



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: August 12, 2021

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

Dear Sir,

Sub: Submission of Unaudited Financial Result of the Company for the quarter ended on June 30, 2021 along with Limited Review Report

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

In reference to 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, 2021.
2. Limited Review Report.

Kindly take the same on your record and disseminate the same on your website and oblige us.

Thanking You,

Yours faithfully,
For and on behalf of
Karnavati Finance Limited


Jay Ramanbhai Morzaria
Chairman and 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



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Date: August 12, 2021

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.

Dear Sir,

Sub: Outcome of Board meeting held on today i.e. on August 12, 2021, 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)

In reference to captioned subject, we hereby inform you that the Board of Directors of the Company, in their Board Meeting held on today, i.e. on August 12, 2021, at the Corporate Office of the Company situated at Vraj, 5th Floor, Opp. President Hotel, Near Bhumi Press, Limda Lane, Jamnagar-361001 which was commenced at 04:00 P.M. and concluded at 06:00 P.M., have:-

1. considered, approved and taken on record the Unaudited financial results of the Company for the quarter ended on June 30, 2021 and
2. Approved the Limited Review Report issued by Statutory Auditors of the Company for the Quarter ended on June 30, 2021.

Kindly take the same on your record and oblige us.

Thanking you

For and on behalf of
Karnavati Finance Limited


Jay Ramanbhai Morzaria
Chairman and Managing Director
DIN: 02338864



Place: Jamnagar

Registered Office :

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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 30th June 2021


(Rs. In Lakhs except EPS)

Particulars		QUARTER ENDED			YEAR ENDED
A	Date of start of reporting quarter	01-04-21	01-04-20	01-01-21	01-04-20
B	Date of end of reporting quarter	30-06-21	30-06-20	31-03-21	31-03-21
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	42.59	37.20	-2.63	100.30
	(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	3.35	0.00	2.50	2.50
	(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	0.00	0.00
	(ix) Others (to be specified)	0.00	0.00	0.00	0.00
	(x) Impairment Gain	0.00	0.00	82.11	19.40
(b)	Other Income	1.28	0.00	0.23	0.23
	Total Revenue from operations (net)	47.22	37.20	82.21	122.43
2	Expenses				
(a)	Finance cost	0.67	1.23	1.25	4.91
(b)	Fees and Commission Expense	4.02	0.00	1.98	2.14
(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	1.49
(h)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-0.03	0.00	0.00	-1.46
(i)	Employee benefits expense	7.68	5.81	8.05	30.90
(j)	Depreciation and amortisation & Impairment expense	0.21	0.24	0.52	1.24
(k)	Other Expenses	3.13	3.22	51.35	62.74
	(i) Impairment Loss/(Gain)	49.31	12.48	0.00	
	Total expenses	64.99	22.99	63.14	101.96



3	Profit before exceptional and extraordinary items and tax	-17.77	14.21	19.07	20.48
4	Exceptional items	0.00	0.00	0.00	0.00
5	Profit before extraordinary items and tax	-17.77	14.21	19.07	20.48
6	Extraordinary items	0.00	0.00	0.00	0.00
7	Profit before tax	-17.77	14.21	19.07	20.48
8	Tax Expenses				
	Current Tax	0.00	3.58	5.22	5.58
	Deffered Tax	0.00	0.00	2.55	2.55
	Total tax expenses	0.00	3.58	7.77	8.13
9	Net profit/Loss for the period from continuing operations	-17.77	10.63	11.30	12.35
10	Net Profit /Loss from discontinuing operations before tax	0.00	0.00	0.00	0.00
11	Tax Expenses of discountinuing 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	-17.77	10.63	11.30	12.35
14	Other Comprehensive Income				
	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)	0.00	0.00	0.00	0.00
15	Details of Equity share capital				
	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	266.16
17	Earnings per share (Not Annualized)	-0.18	0.11	0.11	0.12
i	Earnings per share before extraordinary items	-0.18	0.11	0.11	0.12
	Basic earnings (loss) per share from continuing and discontinued operations	-0.18	0.11	0.11	0.12
	Diluted earnings (loss) per share from continuing and discontinued operations	-0.18	0.11	0.11	0.12



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 August 12, 2021. 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 June 30 2021.
2	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). In accordance with the regulatory guidance on implementation of Ind AS issued by RBI on March 13, 2020, the company has computed provisions as per extant Income Recognition Asset Classification and Provisioning (IRACP) norms issued by RBI solely for comparative puposes as specified therein. The aggregate impairment loss on application of expected credit loss method as per Ind AS, as stated above, is more than the provisioning required under IRACP norms (including standard asset provisioning). These financial results may require further adjustments, if any, necessitated by further guidelines/ clarifications/ directions issued in the future by RBI, Ministry of Corporate Affairs or other regulators, which will be implemented as and when the same are issued. / made applicable.
3	The Company is primarily engaged in the financing activity andd there are no separate reportable segments identified as per the IND-AS 108 - segment reporting.
4	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 proposnately 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.
5	The Companys has borrowing in the form of ICD carried in the Balance Sheet Principal of Rs. 350 Lakhs, interest is not provided thereon for 2019-20 and 2020-21 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 transaction.
6	In accordance with the provisions of Section 115BAA ofthe Income Tax Act, 1961, the Company has opted to pay income tax at a reduced rate of 22% (plus surcharge @ 10% and cess @ 4%) with effect from the current financial year (as against earlier rate of 25%plus cess @ 4%). Consequently, tax expense for the year comprising current and deferred tax as per Indian Accounting Standards (ND AS -12) (Income Taxes) have been recognized using the reduced tax rates applicable.
7	The figures for the previous quarter/period have been regrouped/rearranged wherever necessary to conform to the current period presentation.
<div> <div>Place: Jamnagar Date: 12th August 2021</div> <div>  <div>For, Karnavati Finance Limited Mr. Raman P. Morzaria Whole-Time Director DIN: 00203310</div> </div> </div>	



Independent Auditor's Review Report on Review of Unaudited Standalone Financial Results for the quarter and period ended on June 30, 2021 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 June 30, 2021 (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 June 30, 2021.
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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B/1, Gala Nos. 1 to 4, 2nd Floor, Anmol ?Textile Market, Above Kotak Mahindra Bank,
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 would like to draw attention to Note No. 5 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.
5. Based on our review conducted as above, except for the possible effects of our observation described in the Para No 4 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..

Date : 12th August 2021
Place : Mumbai

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

HIREN JAYANTILAL
MARU

Digitally signed by HIREN
JAYANTILAL MARU
Date: 2021.08.12 16:59:22
+05'30'

HIREN JAYANTILAL MARU
Partner
M. No. : 115279

UDIN: 21115279AAAAFE6314