

October 23, 2020

To,
Corporate Relations Department,
The BSE Limited,
P J Towers, Dalal Street
Mumbai - 400 001.

Dear Sir/Madam,

Subject: Submission of Financial Results for half year ended September 30, 2020
Reference: Regulation 52 of SEBI (listing obligation and Disclosure Requirements), Regulations, 2015
Scrip Code: 958387

With reference to the above mentioned subject, we hereby furnish the following documents for your information and records in compliance with Regulation 52 and other applicable regulations of Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement Regulations) 2015:

1. Half-yearly un-audited results as per IND AS format for the period ended September 30, 2020
2. Limited Review report on the unaudited Standalone Financial Results for half year ended September 30, 2020
3. Limited Review report on the unaudited Consolidated Financial Results for half year ended September 30, 2020
4. Declaration of unmodified opinion pursuant to Regulation 52(3) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015
5. Declaration on no material deviations / no deviation in the use of proceeds of issue of non-convertible debt securities, pursuant to Regulation 52(7) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015

This is for your information and records. Kindly take the same on record

Thanking you
Yours faithfully

For KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)

Alpana

Alpana
Company Secretary and Compliance officer
M. No: F10191



KFin Technologies Private Limited

(Formerly known as Karvy Fintech Private Limited)

Registered & Corporate Office

"Selenium Tower-B", Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana.

Ph. : +91 40 6716 2222, 3321 1000 | www.kfintech.com | CIN : U72400TG2017PTC117649

KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited)
CIN: U72400TG2017PTC117649

Registered office address: Selenium Tower B, Plot Nos. 31 & 32, Financial District
Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India

Statement of Unaudited Standalone and Consolidated financial results for the half year ended September 30, 2020

(All amounts in ₹ Lakhs)

Sl. No.	Particulars	Standalone				Consolidated			
		Six months ended		Year ended		Six months ended		Year ended	
		September 30, 2020	March 31, 2020	September 30, 2019	March 31, 2020	September 30, 2020	March 31, 2020	September 30, 2019	March 31, 2020
		(Unaudited)	(Audited) Refer note 3	(Unaudited)	(Audited)	(Unaudited)	(Audited) Refer note 3	(Unaudited)	(Audited)
	Revenue								
1.	Revenue from operations	21,006.31	22,130.45	21,927.15	44,057.60	21,457.12	22,598.68	22,388.41	44,987.09
2.	Other income	192.57	418.95	345.18	764.13	222.57	184.50	355.25	539.75
	Total revenue	21,198.88	22,549.40	22,272.33	44,821.73	21,679.69	22,783.18	22,743.66	45,526.84
	Expenses								
	Employee benefits	9,648.38	9,684.27	9,056.21	18,740.48	9,902.79	10,017.59	9,380.72	19,398.31
	Finance costs	2,651.38	2,619.68	2,704.50	5,324.18	2,653.77	2,622.61	2,707.65	5,330.26
	Depreciation and amortisation	4,890.40	4,680.26	4,535.60	9,215.86	4,894.16	4,695.85	4,525.28	9,221.13
	Other expenses	3,728.30	4,842.73	4,741.15	9,583.88	3,789.72	4,906.11	4,820.22	9,726.33
	Total expenses	20,918.46	21,826.94	21,037.46	42,864.40	21,240.44	22,242.16	21,433.87	43,676.03
4.	Profit before tax (1+2-3)	280.42	722.46	1,234.87	1,957.33	439.25	541.02	1,309.79	1,850.81
5.	Tax expense	212.90	851.42	518.53	1,369.95	226.52	870.59	527.79	1,398.38
6.	Net profit/ (loss) after tax (4-5)	67.52	(128.96)	716.34	587.38	212.73	(329.57)	782.00	452.43
7.	Other comprehensive income ("OCI")								
	<i>A. Items that will not be reclassified subsequently to statement of profit or loss</i>								
	Remeasurement of defined benefit plans	-	(169.05)	-	(169.05)	-	(169.05)	-	(169.05)
	Income tax relating to remeasurement of defined benefit plans	-	42.55	-	42.55	-	42.55	-	42.55
	<i>B. Items that will be subsequently reclassified to profit or loss</i>								
	Exchange differences on translation of foreign operations	-	-	-	-	(17.79)	45.03	12.56	57.59
8.	Total comprehensive income/ (loss) for the period/ year (6+7)	67.52	(255.46)	716.34	460.88	194.94	(411.04)	794.56	383.52
9.	Earnings per share (Face value of Rs. 10 per share) in Rs.								
	Basic (not annualised)	0.00	(0.00)	0.43	0.37	0.14	(0.00)	0.47	0.28
	Diluted (not annualised)	0.00	(0.00)	0.43	0.37	0.14	(0.00)	0.47	0.28
10.	Paid up equity share capital - Face value of Rs. 10 per share	15,084.36	15,084.36	16,583.14	15,084.36	15,084.36	15,084.36	16,583.14	15,084.36
11.	Paid-up Debt Capital [Refer Note 8(a)]	36,800.00	38,400.00	39,200.00	38,400.00	36,800.00	38,400.00	39,200.00	38,400.00
12.	Net worth [Refer Note 8(b)]	38,580.28	38,512.76	51,835.19	38,512.76	38,697.98	38,503.05	51,981.07	38,503.05
13.	Reserves excluding revaluation reserve	25,854.44	25,846.28	36,045.08	25,846.28	26,008.94	25,873.37	36,227.76	25,873.37
14.	Debenture redemption reserve ("DRR")	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00
15.	Debt equity ratio [Refer Note 8(c)]	0.95	1.00	0.76	1.00	0.95	1.00	0.78	1.00
16.	Debt service coverage ratio [Refer Note 8(d)]	1.84	2.35	2.37	2.38	1.88	2.38	3.30	2.37
17.	Interest service coverage ratio [Refer Note 8(e)]	2.95	3.06	3.12	3.10	3.01	3.00	3.30	3.08

for and on behalf of the Board of Directors of
KFin Technologies Private Limited
CIN: U72400TG2017PTC117649

VENKATA SATYA NAGA
NAGA SREEKANTH
NADELLA

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Sreekanth Nadella
Whole Time Director and Chief Executive Officer
DIN: 08659728

Place: Hyderabad
Date: October 22, 2020

KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited)

CIN: U72400TG2017PTC117649

Registered office address: Selenium Tower B, Plot Nos. 31 & 32, Financial District
Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India

Statement of Unaudited Standalone and Consolidated Balance Sheet

(All amounts in ₹ Lakhs)

Particulars	Standalone		Consolidated	
	As at September 30, 2020	As at March 31, 2020	As at September 30, 2020	As at March 31, 2020
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
I. ASSETS				
(1) Non-current assets				
Property, plant and equipment	2,879.03	3,432.24	2,889.81	3,447.45
Capital work in progress	168.88	8.30	168.88	8.30
Right of use asset	3,782.85	3,547.32	3,859.56	3,653.06
Goodwill	54,988.17	58,369.21	55,787.32	59,147.59
Other intangible assets	2,560.98	2,892.51	2,563.30	2,893.46
Investments in subsidiaries	1,522.96	1,522.96	-	-
Financial assets				
(i) Loans	451.42	450.68	451.42	450.68
(ii) Other non-current financial assets	93.64	88.31	93.84	88.51
Deferred tax assets (net)	268.54	481.44	269.81	480.50
Non-current tax assets	3,049.10	3,309.67	3,049.10	3,309.67
Other non-current assets	72.97	36.43	72.97	36.43
Total non-current assets	69,838.54	74,139.07	69,206.01	73,515.65
(2) Current assets				
Financial assets				
(i) Investments	4,859.39	1,354.38	4,859.39	1,354.38
(ii) Trade receivables	8,932.93	7,668.06	9,300.23	7,883.92
(iii) Cash and cash equivalents	1,041.58	833.09	1,692.38	1,166.16
(iv) Bank balances other than cash and cash equivalents	20.48	283.48	20.48	615.63
(v) Loans	15.28	34.46	24.65	43.68
(vi) Other current financial assets	1,503.97	1,667.47	1,509.88	1,729.28
Other current assets	944.04	785.75	954.01	798.39
Total current assets	17,317.67	12,626.69	18,361.02	13,591.44
TOTAL ASSETS	87,156.21	86,765.76	87,567.03	87,107.09
II. EQUITY AND LIABILITIES				
(1) Equity				
Equity share capital	15,084.36	15,084.36	15,084.36	15,084.36
Other equity	25,854.44	25,846.28	26,008.94	25,873.37
Total equity	40,938.80	40,930.64	41,093.30	40,957.73
(2) Non-current liabilities				
Financial liabilities				
(i) Borrowings	31,860.06	34,331.17	31,860.06	34,331.17
(ii) Lease liabilities	3,077.55	2,761.82	3,104.85	2,816.00
Provisions	592.19	517.19	643.14	517.19
Total non-current liabilities	35,529.80	37,610.18	35,608.05	37,664.36
(3) Current liabilities				
Financial liabilities				
(i) Trade payables				
- Total outstanding due to micro and small enterprises	-	1.99	-	1.99
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2,167.51	2,030.78	2,182.33	2,047.68
(ii) Lease liabilities	917.00	911.99	972.17	964.32
(iii) Other current financial liabilities	5,637.24	3,746.58	5,653.50	3,856.96
Other current liabilities	1,517.80	1,115.45	1,588.44	1,160.78
Provisions	361.83	331.92	375.09	359.82
Current tax liabilities (net)	86.23	86.23	94.15	93.45
Total current liabilities	10,687.61	8,224.94	10,865.68	8,485.00
TOTAL EQUITY AND LIABILITIES	87,156.21	86,765.76	87,567.03	87,107.09

for and on behalf of the Board of Directors of
KFin Technologies Private Limited
CIN: U72400TG2017PTC117649

VENKATA SATYA NAGA
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Date: 2020.10.22 21:31:53 +05'30'

Sreekanth Nadella
Whole Time Director and Chief Executive Officer
DIN: 08659728

Place: Hyderabad
Date: October 22, 2020

Notes:

- The above results were reviewed and recommended by the Audit Committee at its meeting held on October 22, 2020. The Board of Directors at its meeting held on October 22, 2020 approved the above results and its release.
- The financial results of the KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act 2013 read with the relevant rules thereunder and in terms of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations').
- The standalone and consolidated figures for the half year ended March 31, 2020 are the balancing figures between audited standalone and consolidated figures in respect of the full financial year and the published unaudited year to date standalone and consolidated figures up to half year ended September 30, 2019.
- During FY 2018-19, the Company had issued 4,000 rated, listed, redeemable Non-convertible Debentures (NCDs) Series 1 of face value INR. 1,000,000 each for a total amount of Rs. 40,000 lakhs on a private placement basis. These NCDs have been listed on the Bombay Stock Exchange (BSE) with effect from November 29, 2018. The NCDs are repayable in 10 half yearly installments commencing from September 30, 2019 to November 16, 2023 and carry an interest rate of 11.5% per annum due on 31 March and 30 September of every year.
- During the current half-year ended September 30, 2020, the Company has granted 1,716,690 options under ESOP Plan 2019 to eligible employees as identified by the Nomination and Remuneration Committee (NRC). Further, the Board and NRC, subject to approval of the Members of the Company, have approved extinguishment/ reduction/ cancellation of 2,500,000 units that are surplus to the current requirements and available in the share pool of the Company's under existing ESOP plan. Subsequently, Members of the Company have also approved the aforesaid extinguishment/ reduction/ cancellation of 25,00,000 units at their Extraordinary General Meeting held on 20th October, 2020, resulting which, the present ESOP pool stands revised to 7,093,839 shares and also renamed erstwhile ESOP Plan and ESOP Schemes pursuant to name change of the Company.
- The Board of Directors of the Holding Company in their meeting held on August 2, 2017 had approved a Composite Scheme of Arrangement and Amalgamation between Karvy Consultants Limited (KCL), Karvy Computershare Private Limited (KCPL), the Company and their respective shareholders under the relevant provisions of the Companies Act, 2013 ('the Scheme'). The Scheme has been approved by the National Company Law Tribunal vide their order dated 23 October 2018 which has been filed with the Registrar of Companies on November 17, 2018. Therefore, the Scheme has become effective on November 17, 2018. As per the Scheme, the 'RTA undertaking' of KCL and KCPL were amalgamated into the Company with effect from November 17, 2018 and the amalgamation was accounted for during the year ended March 31, 2019.

As specified in the Scheme, the amalgamation had been accounted for in accordance with the Purchase method of accounting as per Accounting Standard 14 on 'Accounting for Amalgamations'. All the assets and liabilities of the RTA Undertaking of KCL and KCPL had been recorded at their existing book values. The difference between the book values of the net assets so recorded and the consideration (being the face value of equity shares issued by the Company to the shareholders of KCL and cost of investment in equity shares of KCPL) amounting to Rs. 67,491.55 lakhs (Rs. 66,940.98 lakhs in the consolidated financial statements) had been recorded as goodwill which is being amortised over a period of 10 years.

The above accounting treatment as specified in the Scheme relating to amalgamation of the 'RTA Undertaking' of KCL and of KCPL into the Company and the subsequent measurement of Goodwill is different from the accounting as per Ind AS 103 on 'Business Combinations'.

7. Segment information:

For the six months ended September 30, 2020

(All amounts in ₹ Lakhs)

Particulars	Registry services	Data processing services	Pension fund solutions	Total reportable segments	Unallocable	Total
Segment revenue						
-External revenues	19,244.20	2,081.06	131.86	21,457.12	-	21,457.12
-Intersegment revenues	-	-	-	-	-	-
Total segment revenue	19,244.20	2,081.06	131.86	21,457.12	-	21,457.12
Segment results	4,361.10	794.50	(195.58)	4,960.02	-	4,960.02
Unallocated						
(a) Unallocable expenses					(2,089.57)	(2,089.57)
(b) Finance cost					(2,653.77)	(2,653.77)
(c) Other income					222.57	222.57
Profit Before Tax						439.25
Less: Taxes						226.52
Profit After Tax						212.73

As at September 30, 2020

Particulars	Registry services	Data processing services	Pension fund solutions	Total reportable segments	Unallocable	Total
Segment assets	67,385.48	7,489.58	229.59	75,104.65	12,462.38	87,567.03
Segment liabilities	5,123.82	1,053.14	35.54	6,212.50	40,261.23	46,473.73

For the six months ended September 30, 2019

(All amounts in ₹ Lakhs)

Particulars	Registry services	Data processing services	Pension fund solutions	Total reportable segments	Unallocable	Total
Segment revenue						
-External revenues	20,702.29	1,642.68	43.44	22,388.41	-	22,388.41
-Intersegment revenues	-	-	-	-	-	-
Total segment revenue	20,702.29	1,642.68	43.44	22,388.41	-	22,388.41
Segment results	5,126.22	395.48	(241.66)	5,280.04	-	5,280.04
Unallocated						
(a) Unallocable expenses					(1,617.85)	(1,617.85)
(b) Finance cost					(2,707.65)	(2,707.65)
(c) Other income					355.25	355.25
Profit Before Tax						1,309.79
Less: Taxes						527.79
Profit After Tax						782.00

As at September 30, 2019

Particulars	Registry services	Data processing services	Pension fund solutions	Total reportable segments	Unallocable	Total
Segment assets	72,427.89	7,679.34	163.87	80,271.10	19,842.18	100,113.28
Segment liabilities	3,504.34	1,005.56	23.30	4,533.20	42,769.18	47,302.38

Notes (continued):

7. Segment information: (continued)

For the six-months ended March 31, 2020

(All amounts in ₹ Lakhs)

Particulars	Registry services	Data processing services	Pension fund solutions	Total reportable segments	Unallocable	Total
Segment revenue						
-External revenues	20,532.12	1,974.98	91.58	22,598.68	-	22,598.68
-Intersegment revenues	-	-	-	-	-	-
Total segment revenue	20,532.12	1,974.98	91.58	22,598.68	-	22,598.68
Segment results	4,925.54	249.14	(239.05)	4,935.63	-	4,935.63
Unallocated						
(a) Unallocable expenses					(1,956.50)	(1,956.50)
(b) Finance cost					(2,622.61)	(2,622.61)
(c) Other income					184.50	184.50
Profit Before Tax						541.02
Less: Taxes						870.59
Profit After Tax						(329.57)

For the year ended March 31, 2020

(All amounts in ₹ Lakhs)

Particulars	Registry services	Data processing services	Pension fund solutions	Total reportable segments	Unallocable	Total
Segment revenue						
-External revenues	41,234.41	3,617.66	135.02	44,987.09	-	44,987.09
-Intersegment revenues	-	-	-	-	-	-
Total segment revenue	41,234.41	3,617.66	135.02	44,987.09	-	44,987.09
Segment results	10,051.76	644.62	(480.71)	10,215.67	-	10,215.67
Unallocated						
(a) Unallocable expenses					(3,574.35)	(3,574.35)
(b) Finance cost					(5,330.26)	(5,330.26)
(c) Other income					539.75	539.75
Profit Before Tax						1,850.81
Less: Taxes						1,398.38
Profit After Tax						452.43

As at March 31, 2020

Particulars	Registry services	Data processing services	Pension fund solutions	Total reportable segments	Unallocable	Total
Segment assets	69,886.57	7,723.34	233.66	77,843.57	9,263.52	87,107.09
Segment liabilities	3,910.77	1,037.69	30.61	4,979.07	41,170.29	46,149.36

(a) The Group is engaged in three business segments: Registry services, data processing services and pension fund solutions. Based on the "management approach" as defined in Ind AS 108 - 'Operating Segments', the Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in the preparation of the financial results are consistently applied to record revenue and expenditure in individual segments.

(b) During the current period, the management has allocated Goodwill to the related segments. Accordingly, the amortisation of goodwill has also been allocated to the respective segments which was earlier shown as an unallocated expense for the half year ended September 30, 2019. This adjustment has also been carried out in the segment information for the half year ended September 30, 2019 in order to ensure that the numbers are comparable.

(c) Segment result represents the profit before interest and tax earned by each segment without allocation of central administrative costs and other income.

(d) As allowed under Ind AS 108- "Operating Segments", the segment information disclosed above is based on the consolidated financial results.

8. Formulas used for computations of ratios:

(a) Paid-up debt capital represents NCDs outstanding as at reporting date including current maturities of long term debt. For the purpose of this disclosure, transaction costs that are netted off in debt have not been considered.

(b) Net worth: Equity share capital + Free reserves (i.e. other equity excluding Capital Reserves, Capital Redemption Reserve, Revaluation Reserve, Statutory reserves, Share based payment Reserve and DRR).

(c) Debt Equity ratio: Debt/ Equity. Equity represents paid-up equity share capital and free reserves (i.e. other equity excluding Capital Reserves, Capital Resumption Reserve, Statutory reserves, Share based payment Reserve, Revaluation Reserves, and DRR). Debt is as per paragraph 8(a) above.

(d) Debt service coverage ratio: Earnings before interest, depreciation and amortisation, and tax (EBITDA)/ [Interest + Principal repayments during the year/ period]

(e) Interest service coverage ratio: EBITDA/ Interest

EBITDA: Profit before interest, tax and exceptional items + Depreciation and Amortisation

(f) Assets cover available = Total assets - Intangible assets other than goodwill - Right-of-use Assets - Non-current liabilities (excluding NCDs) - Current liabilities - Short-term portion of long term debts. For the purpose of computing this ratio, goodwill arising out of the amalgamation and business combination amounting to Rs. 54,988.17 lakhs and Rs. 55,787.32 lakhs in standalone and consolidated financial results respectively has not been deducted from total assets. [Refer Note 9(b) below].

9. Disclosure under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as certified by the Management :

(a) Credit rating and change in credit rating:

Particulars	Name of the rating agency	Current rating	Remarks
Rated, Listed, Redeemable, Non-convertible Debentures	ICRA Limited	ICRA AA -	There is no change in the credit rating during the period

(b) Asset cover available - The entity has maintained hundred percent asset cover sufficient to discharge the principal amount at all times for the NCDs issued. For the purpose of arriving at asset cover, the management has considered asset cover being equal to total assets (excluding intangible assets other than goodwill) minus current and non-current liabilities other than NCDs. As indicated in note 8(f) above, goodwill arising out of the amalgamation and business combination amounting to Rs. 54,988.17 lakhs and Rs. 55,787.32 lakhs in standalone and consolidated financial results respectively has not been deducted from total assets. This is line with earlier submissions made to SEBI.

Notes (continued):

(c) The previous due date for the payment of interest/ principal amount for debenture and the actual date of payment for the period ended September 30, 2020 are as under :

Sr. No	ISIN	Series	BSE scrip Code	From 01 April 2020 to 30 September 2020	
				Interest	Principal
1	INE138Y07017	11.50% KFin Technologies Private Limited 2023	958387	- Due date: September 30, 2020 - Date of payment : September 30, 2020	

(d) Next due date for the payment of interest / principal:

Sr. No	ISIN	Series	BSE scrip Code	From 01 October 2020 to 31 March 2021	
				Interest	Principal
1	INE138Y07017	11.50% KFin Technologies Private Limited 2023	958387	2,232.07	1,600
				Next due date : March 31, 2021	

10. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. In view of this, impact if any, of the change will be assessed and accounted in the period of notification of the relevant provisions.

11. The Taxation Laws (Amendment) Ordinance, 2019 ('Ordinance') was promulgated on 20 September 2019. The Ordinance has amended the Income Tax Act, 1961 and Finance Act, 2019 to inter-alia provide an option to domestic companies to pay income tax at a reduced tax of 22 percent plus applicable surcharge and cess with certain conditions to be met. The Group has opted for this amendment and tax rate is calculated @ 22 plus applicable surcharge and cess for the year ended 31 March 2020. Accordingly, the Company had remeasured its deferred tax assets/ liabilities based on the rate prescribed under this Ordinance, the impact of the change was recognised in the statement of profit and loss over the period from 1 October 2019 to 31 March 2020.

12. In view of lockdown due to the outbreak of COVID pandemic, the operations of the Group were impacted from second half of March 2020. While the current situation has impacted the sales performance of the Group, the Management continues to closely monitor the situation and expects that the operations will be back to normal in due course of time. Accordingly, the company continues to prepare the financial statements on a going concern basis. As per the Management's current assessment, no significant impact is expected on the carrying amounts of inventories, intangible assets, trade receivables, investments and other financial assets and it continues to monitor changes in future economic conditions. The eventual outcome of the impact of this global health pandemic may be different from those estimated as on the date of approval of these financial results.

13. In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, the statutory auditors of the Company have carried out a review of the above unaudited standalone and consolidated financial results for the period ended September 30, 2020 and have issued an unmodified review report. The review report of the Statutory auditors is being filed with the Bombay Stock Exchange of India (BSE) and also is available on the Company's website.

*For and on behalf of the Board of Directors of
KFin Technologies Private Limited
CIN: U72400TG2017PTC117649*

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Date: 2020.10.22 21:32:41
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Sreekanth Nadella
Whole Time Director and Chief Executive Officer
DIN: 08659728

Place: Hyderabad
Date: October 22, 2020

B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City
Orwell, B Wing, 6th Floor, Unit - 3
Sy No. 83/1, Plot No. 2, Raidurg
Hyderabad - 500 081, India.

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Limited review report on the unaudited standalone financial results for the half year ended 30 September 2020 of KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

To

The Board of Directors of KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited)

1. We have reviewed the accompanying Statement of unaudited standalone financial results of KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) (“the Company”) for the half year ended and year to date results for the period from 01 April 2020 to 30 September 2020 (“the Statement”). Attention is drawn to the fact that the figures for six months period ended 31 March 2020 are the balancing figures between audited standalone figures in respect of the full financial year and the published unaudited year to date standalone figures up to half year ended 30 September 2019.
2. This Statement, which is the responsibility of the Company’s management and approved by the Board of Directors, has been prepared 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, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
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 Statement is 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the 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.

Limited review report on the unaudited standalone financial results for the half year ended 30 September 2020 of KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)

5. Emphasis of Matter

We draw attention to Note 6 of the Statement of unaudited standalone financial results for the half year ended 30 September 2020 regarding the amalgamation of Karvy Computershare Private Limited (KCPL) and the 'RTA Undertaking' of Karvy Consultants Limited (KCL) into the Company accounted for in the previous year with effect from 17 November 2018. In accordance with the scheme approved by NCLT the amalgamation had been accounted for as per Accounting Standard 14 - 'Accounting for Amalgamations'. Accordingly, all assets and liabilities of KCPL and of the RTA Undertaking of KCL had been recorded at their respective existing book values. The difference between the book values of the net assets so recorded and the consideration (being the face value of equity shares issued by the Company to the shareholders of KCL and cost of investment in equity shares of KCPL) amounting to INR 67,491.55 lakhs had been debited to Goodwill. This Goodwill is being amortised over a period of ten years as per the terms of the Scheme and is also tested for impairment every year. Such accounting treatment of this transaction is different from that prescribed under Ind AS 103 – 'Business Combinations' which became applicable to the Company from the year ended 31 March 2019 and which requires assets, liabilities and consideration to be measured at fair value and goodwill to be tested only for impairment. Since no evaluation of the fair value of assets, liabilities and consideration as at the date of the aforesaid amalgamation has been made by the management in view of the NCLT order referred to above, the impact of this deviation cannot be determined. The effect of the aforesaid deviation in the accounting treatment continues in the unaudited standalone financial results for the half year ended 30 September 2020.

Our conclusion is not modified in respect of this matter.

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

ARPAN

SHANTILAL JAIN

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Date: 2020.10.22 21:46:44 +05'30'

Arpan Jain

Partner

Membership Number: 125710

UDIN: 20125710AAAABB7755

Place: Hyderabad

Date: 22 October 2020

B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City
Orwell, B Wing, 6th Floor, Unit - 3
Sy No. 83/1, Plot No. 2, Raidurg
Hyderabad - 500 081, India.

Telephone +91 40 7182 2000
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Limited review report on the unaudited consolidated financial results for the half year ended 30 September 2020 of KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“Listing Regulations”)

To

The Board of Directors of KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited)

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the half year ended and year to date results for the period from 01 April 2020 to 30 September 2020 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 52 of the Listing Regulations. Attention is drawn to the fact that the figures for the six months period ended 31 March 2020 are the balancing figures between audited consolidated figures in respect of the full financial year and the published unaudited year to date consolidated figures up to half year ended 30 September 2019.
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared 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, and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
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. A review of interim financial information 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.
4. The Statement includes the results of the following entities:
 - a) KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited), Parent
 - b) KFin Technologies (Bahrain) W.L.L (formerly known as Karvy Fintech (Bahrain) W.L.L), subsidiary
 - c) KFin Technologies (Malaysia) SDN. BHD. (formerly known as Karvy Fintech (Malaysia) SDN. BHD.), subsidiary
 - d) KFin Services Private Limited, subsidiary
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Limited review report on the unaudited consolidated financial results for the half year ended 30 September 2020 of KFin Technologies Private Limited (formerly known as Karvy Fintech Private Limited) under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (continued)

6. Emphasis of Matter

We draw attention to Note 6 of the Statement of unaudited consolidated financial results for the half year ended 30 September 2020 regarding the amalgamation of Karvy Computershare Private Limited (KCPL) and the 'RTA Undertaking' of Karvy Consultants Limited (KCL) into the Company accounted for in the previous year with effect from 17 November 2018. In accordance with the scheme approved by NCLT the amalgamation had been accounted for as per Accounting Standard 14 - 'Accounting for Amalgamations'. Accordingly, all assets and liabilities of KCPL and of the RTA Undertaking of KCL had been recorded at their respective existing book values. The difference between the book values of the net assets so recorded and the consideration (being the face value of equity shares issued by the Company to the shareholders of KCL and cost of investment in equity shares of KCPL) amounting to INR 66,940.98 lakhs had been debited to Goodwill. This Goodwill is being amortised over a period of ten years as per the terms of the Scheme and is also tested for impairment every year. Such accounting treatment of this transaction is different from that prescribed under Ind AS 103 - 'Business Combinations' which became applicable to the Company from the year ended 31 March 2019 and which requires assets, liabilities and consideration to be measured at fair value and goodwill to be tested only for impairment. Since no evaluation of the fair value of assets, liabilities and consideration as at the date of the aforesaid amalgamation has been made by the management in view of the NCLT order referred to above, the impact of this deviation cannot be determined. The effect of the aforesaid deviation in the accounting treatment continues in the unaudited consolidated financial results for the half year ended 30 September 2020.

7. We did not review the interim financial results of the two subsidiaries included in the Statement, whose interim financial results reflect total assets of Rs. 1,325.16 lakhs as at 30 September 2020 and total revenues of Rs. 977.12 lakhs, total net profit after tax of Rs. 119.47 lakhs and total comprehensive income of Rs. 119.47 lakhs, for the period from 01 April 2020 to 30 September 2020, respectively as considered in the consolidated unaudited financial results. These interim financial results of the subsidiaries have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

8. The Statement includes the interim financial results of one subsidiary which has not been reviewed, whose interim financial results reflect total assets of Rs. 1 lakh as at 30 September 2020 and total revenue of Rs. Nil, total net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil for the period from 01 April 2020 to 30 September 2020 as considered in the Statement, based on the interim financial results which has not been reviewed. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matters.

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

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Date: 2020.10.22 21:45:46
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Arpan Jain

Partner

Membership Number: 125710

UDIN: 20125710AAAABC8775

Place: Hyderabad

Date: 22 October 2020

October 23, 2020

To
Corporate Relations Department,
The BSE Limited,
P J Towers, Dalal Street
Mumbai - 400 001

Dear Sir,

Subject: Declaration Pursuant to Regulation 52(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Unmodified Opinion.

Reference: Scrip Code: 958387

DECLARATION FOR UNMODIFIED OPINION

I, Venkata Satya Naga Sreekanth Nadella, Whole-time Director & CEO of KFin Technologies Private Limited (*formerly known as Karvy Fintech Private Limited*), having its registered office at Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India, hereby declare that the Statutory Auditors of the Company, namely, M/s B S R & Associates LLP, Chartered Accountants, (**ICAI Firm Registration Number: 116231W/W-100024**) have issued Limited Review Report on the unaudited financial results (Standalone and Consolidated) with Unmodified Opinion on financial statements for half year ended September 30, 2020.

This declaration is issued pursuant to Regulation 52(3) of the SEBI (LODR) Regulations 2015 as amended from time to time.

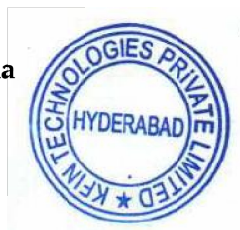
Thanking You,
Yours Faithfully,

**For KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)**

VENKATA SATYA
NAGA SREEKANTH
NADELLA

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SATYA NAGA SREEKANTH
NADELLA
Date: 2020.10.23 12:41:19 +05'30'

**Venkata Satya Naga Sreekanth Nadella
Whole-time Director & CEO
DIN- 08659728**



Verified by



**Alpana
Company Secretary and Compliance officer
M. No: F10191**

KFin Technologies Private Limited

(Formerly known as Karvy Fintech Private Limited)

Registered & Corporate Office

"Selenium Tower-B", Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032,
Telangana.

Ph. : +91 40 6716 2222, 3321 1000 | www.kfintech.com | CIN : U72400TG2017PTC117649

October 23, 2020

To
Corporate Relations Department,
The BSE Limited,
P J Towers, Dalal Street
Mumbai - 400 001

Dear Sir,

Subject: Declaration Pursuant to Regulation 52(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reference: Scrip Code: 958387

DECLARATION ON NO DEVIATION IN USE OF DEBT PROCEEDS

I, Venkata Satya Naga Sreekanth Nadella, Whole-time Director & CEO of KFin Technologies Private Limited (*Formerly known as Karvy Fintech Private Limited*), having its registered office at Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India, hereby declare that there are no material deviations / no deviations in the use of proceeds of issue of non-convertible debt securities from the objects stated in the offer document.

This declaration is issued pursuant to Regulation 52(7) of the SEBI (LODR) Regulations 2015 as amended from time to time.

Thanking You,
Yours Faithfully,

For KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)

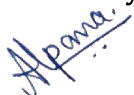
VENKATA SATYA
NAGA SREEKANTH
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Date: 2020.10.23 12:41:55 +05'30'

Venkata Satya Naga Sreekanth Nadella
Whole-time Director & CEO
DIN- 08659728



Verified by



Alpana
Company Secretary & Compliance officer
M. No: F10191

KFin Technologies Private Limited

(Formerly known as Karvy Fintech Private Limited)

Registered & Corporate Office

"Selenium Tower-B", Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana.

Ph. : +91 40 6716 2222, 3321 1000 | www.kfintech.com | CIN : U72400TG2017PTC117649