

## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON SEPTEMBER 30, 2019

(₹ in lacs except per share data)

Sr. no.	Particulars	Quarter ended			Half year ended	
		30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>1</b>	<b>Revenue from operations</b>					
	Interest income	330.93	356.49	123.29	687.42	244.36
	Fees and commission income	5.13	8.72	10.60	13.85	23.09
<b>2</b>	<b>Other income</b>	-	-	-	-	-
<b>3</b>	<b>Total revenue (1+2)</b>	<b>336.06</b>	<b>365.21</b>	<b>133.89</b>	<b>701.27</b>	<b>267.45</b>
<b>4</b>	<b>Expenses</b>					
	(a) Cost of materials consumed	-	-	-	-	-
	(b) Purchases of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
	(d) Employee benefit expenses	7.92	7.92	5.85	15.84	11.62
	(e) Finance costs	191.52	204.56	33.90	396.08	64.45
	(f) Depreciation and amortisation expense	1.19	1.19	1.74	2.38	3.48
	(g) Fees and commission expense	-	-	-	-	-
	(h) Net loss on fair value changes	-	-	-	-	-
	(i) Net loss on derecognition of financial instruments under amortised cost category	-	-	-	-	-
	(j) Impairment on financial instruments	-	-	-	-	-
	<b>(g) Other expenses</b>					
	(i) Legal & professional fees	0.54	0.36	0.86	0.90	0.94
	(ii) Annual subscription	0.17	1.97	0.98	2.14	3.50
	(iii) Listing fee	-	3.00	-	3.00	2.50
	(iv) Provisions & write-offs	17.82	-	-	17.82	-
	(v) Travelling expenses	-	-	-	-	0.09
	(vi) Excise duty (refer note 9)	-	-	-	-	-
	(vii) Advertisement expenses	0.14	0.05	0.10	0.19	0.38
	(viii) Other expenses	0.54	0.40	1.23	0.94	2.79
	<b>Total other expenses</b>	<b>19.21</b>	<b>5.78</b>	<b>3.17</b>	<b>24.99</b>	<b>10.20</b>
	<b>Total expenses</b>	<b>219.84</b>	<b>219.45</b>	<b>44.66</b>	<b>439.29</b>	<b>89.75</b>
<b>5</b>	<b>Profit before exceptional items and tax (3-4)</b>	<b>116.22</b>	<b>145.76</b>	<b>89.23</b>	<b>261.98</b>	<b>177.70</b>
<b>6</b>	<b>Exceptional items</b>	-	-	-	-	-
<b>7</b>	<b>Profit before tax (5-6)</b>	<b>116.22</b>	<b>145.76</b>	<b>89.23</b>	<b>261.98</b>	<b>177.70</b>
<b>8</b>	<b>Tax expenses</b>					
	(i) Current tax	32.33	40.55	24.58	72.88	48.96
	(ii) Deferred tax	(0.03)	(0.03)	(0.14)	(0.06)	(0.28)
	<b>Total tax expenses</b>	<b>32.30</b>	<b>40.52</b>	<b>24.44</b>	<b>72.82</b>	<b>48.68</b>
<b>9</b>	<b>Net profit / (loss) for the period from continuing operations (7-8)</b>	<b>83.92</b>	<b>105.24</b>	<b>64.79</b>	<b>189.16</b>	<b>129.02</b>
<b>10</b>	<b>Profit / (loss) from discontinuing operations before tax</b>	-	-	-	-	-
<b>11</b>	<b>Tax expenses of discontinuing operations</b>	-	-	-	-	-
<b>12</b>	<b>Net profit / (loss) from discontinuing operations after tax (10-11)</b>	-	-	-	-	-
<b>13</b>	<b>Net profit / (loss) for the period (9+12)</b>	<b>83.92</b>	<b>105.24</b>	<b>64.79</b>	<b>189.16</b>	<b>129.02</b>
<b>14</b>	<b>Other comprehensive income (OCI)</b>	-	-	-	-	-
<b>15</b>	<b>Total comprehensive income after tax (13+14)</b>	<b>83.92</b>	<b>105.24</b>	<b>64.79</b>	<b>189.16</b>	<b>129.02</b>
<b>16</b>	<b>Paid up equity share capital (face value of ₹ 10/- each)</b>	<b>1,081.80</b>	<b>1,081.80</b>	<b>1,081.80</b>	<b>1,081.80</b>	<b>1,081.80</b>
<b>17</b>	<b>Earnings per share (before and after extra ordinary items) of ₹ 10/- per share (not annualized)</b>					
	Basic	0.78	0.97	0.60	1.75	1.19
	Diluted	0.78	0.97	0.60	1.75	1.19



## STATEMENT OF ASSETS AND LIABILITIES

(₹ in lacs)

Sr. no.	Particulars	As at 30-Sep-19 (Unaudited)
	<b>ASSETS</b>	
<b>1</b>	<b>Financial asset</b>	
	Cash and cash equivalents	2.48
	Bank balance other than above	602.57
	Derivative financial instruments	-
	<b>Receivables</b>	
	(i) Trade receivables	-
	(ii) Other receivables	-
	Loans	16,609.49
	Investments	-
	Other financial assets	-
	<b>Total financial assets</b>	<b>17,214.54</b>
<b>2</b>	<b>Non-financial asset</b>	
	Inventories	-
	Current tax assets (net)	222.38
	Deferred tax assets (net)	4.22
	Investment property	-
	Biological assets other than bearer plants	-
	Property, plant and equipment	12.99
	Capital work-in-progress	-
	Intangible assets under development	-
	Goodwill	-
	Other intangible assets	-
	Other non-financial assets (to be specified)	
	(i) Office maintenance deposit	1.16
	(ii) Prepaid expenses	1.56
	<b>Total non-financial assets</b>	<b>242.31</b>
	<b>TOTAL ASSETS</b>	<b>17,456.85</b>
	<b>EQUITY &amp; LIABILITIES</b>	
<b>1</b>	<b>Equity</b>	
	Equity share capital	1,081.80
	Other equity	2,052.41
	<b>Total equity</b>	<b>3,134.21</b>
<b>2</b>	<b>Liabilities</b>	
<b>2.1</b>	<b>Financial liabilities</b>	
	Derivative financial instruments	-
	<b>Payables</b>	
	<b>(I) Trade payables</b>	
	(i) total outstanding dues of micro enterprises and small enterprises	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-
	<b>(II) Other payables</b>	
	(i) total outstanding dues of micro enterprises and small enterprises	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-
	Debt securities	-
	Borrowings (other than debt securities)	13,980.79
	Deposits	-
	Subordinated liabilities	-
	Other financial liabilities	-
	<b>Total financial liabilities</b>	<b>13,980.79</b>
<b>2.2</b>	<b>Non-financial liabilities</b>	
	Current tax liabilities (net)	0.11
	Provisions	326.46
	Deferred tax liabilities (net)	-
	Other non-financial liabilities	15.28
	<b>Total non-financial liabilities</b>	<b>341.85</b>
	<b>Total liabilities</b>	<b>14,322.64</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>17,456.85</b>



**CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED**

(₹ in lacs)

Sr. no.	Particulars	As at Sept. 30, 2019	As at Sept. 30, 2018
		(Unaudited)	(Unaudited)
<b>A.</b>	<b>Cash flow from the operating activities</b>		
	Net profit after tax and without deferred tax	261.98	177.70
	<b>Add: adjustments for:</b>		
	Depreciation	2.38	3.48
	Misc. expenses written off	-	-
	<b>Less:</b>		
	Profit on sale of fixed assets	-	-
	<b>Operating profit before working capital changes</b>	<b>264.36</b>	<b>181.18</b>
	Add: decrease in working capital	-	-
	Short term provision increased	-	-
	Short term borrowings increased	-	138.28
	Long term provision increased	(23.76)	-
	Short term loans & advances decreased	7,149.62	-
	Inventories decreased	-	-
	Less: increase in working capital	-	-
	Short term borrowings reduced	(7,171.59)	-
	Short term loans & advances increased	1.16	(373.67)
	Short term provision decreased	19.44	(68.48)
	Other current liabilities decreased	(7.82)	(21.55)
	Cash generated from operations	-	-
	Less: misc. expenses incurred	-	-
	<b>Net cash flow from operating activities (A)</b>	<b>231.41</b>	<b>(144.24)</b>
<b>B.</b>	<b>Cash flow from investing activities</b>		
	<b>Inflows:</b>		
	Increase in share capital & share premium	-	-
	Sale of investments	-	-
	Interest received	-	-
	<b>Out flows:</b>		
	Purchase of fixed assets	-	-
	Purchase of investments	-	-
	Interest paid	-	-
	<b>Net cash used in investing activities (B)</b>	<b>-</b>	<b>-</b>
<b>C.</b>	<b>Cash flow from financing activities</b>		
	<b>Add:</b>		
	Increase in unsecured loans	-	-
	Increase in secured loans	-	-
	<b>Less:</b>		
	Payment of dividend & dividend tax	-	-
	Repayment of short term borrowing	-	-
	<b>Net cash used in financing activities (C)</b>	<b>-</b>	<b>-</b>
	Net decrease / increase in cash & cash equivalents (A+B+C)	231.41	(144.24)
	Cash & cash equivalents (opening balance)	373.64	458.61
	<b>Cash &amp; cash equivalents (closing balance)</b>	<b>605.05</b>	<b>314.37</b>

**Notes:**

- The company is engaged in a single segment of finance and therefore there are no separate reportable segments as per the Accounting Standard 17 i.e. "Segment Reporting".
- The unaudited standalone financial results of the company have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 [the 'Act']. The company has adopted Ind AS from April 1, 2019 with effective transition date of April 1, 2018 and accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 – interim financial reporting, prescribed under section 133 of the Act and the other accounting principles generally accepted in India.
- The financial results and other financial information for the quarter and half year ended September 30, 2018 have been reviewed and have been presented based on the information compiled by the management after making necessary adjustments to give a true and fair view of the results in accordance with Ind AS.
- The above unaudited financial results have been reviewed and recommended by the audit committee and approved and taken on record by the board of directors in their meetings held on Friday, December 13, 2019.
- As required by Ind AS 101, the profit reconciliation between the figures previously reported under Previous GMP and restated as per Ind AS is as under:

(₹ in lacs)

Description	Corresponding 3 months ended September 30, 2018 in the previous year
Profit after tax as reported under previous GAAP	64.79
Adjustments resulting in increase / (decrease) in other comprehensive income (no adjustments for the period)	-
Total adjustments	-
<b>Total comprehensive income as reported under Ind AS</b>	<b>64.79</b>

- The company has, at its 24th annual general meeting held on Friday, September 27, 2019, declared and paid within time, a final dividend of ₹ 1.00 (i.e. 10.00%) per share on 1,08,18,000 equity shares of ₹ 10/- (rupees ten only) each of the company for the financial year ended on March 31, 2019.

7. The managing director and chief financial officer certificate in respect of the above results in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the board of directors.
8. Figures for the previous periods are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure.
9. The company does not have any exceptional or extra-ordinary item to report for the above periods and the company being an NBFC, excise duty related provisions are not applicable to it.
10. The statutory auditors of the company have carried out limited review of the above financial results.



On behalf of board of directors,  
For KIFS Financial Services Limited

*Rajesh P. Khandwala*

**Rajesh P. Khandwala**  
(Managing Director)  
(DIN: 00477673)

Ahmedabad, December 13, 2019



**BIMAL SHAH ASSOCIATES**  
CHARTERED ACCOUNTANTS

412, 4th Floor, Ashwamegh Avenue,  
Mayur Colony, Nr. Mithakhali Circle,  
Navrangpura, Ahmedabad - 380 009.  
Ph.: (0) 2640 8930  
Tele Fax : 91 - 079 - 2642 1975  
M.: 98250 35884  
email : parikhshah412@yahoo.com

**Limited Review Report**

To,  
The Board of Directors,  
KIFS Financial Services Limited,  
B-81, Pariseema Complex, C. G. Road, Ellisbridge,  
Ahmedabad – 380006, Gujarat, India.

We have reviewed the accompanying statement of unaudited financial results of KIFS Financial Services Limited ("the company") for the quarter and half year ended on September 30, 2019. This statement is the responsibility of the company's management and has been approved by the board of directors. Our responsibility is to issue a report on these financial statements based on our review.

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 statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that cause us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies has not disclosed that information required to be disclosed in terms of regulation 33 of 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.



For, **M/s.Bimal Shah Associates,**  
Chartered accountants  
Firm registration no.: 101505W

**Bimal Arvindbhai Shah**  
(Proprietor)

Membership no.: 042372

Ahmedabad, December 13, 2019  
UDIN: 19042372AAAAEP4547