



KANAKADURGA
FINANCE LIMITED
YOUR PROSPERITY. OUR PRIORITY

To
BSE Limited
P J Towers
Dalal Street
Mumbai-40001

Date: 14.08.2023

Dear Sir/ Madam,

Sub: Asset Cover Certificate

Ref: Regulations 54 read and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Scrip Code: **959617, 959707, 959741, 974223, 974509, 973614**

Pursuant to the provisions of Regulation 54 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time and other regulations, if applicable, we hereby submit Security Cover Certificate.

Kindly take the same on record.

Yours faithfully,

For Kanakadurga Finance Limited

JAYAPRAKASH NARAYANA
CHOWDARY SANDIREDDY

Digitally signed by JAYAPRAKASH
NARAYANA CHOWDARY SANDIREDDY
Date: 2023.08.14 18:15:12 +05'30'

S.Jayaprakash Narayana Chowdary

Managing Director

DIN-00538246



KANAKADURGA
FINANCE LIMITED
YOUR PROSPERITY. OUR PRIORITY

To
BSE Limited
P J Towers
Dalal Street
Mumbai-40001

Date: 14.08.2023

Dear Sir/ Madam,

Sub: Outcome of Board Meeting held on August 14, 2023

Ref: Regulations 51, 52 and 54 read with Part-B of Schedule-III and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Scrip Code: **959617, 959707, 959741, 974223, 974509, 973614**

Pursuant to the provisions of Regulation 51, 52 and 54 together read with Part B of Schedule III of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time and other regulations, if applicable, we hereby inform that the Board of Directors of the Company at its Meeting held today i.e., Monday, August 14, 2023, have inter-alia considered and approved the un-audited financial results for the quarter ended June 30, 2023.

In this connection, we are pleased to enclose the following:

- a) Un Audited Financial Results of the Company for the quarter ended June 30, 2023 together with the Limited Review Report of the Statutory Auditors’ thereon;
- b) Disclosure pursuant to Regulation 52 (4) and other applicable regulations, if any of SEBI Listing Regulations;
- c) Declaration regarding audit report with unmodified opinion under Regulation 52 (3) of SEBI Listing Regulations.

Apart from the above the Board has approved the following:

- 1. Approval of the Notice of the ensuing Annual general meeting and Draft reports.**

Kindly take the same on record.

Yours faithfully,

For Kanakadurga Finance Limited

JAYAPRAKASH NARAYANA
CHOWDARY SANDIREDDY

Digitally signed by JAYAPRAKASH
NARAYANA CHOWDARY SANDIREDDY
Date: 2023.08.14 18:17:00 +05'30'

S.Jayaprakash Narayana Chowdary
Managing Director
DIN-00538246



KANAKADURGA™
FINANCE LIMITED
YOUR PROSPERITY. OUR PRIORITY

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

August 14, 2023

Dear Sir/Madam,

Subject: Declaration pursuant to Regulation 52(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2023.

This is with reference to the captioned subject, we hereby declare that M/s. JHS & Associates LLP, (Firm Registration No.: 133288W/W100099), Chartered Accountants, Statutory Auditors of the Company have issued the Limited Review Reports with unmodified opinion for Audited Financial Results of the Company for the quarter ended June 30, 2023.

Kindly take the same on record.

For Kanakadurga Finance Limited

JAYAPRAKASH
NARAYANA CHOWDARY
SANDIREDDY

Digitally signed by JAYAPRAKASH
NARAYANA CHOWDARY
SANDIREDDY
Date: 2023.08.14 18:18:00 +05'30'

S.Jayaprakash Narayana Chowdary
Managing Director
DIN-00538246

Independent Auditor's Review Report on Unaudited quarter ended Financial Results of the NBFC pursuant to the Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors
Kanakadurga Finance Limited.**

1. We have reviewed the accompanying statement of unaudited financial results of Kanakadurga Finance Limited for the quarter ended June 30, 2023 ('the Statement') being submitted by the NBFC pursuant to the requirements of Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'). This statement is the responsibility of the NBFC's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the based on our review.
2. This statement has been prepared by the NBFC's Management in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directors issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other recognized accounting principles generally accepted in India.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 the financial results are free of material misstatement. A review consists of making inquiries primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Registered Office
C-701, Mary Ellen,
Ceasars Cross Road,
Amboli, Andheri (W),
Mumbai - 400 058
Tel : +91 98 2005 1936

Mumbai Office
504, 5th Floor, Meadows,
Sahar Plaza Complex, Andheri-Kurla
Road, J.B. Nagar, Andheri East,
Mumbai - 400 059
Tel : +91 80970 95060

Vadodara Office
3rd Floor, TNW Business Centre,
Above Mcdonald's, Near Manisha
Cross Road, Old Padra Road,
Vadodara - 390 007
Tel : +91 26 5233 3698 / 230 4800

Kolkata Office
Suite No. 402, 4th Floor,
Vardhan Complex,
25A Camac Street,
Kolkata - 700 016
Tel : +91 98 3115 0209

Delhi Office
306, DLF Centre,
Savitri Cinema Complex,
Greater Kailash - II,
New Delhi 110048
Tel : +91 11 41437282

4. 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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, RBI Guidelines and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Our conclusion is not modified in respect of this matter.

For JHS & Associates

Chartered Accountants

ICAI Firm Registration No.133288W/W100099



Samad Dhanani

Partner

Membership No. 177200

UDIN: 23177200BHAEBD7114



Place: Mumbai

Date: August 14, 2023

KANAKADURGA FINANCE LIMITED
[CIN: U65921AP1994PLC018605]
54-9-23, 100 FEET ROAD, AUTONAGAR, VIJAYAWADA, ANDHRA PRADESH-520007

Statement of Unaudited financial results for the Quarter ended 30 June 2023
(All amounts are in Indian Rupees in lakhs, except share data and as stated otherwise)

Particulars	Quarter ended 30 June 2023	Quarter ended 31 March 2023	Quarter ended 30 June 2022	31 March 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Revenue from operations				
(i) Interest income	2,534.41	2,583.36	2,388.21	10,581.47
(ii) Fees and commission income	433.80	498.05	219.63	1,174.88
(I) Total revenue from operations	2,968.21	3,081.41	2,607.84	11,756.35
(II) Other income	11.63	4.92	7.44	45.12
(III) Total income (I+II)	2,979.84	3,086.33	2,615.28	11,801.47
Expenses				
(i) Finance costs	1,477.93	1,551.04	1,235.94	5,556.24
(ii) Impairment on financial instruments	149.78	73.37	266.64	839.07
(iii) Employee benefit expenses	696.72	630.18	660.49	2,953.59
(iv) Depreciation and amortization	113.83	41.25	108.69	354.02
(v) Other expenses	357.24	471.14	288.15	1,574.00
(IV) Total expenses	2,795.50	2,766.98	2,559.91	11,276.92
(V) Profit before tax (III-IV)	184.34	319.35	55.37	524.55
(VI) Tax expense				
(1) Current tax	48.55	65.47	13.93	117.10
(2) Deferred tax	(5.00)	37.78	-	37.78
Total tax expense	43.55	103.25	13.93	154.88
(VII) Profit for the year (V-VI)	140.79	216.10	41.44	369.67
(VIII) Other comprehensive income / (expenses)				
Items that will not be reclassified to profit or loss				
- Remeasurements of the defined benefit plans	-	26.34	-	26.34
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
Other comprehensive income/(expenses)	-	26.34	-	26.34
(IX) Total comprehensive income for the year (VII+VIII)	140.79	242.44	41.44	396.01
(X) Earnings per equity share#				
Basic (Rs.)	0.93	1.42	0.27	2.43
Diluted (Rs.)	0.93	1.42	0.27	2.43
(Earnings per share for the interim period is not annualized.)				

[Signature]



Notes:

1. The financial results has been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standard 34 interim Financial Reporting (Ind AS 34") as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other accounting principles generally accepted in India.
2. The above financial results have been reviewed by the Audit Committee at their meeting held on today and approved by the Board of Directors at their meeting held on August 14, 2023 and have been subjected to limited review by J.H.S & Associates LLP, statutory auditors of the company.
3. Previous period figures have been regrouped /reclassified wherever necessary to confirm to current period presentation.
4. Disclosure as per the notification dated September 24 2021 under Reserve Bank of India (Transfer of Loan Exposure) Directions, 2021 relating to the total amount of loans not in default stressed loans transferred and acquired to/ From other entities)
 - a) Details of loans transferred through assignment during the period quarter ended 30th June, 2023.

Particulars	Transferred
Aggregate amount of loans transferred/acquired (Rs. In lakhs)	1,707.94
Weighted average maturity (in months)	37.87
Weighted average holding period (in months)	7.50
Retention of beneficial economic interest by the originator	10.00%
Tangible security coverage	100.00%
Rating-wise distribution of rated loans	Not Applicable

- b) The Company has not transferred /acquired any stressed loans during the quarter ended 30 June 2023.






Disclosure in Compliance with Resolution 52(4) of the SEBI (LODR) Regulations, 2015

S No	Particulars	Quarter ended 30.06.2023
1	Debt equity ratio	3.93
2	Debt Service Coverage ratio	NA
3	Interest coverage ratio	1.13
4	Outstanding redeemable preference shares	Nil
5	Capital Redemption reserve/debenture redemption reserve	Nil
6	Net worth (Excl Revaluation reserve)	11,298.80
7	Net profit after tax	140.79
8	Basic /Diluted EPS	0.93
9	Current Ratio	1.23
10	Long Term Debt to Working Capital	4.11
11	Bad debts to Accounts receivable ratio	NA
12	Short term borrowings ratio	16.04%
13	Total debts to total assets	76.11%
14	Debtors turnover	NA
15	Inventory turnover	NA
16	Operating margin(%)	NA
17	Net profit margin (%)	6.17%
18	Sector specific equivalent ratios as applicable	
	(i) Gross NPA	1,958.30
	(ii) Net NPA	1,465.05
	(iii) Capital Adequacy Ratio (CRAR)	23.96%

The figures/ratios which are not applicable to the company, being an NEFC, are marked as "NA".



Annexure I Security Cover

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Parti- Passu Charge	Parti- Passu Charge	Parti- Passu Charge	Assets not offered as Security	Eliminati on (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Parti Passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value=(K+L+M+N)
ASSETS														
Property Plant and Equipment		-	-	-	-	-	1,566.35		1,566.35					
Capital Work-in-Progress		-	-	-	-	-								
Right of Use Assets		-	-	-	-	-	981.84		981.84					
Goodwill		-	-	-	-	-								
Intangible Assets		-	-	-	-	-	30.98		30.98					
Intangible Assets under Development		-	-	-	-	-								
Investments		-	-	-	-	-								
Loans		11,261.14	30,102.01	-	-	-	3,653.69		45,216.84	11,261.14				11,261.14
Inventories		-	-	-	-	-								
Trade Receivables		-	-	-	-	-	168.12		168.12					
Cash and Cash Equivalents		-	-	-	-	-	8,681.79		8,681.79					
Bank Balances other than Cash and Cash Equivalents		-	-	-	-	-	68.24		68.24					
Others		-	-	-	-	-	1,339.13		1,339.13					
Total		11,261.14	30,102.01				14,110.97		58,053.29	16,201.17				16,201.17
LIABILITIES														
Debt securities to which this certificate		10,690.39	-	-	-	-	-		10,690.39					10,690.39

Annexure I Security Cover

Pertains Other debt sharing part- passu charge with above debt												
Other Debt												
Subordinated debt					1,001.25		1,001.25					
Borrowings												
Bank	Term loans from banks		9,304.77				9,304.77					
Debt Securities												
Others	Term loans from other parties and loans repayable on demand		23,510.88				23,510.88					
Trade payables					1,156.00		1,156.00					
Lease Liabilities					493.25		493.25					
Provisions					599.65		599.65					
Others												
Total		10,690.39	32,815.65		3,249.15		46,764.49		10,690.39		10,690.39	10,690.39
Cover on Book Value		1.05							1.05			1.05
Cover on Market Value			1.05									1.05
Exclusive Security Cover Ratio												
Part-Passu Security Cover Ratio												



Handwritten signature

