii) Sale of Products (including Excise Duty)	0.00	0.00	0.00	0.00	0.00
	(viii) Sale of Services	0.00	0.00	0.00	0.00	0.00
	(ix) Others (to be specified)	0.00	0.00	0.00	0.00	0.00
(b)	Other Income	0.00	0.00	0.00	0.00	0.00
	Total Revenue from operations (net)	26.70	37.20	90.47	63.90	178.08
2	Expenses					
(a)	Finance cost	1.31	1.23	39.74	2.54	80.67
(b)	Fees and Commission Expense	1.51	0.00	4.56	1.51	6.90
(c)	Net Loss on Fair Value Changes	0.00	0.00	0.00	0.00	0.00
(d)	Net Loss on derecognition of financial instruments under amortised cost category	0.00	0.00	0.00	0.00	0.00
(e)	Impairment on financial instruments	0.00	0.00	0.00	0.00	0.00
(f)	Cost of materials consumed	0.00	0.00	0.00	0.00	0.00
(g)	Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00
(h)	Changes in inventories of finished goods, work-in-progress and stock in-trade	-0.01	0.00	0.00	-0.01	0.00
(i)	Employee benefits expense	8.31	5.81	5.59	14.12	11.75
(j)	Depreciation and amortisation & Impairment expense	0.24	0.24	0.00	0.48	0.00
(k)	Other Expenses	2.96	3.22	5.54	6.18	9.75
	(i) NPA Provisions/(Reversal of NPA)	47.39	12.48	108.31	59.87	126.03
	Total expenses	61.70	22.99	163.74	84.69	235.11
3	Profit before exceptional and extraordinary items and tax	-35.00	14.21	-73.27	-20.79	-57.03
4	Exceptional items	0.00	0.00	0.00	0.00	0.00
5	Profit before extraordinary items and tax	-35.00	14.21	-73.27	-20.79	-57.03
6	Extraordinary items	0.00	0.00	0.00	0.00	0.00
7	Profit before tax	-35.00	14.21	-73.27	-20.79	-57.03
8	Tax Expenses					
	Current Tax	-3.58	3.58	-4.22	0.00	0.00
	Deffered Tax	0.00	0.00	0.00	0.00	0.00
	Total tax expenses	-3.58	3.58	-4.22	0.00	0.00
9	Net profit/Loss for the period from continuing operations	-31.42	10.63	-69.05	-20.79	-57.03
10	Net Profit /Loss from discontinuing operations before tax	0.00	0.00	0.00	0.00	0.00
11	Tax Expenses of discontinuing operations	0.00	0.00	0.00	0.00	0.00
12	Net Profit/Loss from discontinuing operations after tax	0.00	0.00	0.00	0.00	0.00
13	Net Profit/Loss for the period	-31.42	10.63	-69.05	-20.79	-57.03
14	Other Comprehensive Income	0.00	0.00	0.00	0.00	0.00
	a. (i) Items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00

	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
	b. (i) Item that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
	(ii) Income tax relating to items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00	0.00
	Total Comprehensive Income	0.00	0.00	0.00	0.00	0.00
	Total comprehensive Income (comprising profit for the period and other comprehensive Income)	0.00	10.63	0.00	0.00	0.00
15	Details of Equity share capital	0.00		0.00	0.00	0.00
	Paid up equity share capital	1005	1005	1005	1005	1005
	Face value of equity share capital	10	10	10	10	10
16	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	0.00	0.00	0.00	0.00	0.00
17	Earnings per share (Not Annualized)		0.11			
i	Earnings per share before extraordinary items	-0.31	0.11	-0.69	-0.21	-0.57
	Basic earnings (loss) per share from continuing and discontinued operations	-0.31	0.11	-0.69	-0.21	-0.57
	Diluted earnings (loss) per share from continuing and discontinued operations	-0.31	0.11	-0.69	-0.21	-0.57

Notes:-

- 1 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 12, 2020. The statutory auditor of the company have carried out audit of the above Financial Results and have issued the limited review report for the quarter ended on September 30 2020.
- 2 The Company is primarily engaged in the financing activity and there are no separate reportable segments identified as per the IND-AS 108 - segment reporting.
- 3 In current Covid-19 Pandemic situation, the board of directors of the company had decided that rather than giving loan to the new unknown customer it would be better to extend the tenure of existing customer upon their request and in this regards approved the loan extension and restructuring of the loan amount for a case to case basis for the customers with the prior approval of board, in accordance with the concessional package announced by RBI, the company has offered an optional moratorium on repayment of loan installment falling due between March 1, 2020 and August31, 2020 and the asset classification for all accounts where moratorium is granted continue to remain stand-still during the aforesaid period as per such guidelines.
- 4 The Companys has borrowing in the form of ICD carried in the Balance Sheet at Rs. 1086.80 Lakhs, interest to the extent of Rs. 119.87 Lakhs for the FY 2019-20 and Rs. 29.89 & 29.89 for the Q1 & Q2 2020-21 is not provided thereon and recognised as Contingent Liability due to ongoing litigation, outcome of the same is yet to come. The company has corresponding NIM (Net Interst Margin) based Advances in the nature of pass through transactions that have become NPA.
- 5 The figures for the previous quarter/period have been regrouped/rearranged wherever necessary to conform to the current period presentation.

Place: Jamnagar

Date: November 12, 2020



For, Karnavati Finance Limited


Jay Morzaria
Managing Director
DIN: 02338864

KARNAVATI FINANCE LIMITED

CIN: L65910MH1984PLC034724

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Corporate office: "Vraj", 5th Floor, Opp. Hotel President, Near Bhumi Press, Limda Lane, Jamnagar - 361001, Gujarat.

Statement of Assets and Liabilities

(Rs. In Lakh)

Particulars		AS AT	AS AT
		30-09-20	30-09-19
A	Date of Start of reporting period	01-04-20	01-04-20
B	Date of end of reporting period	30-09-20	30-09-19
C	Whether the results are audited or unaudited	Unaudited	Unaudited
D	Nature of report standalone or consolidated	Standalone	Standalone
A	ASSETS		
1	Financial Asset		
(a)	Cash and cash equivalents	16.00	36.78
(b)	Bank Balance other than (a) above	-	-
(C)	Derivative financial instruments	-	-
(d)	Receivables		
	(I) Trade Receivables	-	-
	(II) Other Receivables	-	0.25
(e)	Loans & Advances	2,375.93	2,676.81
(f)	Investments	-	-
(g)	Other Financial assets	-	-
	Sub-total - Financial Assets	2,391.93	2,713.84
2	Non Financial Asset		
(a)	Inventories	0.19	0.17
(b)	Current tax assets (Net)	-	8.44
(C)	Deferred tax Assets (Net)	3.55	3.47
(d)	Investment Property	-	-
(e)	Biological assets other than bearer plants	-	-
(f)	Property, Plant and Equipment	3.30	5.04
	(I) Capital work-in-progress	-	-
	(II) Intangible assets under development	-	-
(g)	Goodwill	-	-
(h)	Other Intangible assets	-	-
(i)	Other non-financial assets (to be specified)		
	Balance with Revenue Authorities	6.82	11.17
	Amortisation of Expenses	2.23	1.73
	Deposits	-	0.02
	Sub-total - Non Financial Assets	16.08	30.04
	Total Assets	2,408.01	2,743.89
B	Equity and liabilities		
1	Equity		
	Equity attributable to owners of parent		
(a)	Equity share capital	1,005.00	1,005.00
(b)	Other equity - Reserves & Surplus	233.01	186.04
	Total equity attributable to owners of parent	1,238.01	1,191.04
	Non controlling interest	-	-
	Total equity	1,238.01	1,191.04
2	Liabilities		
2.1	Financial Liabilities		
(a)	Derivative financial instruments	-	-
(b)	Payables		
	(I) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	(II) Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	21.29	36.39
(C)	Debt Securities	-	-

(d)	Borrowings (Other than Debt Securities)	1,141.03	1,414.20
(e)	Deposits	-	-
(f)	Subordinated Liabilities	-	-
(g)	Other financial liabilities	-	-
	Sub-total - Financial Liabilities	1,162.32	1,450.59
2.2	Non-Financial Liabilities		
(a)	Current tax liabilities (Net)	-	0.53
(b)	Provisions	7.67	101.73
(C)	Deferred tax liabilities (Net)	-	-
(d)	Other non-financial liabilities	-	-
	Sub-total - Non Financial Liabilities	7.67	102.26
	Total equity and liabilities	2,408.01	2,743.89
	Disclosure of notes on assets and liabilities		

For, Karnavati Finance Limited

Place:- Jamnagar

Date: November 12, 2020



(Signature)

Jay Morzaria
Managing Director



DIN: 02338864

KARNAVATI FINANCE LIMITED

CIN: L65910MH1984PLC034724

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<u>PARTICULARS</u>	<u>HALF YEAR ENDED</u>	
	30/09/2020	30/09/2019
A. Cash Flow from Operating Activities		
Net Profit/Loss Before Taxation	(20.79)	(56.16)
Adjustment For :		
Audit Fees	-	-
Depreciation	-	-
Reversal of NPA Provision	-	-
Written Off	0.12	0.03
NPA Provision	59.87	126.03
General Provision on Standard Assets		
Finance Cost	2.54	80.67
Operating Profit before change in Working Capital	41.74	150.57
Movement in Working Capital		
Decrease/-Increase in Loans & Advances	300.88	56.62
Decrease/-Increase in Inventory	(0.02)	-
Decrease/-Increase in Trade receivables	0.25	-
Decrease/-Increase in Other Current Assets	4.87	(2.90)
-Decrease/Increase in Trade Payables	(15.09)	6.24
-Decrease/Increase in Other Current Laibilities	(0.53)	(15.06)
-Decrease/Increase in Short-term provisions	(94.05)	66.19
Movement in Working Capital	196.30	111.08
Net Cash Generation From Operation	238.04	261.65
Direct Tax Paid		
Net Cash From Operating Activities	238.04	261.65
Cash Flow From Investing Activites		
Purchase/Sale of Fixed Assets	-	(0.06)
Net Cash Flow from Investing Activites	-	(0.06)

Cash Flow from Financial Activities		
Decrease/-Increase in Long Term Borrowings	(188.73)	(188.73)
Decrease/-Increase in Long Term Advances	-	-
Finance Cost	(2.54)	(80.67)
Issue of Share Capital	-	-
Net Cash From Financial Activities	(191.27)	(269.40)
Net Increase/Decrease in Cash & Cash Equivalent	46.78	(7.81)
Cash at the Beginning of Year/Period	30.78	44.59
Cash at the End of Year/Period	16.00	36.78
Place: Jamnagar	For, Karnavati Finance Limited	
Date: November 12, 2020		
	  Jay Morzaria Managing Director DIN: 02338864	



Auditor's Report on Unaudited Standalone Financial Results for the quarter ended September 30, 2020 of the Company pursuant to Regulation 33, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To
The Board of Directors
Karnavati Finance Limited
705, Palm Spring Center, Above Croma,
Near New Infinity Mall, Link Road,
Malad (West),
Mumbai-400064, Maharashtra.

1. We have reviewed the accompanying statement of unaudited Standalone Financial Results of Karnavati Finance Company Limited ('the Company') for the period ended September 30, 2020 (the statement), including the Notes thereon ("the Standalone Financial Results"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant SEBI circulars in this regard ("SEBI Regulations").
In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - I. is presented in accordance with the requirements of the Listing Regulations in this regard; and
 - II. Gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the period ended September 30, 2020.
2. The preparation of this statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, ('IND AS 34') " Interim Financial Reporting", 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 and in compliance with the Listing Regulation read with the relevant circulars issued by SEBI, is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statement based on our review.

Office No. 10, Vihang Vihar, Opp. Gautam Park, Panchpakhadi, Thane (West) - 400 602, Maharashtra INDIA

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Anjur Phata, Rahnal, Bhiwandi - 421 302. Telephone : 02522 262797 | bhiwandi.dma@gmail.com



3. 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 financial statements are free from material misstatement. A review is limited primarily to inquiries of company personnel and Analytical procedures applied to financial data and thus provides a less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We draw attention to Note No. 3 to the statement which states that, as per the assessment of the management there is no significant impact of the COVID-19 pandemic on the operations and financial position of the company. Our opinion is not modified in respect of this matter.
5. We would like to draw attention to Note No. 4 Contingent Liability on Inter Corporate Loan which arises through the pass through transaction on NIM basis entered by the Company, consequent to asset under pass through arrangement becoming NPA on account of dispute in transaction. Loss likely to arise is to the extent of interest liability on account of negative outcome of litigation. Our opinion is not modified in respect of this matter.

Date : 12th November 2020
Place : Mumbai

FOR D G M S & Co.
(Chartered Accountants)
F. R. No. :112187W



HIREN JAYANTILAL MARU
Partner
M. No. : 115279

UDIN: 20115279AAAAEB6146