

Date: 12.08.2024

BSE Limited
P J Towers
Dalal Street
Mumbai-40001

Dear Sir/ Madam,

Sub: Outcome of Board Meeting held on August 12, 2024

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")

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 12, 2024, have inter-alia considered and approved the un-audited financial results for the quarter ended June 30, 2024.

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

- j) Un Audited Financial Results of the Company for the quarter ended June 30, 2024 together with the Limited Review Report of the Statutory Auditors' thereon;
- k) Disclosure pursuant to Regulation 52 (4) and other applicable regulations, if any of SEBI Listing Regulations;
- l) 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 Board reports.**
- 2. Issue of Secured Non- Convertible Debentures upto INR 25 crores**

Kindly take the same on record.

Yours faithfully,

For Kanakadurga Finance Limited

JAYAPRAKASH NARAYANA
CHOWDARY SANDIREDDY

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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, 2024 ('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
B wing 4th Floor, Unit No. 406 to 410
Navkar Chambers, A K Road,
Marol Naka Metro Station,
Mumbai - 400 059
Tel : +91 80970 95060

Bengaluru Office
Suite 2, 2nd Floor,
Stepsmart Kundhalanahalli
Bengaluru - 560037
Tel : +91 75678 60067

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

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Samad Dhanani

Partner

Membership No. 177200

UDIN: 24177200BKFGYF1443

Place: Mumbai

Date: August 12, 2024

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

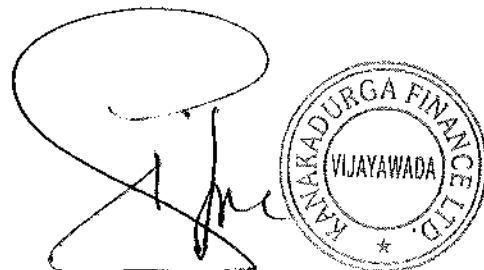
STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(Rs. in lakhs)

Particulars		For the quarter ended June 30, 2024 (Unaudited)	For the quarter ended March 31, 2024 (Audited)	For the quarter ended June 30, 2023 (Unaudited)	For the year ended March 31, 2024 (Audited)
	Revenue from operations				
i	Interest income	3,005.79	2,943.03	2,534.41	10,941.76
ii	Fees and commission income	404.83	378.60	433.80	1,694.30
(I)	Total revenue from operations	3,410.60	3,321.63	2,968.21	12,636.07
(II)	Other income	6.62	19.27	11.63	50.54
(III)	Total income (I+II)	3,417.23	3,340.90	2,979.84	12,686.60
	Expenses				
i	Finance costs	1,636.55	1,557.22	1,477.93	5,979.08
ii	Impairment on financial instruments	163.46	179.41	149.78	742.16
iii	Employee benefit expenses	763.08	779.52	696.72	3,019.30
iv	Depreciation and amortization	113.87	113.33	113.83	454.37
v	Other expenses	428.91	390.76	357.24	1,525.96
(IV)	Total expenses	3,105.88	3,020.24	2,795.50	11,720.88
(V)	Profit before tax (III-IV)	311.35	320.66	184.34	965.73
	Tax expense				
	(1) Current tax	82.40	76.55	48.55	265.94
	(2) Deferred tax	-3.84	13.94	-4.99	-10.53
(VI)	Total tax expense	78.56	90.49	43.56	255.41
(VII)	Profit for the year (V-VI)	232.79	230.17	140.79	710.32
(VIII)	Other comprehensive income / (expenses)				
	Items that will not be reclassified to profit or loss				
	- Remeasurements of the defined benefit plans	-	2.77	3.91	6.68
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	Other comprehensive income/(expenses)	-	2.77	3.91	6.68
(IX)	Total comprehensive income for the year (VII+VIII)	232.79	232.94	144.70	717.00
(X)	Earnings per equity share				
	Basic (Rs.)	1.53	1.51	0.93	4.67
	Diluted (Rs.)	1.53	1.51	0.93	4.67
	(Earnings per share for the interim period is not annualized.)				

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Notes:

1. The financial results have been reviewed and recommended by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on 12th August 2024 and have been subjected to review by J.H.S & Associates LLP, statutory auditors of the company.
2. The financial results of Kanakadurga Finance Limited ("the Company") for the quarter ended June 30, 2024 have been prepared in accordance with Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended (the 'Listing Regulations 2015') and the Accounting Standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provisions of the Companies Act, 2013, as applicable.
3. Previous period figures have been regrouped /reclassified wherever necessary to confirm to current period presentation.
4. The Company is engaged primarily in the business of vehicle and gold loan financing activities and accordingly there are no separate reportable segments as per IND AS dealing with Operating Segment (Ind AS-108). The Company operates in a single geographical segment i.e. Domestic.
5. 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 (not in default) during the period quarter ended June 30, 2024.

Particulars	To Banks	To Others
No of loans sold	NIL	1,949
Aggregate amount (INR in Lakhs)	NIL	3,662.70
Sale consideration (INR in Lakhs)	NIL	3,296.43
Number of transactions	NIL	1
Weighted average maturity in months (remaining)	NIL	26.57
Weighted average holding period in months (after origination)	NIL	9.07
Retention of beneficial economic interest (average)	NIL	10%
Coverage of tangible security coverage	NIL	100.00%
Number of loans transferred/loans replaced	NIL	NA

b) The company has not transferred/acquired any stressed loans during the quarter ended June 30, 2024.

6. The Company's existing definition of default i.e. Days Past Due approach is in line with the RBI circular dated 12 November 2021 read with circular dated 15 February 2022. Accordingly, the same does not have any impact on the financial results for the quarter ended June 30, 2024 as the Company continues to prepare the financial results in accordance with the applicable IND-AS guidelines and the RBI Circular dated 13 March 2020.
7. Pursuant to Regulation 54 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, we would like to state that all rated, listed, secured, redeemable, Non-Convertible Debentures ("Secured NCDs") issued by the Company and outstanding as on 30 June 2024 are fully secured by way of a first charge over the identified "business assets" i.e. securities / receivables of the Company. Accordingly, the Company is maintaining asset cover of 1x or such higher asset cover required as per the terms of offer document/Information Memorandum. The details for security cover as per format prescribed by the SEBI vide circular dated 19 May 2022 is enclosed.
8. The above audited financial results are to be filed with BSE limited under Regulation 52 of the SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.

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9. The above audited financial results of the Company will be available on our website www.kanakadurgafinance.com

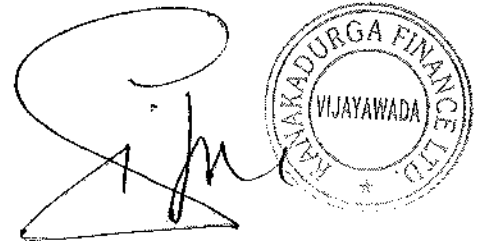
Disclosure in Compliance with Regulations 52(4) of the SEBI (LODR) Regulations, 2015

S.No	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30.06.2024	31.03.2024	30.06.2023	31.03.2024
		Unaudited	Unaudited	Unaudited	Audited
1	Debt equity ratio	4.23	4.24	3.93	4.24
2	Debt Service Coverage ratio	NA	NA	NA	NA
3	Interest coverage ratio	1.27	1.29	1.13	1.24
4	Outstanding redeemable preference shares	NA	NA	NA	NA
5	Capital Redemption reserve/debenture redemption reserve	NA	NA	NA	NA
6	Net worth (Excl Revaluation reserve)	12,107.80	11,875.03	11,298.80	11,875.03
7	Net profit after tax	232.79	230.17	140.79	710.32
8	Basic /Diluted EPS	1.53	1.51	0.93	4.67
9	Current Ratio	1.35	1.25	1.23	1.25
10	Long Term Debt to Working Capital	NA	NA	NA	NA
11	Bad debts to Accounts receivable ratio	NA	NA	NA	NA
12	Current Liability ratio	NA	NA	NA	NA
13	Total debts to total assets	77.48%	77.54%	76.11%	77.54%
14	Debtors turnover	NA	NA	NA	NA
15	Inventory turnover	NA	NA	NA	NA
16	Liquidity coverage ratio	310.72%	239.03%	203.15%	239.03%
17	Operating margin(%)	NA	NA	NA	NA
18	Net profit margin (%) [Net Interest Income/Total Income]	40.51%	41.65%	6.17%	39.06%
	Sector specific equivalent ratios as applicable				
19	(i) Gross NPA	3.55%	3.46%	3.73%	3.46%
	(ii) Net NPA	2.78%	2.94%	2.82%	2.94%
	(iii) Capital Adequacy Ratio (CRAR)	21.99%	21.74%	23.96%	21.74%

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

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Annexure I Security Cover

Kanakadurga Finance Limited

Registered Office: 54-9-23, 100 Feet Road, Autonagar, Vijayawada-520007

CIN-U65921AP1994PLC018605

Statement of Security Cover as at 30th June 2024 Pursuant to requirement of regulation 54(3) read with regulation 56 (1)(d) of SEBI (Listing Obligation and disclosure requirement) Regulation, 2015

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	Exclusive Charge	Exclus ive Charge	Part- Passu Charge	Part- Passu Charge	Part- Passu Charge	Part- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charges where market value is not ascertainable (For Eg. Bank Balance, SRA market value is not applicable)	Market Value for Part passu charge Assets	Carrying value/book value for part passu charge asset 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	-	-	-	-	-	-			1,502.30					
Capital Work-in-Progress	-	-	-	-	-	-								
Right of Use Assets	-	-	-	-	-	-			892.85					
Goodwill	-	-	-	-	-	-								
Intangible Assets	-	-	-	-	-	-			25.37					
Intangible Assets under Development	-	-	-	-	-	-								
Investments	-	-	-	-	-	-								

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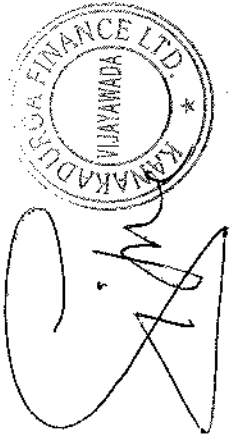
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Annexure I Security Cover

Lease Liabilities	-	-	-	1,090.11	-	-	-	-
Provisions	-	-	-	475.72	-	-	-	-
Others	-	-	-	1,689.63	-	-	-	-
Total	-	-	-	50,678.9	-	-	-	-
Cover on Book Value	-	-	-	-	-	-	-	-
Cover on Market Value*	-	-	-	-	-	-	-	-
Exclusive Security Cover Ratio	-	-	-	-	-	-	-	-
Pari-Passu Security Cover Ratio	-	-	-	-	-	-	-	-

- i This column shall include book value of assets having exclusive charge and outstanding book value of debt for which this certificate is issued.
- ii This column shall include book value of assets having exclusive charge and outstanding book value of all corresponding debt other than column C.
- iii This column shall include debt for which this certificate is issued having any pari passu charge - Mention Yes, else No.
- iv This column shall include a) book value of assets having pari-passu charge b) outstanding book value of debt for which this certificate is issued and c). other debt sharing pari- passu charge along with debt for which certificate is issued.
- v This column shall include book value of all other assets having pari passu charge and outstanding book value of corresponding debt.
- vi This column shall include all those assets which are not charged and shall include all unsecured borrowings including subordinated debt and shall include only those assets which are paid-for.
- vii In order to match the liability amount with financials, it is necessary to eliminate the debt which has been counted more than once (included under exclusive charge column as also under pari passu). On the assets side, there shall not be elimination as there is no overlap.
- viii Assets which are considered at Market Value like Land, Building, Residential/ Commercial Real Estate to be stated at Market Value. Other assets having charge to be stated at book value/Carrying Value.
- ix The market value shall be calculated as per the total value of assets mentioned



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NARAYANA
CHOWDARY
SANDIREDDY**

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JAYAPRAKASH NARAYANA
CHOWDARY SANDIREDDY
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Bashir**

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Samad Bashir
Date: 2024.08.12
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