



CIN NO. U65910 Mh1984 PLC034724
CIN NO. L65910 Mh1984 PLC034724

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: September 15, 2020

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

Dear Sir,

Sub: Submission of Unaudited Financial Result of the Company for Quarter ended on June 30, 2020 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 ended on June 30, 2020 as per IND-AS.
2. Limited Review Report.

Kindly take the same on your record and oblige us.

Thanking You,

Yours faithfully,

For, Karnavati Finance Limited



Jay Morzaria
Managing Director
DIN: 02338864

KARNAVATI FINANCE LIMITED

CIN: L65910MH1984PLC034724

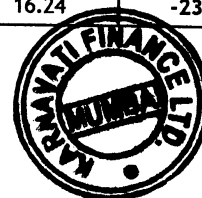
Registered Office: 705, Palm Spring Centre, Above Croma, Near New Infinity Mall, Link Road, Malad (West), Mumbai - 400064.

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 ended on 30th June 2020

(Rs. In Lakhs except EPS)

Particulars	QUARTER ENDED			YEAR ENDED	
A	Date of start of reporting quarter	01-04-20	01-04-19	01-01-20	01-04-19
B	Date of end of reporting quarter	30-06-20	30-06-19	31-03-20	31-03-20
C	Whether results are audited or unaudited	Unaudited	Unaudited	Audited	Audited
D	Nature of report standalone or consolidated	Standalone	Standalone	Standalone	Standalone
Part I					
1	Revenue from Operation :				
(a)	Revenue from Operation :				
	(i) Interest Income	37.20	87.61	45.48	276.36
	(ii) Dividend Income	0.00	0.00	0.00	0.00
	(iii) Rental Income	0.00	0.00	0.00	0.00
	(iv) Fees and Commission Income	0.00	0.00	0.00	0.00
	(v) Net gain on Fair value changes	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
	(vii) Sale of Products (including Excise Duty)	0.00	0.00	0.00	0.00
	(viii) Sale of Services	0.00	0.00	0.03	0.03
	(ix) Others (to be specified)	0.00	0.00	0.00	0.00
(b)	Other Income	0.00	0.00	0.00	0.00
	Total Revenue from operations (net)	37.20	87.61	45.51	276.38
2	Expenses				
(a)	Finance cost	1.23	40.94	0.51	26.10
(b)	Fees and Commission Expense	0.00	0.00	0.00	21.09
(c)	Net Loss on Fair Value Changes	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
(e)	Impairment on financial instruments	0.00	0.00	0.00	0.00
(f)	Cost of materials consumed	0.00	0.00	0.00	0.00
(g)	Purchase of stock-in-trade	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	-0.03	-0.03
(i)	Employee benefits expense	5.81	6.16	7.92	32.41
(j)	Depreciation and amortisation & Impairment expense	0.24	0.00	1.26	1.26
(k)	Other Expenses	3.22	6.55	7.68	36.25
	(i) Impairment Loss/(Gain)	12.48	17.72	51.37	145.34
	Total expenses	22.99	71.36	68.72	262.43
3	Profit before exceptional and extraordinary items and tax	14.21	16.24	-23.22	13.95
4	Exceptional items	0.00	0.00	0.00	0.00
5	Profit before extraordinary items and tax	14.21	16.24	-23.22	13.95



6	Extraordinary items	0.00	0.00	0.00	0.00
7	Profit before tax	14.21	16.24	-23.22	13.95
8	Tax Expenses				
	Current Tax	3.58	4.22	-6.38	3.28
	Deffered Tax	0.00	0.00	-0.07	-0.07
	Total tax expenses	3.58	4.22	-6.45	3.20
9	Net profit/Loss for the period from continuing operations	10.63	12.02	-16.76	10.75
10	Net Profit /Loss from discontinuing operations before tax	0.00	0.00	0.00	0.00
11	Tax Expenses of discontinuing operations	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
13	Net Profit/Loss for the period	10.63	12.02	-16.76	10.75
14	Other Comprehensive Income	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
	(ii) Income tax relating to items that will not be reclassified to profit or loss	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
	(ii) Income tax relating to items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00
	Total Comprehensive Income	0.00	0.00	0.00	0.00
	Total comprehensive Income (comprising profit for the period and other comprehensive Income)	10.63	12.02	-16.76	10.75
15	Details of Equity share capital			0.00	0.00
	Paid up equity share capital	1005	1005	1005	1005
	Face value of equity share capital	10	10	10	10
16	Reserves excluding Revaluation Reserves as per balance sheet of - previous accounting year	0.00	0.00	0.00	253.81
17	Earnings per share (Not Annualized)	0.11	0.12	-0.17	0.11
i	Earnings per share before extraordinary items	0.11	0.12	-0.17	0.11
	Basic earnings (loss) per share from continuing and discontinued operations	0.11	0.12	-0.17	0.11
	Diluted earnings (loss) per share from continuing and discontinued operations	0.11	0.12	-0.17	0.11



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 September 15, 2020. The statutory auditor of the company have carried out Limited Review of the above Financial Results and have issued the limited review report for the quarter ended on June 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 August 31, 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 Company's 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 for the Q1 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 Interest 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.
- 6 The figures for the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to nine months of relevant financial year, which were subjected to limited review by the auditors.

Place: Jamnagar

Date: 15th September 2020

For, Karnavati Finance Limited



Mr. Jay Morzaria

Managing Director

DIN: 02338864



Auditor's Report on Unaudited Standalone Financial Results for the quarter ended June 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 quarter ended June 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 quarter ended June 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.

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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 : 15th September 2020
Place : Thane

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



HIREN JAYANTILAL MARU
Partner
M. No. : 115279
UDIN: 20115279AAAADA6048