



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 13, 2019

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

Dear Sir,

Sub: Submission of Unaudited Financial Result of the Company for Quarter and Half year ended on September 30, 2019 along with Limited Review Report.

Ref: Karnavati Finance Limited (Security Code: 538928 Security Id: KARNAVATI)

With reference to the captioned subject and pursuant to Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are hereby submitting the followings:

1. Unaudited Financial Results for the Quarter and Half year ended on September 30, 2019 as per IND-AS.
2. Reconciliation of Net profit/Loss.
3. Limited Review Report.

Kindly take the same on your record and oblige us.

Thanking You,

Yours faithfully,

For, Karnavati Finance Limited


Raman Morzaria
Whole-Time Director
DIN: 00203310



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, 2019

(Rs. In Lakhs)

Particulars		QUARTER ENDED			YEAR TO DATE 30/09/2019	
		7/1/2019	4/1/2019	7/1/2018	4/1/2019	4/1/2018
A	Date of start of reporting quarter	7/1/2019	4/1/2019	7/1/2018	4/1/2019	4/1/2018
B	Date of end of reporting quarter	30/09/2019	30/06/2019	30/09/2018	30/09/2019	30/09/2018
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	90.47	87.61	80.06	178.08	154.88
	(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)	90.47	87.61	80.06	178.08	154.88
2	Expenses					
(a)	Finance cost	39.74	40.94	38.24	80.67	77.63
(b)	Fees and Commission Expense	4.56	2.34	0.83	6.90	-1.57
(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	0.00	0.00	0.00	0.00	0.00
(i)	Employee benefits expense	5.59	6.16	6.60	11.75	14.53
(j)	Depreciation and amortisation & Impairment expense	0.00	0.00	0.00	0.00	0.00
(k)	Other Expenses	5.54	4.21	3.46	9.75	14.68
	(i) NPA Provisions/(Reversal of NPA)	108.31	17.72	-0.49	126.03	0.00
	Total expenses	163.74	71.36	48.64	235.11	105.27



3	Profit before exceptional and extraordinary items and tax	-73.27	16.24	31.43	-57.03	49.62
4	Exceptional items	0.00	0.00	0.00	0.00	0.00
5	Profit before extraordinary items and tax	-73.27	16.24	31.43	-57.03	49.62
6	Extraordinary items	0.00	0.00	0.00	0.00	0.00
7	Profit before tax	-73.27	16.24	31.43	-57.03	49.62
8	Tax Expenses					
	Current Tax	-4.22	4.22	8.17	0.00	12.90
	Deffered Tax	0.00	0.00	0.00	0.00	0.00
	Total tax expenses	-4.22	4.22	8.17	0.00	12.90
9	Net profit/Loss for the period from continuing operations	-69.05	12.02	23.26	-57.03	36.72
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	-69.05	12.02	23.26	-57.03	36.72
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	0.00	0.00	0.00	0.00
15	Details of Equity share capital	0.00	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)					
i	Earnings per share before extraordinary items	-0.69	0.12	0.23	-0.57	0.37
	Basic earnings (loss) per share from continuing and discontinued operations	-0.69	0.12	0.23	-0.57	0.37
	Diluted earnings (loss) per share from continuing and discontinued operations	-0.69	0.12	0.23	-0.57	0.37
Notes:-						
1	The company has adopted Indian Accounting Standards (IND-AS) notified under section 133 of Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standard) Rules 2015, from April 01, 2019 and the effective date of such transition is April 01, 2018, such transition has been carried out from the erstwhile Accounting Standard notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ('the RBI') (collectively referred to as previous GAAP)					
2	The above financial 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 13, 2019. The statutory auditor of the company have carried out the limited review of the above mentioned Financial Results.					



3	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.
4	The IND-AS Compliant financial results pertaining to the quarter and year to end on September 30, 2018 have not been subject to Limited Review by the Statutory Auditors. However, the Management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
5	As required by para 32 of IND AS 101, net profit reconciliation between the figures reported under the previous GAAP and IND-AS is as under.

Sr. No.	Particulars	Quarter Ended	Half Year Ended
			30.09.2018
	Net Profit after tax as reported under previous GAAP	23.92	35.68
	Adjustments Increasing/(Decreasing) net profit after tax as reported under previous GAAP		
a	Adoption of EIR* for amortisation of income and expenses - Financial Assets at amortised cost	-	-
b	Adoption of EIR* for amortisation of expenses - Financial Liabilities at amortised cost	-	-
c	Expected Credit Loss	-	-
d	Others		
	(Annual Fees paid in Q2)	(0.78)	1.57
	(Tax on above)	0.20	(0.53)
	Net Profit/(Loss) after tax as per Ind AS	23.34	36.72

6	During the quarter on adoption of IND AS as per Ind AS 109 interest income is recognised on all assets excluding NPA and further the NPA Provision is made proportionately based on Asset Classification based on IRAC Norms as prescribed by RBI, so income is recognised on net carrying amount and NPA provision is made on Net amount based on Classification of Asset.
7	There is a claim of additional interest on Rs. 9.88 Cr under dispute, which is not acknowledged as debt by the company. The matter is pending for final hearing with consumer court.
8	The figures for the previous quarter/period have been regrouped/rearranged wherever necessary to conform to the current period presentation.

Place: Jamnagar

Date: November 13, 2019

For, Karnavati Finance Limited




Raman Morzaria
Whole-Time Director
DIN: 00203310

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Statement of Assets and Liabilities

(Rs. In Lakh)

Particulars		AS AT	AS AT
		30/09/2019	30/09/2018
A	Date of Start of reporting period	1/4/2019	1/4/2018
B	Date of end of reporting period	30/09/2019	30/09/2018
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	36.78	12.61
(b)	Bank Balance other than (a) above	-	-
(c)	Derivative financial instruments	-	-
(d)	Receivables		
	(I) Trade Receivables	-	-
	(II) Other Receivables	0.25	0.25
(e)	Loans & Advances	2,676.81	2746.84
(f)	Investments	-	-
(g)	Other Financial assets	-	-
	Sub-total - Financial Assets	2,713.84	2,759.70
2	Non Financial Asset		
(a)	Inventories	0.17	0.17
(b)	Current tax assets (Net)	8.44	2.72
(c)	Deferred tax Assets (Net)	3.47	3.39
(d)	Investment Property	-	-
(e)	Biological assets other than bearer plants	-	-
(f)	Property, Plant and Equipment	5.04	6.43
	(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	11.17	
	Amortisation of Expenses	1.73	1.57
	Deposits	0.02	0.02
	Sub-total - Non Financial Assets	30.04	14.30
	Total Assets	2,743.89	2,774.00
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	186.04	207.57
	Total equity attributable to owners of parent	1,191.04	1,212.57
	Non controlling interest	-	
	Total equity	1,191.04	1,212.57
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 ent	-	
	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 ent	36.39	27.89
(C)	Debt Securities	-	
(d)	Borrowings (Other than Debt Securities)	1,414.20	1,437.75
(e)	Deposits	-	
(f)	Subordinated Liabilities	-	
(g)	Other financial liabilities	-	
	Sub-total - Financial Liabilities	1,450.59	1,465.64
2.2	Non-Financial Liabilities		
(a)	Current tax liabilities (Net)	0.53	0.64
(b)	Provisions	101.73	95.14
(C)	Deferred tax liabilities (Net)	-	-
(d)	Other non-financial liabilities	-	-
	Sub-total - Non Financial Liabilities	102.26	95.79
	Total equity and liabilities	2,743.89	2,774.00
	Disclosure of notes on assets and liabilities		

For, Karnavati Finance Limited

Place:- Jamnagar

Date: November 13, 2019



Raman Morzaria

Whole-Time Director

DIN: 00203310

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Statement of Cash Flows

(Rs. In Lakh)

PARTICULARS	HALF YEAR ENDED	
	30/09/2019	30/09/2018
A. Cash Flow from Operating Activities		
Net Profit/Loss Before Taxation	(57.03)	49.62
Adjustment For :		
Audit Fees	-	-
Depreciation	-	-
Reversal of NPA Provision	-	-
Written Off	0.03	0.06
NPA Provision	126.03	4.15
General Provision on Standard Assets		
Finance Cost	80.67	77.63
Operating Profit before change in Working Capital	149.71	131.47
Movement in Working Capital		
Decrease/-Increase in Loans & Advances	57.48	(144.39)
Decrease/-Increase in Inventory	-	-
Decrease/-Increase in Trade receivables	-	(0.25)
Decrease/-Increase in Other Current Assets	(2.90)	16.93
Decrease/-Increase in Trade Payables	6.24	(1.71)
Decrease/-Increase in Other Current Laibilities	(15.06)	(6.27)
Decrease/-Increase in Short-term provisions	66.19	64.39
Movement in Working Capital	111.94	(71.30)
Net Cash Generation From Operation	261.65	60.17
Direct Tax Paid		
Net Cash From Operating Activities	261.65	60.17
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)	(14.00)
Decrease/-Increase in Long Term Advances	-	-
Finance Cost	(80.67)	(77.63)
Issue of Share Capital	-	-
Net Cash From Financial Activities	(269.40)	(91.62)
Net Increase/Decrease in Cash & Cash Equivalent	(7.81)	(31.46)
Cash at the Beginning of Year/Period	44.59	44.07
Cash at the End of Year/Period	36.78	12.61
Place: Jamnagar	For, Karnavati Finance Limited	
Date: November 13, 2019		
		
		Raman Morzaria
		Whole-Time Director
		DIN: 00203310



Limited Review Report

Unaudited standalone financial results pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Karnavati Finance Limited

We have reviewed the accompanying statement of unaudited financial results of Karnavati Finance Limited for the period ended 30th September, 2019. This statement is responsibility of Company's Management and has approved by the Board of Directors. Our responsibility is to issue a report on this financial statement based on our review.

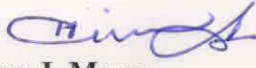
We Conducted our review in accordance with the standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to 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 an less assurance then an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Mumbai

Date: 13th November 2019

**For Doshi Maru & Associates
Chartered Accountants**


**Hiren J. Maru
Partner
M. No. 115279
FRN: 0112187W
UDIN: 19115279AAAADT2794**

