



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, 2021

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

Dear Sir,

Sub: Outcome of Board meeting held on today i.e. on November 13, 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 November 13, 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 05:00 P.M. and concluded at 06:00 P.M., have

1. Considered, approved and taken on record the Unaudited financial result of the Company for the quarter and half year ended on September 30, 2021. And
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, 2021 and Limited Review Report issued by Statutory Auditors on the Un-audited Financial results for the Quarter and half year ended September 30, 2021.

Kindly take the above on record.

For, 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



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, 2021

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

Dear Sir,

Subject: Submission of Financial Results for the Quarter and half year ended on 30th September, 2021.

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

With reference to captioned subject and pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Standalone Unaudited Financial Results of the Company for the Quarter and half year ended on 30th September, 2021, along with Limited Review Report for the Quarter and half year ended on 30th September, 2021.

Kindly take the above on record.

For, 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

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



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. 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 : 13th November 2021
Place : Mumbai

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



HIREN JAYANTILAL MARU
Partner
M. No. : 115279



UDIN: 21115279AAAAGU1045

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, 2021

(Rs. In Lakhs)

| Particulars | | QUARTER ENDED | | | YEAR TO DATE 30/09/2020 | |
|---------------|---|---------------|--------------|--------------|-------------------------|--------------|
| A | Date of start of reporting quarter | 01-07-21 | 01-04-21 | 01-07-20 | 01-04-21 | 01-04-20 |
| B | Date of end of reporting quarter | 30-09-21 | 30-06-21 | 30-09-20 | 30-09-21 | 30-09-20 |
| 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 | 28.75 | 42.59 | 26.70 | 71.34 | 63.90 |
| | (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 | 4.35 | 3.35 | 0.00 | 7.70 | 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 | 0.52 | 1.28 | 0.00 | 1.80 | 0.00 |
| | Total Revenue from operations (net) | 33.62 | 47.22 | 26.70 | 80.84 | 63.90 |
| 2 | Expenses | | | | | |
| (a) | Finance cost | 0.71 | 0.67 | 1.31 | 1.38 | 2.54 |
| (b) | Fees and Commission Expense | 0.38 | 4.02 | 1.51 | 4.40 | 1.51 |
| (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 | -0.03 | -0.01 | -0.02 | -0.01 |
| (i) | Employee benefits expense | 10.43 | 7.68 | 8.31 | 18.11 | 14.12 |
| (j) | Depreciation and amortisation & Impairment expense | 0.21 | 0.21 | 0.24 | 0.43 | 0.48 |
| (k) | Other Expenses | 6.03 | 3.13 | 2.96 | 9.16 | 6.18 |
| | (i) NPA Provisions/(Reversal of NPA) | 63.42 | 49.31 | 47.39 | 112.73 | 59.87 |
| | Total expenses | 81.19 | 64.99 | 61.70 | 146.18 | 84.69 |
| 3 | Profit before exceptional and extraordinary items and tax | -47.57 | -17.77 | -35.00 | -65.34 | -20.79 |
| 4 | Exceptional items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 5 | Profit before extraordinary items and tax | -47.57 | -17.77 | -35.00 | -65.34 | -20.79 |
| 6 | Extraordinary items | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7 | Profit before tax | -47.57 | -17.77 | -35.00 | -65.34 | -20.79 |
| 8 | Tax Expenses | | | | | |
| | Current Tax | 0.00 | 0.00 | -3.58 | 0.00 | 0.00 |
| | Deferred Tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Total tax expenses | 0.00 | 0.00 | -3.58 | 0.00 | 0.00 |
| 9 | Net profit/Loss for the period from continuing operations | -47.57 | -17.77 | -31.42 | -65.34 | -20.79 |
| 10 | Net Profit /Loss from discontinuing operations before tax | 0.00 | 0.00 | 0.00 | 0.00 | -20.79 |
| 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 | -47.57 | -17.77 | -31.42 | -65.34 | -20.79 |
| 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 |
| | 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) | | | | | |
| 1 | Earnings per share before extraordinary items | -0.47 | -0.18 | -0.31 | -0.65 | -0.21 |
| | Basic earnings (loss) per share from continuing and discontinued operations | -0.47 | -0.18 | -0.31 | -0.65 | -0.21 |
| | Diluted earnings (loss) per share from continuing and discontinued operations | -0.47 | -0.18 | -0.31 | -0.65 | -0.21 |

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 13, 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 September 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 purposes 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 and 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 Company 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 | The figures for the previous quarter/period have been regrouped/rearranged wherever necessary to conform to the current period presentation. |

Place: Jamnagar

Date: 13th November 2021

For, Karnavati Finance Limited



Mr. Raman P. Morzaria

Whole-Time Director

DIN: 00203310

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 Assets and Liabilities

(Rs. In Lakh)

| Particulars | | AS AT | AS AT |
|-------------|---|-----------------|-----------------|
| | | 30-09-21 | 30-09-20 |
| A | Date of Start of reporting period | 01-04-21 | 01-04-20 |
| B | Date of end of reporting period | 30-09-21 | 30-09-20 |
| 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 | 17.14 | 16.00 |
| (b) | Bank Balance other than (a) above | | - |
| (C) | Derivative financial instruments | | - |
| (d) | Receivables | | |
| | (I) Trade Receivables | 1.62 | - |
| | (II) Other Receivables | | |
| (e) | Loans & Advances | 1,819.65 | 2,375.93 |
| (f) | Investments | | - |
| (g) | Other Financial assets | - | - |
| | Sub-total - Financial Assets | 1,838.40 | 2,391.93 |
| 2 | Non Financial Asset | | |
| (a) | Inventories | 1.67 | 0.19 |
| (b) | Current tax assets (Net) | | - |
| (C) | Deferred tax Assets (Net) | 1.00 | 3.55 |
| (d) | Investment Property | | - |
| (e) | Biological assets other than bearer plants | | - |
| (f) | Property, Plant and Equipment | 2.11 | 3.30 |
| | (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 | 7.47 | 6.82 |
| | Amortisation of Expenses | | 2.23 |
| | Deposits | | - |
| | Sub-total - Non Financial Assets | 12.25 | 16.08 |
| | Total Assets | 1,850.65 | 2,408.01 |
| 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 | 200.82 | 233.01 |
| | Total equity attributable to owners of parent | 1,205.82 | 1,238.01 |
| | Non controlling interest | - | - |
| | Total equity | 1,205.82 | 1,238.01 |
| 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 | 24.04 | 21.29 |
| (C) | Debt Securities | | - |
| (d) | Borrowings (Other than Debt Securities) | 612.49 | 1,141.03 |

[illegible]

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 Cash Flows

| <u>PARTICULARS</u> | <u>HALF YEAR ENDED</u> | |
|---|------------------------|---------------|
| | 30/09/2021 | 30/09/2020 |
| A. Cash Flow from Operating Activities | | |
| Net Profit/Loss Before Taxation | (65.34) | (20.79) |
| Adjustment For : | | |
| Audit Fees | - | |
| Depreciation | 0.43 | |
| Reversal of NPA Provision | - | |
| Written Off | | 0.12 |
| NPA Provision | | 59.87 |
| General Provision on Standard Assets | | |
| Finance Cost | 1.38 | 2.54 |
| Operating Profit before change in Working Capital | (63.53) | 41.74 |
| Movement in Working Capital | | |
| Decrease/-Increase in Loans & Advances | | |
| Decrease/-Increase in Inventory | (0.02) | (0.02) |
| Decrease/-Increase in Trade receivables | (1.62) | 0.25 |
| Decrease/-Increase in Other Current Assets | (1.02) | 4.87 |
| Decrease/-Increase in Other Financial Assets | 49.69 | 300.88 |
| -Decrease/Increase in Trade Payables | (41.64) | (15.09) |
| -Decrease/Increase in Other Current Laibilities | (1.39) | (0.53) |
| -Decrease/Increase in Short-term provisions | (1.35) | (94.05) |
| Movenment in Working Capital | 2.64 | 196.30 |
| Net Cash Generation From Operation | (60.89) | 238.04 |
| Direct Tax Paid | | |
| Other Inflow (Outflow) of cash | | |
| Net Cash From Operating Activities | (60.89) | 238.04 |
| Cash Flow From Investing Activites | | |
| Purchase/Sale of Fixed Assets | - | - |
| Net Cash Flow from Investing Activites | - | - |
| Cash Flow from Financial Activities | | |

[illegible]