

No. CTL/DEB/20-21/Noting Certificate/2999

November 13, 2020

To Whomsoever It May Concern,

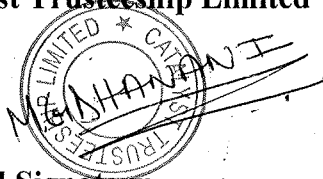
CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited (“**Debenture Trustee**”) hereby confirm that we have received and noted the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Regulations**”), provided to us by **Kanakadurga Finance Limited (“the Company”)** for the Half year ended September 30, 2020.

This Certificate is being issued pursuant to the requirements of regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

For **Catalyst Trusteeship Limited**



Authorised Signatory

Encl: Results submitted by Company





KANAKADURGA™
FINANCE LIMITED
YOUR PROSPERITY. OUR PRIORITY

REF: KFL/BSE/2020

Date: 12.11.2020

To
BSE Limited
Listing department,
PJ Towers, Dalal Street,
Fort Mumbai-400 001.

Dear Sir/Madam,

Sub: Unaudited-Financial Results under Regulation 52 of SEBI (LODR) Regulations, 2015 for the half year ended 30th September 2020.

Ref: Scrip Codes of Debt- 959617, 959707, 959741

The Board of Directors of the Company at their meeting held on 6th November 2020, inter-alia, considered and approved the financial results of the Company for the half year ended 30th September 2020.

In terms of SEBI (LODR) Regulations, 2015, we are enclosing the Financial Results along with the Limited Review Report under regulation 52(2) for the half year ended 30th September 2020.

We request you to kindly take the same on record.

Thanking you,

For Kanakadurga Finance Limited


S. Jayaprakash Narayana Chowdary
Managing Director
Din: 00538246

KANAKADURGA FINANCE LIMITED

[CIN: U65921AP1994PLC018605]

54-9-23, 100 FEET ROAD, AUTONAGAR, VIJAYAWADA, ANDHRA PRADESH-520007

Statement of financial results for the six months and year ended 30th September 2020

(Currency: Indian Rupees in Lakhs)

Sl. No.	Particulars	Six months period ended		Year ended
		30 September 2020	30 September 2019	
1.	Revenue from operations	5,561.63	5,902.77	11,835.59
2.	Other income	184.53	540.34	911.72
	Total	5,746.16	6,443.11	12,747.30
3.	Expenditure			
	(a) Finance cost	2,820.42	3,025.54	6,227.78
	(b) Employee benefits expense	1,024.76	1,484.75	2,794.52
	(c) Depreciation and amortisation	65.00	40.00	130.48
	(d) Other expenses	993.64	1,554.14	2,973.38
	Total	4,903.82	6,104.43	12,126.16
4.	Profit / (loss) before tax (1+2-3)	842.34	338.68	621.15
5.	Tax expense	135.02	84.86	200.71
6.	Net (loss) / profit after tax (4-5)	707.32	253.82	420.44
7.	Other comprehensive income ("OCI") <i>Items that will not be reclassified subsequently to profit or loss</i> Re-measurement losses on defined benefit plans (net off tax) Income-tax effect of remeasurement on defined benefit plans	-	-	-
8.	Total comprehensive loss / profit for the period/ year (6+7)	707.32	253.82	420.44
9.	(Loss) / earnings per share (Face value of Rs. 10 per share) in INR			
	- Basic *	4.65	1.67	2.76
	- Diluted *	4.65	1.67	2.76

* The Earning per share for the six months period ended 30th September 2020 and 30th September 2019 are not annualised.



KANAKADURGA FINANCE LIMITED
Statement of financial results for the six months and year ended 30th September 2020 (continued)

Balance Sheet		(Amount in INR lakhs)	
	As at 30 September 2020	As at 31 March 2020	
ASSETS			
Financial assets			
Cash and cash equivalents	5,346.35	3,272.38	
Other bank balances	7.50	7.50	
Loans	38,200.50	39,580.72	
Other financial assets	1,350.18	1,280.39	
Total financial assets	44,904.53	44,140.99	
Non-financial assets			
Current tax assets	238.07	150.80	
Property, plant and equipment	749.05	806.10	
Intangible assets	11.43	18.87	
Deferred tax assets, net	60.31	60.31	
Other assets	1,102.58	2,001.58	
Total non-financial assets	2,161.44	3,037.66	
Total assets	47,065.97	47,178.65	
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Debt securities	11,993.24	8,279.22	
Borrowings (Other than Debt securities)	22,979.29	27,743.46	
Other financial liabilities	1,093.65	1,073.52	
Total financial liabilities	36,066.18	37,096.20	
Non-financial liabilities			
Provisions	761.97	598.85	
Other non-financial liabilities	280.04	233.14	
Total non-financial liabilities	1,042.01	831.99	
EQUITY			
Equity Share capital	1,521.72	1,521.72	
Other equity	8,436.06	7,728.74	
Total equity	9,957.78	9,250.46	
Total liabilities	37,108.19	37,928.19	
Total equity and liabilities	47,065.97	47,178.65	



KANAKADURGA FINANCE LIMITED

Statement of financial results for the six months and year ended 30th September 2020 (continued)

Notes:

- 1 The company is a Non-Banking Financial Company registered with the Reserve Bank of India (RBI).
- 2 The above unaudited financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meetings held on November 12, 2020
- 3 The Company has adopted Indian Accounting Standards ("Ind AS") notified under sec. 133 of the Companies act, 2013 ("The Act") read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2020 and the effective date of such transition is April 1, 2019. Such transition has been carried out from the erstwhile accounting standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ("RBI") (Collectively referred to as "the previous GAAP"). Accordingly, the impact of the transition has been recorded in the opening reserves as at April 1, 2019 and the corresponding adjustments pertaining to comparative previous period as prescribed in these financial results have been restated/reclassified in order to confirm to current period presentation.
- 4 In compliance with regulation 52 of the Securities Exchanges Board of India ("SEBI") (Listing Obligations and Disclosure Requirement) Regulations, 2015, a limited review of the results for the half year ended September 30, 2020 has been carried out by the Statutory Auditors. Further the financial results for the half year ended September 30, 2019 have not been subjected to limited review or audit. However, management has exercised due diligence to ensure that the financial results for the half year ended September 30, 2019 provide a true and fair view of the Company's affairs.
- 5 Management has made an assessment of the impact of COVID-19 pandemic on its financial results as at September 30, 2020. The Company has been duly servicing its debt obligations, maintains a healthy capital adequacy ratio and has adequate capital and financial resources to run its business. The impact of the global health pandemic may be different from that estimated as at the date of provision of these financials statements and the Company will continue to closely monitor any material changes to future economic conditions.
- 6 No Debenture Redemption Reserve is required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.
- 7 The Government of India, Ministry of Finance, vide its notification dated 23 October 2020, had announced a Scheme for grant of exgratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts ("the Scheme"). On the basis of the initial assessment made by the Company, the Scheme does not have a material impact on the income statement of the Company.
- 8 The previous period figures have been regrouped/reclassified, wherever necessary, to confirm to the current financial period.

For and on behalf of Board of Directors

Director



Place: Vijayawada

Date: 12-11-2020

Disclosures in terms of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended 30 September 2020

Annexure 1

- 1) The Company has paid interest and principal on Non Convertible Debentures (NCDs) on due dates. Details of payment of interest / principal and Credit Rating as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in Annexure A. There is no change in the Credit Rating during the period.
- 2) Debt-Equity ratio as on 30 September 2020 is 3.73 times
- 3) Tangible net worth* as on 30 September 2020 is Rs. 9886.04 Lacs
- 4) Net Profit After Tax for the half year ended on 30 September 2020 is Rs. 707.32 Lacs
- 5) Earnings per share for the half year ended on 30 September 2020: Basic 4.65
- 6) Debt service coverage ratio: 0.26
- 7) Interest service coverage ratio: 1.3
- 8) Outstanding redeemable preference shares: Not applicable

* Tangible net worth = Equity + Other equity - Intangible assets - Deferred tax assets.

**Disclosure pursuant to Reserve Bank of India Circular No:
DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020 pertaining to
Asset Classification and Provisioning in terms of COVID-19 Regulatory
Package.**

S. No.	Particulars	Amount (Rs in Lakhs)
i)	Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended (as of March 31,2020)	1,016.79
ii)	Respective amounts where asset classification benefit is extended (as September 30,2020 including interest)	32,866.39
iii)	Provisions made during the quarter ended March 31,2020 and June 30,2020(Mandatory 10% Provision)	Nil
iv)	Provisions adjusted during the half year ended September 30,2020 against slippages	Not Applicable

* The Company, being NBFC, has Complied with Ind-AS and guidelines duly approved by the Board for recognition of the impairment loss allowance as per ECL model.




Details of payment of interest / principal and Credit Rating of the Non- Convertible Debentures in accordance with the SEBI (Listing Obligations and Disclosure Requirement) Regulations,2015

Name of debt instruments	ISIN & Scrip code	Credit Rating	Previous due date (1 July 2020 to 30 September 2020)		Interest (1 October 2020 to 31 March 2021)		Principal (1 October 2020 to 31 March 2021)	
			Interest Rs. In Lakhs	Princi pal	Next due date	Amount Rs. In Lakhs	Next due date	Amount Rs. In Lakhs
13.10% CSB Debentures June 12,2020	INE104W070 54	CARE BBB	49.53	-	12 th Dec, 2020	48.99	-	-
12% UBI Debentures June 30,2020	INE104W070 62	CARE BBB	-	-	28 th Dec, 2020	151.64	-	-
12% Indian Bank Debentures July 07,2020	INE104W070 70	CARE BBB	-	-	-	-	-	-