

KOVALAM INVESTMENT AND TRADING COMPANY LIMITED

REGD. OFFICE: PREMISES OSWAL WOOLLEN MILLS LTD, G.T. ROAD, SHERPUR, LUDHIANA-141003

November 12, 2020

Department of Corporate Relations,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

Scrip Code: 505585

Dear Sir / Madam,

Sub.: 1. Outcome of Board Meeting; Scrip Code: 505585

2. Un-Audited Financial Results for the Quarter and Half Year ended September 30, 2020

Please find below the outcome of the Board Meeting held today i.e. November 12, 2020. The said Board Meeting Commenced at 03:00 P.M. and Concluded at 04:30 P.M. on the same day.

Pursuant to Regulation 30 read with Part-A of the Schedule-III and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred to as "Listing Regulations"), please find enclosed herewith the Un-Audited Financial Results of the Company for the Quarter and Half Year ended on September 30, 2020, as reviewed by the Audit Committee and approved by the Board of Directors of the Company in their Meeting held on 12.11.2020 along with Statement of Assets and Liabilities as at September 30, 2020 and Cash Flow Statement for the half year ended on September 30, 2020.

The Limited Review Report issued by M/s. YAPL & Co., Ludhiana, the Statutory Auditors of the Company on the aforesaid Un-Audited Financial Results is also attached and taken on record by the Board.

Further, as required under regulation 47 of the Listing Regulations, the extract of the results are being published in the newspapers.

You are requested to kindly take the above on record and acknowledge the receipt of the same.

Thanking you,

Yours Truly,

For Kovalam Investment and Trading Company Limited


Jyoti Sud
Company Secretary and Compliance Officer

Encl: as above

KOVALAM INVESTMENT AND TRADING CO LIMITED

Regd. Office: Premises Oswal Woollen Mills Limited G.T. Road, Sherpur Ludhiana -141003 PB
CIN:L65910PB1981PLC023058, Ph.:+91-161- 5066605, www.ownmahar.com/kovalam, email:kovalam@ownmahar.com

Statement of Unaudited Financial Results for the Quarter and Half Year Ended 30/09/2020

(Rs in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Three Months Ended			Half Year Ended		Year Ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1	Income						
	(a) Interest Income	1.81	0.45	0.91	2.26	1.94	2.19
	(b) Dividend Income	-	-	1.34	-	1.34	19.67
	(c) Brokerage Income	10.77	5.82	7.36	16.59	16.63	32.97
	(d) Net gain on fair value changes	96.51	113.71	(69.23)	210.21	(76.90)	-
	(e) Other Incomes	0.04	-	0.07	0.04	0.07	0.06
	Total Income from operations	109.13	119.98	(59.55)	229.11	(56.92)	54.89
2	Expenses						
	(a) Finance expenses	-	-	-	-	-	-
	(b) Employee Benefit Expenses	2.51	1.23	3.09	3.74	6.18	12.36
	(c) Impairment on financial instruments	-	-	-	-	0.31	6.70
	(d) Net gain on fair value changes	-	-	-	-	-	242.91
	(e) Other expenses	2.56	4.76	4.38	7.32	9.50	24.04
	Total Expenses	5.07	6.00	7.47	11.06	15.99	286.00
3	Profit before Tax	104.06	113.98	(67.02)	218.05	(72.91)	(231.12)
4	Tax expense						
	(a) Current Tax	1.96	0.07	6.93	2.03	7.50	2.98
	(b) Deferred Tax	39.28	11.07	-	50.35	(0.86)	(55.00)
	(c) Earlier Years	-	-	-	-	1.23	(0.06)
	Total tax expense	41.24	11.14	6.93	52.38	7.87	(52.09)
5	Profit after tax	62.82	102.84	(73.95)	165.67	(80.78)	(179.03)
6	Other comprehensive income, net of tax						
	Items that will not be reclassified to profit or loss	(324.45)	549.61	(360.06)	225.17	(761.14)	(1,190.61)
	Total other comprehensive income, net of tax	(324.45)	549.61	(360.06)	225.17	(761.14)	(1,190.61)
7	Total comprehensive income	(261.63)	652.46	(434.01)	390.84	(841.92)	(1,369.64)
8	Paid up equity share capital (Face value : Rs.10/- per share)	222.39	222.39	222.39	222.39	222.39	222.39
9	Reserves excluding revaluation reserve as per balance sheet of previous accounting year						1,897.00
10	Earning per share (EPS)						
	Basic and Diluted EPS before extraordinary items						
	Basic	2.82	4.62	(3.33)	7.45	(3.63)	(8.05)
	Diluted	2.82	4.62	(3.33)	7.45	(3.63)	(8.05)

SEGMENT WISE REVENUE RESULTS AND CAPITAL EMPLOYED

Sl. No.	Particulars	Three Months Ended			Half Year Ended		Year Ended
		30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1.	Segment Revenue (Net sales / Income from each segment)						
	a) Investment & Finance	98.36	114.16	-66.91	212.52	-73.55	21.91
	b) Services (Brokerage)	10.77	5.82	7.36	16.59	16.63	32.97
	Total	109.13	119.98	-59.55	229.11	-56.92	54.89
	Less: Inter segment revenue	-	-	-	-	-	-
	Net sales / Income from operations	109.13	119.98	-59.55	229.11	-56.92	54.89
2.	Segment Results (Profit (+)/Loss(-) before tax and interest from each segment)						
	a) Investment & Finance	93.52	108.27	-74.08	201.79	-88.94	-262.89
	b) Services (Brokerage)	10.55	5.71	7.06	16.26	16.03	31.77
	Total	104.06	113.98	-67.02	218.05	-72.91	-231.12
	Less i. Finance Costs	-	-	-	-	-	-
	ii. Other un-allocable expenditure net off un-allocable income	-	-	-	-	-	-
	Total Profit (+) / Loss (-) Before Tax	104.06	113.98	-67.02	218.05	-72.91	-231.12
3.	Segment Assets						
	a) Investment & Finance	2,509.44	2,769.21	2,658.59	2,509.44	2,658.59	2,117.76
	b) Services (Brokerage)	3.32	3.74	2.78	3.32	2.78	3.14
	Total	2,512.76	2,772.95	2,661.37	2,512.76	2,661.37	2,120.90
4.	Segment Liabilities						
	a) Investment & Finance	2.53	1.10	14.26	2.53	14.26	1.51
	b) Services (Brokerage)	-	-	-	-	-	-
	Total	2.53	1.10	14.26	2.53	14.26	1.51



Notes: 1. Statement of Assets and Liabilities as on 30.09.2020

(Rs In Lakhs, unless otherwise stated)

S. No.	Particulars	As at 30.09.2020 (Unaudited)	As at 31.03.2020 (Audited)
A.	ASSETS		
(1)	Financial Assets		
	(a) Cash & Cash Equivalents	10.14	5.36
	(b) Loans	107.00	10.00
	(c) Investments	2,371.03	1,754.16
	(d) Other financial assets	1.74	-
	Total Financial Assets	2,489.91	1,769.52
(2)	Non-financial Assets		
	(a) Current tax assets (Net)	4.32	4.98
	(b) Deferred tax Assets (net)	12.96	338.30
	(c) Other non financial assets	5.56	8.10
	Total Non-Financial Assets	22.85	351.38
	Total Assets	2,512.76	2,120.90
B	Liabilities & Equity		
	Liabilities		
(1)	Financial Liabilities		
	(a) other financial liabilities	1.00	0.87
	Total Financial Liabilities	1.00	0.87
(2)	Non-financial Liabilities		
	(a) Provisions	0.27	0.03
	(b) other non-financial Liabilities	1.27	0.61
	Total Non-Financial Liabilities	1.54	0.64
	Total Liabilities	2.53	1.51
(3)	Equity		
	(a) Equity Share Capital	222.39	222.39
	(b) Other Equity	2,287.84	1,897.00
	Total Equity	2,510.23	2,119.39
	Total Liabilities and Equity	2,512.76	2,120.90

Notes: 2. Cash Flow Statement for the half year ended - 30.09.2020

(Rs In Lakhs, unless otherwise stated)

A	Particulars	For half year ended Sept. 30, 2020 (Unaudited)	For half year ended Sept. 30, 2019 (Unaudited)
	Cash flow from operating activities		
	Profit before tax	218.05	(72.91)
	Adjustments for:		
	Interest income Financials assets measured at amortised cost	(2.26)	(1.94)
	Dividend income classified as investing cash flows	-	(1.34)
	Provision for Standard Assets	0.24	-
	Profit/Loss on Sale of Investments	-	35.71
	Gain on equity instruments through other comprehensive income	(468.80)	-
	Fair value gain on investments	(210.21)	76.89
	Operating profit before working capital changes	(462.98)	36.41
	Movement in working capital		
	Decrease/(increase) in current assets	0.80	(1.02)
	Increase/(decrease) in current liability	0.78	8.68
	Cash used in operating activities post working capital changes	(461.41)	44.07
	Income tax paid (net)	(1.38)	(7.71)
	Net cash inflow from/ (used in) operating activities (A)	(462.78)	36.36
B	Cash flows from investing activities		
	Change in Loans and Advances	(97.00)	26.00
	Purchase of Investments	-	(1,027.74)
	Sale of Investments	93.50	953.16
	Interest received	2.26	1.94
	Dividend received	-	1.34
	Investments of equity instruments in other comprehensive income	468.80	-
	Net cash inflow from/ (used in) investing activities (B)	467.56	(45.30)
	Net increase (decrease) in cash and cash equivalents (A+B)	4.78	(8.94)
	Cash and cash equivalents at the beginning of the year	5.36	17.60
	Cash and cash equivalents at the end of the year	10.14	8.66



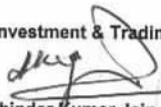
Notes:

- 3 The above Financial Results for the quarter and half year ended 30 September, 2020 have been reviewed by the statutory auditors of the Company and by the Audit Committee and taken on record by the Board of Directors of the Company in its meeting held on 12 November, 2020. The statutory auditors have expressed an unmodified conclusion of these results.
- 4 The above Financial Results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 (Ind AS-34) prescribed u/s 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
- 5 The financial results have been arrived after considering provision for standard assets as per RBI guidelines.
- 6 Impact of IND AS on the Fair value of unlisted shares is to be given on yearly basis as it is not possible to calculate the fair value on quaterly basis.
- 7 In March 2020, World Health Organization (WHO) had declared the outbreak of Novel Coronavirus "Covid-19" as a pandemic. This pandemic has severely impacted businesses around the globe. In many countries, including India, there has been severe disruption to regular business operations. Complying with the directives of Government, the offices of the Company had been under lock-down, resulting thereto, the operations for the six months period have been impacted. The company is monitoring the situations closely and the overall impact on the business of the Company will depend on future developments which cannot be reliably predicted.
Given the uncertainty of quick turnaround to normalcy, post lifting of the lock-down, the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in its ability to meet its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure.
Pursuant to the relaxed guidelines, the Company has now resumed its operations as allowed in keeping with Government advisories. Since the situations are continuously evolving, the impact assessed may be different from the estimates made as at the date of approval of these financial results and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary to address the situations.
The auditors have given an emphasis on this matter in their review report.

Place : Ludhiana

Date : Nov. 12, 2020

For Kovalam Investment & Trading Co. Ltd.


Mohinder Kumar Jain
Manager





YAPL & CO.

PAN : AACFL3265A

Ph. : 97805 58951

e Mail : yaplca.16@gmail.com

Chartered Accountants

102-Kismat Complex, G. T. Road,

Miller Ganj, LUDHIANA-141 003. (Punjab)

Ref. No.

Dated

LIMITED REVIEW REPORT

To The Board of Directors,
Kovalam Investment and Trading Company Limited

We have reviewed the accompanying statement of un-audited financial results of **M/s. Kovalam Investment and Trading Company Limited** for the quarter and half year ended **30th September, 2020** being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including relevant circulars issued by the SEBI from time to time. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. 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 is substantially less than the audit conducted in accordance with the standards on Auditing Specified under section 143(10) of the Act, 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.

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 applicable accounting standards i.e. Ind AS 34 as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under or by the Institute of Chartered Accountants of India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI(Listing Obligations and





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YAPL & CO.

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Miller Ganj, LUDHIANA-141 003. (Punjab)

Ref. No.

Dated

Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

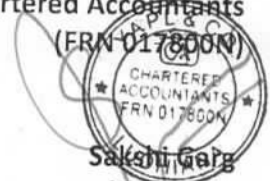
We draw attention to Note 7 of the statement, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our conclusion on the Statement is not modified in respect of this matter.

Place : Ludhiana

Dated: 12 November, 2020

For YAPL & Co.
Chartered Accountants

(ERN 017800N)



Sakshi Garg
(Partner)

M.No. 553997

UDIN: 20553997AAAAEP2274